

EC443 WINNIE MADIKIZELA – MANDELA LOCAL MUNICIPALITY



EC-443 ANNUAL REPORT FOR 2022/2023 FY

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1. MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

1.1 Component A: Mayor's Foreword

Our municipality enhanced its strategic planning alignment through the introduction of the District Development Model (DDM) and functional Intergovernmental relations system to ensure alignment with Provincial development plans and the Alfred Nzo District development plans. The improved development planning alignment and implementation makes me proud present the record of our annual work during the past financial year (2022/23). This reported service delivery work was made possible through collaboration with the community of Mbizana and all the stakeholders. This is a record of service delivery activities undertaken during the period starting on the 01 July 2022 to the 30 June 2023. The highlights of work done on our key service provision work is summarised below: -

- We constructed 12.6 new kilometres of access roads;
- We maintained 169.2 kilometres of access roads;
- We provided electricity to 652 rural households that did not have electricity before;
- We managed to complete one of our major Multi-year projects, Mphuthumi Mafumbatha stadium upgrade;
- We trained and supported 41 local farmers;
- We provided 4216 indigent households with Free Basic Energy & 2646 Free Basic Alternative Energy;
- Collected refuse from 1362 households and businesses; and
- We created 292 EPWP opportunities as we continue to fight poverty.

The Municipal Council approved Integrated Development Plan (IDP) and the supporting implementation plans being the Budget and Service Delivery and Budget Implementation Plan (SDBIP), we ensured that our IDP is aligned to the Eastern Cape Provincial Growth & Development Plan (PGDP) priorities. This report further gives a detailed progress undertaken in correcting areas of poor performance as indicated in the IDP and the previous Annual Report. The municipality has made significant progress in providing basic services to all 32 municipal wards constituting our municipality, this happened with the support of other organs of state at provincial and national government. This positive progress in providing services to our community was confirmed by Stats SA through the census report they issued during the year.

The Municipal Council is determined to progressively extend the provision of basic services to all municipal wards, villages and household in accordance with applicable laws and municipal By-laws. The major challenge that we continue to face is that of improving the state of our rural access roads to a level far beyond what we have achieved. Our progress in this regard gets limited by a huge backlog on roads maintenance which is exacerbated by the topography, climate change coupled with heavy rains and limited funding. However, the municipality is progressively increasing work efficiencies of our roads maintenance machinery in order to respond faster. We worked very hard on roads and bridges rehabilitation works following the April 2022 terrestrial rains that caused extensive damages to many of our roads, destroyed people's houses and destroyed farmers crops and livestock. To this end, I wish to

thank CoGTA and National Treasury for allocating us disaster funding during this in order to ensure speedy rehabilitation of roads and bridges.

The municipality has seen better collaboration with all our customers, residents and rate-payers association in ensuring progress in our town and rural villages. I wish to thank our customers and rate-payers for continuing to pay their municipal service bills against the harsh economic conditions we all face as South Africans. I want to assure you that we are equally doing our best in ensuring proper and valuable usage of every rand at our disposal for social and economic growth of our communities.

We continuously improve our public participation mechanisms in order to ensure that all community members across the age divide are able to talk to us. We have improved our social media platforms and municipal website for the benefit of the public, we have improved our response time to encourage and nurture communication. The Mayor and the Executive Committee members participated in radio slots such as "Talk to your Mayor/ Councillor" programme meant to inform and get the views of the community on how best to inform them about the work done by the municipality and the entire government. We truly appreciate the cooperation received from all our 32 Wards, our public participation mechanisms were indeed successful, educating and rewarding. We managed to conduct our Mayoral Imbizo programme in an effort of ensuring people participation in the affairs of the municipality and to report progress on government projects and programmes. The Mayoral Imbizo meetings are receive further community development needs and get feedback on the quality of services the municipality provides, this improves our Back2Basics programme.

The Municipal Council reiterated its resolve to enhance electricity connections to the remaining un-electrified households. This we will do by also introducing an improved solar power system to the a few areas that are still not connected to the grid system. We are glad to report that all wards and municipal villages do enjoy some form of electricity supply. We are aware of the new extensions and settlements that do not have electricity services, we are working hard to ensure supply within the next few financial years.

We are working hard with our development partners and stakeholders in implementing the resolution of the Municipal Council to improve our work on the local economic development programme and projects in order to fight poverty and unemployment in our community. We are continuing as recorded in this report to implement the good lessons learnt through our participation in an international programme called Building Inclusive Green Municipalities (BIGM) as was facilitated by South African Local Government Association (SALGA). Federation of Canadian Municipalities (FCM) and the government of Canada. We have undertaken focused implementation of the manufacturing hubs programme with the support funding from National Treasury. The manufacturing hubs programme is meant to ensure improved productivity at our various wards, we have reported on the specific projects that we continue to support for economic development, poverty alleviation and reducing unemployment levels. This report further records work done in developing small agro-processing plants within our municipality in an effort of ensuring food security and economic growth.

In conclusion, we know the difficulties faced by our communities and we are responding to the best of our ability, this annual report is our recorded evidence. We are determined to do more through partnerships with our communities, development partners and funders. We are determined to improve our access roads that are continuously damaged by heavy rains, we intend introducing new roads technologies that will be designed to withstand the current weather conditions.

We are continuously improving our institutional systems and reporting obligations in line with the expected legal prescripts, our Unqualified Audit Report (Clean Audit) from the Auditor-General bears testimony.

We are privileged and honoured to serve you!!



Cllr YD Mafumbatha
Honourable Mayor

1.2 Component B: Municipal Manager's Foreword & Executive Summary

a) Municipal demographics overview

Our municipality falls under the Alfred District Municipality in the Eastern Cape Province, it covers an area of 2806 km² with 32 municipal wards. The municipality is 98% rural with a population of 319 943 people (StatsSA: CS: 2016). The Municipality is characterized by the youthfulness of its population with 47% of the total population less than 35 years of age and 48% of the population economically active. Consistent with the national trends, 55% of the population is women. The statistics tells us that we have to develop policies and programmes that will address the plight of the young people and women.

b) Good governance and Intergovernmental relations

The current Municipal Council is composed of 64 councillors from eight (8) political parties. The Municipal Council at its meeting in May 2022 approved a revised Integrated Development Plan (IDP) for implementation, the approval was done after extensive consultation with internal and external stakeholders. The IDP as the strategic plan for development informs the Municipal Budget and the annual Service Delivery and Budget Implementation Plan (SDBIP). The planning and implementation processes are guided by the assigned Powers & Functions of our municipality, which are listed below:-

Function	ANDM	WMM LM	Implementation Status	Challenges
Schedule 4 Part B				
Air pollution	X	N/A	N/A	N/A
Building regulations		X	By law under review as there were gaps identified during implementation	Illegal buildings due to non-compliance with approved building plans
Child care facilities		X	Progressing fairly	Keeping up with demand from communities
Electricity reticulation	X	X	Progressing well	Limited funds to
Firefighting Services	X	X	Vehicles and staff deployed by the DM	Vastness of wards and roads conditions in some areas
Local tourism	X	X	Progressing well	N/A
Municipal airports	X		N/A	N/A
Municipal planning	X	X	Progressing well	N/A
Municipal Health Services	X		N/A	N/A
Municipal Public Transport		X	Not implemented	Limited funding
Pontoons and Ferries	X		N/A	N/A
Storm water		X	Progressing	Limited resources
Trading regulations		X	By law gazetted and implemented	Rapid growth of traders within limited space
Water (potable)	X		N/A	N/A
Sanitation	X		N/A	N/A
Schedule 5 Part B				
Beaches and amusement facilities		X	Progressing	Seasonal operation and access due to roads leading to these facilities
Billboards and the display of adverts in public places		X	By law gazetted	Illegal billboards
Cemeteries, Crematoria and funeral parlours		X	One operating cemetery	Limited space
Cleansing		X	Progressing well	Currently utilising unlicensed dumping site
Control of public nuisances		X	By law gazetted and implemented	N/A

Function	ANDM	WMM LM	Implementation Status	Challenges
Schedule 4 Part B				
Control of undertakings that sell liquor to the public		X	Bylaw in process of promulgation	No by law in place which has resulted in illegal liquor trading especial in rural areas
Facilities for the accommodation, care and burial of animals		X	By law gazetted and service provider appointed to undertake removal and burial of animals	Removal of fencing along the main roads resulting to stray animals.
Fencing and fences	X		N/A	N/A
Licensing of dogs		X	Bylaw gazetted	Illegal keeping of dogs
Licensing and control of undertakings that sell food to the public		X	By law gazetted	Non-compliance by traders with by law provisions
Local amenities		X	Progressing well	N/A
Local sport facilities		X	Progressing at slow pace due to limited resources	Maintenance of facilities and lack of ownership by communities
Markets		X	Temporal market place operational	Unavailability of space/land
Municipal abattoirs		X	Currently performed by DM	N/A
Municipal parks and recreation		X	1 park in town	Unavailability of space/land
Municipal roads		X	Progressing with back log	Maintenance of constructed roads
Noise pollution		X	By law gazetted and	Difficulty in implementing the bylaw due to cultural practices
Pounds		X	Animal pound operational	N/A
Public places		X	Non available	N/A
Refuse removal, refuse dumps and solid waste disposal		X	In progress	Operating unlicensed dumping site
Street trading		X	Issuing of trading licencing progressing	Number of traffic wardens to keep up with the number of street vendors
Street lighting		X	Progressing	N/A
Traffic and parking		X	In progress	Increasing volume of motor vehicles in town
Disaster Management	X	X (Devolv ed Functio n)	Disaster management plan developed and adopted	Community understanding of disaster terms

This Annual Report for 2022/2023 presents work done during the financial year in implementing the assigned Powers and Functions as listed above. We can confirm to the community and readers of this report that we did all possible within the limits of the resources available to implement our legal mandate. We implemented the priorities of the community under the guidance of the Municipal Council approved IDP. We enjoyed better coordination and support of sector departments and State-owned entities through the revival of the Intergovernmental relations (IGR) and the District Development Model (DDM). We witnessed improvements in our IGR systems through enhanced projects planning, implementation and reporting. We have implemented enhanced public participation mechanisms in order to ensure vibrant community participation especially the youth and women who are the majority victims of poverty and unemployment.

c) Local Economic Development

Our main economic drivers as prioritised in the LED strategy are agriculture, tourism and mining and all require extensive investment for improved development and productivity. We have implemented various interventions in support of Small, Medium and Micro Enterprises (SMME) development and continued to maintain functional LED forum, Local Tourism Organisation and Annual business conference programme for information sharing, capacity development and marketing. The Municipality in collaboration with other key stakeholders supported SMMEs in all sectors through provision of training, funding, marketing, and creating access to markets and information. The Municipality has also assisted SMMEs to apply for government support funds for the sustainability of the small business sector, this report records interventions made in support of SMMEs. Our sectoral economic plans as revised and approved by Council also seek to attract and retain investors to invest in Mbizana for sustainable development and job creation. There are compounding environmental challenges coupled with lack of internal capacity to undertake key responsibilities in terms of our powers and functions. It is worth mentioning that the legislated powers and functions meant to improve socio-economic growth are being satisfactory implemented though experiencing weaknesses that require continuous improvement through sustained support.

The municipality has progressed in implementing the signed Memorandum of Understanding (MoU) with Ray Nkonyeni municipality in KwaZulu Natal Province. This MoU is on sharing best practices and acting collaboratively on the identified LED initiatives which include business licencing and business incubation. The municipality has continued to implement lessons learnt during a three (3) year partnership with Strathroy-Caradoc Municipality of Canada through the facilitation and the support of the South African Local Government Association (SALGA) and the Federation of Canadian Municipalities (FCM). The main objective of development partnerships is to enhance Local Economic Development with special emphasis on the most vulnerable groups such as the youth, women and people with disabilities. The municipality continues to progressively implement three identified projects for Building Inclusive Green Municipalities (BIGM) being the LED Institutional development; Business Incubator programme and Replication of the Rural economic Development Hub (the agro-processing initiative).

d) Institutional Development & Transformation

The municipality conducted an extensive review and thereafter approved all necessary institutional policies meant to ensure compliance with laws and regulations as well as to ensure business controls. All the sub-structures of the Municipal Council have Terms of Reference (ToR) that are approved and maintained relevant. The main Council sub-structures include the Ward Committees in each ward, the Executive Committee (the principal committee of Council), Municipal Public Accounts Committee, the Audit Committee, standing committees covering all Key performance areas and administrative departments. Ward Councillors are chairpersons of ward committees which are responsible for discussing local development issues and concerns. The Municipal Council meets at least once a quarter to consider recommendations from the Executive Committee and/or the Standing Committees through the Executive Committee report that gets tabled at Council by the Honourable Mayor. The Executive Committee meets

on a monthly basis to consider matters tabled to it by the Municipal Manager together with the management team.

The Organisational Structure for 2022/2023 was designed to achieve the strategic objectives of the municipality and was aligned to the 2021 Municipal Staff Regulations as issued by the Minister of Cooperative governance and Traditional Affairs and adopted by Council with a total of 282 positions and 243 positions filled and 39 vacant positions. The administration is clustered into six areas of service delivery or departments. There are five Section 56 Managers reporting to the Municipal Manager, all posts are filled on a permanent based employment contract. All senior managers meet the minimum competency requirements as prescribed by National Treasury and CoGTA.

The municipality has developed, adopted and is implementing a skills plan and an equity plan to guide our capacity building and training interventions. All the necessary policies guide the functioning of the municipality and the implementation of priorities by the workforce.

e) Financial Viability and Management

Our municipality is one of the rural municipalities with a small revenue base generated largely from the only one small urban area comprising of the town and surrounding urban settlements, this makes the reliance on government grants funding unavoidable. The 2022/23 Annual adjusted budgets were funded by both grant and own generated funding. We also report that the main budget together with the Adjustments budgets for the year were assessed by National Treasury as compliant and funded. The point about a limited revenue base is then demonstrated by the fact that of the total budget has only 16% of it as own funding and the remaining 84% as grant funding. However, due to three major projects that were implemented over the past three to four years, the municipality depleted its internal reserves at a time the revenue collection trends dropped due to the after effects of Covid19 and our struggling economy, this led to deterioration of our financial health. The municipality resolved on implementing a comprehensive revenue enhancement initiative coupled with an amnesty package for the identified categories and debtors age analysis. The municipality did not undertake any borrowings during the 2022/23 financial year and the near future but rather focus of implementing its revenue enhancement strategy.

The municipality has sustained operation of reliable accounting systems that are able to produce reports as and when they are needed. The current accounting systems have translated into Unqualified audit outcomes with no material findings over the past three years as improvements are done consistently. The improvements are both on accounting systems as well as the operational systems within the institution. The Budget and Treasury Office is established and is satisfactory staffed, and efforts are made to ensure that the finance personnel are trained on a regular basis to ensure that they are always informed of the changes that are happening within the local government financial management framework. The municipality is working hard to see more improvements in the management of public finances and public assets. The Auditor-General alerted the municipality to the concerning financial health as evidence by the declining revenue collection.

Risk registers were developed for all departments within the municipality detailing the risks identified on all the strategic objectives outlined in the Integrated Development Plan, root causes and the rating of the effectiveness of the existing internal controls for the risks identified was performed.

f) The top ten (10) risks faced by the municipality were identified:

1. Inability to reduce the backlog and constructing the required 32km access road;
2. Inability to rehabilitate the required 450km gravel access roads;
3. Inability to provide reliable provision of electricity to the required number of households;
4. Inability to provide sustainable municipal facilities;
5. Inability to grow and strengthen agricultural sector;
6. Inability to promote sustainable use of marine resources;
7. Inability to promote enterprise development;
8. Inability to reduce disaster risks;
9. Poor use of natural resources (Land, Marine, General); and
10. Inability to achieve competent workforce to achieve organizational objectives.

This report records all mitigating measures that have been effectively implemented and such has seen a reduction in the number of risks identified in our risk profile. However, the municipality is mindful of the fact that some of the risks identified are inherent to the nature of the functions performed.

g) Basic Service Delivery

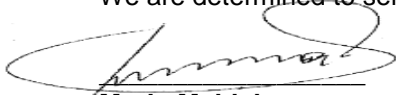
This report records service provision work done during the financial year, this is the functional area of work that creates value to the public whilst it also remains the most challenging in eliminating historical backlogs. The Alfred Nzo District municipality as a water services Authority and Provider has revived most of the water schemes in rural areas and plans are in place to reticulate water from the Ludeke dam. Our Water provision backlog is at 73.6% whilst that of Sanitation services provision backlog is at 27%. The urban households and all businesses (urban & rural) including rural business hubs receive refuse collection services from the municipality. Electricity backlog is currently sitting at 9701 (13%) households pending completion of the current running projects, however, we estimate an additional 16000 growth of households that need electricity due to new households and newly established villages/ extensions. About 28% of households have no access to any form of telecommunications system. Those who have access are largely assisted by cell phone connectivity which is often hampered by poor network and signal coverage in some of the rural areas.

The Municipal Infrastructure Grant (MIG) funding constructed and completed 12.6 KMs of new access roads at the end of the 2022/23 with a budget of R23 974 300.02. We have a high roads maintenance backlog due to topography and the effects of climate change that compels a recurring need for road

maintenance. The municipality has managed to maintain 169.2 KMs of gravel access roads during the financial year using internal roads machinery and external service providers.

We have improved provision of social amenities, community services, public health, improved road network, transport services, and social development services. The municipality does involve all sector departments' in the IDP Representative Forum and the Intergovernmental relations forum in order to integrate our infrastructure plans. This integration of work has led to notable improvement though more work still needs to be done in order to attain total alignment of work programmes/ projects. The municipality continuously updates its Comprehensive Infrastructure Plan in order to enjoy a responsive and well-coordinated infrastructure roll-out. The introduction of the District Development Model (DDM) as a government wide intergovernmental relations coordination mechanism promises better results in our public service function.

We are determined to serve our community better.



Mr. L. Mahlaka
Municipal Manager

2. The Municipal Context and Demographic Profile

Winnie Madikizela - Mandela Local Municipality (EC443) was established in terms of Section 155 (1) (b) of the Constitution of the Republic of South Africa. WMM LM is one of the four category B municipalities falls within the Alfred Nzo District Municipality (DC44). It is located within the Wild Coast Region of the Eastern Cape Province along R61 connecting kwaZulu Natal South coastal boundary to the N2 highway. To the west and south the municipality shares common boundaries with the Umzimvubu, Ntabankulu and Ngquza Hill local municipalities. The Mtamvuna and Mtentu rivers form the northern and southern boundaries of the municipality. Dominant land users within WMMLM are mostly rural with a large emphasis on subsistence agriculture in the interior and some tourism development along the coast. The natural environment in the coastal belt of the area is in an unspoiled condition and has exceptionally high conservation value. The conservation value of the inland areas is significantly lower than the coastal areas due to human activities.

2.1 Population Trends and Concerns

The total population of WMMLM has increased from 281 905 in 2011 to 350 000 in 2022. WMMLM accounts above 35% of the total district population which makes it the largest in population size within ANDM.

Population by Households Census 2011 – CS 2022			
2011		2022	
Total Households	48 446	Total Households	62 479
Average Household size	5,8	Average Household size	5,6

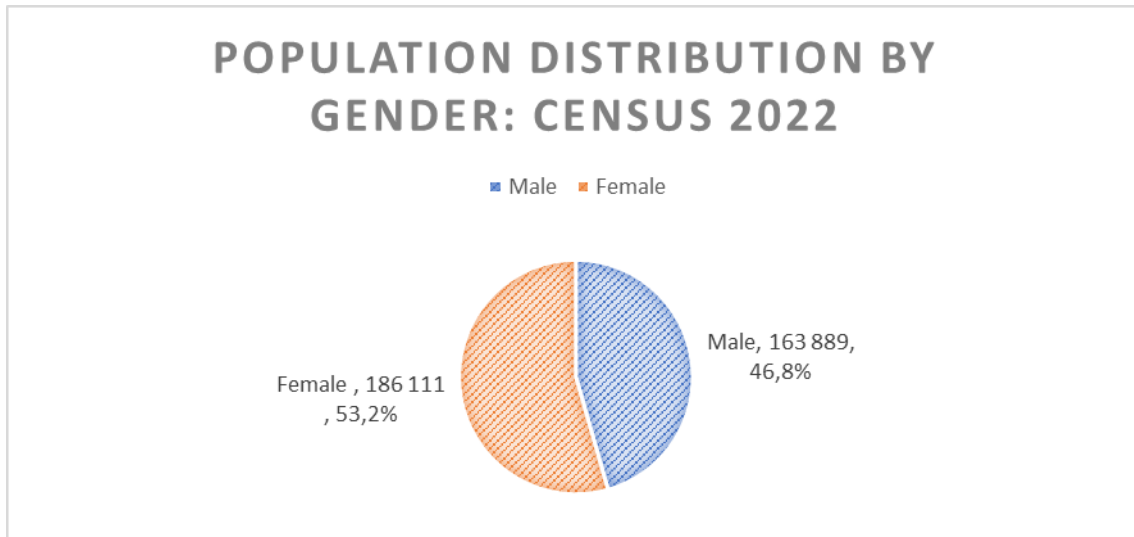
There are also factors such as migration of people into the municipality particularly in the urban area of Bizana for better employment opportunities and services this exacts pressure to the municipality as it has to increase its budget for service provision in town and mainly for indigent households. WMMLM is a boarder municipality, there has been also a great noticeable migration of young people to Kwazulu Natal for employment.

The table below illustrates population growth between 2011 and 2022 Census.

Population Trends Census 2011 – CS 2022							
Census 2011						Census 2022	
Total Population		Total (15-34years)		Youth Proportion	Persons aged 20 years completed grade 12	Total Population	
Male	128332	Male	43053	32,9	21278	Male	163 889
Female	153573	Female	49789			Female	186 111
Total Population	281 905	Total Youth	92842			Total Population	350 000

2.2 Gender Distribution

The **Census 2011 and Census 2022 by Stats SA** simultaneously indicates the population of Mbizana is dominated by females at about 53.2% of the total population compared to 46.8% of males. The table below shows that about 186 111 (53.2%) of the total population of Mbizana is women against 163 889 (46.8%) which are males: C 2022.



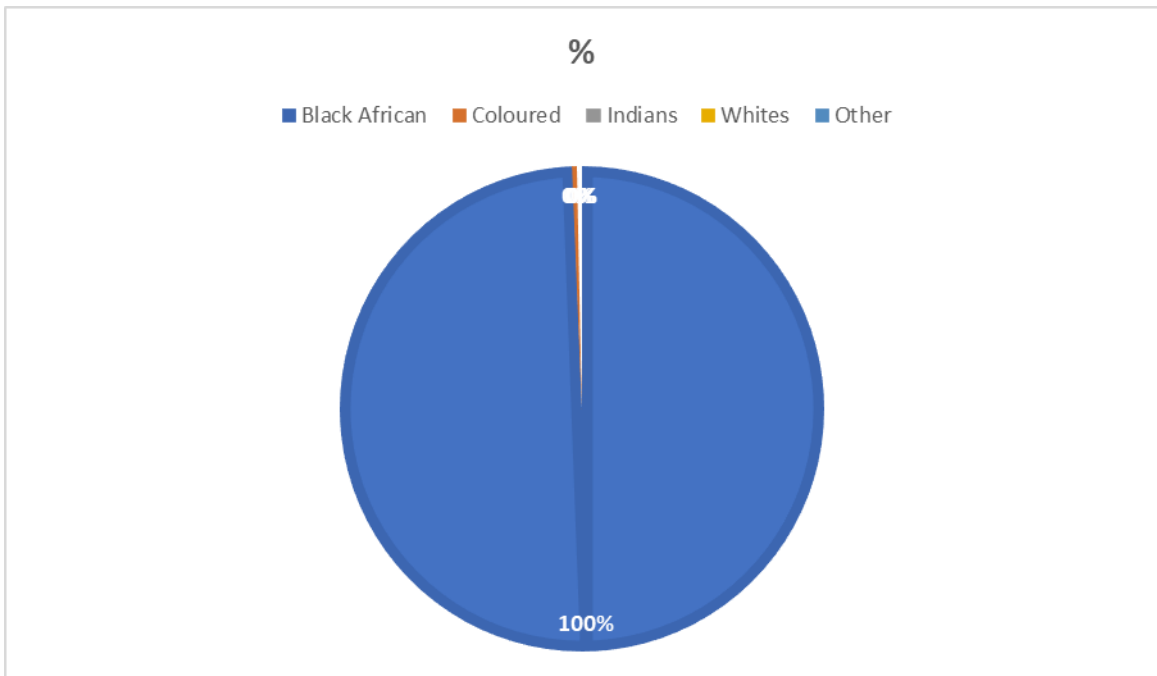
This indicates that there should be dedicated programs of integration and incorporation of women in key planning and decision-making roles of the municipality. Moreover, there is need for consideration of the following

- ⇒ Promoting participation of women in policy making and development.
- ⇒ Ensure involvement of women in economic development activities.
- ⇒ Improving women's earning power and reducing vulnerability of women to poverty.

The following table indicates that according to census of 2022 by Stats SA about 123 567 of the total population is the youth ages between 15 to 34 years, of which 53.2% are women against 46,8% which are male.

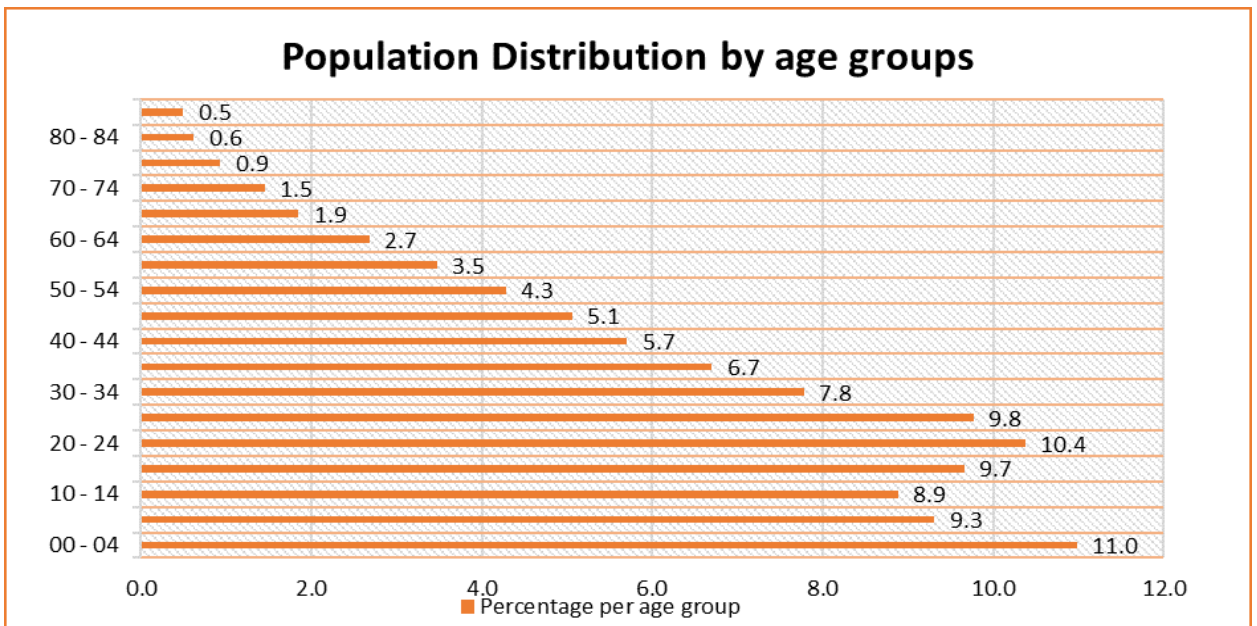
2.3 Population Distribution by Race

The largest population group in Mbizana is Black Africans at 99,4% of the total population followed by Coloureds at 0,3%, Indians / Asians at 0,1 %, Whites at 0, 1% and others at 0, 1% as demonstrated in the chart below:-



2.4 Population Distribution by age groups

The age profile below shows that approximately 66% of Mbizana population is young people between 0 to 34 years old. These population trends oblige government in all levels to ensure that a large percentage of the budget is allocated to youth development and learner support programmes in order to deal with the needs of this majority section of our populations. The elderly people age group 60 and over accounts for 5,2% of the total population.



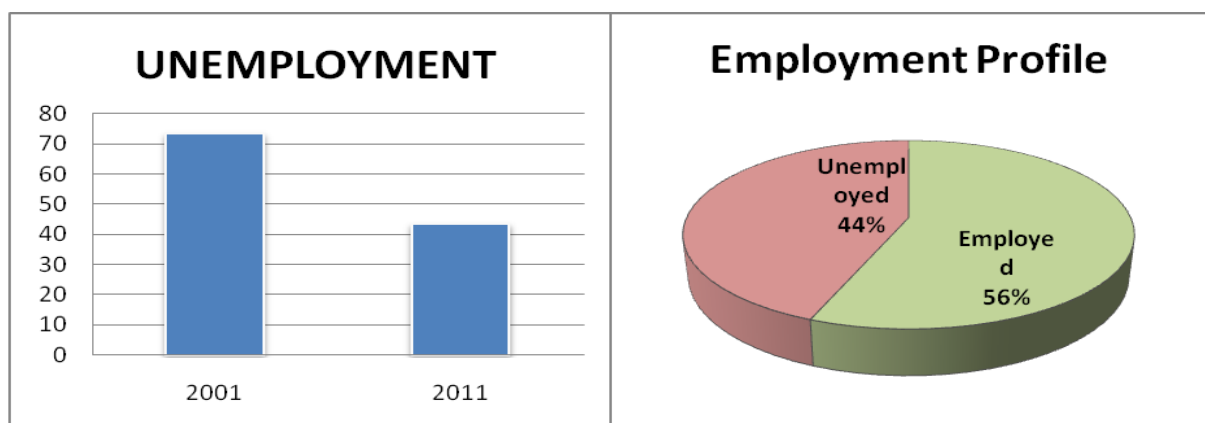
2.5 Educational Profile and Literacy Levels

Education plays a fundamental role in community development as it provides a set of basic skills for development, creativity and innovative abilities within individuals. The South African Constitution states that everyone has a right to education. Educational levels for Mbizana are low with less than 50% of people attending at pre-school, primary schools and secondary school level. Only few people attend post matric studies and that calls for the government to have enough resources allocated for education as primary factor.



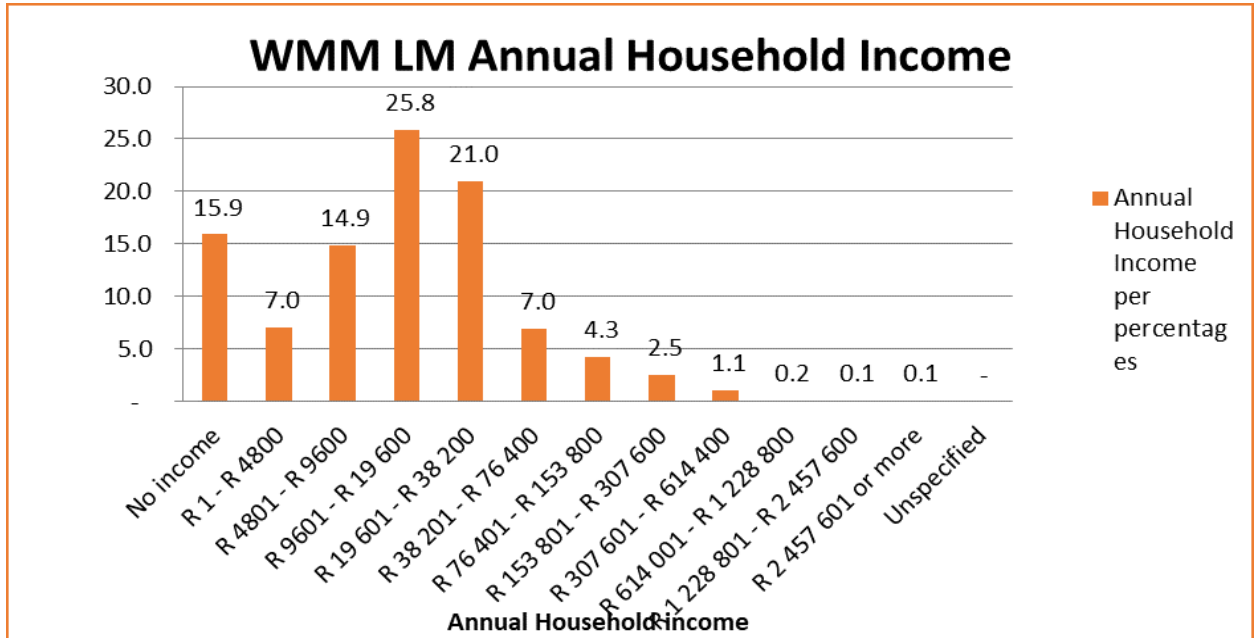
2.6 Employment Profile

The employment profile of WMMLM shows that unemployment rate declined between 2001 and 2011. In 2001 unemployment was 73.5% which dropped to 44% in 2011. Likewise, figure shows that people who were employed in 2011 were 56% compared to 44% of unemployed. This indicates that Mbizana has made significant strides in creating new job opportunities.



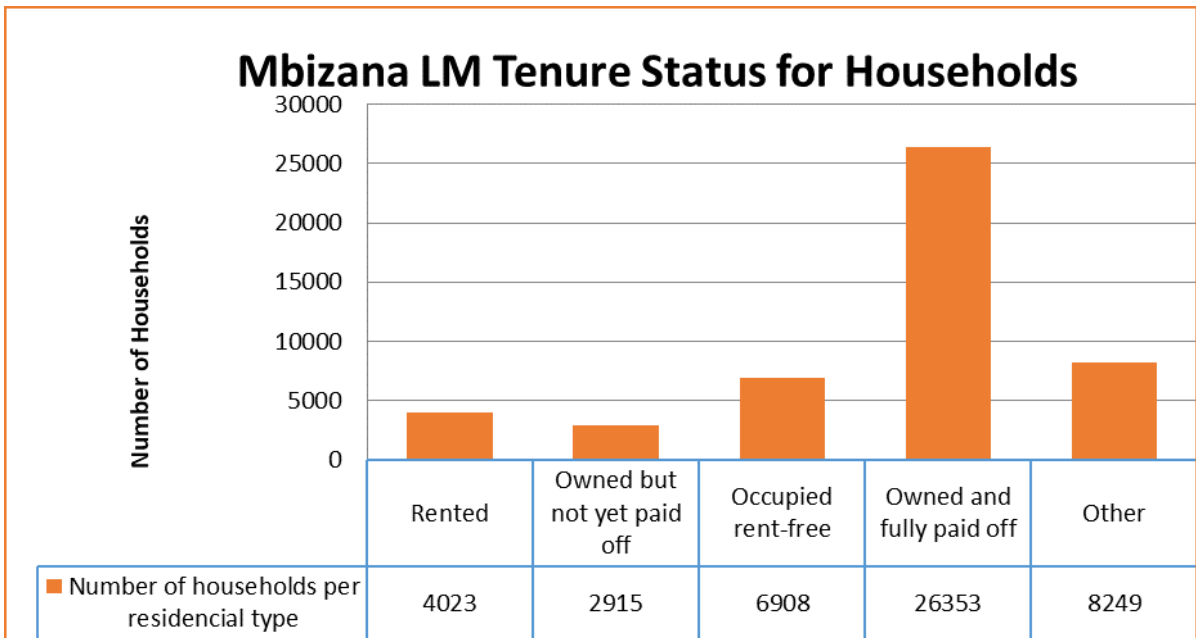
2.7 Household Distribution by Annual Income

According to Census 2011 by Statistics South Africa, approximately only 15,9% of people have no income and that shows another improvement as compared to 2007 community survey where 76% of the total population had no income. As shown in chart below the highest number of population which is at 25,8 is earning between R9 601 – R19 600 and the lowest number of population which is 0,1% is earning R2 457 601 or more.

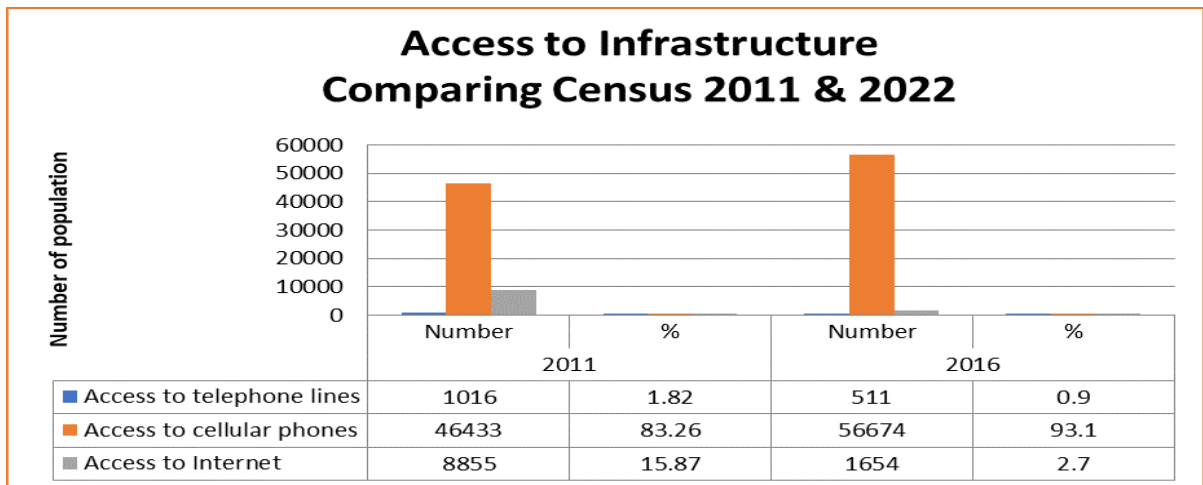


2.8 Tenure Status

There are different tenures within the municipality. However, it is encouraging that the majority of households either own or have paid off their houses. by 2022, the number of households that owned and fully paid off their houses were 54,4%. This is encouraging houses are regarded as an asset for households.



2.9 Household Access to infrastructure services



According to 2022 Census, the majority of the total population of Mbizana depends on cellular phones for tele – communication and internet access as only 0,9% of the population have access to telephone lines and only 2,7% have access to internet services. The graph below illustrates the comparison between 2011 and 2022 Census

3. Auditor General (SA) report for the year ended 30th June 2023

Report of the auditor-general to the Eastern Cape Provincial Legislature and the council on the Winnie Madikizela-Mandela Local Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Winnie Madikizela-Mandela Local Municipality set out on pages xx to xx, which comprise the statement of financial position as at 30 June 2023, statement of financial performance, statement of changes in net assets and statement of cash flows and statement of comparison of budget information with actual information for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Winnie Madikizela-Mandela Local Municipality as at 30 June 2023 and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 5 of 2022 (Dora).

Basis for opinion

3. 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.
4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter

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

Material impairments- receivables from exchange transactions

7. As disclosed in note 13 to the financial statements, the municipality reported a material impairment of R18,0 million (2022: R17,9 million) as a result of irrecoverable debtors.

presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.

16. I selected the following key performance area presented in the annual performance report for the year ended 30 June 2023 for auditing. I selected a key performance area that measures the municipality's performance on its primary mandated functions and that is of significant national, community or public interest.

Key Performance Area (KPA)	Page numbers	Purpose
KPA 1: basic service delivery	[XX]	The development priority is key to the core function of the municipality and service delivery within the municipality

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

18. I performed procedures to test whether:

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

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

20. I did not identify any material findings on the reported performance information for the selected key performance area: basic service delivery.

Other matter

21. I draw attention to the matter below.

Achievement of planned targets

22. The annual performance report includes information on reported achievements against planned targets and provides measures taken to improve performance.

Report on compliance with legislation

23. 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.

24. 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.

25. 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.

26. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

27. The accounting officer is responsible for the other information included in the annual 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.

28. 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.

29. 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 area presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

30. 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

31. 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.
32. I did not identify any significant deficiencies in internal control.

Auditor-General

East London

30 November 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 development priorities 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 [consolidated and separate] 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)
Municipal Budget and Reporting Regulations	Regulation 71 (1) and 71 (2)
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)
Municipal Property Rates Act 6 of 2004	Section 3 (1)
Municipal investment regulations	Regulations 3(1)(a) and 3(3), 6, 7 12(2) and 12(3)

Legislation	Sections or regulations
Prevention and Combatting of Corrupt Activities Act 12 of 2004	Section 34(1)
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: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations 17(2), 36(1)(a)
MSA: Disciplinary Regulations for Senior Managers	Regulations 5(2), 5(3), 5(6), 8(4)
MFMA: Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations 5(4), 6(8)(a), 6(8)(b), 10(1)
MFMA: Supply Chain Management Regulations, 2017	Regulations 5, 12(1)(c), 12(3), 13(b), 13(c), 13(c)(i), 16(a), 17(1)(a) Regulations 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a) Regulations 27(2)(e), 28(1)(a)(i), 28(1)(a)(ii), 29(1)(a), 29(1)(b) Regulations 29(5)(a)(ii), 29(5)(b)(ii), 32, 36(1), 36(1)(a), 38(1)(c) Regulations 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), 38(1)(g)(ii), 38(1)(g)(iii), 43 Regulations 44, 46(2)(e), 46(2)(f)
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)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations	Regulations 17, 25(7A)
Municipal Cost Containment Regulations, 2019	Regulations 5(1), 5(5)(f) MFMA 62(1)(a) / MFMA 78(1)(b) MFMA 95(a) / MFMA 105(1)(b)

CHAPTER TWO: GOVERNANCE

4. Component A: Political and Administration governance

4.1 Political Governance

Municipality is governed by council which has mandated the Executive committee to exercise oversight over the administration as well as the Speaker and the Chief whip overseeing constituency work.

Name of Councillor	Portfolio	Committee
Hon. Cllr T. D. Mafumbatha	Her Worship, the Mayor	Chairperson of Executive Committee
Cllr Z. Mhlwazi	The Speaker	Chairperson of the Council
Cllr M. Mbhele	Whip of Council	Council Whip
Cllr N. P. Mavundla	Chairperson	Municipal Public Accounts Committee (MPAC)
Cllr N Dlamini	Chairperson	Engineering Services
Cllr L.G. Mcambalala	Chairperson	Corporate Services
Cllr N. Madikizela	Chairperson	Budget and Treasury Office
Cllr Cllr L. Makholosa	Chairperson	Development Planning and LED
Cllr Y. Govana	Chairperson	Good Governance, SPU & IGR
Cllr N.M. Njomi	Chairperson	Community Services
Cllr N. Nxasana		Executive Committee Member
Cllr N. E. Cengimbo		Executive Committee Member
Cllr P.B. Majavu		Executive Committee Member

**WINNIE MADIKIZELA-MANDLELA
LOCAL MUNICIPALITY**



Leadership

TROIKA



Her Worship the Mayor
Cllr TD Mafumbatha



Hon. Speaker
Cllr Z Mhlwazi



Whip of the Council
Cllr M Mpetshwa

EXECUTIVE COMMITTEE



Cllr N Njomi
Community Services



Cllr N Madikizela
Budget and Treasury



Cllr L Mcambalala
Corporate Services



Cllr L Makholosa
Local Economic Development



Cllr S Madikizela



Cllr Y Govana
Good Governance



Cllr P Majavu



Cllr N Dlamini
Engineering Services



Cllr N Cengimbo

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4.2 Administrative Governance

At high level the municipality has six directorates each managed by a Senior Manager

Heads of Departments including Municipal Manager	
<p>Municipal Manager: Mr L. Mahlaka</p>	<ul style="list-style-type: none"> • Head of Administration and as accounting officer, takes responsibility of the overall performance of the organization, including: the transformation of the organization to one that is developmentally focused; • The development of an economical, effective, efficient and accountable administration equipped to carry out the task of implementing the municipality's Integrated Development Plan, operating in accordance with the Municipality's Performance Management System, responsive to the needs of the local

	<p>community to participate in the affairs of the municipality;</p> <ul style="list-style-type: none"> • Implementation of the Municipality's Integrated Development Plan and monitoring the progress with regard to implementing the plan; • Administering and implementing the Municipality's by-laws and other legislation; • Advising the political structure and political office bearers of the Municipality; • Rendering support to the office of the Mayor, Speaker and the Office of the Chief Whip.
<p>Chief Finance Officer: Mr. Z.A. Zukulu</p>	<ul style="list-style-type: none"> • Manages budget and treasury department • Implements integrated development plan and strategic goals of the budget and treasury • Provides support and advice to the Council and municipal manager • Implements service delivery budget implementation plan • Prepares and implement municipal budget • Prepares annual financial statements and other legislative financial management reports • Performs duties and functions delegated to CFO by the Finance Management Act • Manage efficient provision of municipal service • Establish, operate and maintain the support structures, processes and systems • Leads and directs staff in the department to ensure that they meet the objectives in line with the municipality's requirements and resources.
<p>Senior Manager Community Services: Mr S. Mtshengu</p>	<ul style="list-style-type: none"> • Ensures the development of appropriate Strategies, Policies and plans for all relevant areas • Directs the implementation of specific procedures, systems and controls associated with key functional areas embodied in the Community Services Departmental Structure • Provides Strategic leadership and planning for the department, Community development Management • Responsible for public safety, which amongst other things includes traffic management, security management and Law Enforcement. • Responsible Management of Community Facilities e.g. Community Halls, Cemeteries, Sports Fields, Libraries, and other Municipal properties. • Responsible for environmental management in general and the coordination of disaster management. • Coordinates and Monitors development of Sports , Arts and Cultural Programmes and development of social programmes • Alignment, creating awareness, capacity and relationship management in all stakeholder forums
<p>Senior Manager: Corporate Services: Mr Z. Gwala</p>	<ul style="list-style-type: none"> • Leading and directing the corporate Services Directorate • Ensures the Municipality is provided with an effective support services regarding corporate administration, human resources, information technology and legal services • Manages corporate administration functions which relate to the provision of record managements • Managing the directorates budget planning, implementation and budget review to support priorities and deliveries in the context of IDP

	<ul style="list-style-type: none"> • Advising the Municipal Manager timeously and effectively on matters pertaining the Directorate • Provides visionary and innovative leadership to diverse workforce, to ensure optimal utilisation of the Council's resources in terms of implementing its strategic objectives articulated in the IDP and in the fulfilment of its legislative mandate • Manages Human Resource portfolio in accordance with labour legislation and collective agreement
<p>Senior Manager: Development Planning: Ms N. Mafumbatha</p>	<ul style="list-style-type: none"> • Develops, co-ordinate and manage the operations of the planning and Development department, integrated Development Planning, Local Economic Development and Tourism sub-sections • Develops methodologies and approaches to guide specific urban design investigations and research processes • Manages developmental project management processes associated with scoping, resourcing, implementation, monitoring and communication • Manages the IDP implementation and review process, advise the Municipal Manager on planning and development matters • Prepares reports on the activities of the component, as and when required to do so.
<p>Senior Engineering services: Mr L. Gwala</p>	<ul style="list-style-type: none"> • Manages complex civil infrastructure project from conceptualization, design, contract management, quality assurance and compliance, and ensure their proper integration to the local municipality's overall plan (IDP) • Performs financial monitoring through commissioning, operations and maintenance to ensure effective and efficient functioning of the department within the budgetary constraints of the municipality • Provides professional advisory services to the municipality • Manages all the department's contracts and tenders according to the approval of SLAs, council requirements, ensuring adherence to the SLAs, terms of reference, letter of appointment and contracted project time lines as per specification • Ensures that projects reflecting to IDP are registered in accordance with CIDB requirements



SENIOR MANAGERS



Mr L. Mahlaka
Municipal Manager



MR Z. Gwala
Corporate Services



Mr Z Zukulu
CFO



Miss N. Mafumbatha
Development Planning



Mr L. Gwala
Engineering Services



Mr S Mtshengu
Community Services

4.3 Audit Committee Report for The Financial Year Ended June 2023

Audit Performance

I am pleased to present our report for the financial year ended 30 June 2023.

Audit committee members and attendance

The audit committee consists of the following members listed hereunder and should meet at least four (4) Times per annum as per its approved terms of reference. During the financial year, five (5) meetings were held.

Meeting date	03 August 2022	29 August 2022	28 October 2022	28 February 2023	29 May 2023	Total meetings attended
Type	Physically Ordinary	Virtual Special	Virtual Ordinary	Physically Ordinary	Physically Ordinary	
Mr. A.D. Gonzalves (Chairperson)	✓	✓	✓	✓	No longer AC member	4/4
Dr. T. Mjekevu	✓	✓	✓	✓	No longer AC	4/4
Ms. N.E Mungwane CA(SA) -	✓	✓	✓	✓	✓	5/5
Mr T Gwanya – Deputy	✓	✓	✓	✓	✓	5/5
Mr S Nelani	✓	✓	✓	✓	✓	5/5
Mr M Phesa					✓	1/1
Ms H Zantsi					✓	1/1

Changes in Audit Committee members

- Mr A.D Gonzalves and Dr TI Mjekevu contract expired on the 28th February 2023.

New appointments

- Ms H Zantsi and Mr M Phesa were appointed as new members in the committee on the 2nd May 2023
- Ms NE Mungwane was newly appointed as Chairperson of the committee on the 2nd May 2023
- Mr T Gwanya was newly appointed as Deputy Chairperson of the committee on the 2nd May 2023

Audit committee meetings

During the financial year under review the audit committee held its meetings as follows:

Meeting	Date	Type of meeting
1.	03 August 2022	Ordinary
2.	29 August 2022	Special
3.	28 October 2023	Ordinary
4.	28 February 2023	Ordinary
5.	29 May 2023	Ordinary

Audit committee responsibility

The audit committee reports that it has complied with its responsibilities arising from section 166 of the MFMA. The audit committee also reports that it has adopted formal terms of reference as its audit committee charter, has regulated its affairs in compliance with its charter and has discharged all its responsibilities as contained therein.

The effectiveness of internal controls

In line with the MFMA, the internal audit function provides the audit committee and management with assurance that the internal controls are appropriate and effective. This is achieved by means of the risk management process, as well as the identification of corrective actions and suggested enhancements to the controls and processes. From the in-year reports of the internal audit function, it was noted that there was an improvement within the municipality's control environment as compared to prior years.

The quality of the in-year management and monthly/quarterly reports submitted in terms of the MFMA, MSA, and the Division of Revenue Act improved in comparison to prior years. Management is encouraged to implement continual focus on the recoverability of outstanding statutory and trade receivables to avoid the potential burden on future cashflows from operating activities. Management must guard against individuals that may purport their indigent status to exploit the municipality and for this purpose the effectiveness of internal controls must be improved in terms of the recommendations of internal audit.

The audit committee recommends that management diligently implement preventative controls to ensure that compliance with year-end financial reporting GRAP standards is maintained to avoid potential material audit adjustments. Management is encouraged to sustain adequate and proper oversight over the effective implementation of preventative controls with respect to supply chain management to prevent unauthorized, irregular, and wasteful expenditure. It is further recommended that management continue to place acute focus on the preventative controls to ensure that the performance management in-year reporting is credible. Consequence management must continually be implemented to ensure that internal controls remain effective throughout the year.

Internal audit

The audit committee reviewed and approved the internal audit charter and the risk based annual Internal audit plan, evaluated the independence and effectiveness and performance of the internal audit function, and reviewed the work performed by internal audit on a quarterly basis and the implementation of internal audit recommendations.

The audit committee is satisfied that the internal audit function is operating effectively and that it has addressed the risks pertinent to the municipality. From the in-year reports of the internal audit function, it was noted that there was an improvement within the municipality's control environment as compared to prior years.

The following management disciplines were reviewed by internal audit during the year:

No.	Description
1.	Performance management
2.	Revenue management
3.	Expenditure management
4.	Governance
5.	Human resources management
6.	Supply chain management
7.	Bank and cash management
8.	Inventory management
9.	Technical Services (Infrastructure)
10.	Budget and Reporting
11.	Investigation of wasteful, fruitless, irregular and unauthorised expenditure
12.	Information Technology

13.	Annual Inventory Stock Count
14.	Asset management
15.	Year-end reporting: annual financial statements and annual performance report

The audit committee will continue to monitor implementation of management corrective action and the enhancement of the control environment in the 2023/2024 financial year.

The internal audit function played a critical role in assisting management in addressing findings related to its compliance reviews over supply chain management, revenue management, performance management and year-end financial reporting. The work of internal audit contributed to the clean audit outcome of the year under review. The audit committee recommends that management response to internal audit findings be completed in a timely manner.

The internal audit function maintained its independence and objectivity throughout the year under review.

Risk management

The audit committee recommends that a risk management official be recruited to carry out the function of risk management independently of the internal audit function. The Audit Committee will continue to exercise its advisory and oversight function in respect of risk management.

Performance management

The audit committee reviewed the in-year performance reports and performance results reported by management. Considerable improvements were noted in the effectiveness of the processes and the quality of information reported however room for improvement exists.

External audit: Auditor General of South Africa - (AGSA)

The audit committee reviewed, and discussed the audit report, management letter and engaged the Auditor General (South Africa) on the audit report and management letter. The audit committee is satisfied with the independence of the Auditor General (South Africa).

Evaluation of the annual financial statements

The audit committee reviewed and discussed the audited financial statements to be included in the annual report, with the Auditor General South Africa, reviewed the Auditor General South Africa's management report and managements responses thereto, reviewed the entities compliance with legal and regulatory provisions, and reviewed significant adjustments resulting from the audit. The audit committee concurs with and accepted the Auditor General of South Africa's audit report on the annual financial statements and is of the opinion that the audited annual financial statements should be accepted and read together with the report of the Auditor General of South Africa.

Conclusion

The clean audit outcome sustained by the municipality bears testament to the commitment of the Municipal Manager, the Chief financial officer, the internal audit function, management and staff on their diligent efforts, strong work ethic and the exercise of due care. The fruits of their labour over the past years are now being reaped. The audit committee is pleased with this and is optimistic that council and management will sustain this outcome into the foreseeable future. As a final recommendation to the incoming council, stability amongst senior key administrative positions should be preserved to sustain the clean audit outcomes in future years. The sustained clean audit outcome is a step closer to ensuring effective, fair, and transparent service delivery to the electorate. For this purpose, council and management must embrace this challenge and commit itself to sustaining the clean audit outcomes into the foreseeable future.

The audit committee expresses its gratitude to council, her worship the mayor, the chairperson of MPAC, the Municipal Manager, the Chief financial officer, senior management and the administrative staff and the AGSA for their outstanding commitment, purposeful efforts, and

cooperation with the audit committee throughout the year. The audit committee relies extensively on the work of internal audit. The work undertaken by internal audit has paid off. The audit committee expresses its gratitude to the Manager: Internal Audit and his team for assisting the audit committee throughout the year.



Ms N.E Mungwane CA(SA)
Chairperson of the Audit
Committee Date: 30/06/ 2023

4.4 Audit Committee Resolution Register 2022-2023

Item/Ref (minutes)	Internal Audit Report Ref	Resolution	Responsible official	turnaround time	Status	Management Comment	Internal Audit Input/comment	Audit Committee Input/comment
Minutes of the 03 August 2022								
2.8.1	Revenue Management	That Senior Manager: Engineering must report to the next audit committee meeting the internal controls in place to prevent the electricity distribution losses	Senior Manager: Engineering Services	3-Aug-22	Ongoing	Intensify disconnections to non paying consumers. Bulking on commercial buildings to minimise number of metering units and to charge for KVA on customers who are consuming more than 100 Amps.	Satisfactory	
3.8.1	Revenue Management	That CFO must present the closeout report in the next Audit Committee meeting in respect of the outcomes of those properties that were incorrectly billed	Chief Finance Officer	3-Aug-22	Closed	This was a financial system error that was confirmed to have been resolved with an update rolled out by Munsoft.	Satisfactory	
4.8.2	SCM	The management should consider using Internal Audit to give assurance to the adjudication reports	Municipal Manager	3-Aug-22	Open	Management is presently developing the implementation plan of this advisory resolution with effect from the 3rd		

Item/Ref (minutes)	Internal Audit Report Ref	Resolution	Responsible official	turnaround time	Status	Management Comment	Internal Audit Input/comment	Audit Committee Input/comment
		before the Municipal Manager sign the appointment letter for awarded service provider.				quarter of this financial year with infrastructure projects of 2023/24 FY.		
8	Fleet Management	Corporate services should implement accountability and there must be a formal document which will state the areas of work for the drivers so that there will be accountability amongst the drivers.	Senior Manager: Corporate Services	28-Oct-22	Closed	Drivers have clear job descriptions and are working in accordance with those	Satisfactory	
8	Fleet Management	Senior Manager Corporate services should update Fleet Management policy and include the Audit committee's recommendations	Senior Manager: Corporate Services	28-Oct-22	Closed	Fleet Management Policy has recently been adopted to include the recommendations.	Satisfactory	
8	Leave Management	Section Managers should regularly review attendance registers	Senior Manager: Corporate Services	28-Oct-22	Closed	Management regularly review attendance registers	Satisfactory	
8	PPE	Management should re-assess useful life after the Assets has fully recovered	Chief Finance Officer	28-Oct-22	Closed	This was done as part of the review of the FAR that is currently being audited	Satisfactory	
8	PPE	Management should put more controls when assets are approved for disposal as to what happens between the time of approval for disposal and the actual disposal.	Chief Finance Officer	28-Oct-22	Closed	These are kept on a separate register and verified quarterly until they have been disposed.	Satisfactory	

Item/Ref (minutes)	Internal Audit Report Ref	Resolution	Responsible official	turnaround time	Status	Management Comment	Internal Audit Input/comment	Audit Committee Input/comment
8	Revenue Management	The Internal Audit as part of consulting activity assist the CFO in designing the adequate controls around the electricity to prevent further distribution losses	Chief Finance Officer/Manager Internal Audit	November 2022	Closed	As part of accounting for distribution losses, check-metre have been procured and installed and is waiting for commissioning	Satisfactory	
8	Fleet Management	Audit Committee recommended that consequence management must be applied against officials that are found to be negligent causing undue damage from using municipal vehicle, costs be recovered from those affected officials after the investigation of the wasteful expenditure has been conducted.	Senior Manager: Corporate Services	November 2022	Ongoing	The recommendation has been noted. Once the cases of the similar nature occur the Corporate Service Department will investigate matter and disciplinary processes will be followed and consequences will be instituted against the perpetrators.	Satisfactory	
Minutes of the 29 August 2022								
5.1	AFS	The resolution of the council (that Mayoral Chain will no longer be reported as PPE but will be recognized as intangible asset and as such be included in the financial statements;	Chief Finance Officer	30-Aug-22	Closed	Management has disclosed Mayoral Chain as Heritage asset	Satisfactory	
5.1	AFS	The classification of intangible asset be included on the notes of the Annual Financial Statements.	Chief Finance Officer	30-Aug-22	Closed	Management has disclosed Mayoral Chain as Heritage asset	Satisfactory	

Item/Ref (minutes)	Internal Audit Report Ref	Resolution	Responsible official	turnaround time	Status	Management Comment	Internal Audit Input/comment	Audit Committee Input/comment
5.1	AFS	The Internal Audit to report together with final set of AFS and email them to the Audit Committee members prior to submission to Auditor General on 31 st August 2022.	Manager: Internal Audit	30-Aug-22	Closed	Internal Audit audited AFS before final submission to AG(SA) and was emailed to Audit Committee Members	Satisfactory	
Minutes of the 28 October 2022								
8(1)	Leave Management	Amount for leave taken without leave approval be recovered from the affected employee so as to prevent any financial loss to the municipality	Senior Manager: Corporate Services		Closed	The said leaves were captured as AWOL by the payroll office during reconciliation (attached are screenshots of system generated reports).	The matter was not satisfactorily closed. The management did not take disciplinary action against the employee in question	
8(1)	Leave Management	Internal audit should perform a verification test of accumulated leave balance at year end each year	Manager: Internal Audit		Closed	Internal audit unit will perform a verification test of accumulated leave balance as at 30 June 2023. The verification test report will be compiled and submitted to audit committee before the municipality submit final set of Annual Financial Statement to Auditor General on the 31 August 2023.	The verification test of accumulated leave balance was done in Quarter 1 of 2023-2024 prior submission of AFS. Leave Management report was issued to management	
8(2)	Overtime Management	Employee who fail to obtain approval prior to working hours that extend beyond their regular work hour and who fraudulent claim for overtime should be subject to	Senior Manager: Corporate Services		Closed	The affected employee has engaged with Payroll section and agreement reached to deduct the amount from employee's salary.	Subsequent inspection of payroll revealed that the amount was indeed deducted from the employee concerned	

Item/Ref (minutes)	Internal Audit Report Ref	Resolution	Responsible official	turnaround time	Status	Management Comment	Internal Audit Input/comment	Audit Committee Input/comment
		disciplinary action						
8(6)	SCM-Tenders	The matter should be forwarded to Council by the Accounting officer and proper investigations should be conducted	Accounting Officer		Closed	The management had cancelled the contract with the service provider concerned accordingly the Accounting officer has reported the matter to SAPS	Proof that the matter was reported to the police was received and reviewed by Internal Auditor	
8(6)	SCM-Tenders	In the next audit committee meeting internal audit should provide feedback as to whether the matter of MBD 6.1 signed after closing date has been dealt with by MPAC	Manager: Internal Audit		Closed	Internal audit unit has conducted its subsequent review in regards to raised finding where an awarded service provider's MBD 6.1 was dated after closing date of the advert.	Upon inspection and verification on the mail box, it was confirmed that YG Solutions bid documents were received on the 16th June 2022 at 16:44 and the MBD 6.1 in question was also part of those documents received on the 16th June 2022.	
8(3)	S&T	The accounting officer should assess the impact of S&T paid for non-official duty trip with respect to financial loss incurred by the municipality and should recover the set amount from affected employee. Disciplinary process should be done	Accounting Officer		Closed	The officer concerned has made arrangement with the municipality payback the money	Follow up by Internal Audit will be carried out regularly to validate the matter	

Item/Ref (minutes)	Internal Audit Report Ref	Resolution	Responsible official	turnaround time	Status	Management Comment	Internal Audit Input/comment	Audit Committee Input/comment
8(3)	S&T	Dismissal through termination of employment is recommended, should the municipal official who claimed S&T to attend an event in Alice found guilty.	Senior Manager: Corporate Services		Close d		The disciplinary hearing did take place and a sanction was issued to employee affected.	
8(3)	S&T	In the next ordinary meeting of the audit committee the Accounting officer or whoever he may delegate will present status report on the outcome of the actions undertaken in respect of resolutions.	Senior Manager: Corporate Services		Close d		The disciplinary hearing did take place and a sanction was issued to employee affected.	
8(5)	Cost Containment	The Accounting officer must provide a feedback in the next meeting on how the matter was dealt with in terms of the finding raised by internal audit and if the amount as per the finding contained in the internal audit report was subsequently recovered from the employee	Accounting Officer					
8(7)	Expenditure Management	It was recommended that with respect to the potential fruitless and wasteful expenditure in relation to Rates charged and paid but not appearing in pricing schedule and payment made for services not	Manager: Internal Audit		Close d	Internal Audit met with Acting Manager: ICT for further clarity on fees that being charged but not appearing on the pricing schedule of the service provider. During our discussion, the Acting Manager	Upon inspection of information submitted by the Acting ICT manager, it was established that rates charged were falling to the consolidated rate. The service provider	

Item/Ref (minutes)	Internal Audit Report Ref	Resolution	Responsible official	turnaround time	Status	Management Comment	Internal Audit Input/comment	Audit Committee Input/comment
		rendered, internal audit must go back and investigate to assist the potential of fruitless and wasteful expenditure incurred as a result of this particular contract and report the results of the investigations in the next audit committee meeting.				requested more time to make a follow-up on the raised findings as she was busy communicating with service provider who supplied such services as per invoice.	unblinded those rates and they were satisfactory to the Internal Audit to conclude that rates charged were indeed part of the pricing schedule	
Minutes of the 28 February 2023								
Item 1	Human Resource	It was recommended that Internal audit unit should perform a verification test of accumulated leave balance at year end each year.	Manager: Internal Audit	Jul-23	Close d	Internal audit unit will perform a verification test of accumulated leave balance as at 30 June 2023. The verification test report will be compiled and submitted to audit committee before the municipality submit final set of Annual Financial Statement to Auditor General on the 31 August 2023.	The verification test of accumulated leave balance was done in Quarter 1 of 2023-2024 prior submission of AFS. Leave Management report was issued to management	
Item 2	Human Resource	It was recommended that the amount for leave taken without leave approval be recovered from the affected employee so as to prevent any financial loss to the municipality	SM Corporate Services	Jul-23	Open			

Item/Ref (minutes)	Internal Audit Report Ref	Resolution	Responsible official	turnaround time	Status	Management Comment	Internal Audit Input/comment	Audit Committee Input/comment
Item 3	S&T	It was recommended that accounting officer should assess the impact of S&T paid for non-official duty trip with respect to financial loss incurred by the municipality and should recover the set amount from affected employee	Accounting Officer	Jul-23	Open	Management disagree with a finding, the regulation quoted is specifically referring to return trip which is not the same as stated, the municipal official was writing an examination in Supplier Relations and Whole Life Marketing Asset Management modules and examination dates were 11.07.2022 and 13.07.2022 and examination time is 12:00pm and 15:00pm respectively.	Management responses are not addressing the raised finding. Internal audit	
Minutes of the 29 May 2023								
Item 1	Expenditure Management (Advanced to driver)	1. Management must develop a policy or amend an existing one for advanced payments;	Chief Financial Officer	Sep-23	Closed	The management had opted to discontinue payment in advance and taken a decision that they will not develop the policy.	Internal Audit will continue with the reviews to test if there are advanced payments subsequent to this stance taken by management	
Item 2	Training & Development	It was recommended that review of training and development policy should be considered as there is a policy gap	SM Corporate Services	Sep-23	Open			
Item 3	None	If management disagree with the finding without providing evidence, the report will be taken as a final report	All Senior Managers	Sep-23	Ongoing	N/A		

Item/Ref (minutes)	Internal Audit Report Ref	Resolution	Responsible official	turnaround time	Status	Management Comment	Internal Audit Input/comment	Audit Committee Input/comment
Item 4	Social & Indigent Report	There should be capacity building for people who are capturing information onto the system relating to indigent beneficiaries;	SM Community Services	Sep-23	Open	The Municipality will get services of a service provider to verify the register that is about to be adopted by Council whilst the full electronic system is being considered for the next financial years.	Upon observation the advert sourcing out the services of the service provider was assued , closed and waiting for appointment	
Item 5	Infrastructure	It is recommended that Internal audit must conduct value for money reviews on infrastructure projects on an ongoing basis;	Manager Internal Audit	Jul-23	Ongoing	Internal Audit have included Infrastructure review in its Coverage Plan for 2023-2024 which will be audited bi-annually	Progress reports/ Infrastructure IA reports will be issued to audit committee	
Item 6	SCM Tenders (SP for Socio Economic Survey)	Municipal Manager, CFO and Manager: Legal services should work together to look at the matter of a service provider submitted fraudulent appointment letters and reference letters.	MM, CFO, Legal Advisor	Jul-23		The management had cancelled the contract with the service provider concerned accordingly the Accounting officer has reported the matter to SAPS	Proof that the matter was reported to the police was received and reviewed by Internal Auditor	

COMPONENT B

5. COMPONENT B - INTERGOVERNMENTAL RELATIONS

5.1 Intergovernmental Relations

As per the IGR Framework Act No 13 of 2005 is to establish the framework for the national government, provincial governments and local governments to promote and facilitate intergovernmental relations, to provide for mechanism and procedures to facilitate the settlement of intergovernmental disputes, and to provide for matters connected therewith. WMMLM developed and adopted IGR terms of reference during 2022/23 financial year which serve as a guideline for managing local intergovernmental relations for quarterly meetings were planned for the year and all four set, mostly all were in discussion of Integrated development planning matters. Challenges noted revolves around non-attendance by some senior managers both from the municipality and other government departments.

The Mayor of WMM local Municipality and the Municipal Manager participate in District Mayor's Forums and make inputs on issues Mbizana needs the attention of the District Mayors Forum. Issues discussed in the Mbizana IGR forum find expression in the DIMAFO agenda. Both the Mayor and municipal manager attend MUNIMEC meetings in which issues of relations across spheres of government are discussed

Except participation in Mbizana IGR forum relations of WMM local municipality with other social partners takes place through Operation Masipathisane at local war rooms. Here local sector departments and the municipality work together in facilitation of service delivery through joint problem solving. Some of the issues that face our Communities which are critical are in Education, Health, and Human Settlements.

COMPONENT C:

6. COMPONENT C - PUBLIC ACCOUNTABILITY AND PARTICIPATION

6.1 Public Meetings

The municipality has established 32 ward committee structures with 10 members per ward with the Ward Councillor being the chairperson (320 members) and administratively supported by councillor support assistants (32) and community development workers (CDW) 19 currently. Their function is to assist ward councillors in conducting village and ward meetings to ensure proper service delivery and dissemination of information within communities. All ward committee members were inducted on legislations governing the municipality, roles and responsibilities, municipal communications strategy, conflict management and Code of conduct of ward committees. Ward committee structures convenes monthly meeting with ward councillor as a platform to engage and discuss their respective communities needs from village level. They also organise participants and consult traditional leaders and other structures prior the public consultation meetings as part of deepening and strengthening public participation. Another structure at the ward level is the Ward War Room which is composed of

all stakeholders in a ward convened at least once a quarter being provided secretariat support by CDWs.

Round table meetings are held with CDWs each quarter to share municipal program and their role to play during those activities and crafting of activities to respond on the challenges discussed during round table meeting. The municipality uses IDP Representative Forum, Mayoral Imbizo, Roadshows, Public hearings, Radio slots, Municipality Facebook page as public participation platforms. The municipal council reviewed the public participation policy and was adopted on the 13 May 2022. Community education programs were conducted in 12 wards in strengthening the knowledge of communities in their role during consultative processes.

6.2 Public Comments from Mayoral Imbizo Held

Mayoral Imbizo program was held on the 08th of November 2022.

WAR D NO.	DATE	IDP & BUDGET RELATED COMMENTS	INCOMPLETE PROJECTS	GENERAL SERVICE DELIVERY COMPLAINTS
02	08/11/22	<ul style="list-style-type: none"> Nothing involves Nokhatshile clinic in the IDP. Ntamonde access road is still not on the IDP. 	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> None
23	08/11/22	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> RDP Houses were left with no roof, some were left with only the foundation 	<ul style="list-style-type: none"> None
24	08/11/22	<ul style="list-style-type: none"> Bulala to Mdatya access road in bad condition, clarity on the disaster funds meant to fix the road. The issue of the road being patched instead of rehabilitation. Clarity on the library issue in Ebenezer accessibility for community members as it is attached at school. 	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> NYDA is too far from WMMLM and the youth of Bizana is not benefiting from it. Recognition of small businesses Requested capacity building of small business owners
25	08/11/22	<ul style="list-style-type: none"> Mnyameni Bridge was done by community members, requested for intervention because it is not safe to use. Mtata to Moscow access 	<ul style="list-style-type: none"> Mtolani access road incomplete. Mtentu access road incomplete and it is very busy, as this is a tourism route, 	<ul style="list-style-type: none"> They were not aware of any data collectors in their area. Correspondences sent to the

		<ul style="list-style-type: none"> road not on the IDP. Xholobeni electrification 	khombe access road not complete	<p>Mayor's office by Amadiba crisis committee has not received any response after given 10 days.</p> <ul style="list-style-type: none"> Life guards in Mtentu work only in December, they requested that they be employed permanently.
30	08/11/22	<ul style="list-style-type: none"> Dutyini access road needs maintenance. 	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> None

6.3 Public Comments from IDP & Budget Roadshows

IDP & Budget roadshows from 19 to 21 April 2023

DATE	WARD	IDP & BUDGET RELATED COMMENTS	UNFINISHED PROJECTS	GENERAL SERVICE DELIVERY COMPLAINTS
19/04/23	03	<ul style="list-style-type: none"> Request for maintenance of Mbiba access road because it is damaged and worse than before due to heavy rains. Request for a mobile clinic in Mbiba, placed at Mbiba school because clinics are too far. Appreciation of the construction of Mwilini Zibanzini access road. Request for access road in Qhabangeni. Request for maintenance of Sithukuthezi and Nomathebe school roads. Mantshangase to Komkhulu is damaged and needs maintenance. 	<p>Community hall has no water tank, the toilets are in a terrible state. Request for intervention.</p>	<ul style="list-style-type: none"> Request for a shopping centre.
19/04/23	08	<ul style="list-style-type: none"> Request for maintenance of Galatyeni access road 	<ul style="list-style-type: none"> Request for completion of 	<ul style="list-style-type: none"> Request for a mobile clinic or

		<ul style="list-style-type: none"> • Freemantle to Spotini access road and Maphakathini school • Road to clinic, because there is a huge Hewu forest and people are being raped. • Request for Ntshikintshane Bhukuveni access road. • Mfolozi access road needs maintenance. Request for street lights. 	landfills because people are doing illegal connections.	<p>construction of a closer one.</p> <ul style="list-style-type: none"> • Houses were damaged by storm, request for progress to date after home visits. • Department of Agriculture to assist farmers in local offices, because walk-ins are not receiving any assistance. AB350 busses do not take people from Mfundisweni because it was blocked by taxi association
19/04/23	10	<ul style="list-style-type: none"> • . Lack of information given by councillors. • IDP is poorly publicised and should be taken to villages. • There should be a follow up done on completed projects to monitor functionality. • EPWP employees are not doing their job and the program is not serving the purpose. 	<ul style="list-style-type: none"> • None 	<ul style="list-style-type: none"> • Unemployment rate is too high but people above the age of 40 are not considered for employment and they do not have funds to rehabilitate their small gardens. • Request for scholar transport because of the long distances to schools. Request for services on wheels to access grant payments in villages.
19/04/23	11	<ul style="list-style-type: none"> • Request for Phakethe to Madada access road <ul style="list-style-type: none"> • Requested for skills development centre in Madada. 	<ul style="list-style-type: none"> • None 	<ul style="list-style-type: none"> • None
19/04/23	29	<ul style="list-style-type: none"> • All villages in the ward be provided with water. • Speed Humps must be installed next to School along R61 Road. • The Community Hall must be maintained. • A mobile clinic is needed in this ward, as community members seeking for medical help travel long distance to the clinics. • Joyini to Mfolozi School Bridge must be constructed. • Little Aden Access road 	<ul style="list-style-type: none"> • RDP incomplete housing construction must be considered 	<ul style="list-style-type: none"> • As statistics shows that most learners from tertiary institution in the Eastern Cape as well as KZN are from this Alfred Nzo and OR Tambo regions, a Tertiary institution (University is needed, the relevant departments must be consulted.

		<ul style="list-style-type: none"> • must be maintained. • Ntunjani Access Road must be maintained. • Mpinge Bridge must be maintained. 		
19/04/23	24	<ul style="list-style-type: none"> • Pot-holes must be fixed. • RDP Houses at Ebenezer must be constructed (Sirhasheni and Reformed villages). • Ebenezer to Garane, Sirhasheni to Lucingweni access roads that were affected during heavy rains must be maintained. • Bore-holes are not functional as a result there is no water. • Maintenance of the Hall, there are no toilets. Bore-holes are not functional as a result there is no water. • Maintenance of the Hall, there are no toilets. 	<ul style="list-style-type: none"> • None 	<ul style="list-style-type: none"> • None
19/04/23	21	<ul style="list-style-type: none"> • Mhlabeni to Mlenzana A/R must be constructed • Provision of water at Ntika and Greenville villages as there are no boreholes. • Dipping tank at Nobamba Village be constructed. • Schools must be provided with libraries. • Provision of the RDP houses • Pot-holes on the tared road to Greenville Hospital must be fixed • Greenville to Maqasha A/R must be maintained. 	<ul style="list-style-type: none"> • None 	<ul style="list-style-type: none"> • None
19/04/23	20	<ul style="list-style-type: none"> • Access Road to Lindokuhle School must be maintained. • Speed Humps be installed next to Nongeke School. As there are a number of accidents that had occurred in that area. • Construction of toilets at Quza Village. • Completion of RDP Houses at Ethridge and Jakada Villages that were left incomplete. 	<ul style="list-style-type: none"> • None 	<ul style="list-style-type: none"> • None
19/04/23	22	<ul style="list-style-type: none"> • Dinezulu to Bhabhaloni Access Road must be maintained. • Vungwana to Bethule Access Road must be 	<ul style="list-style-type: none"> • None 	<ul style="list-style-type: none"> • None

		<ul style="list-style-type: none"> maintained. R61 to Magawana A/R be maintained. Lukholo to Ncedabantu A/R to be constructed Water Crisis Mabula to Reformed Access Road Church be constructed 		
20/04/23	28	<ul style="list-style-type: none"> Mshawedikazi to Lundini Access Road done, bridges must be considered as they are not in a good state. Mdatya A/Road was not completed. Mdatya 2000 houses not constructed. Toilets must be constructed Provision of water is an urgent matter. No electricity at Lubekele 	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> Lityeni EPWP-Youth must be employed
20/04/23	25	<ul style="list-style-type: none"> Mtolana Access Road must be constructed. 	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> None
20/04/23	14	<ul style="list-style-type: none"> Housing project not started yet as we were promised long ago. 		<ul style="list-style-type: none"> None
20/04/23	16	<ul style="list-style-type: none"> Shongweni road not completed as the drainage system is not properly done. 	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> None
21/04/23	13	<ul style="list-style-type: none"> Ntsingizi to Khotsho Access Road be maintained Matwebu be provided with water, boreholes be maintained Daki A/R be constructed Matwebu to Ngcingo A/Road be constructed A bridge from ward 30 to ward 13(Matwebu School be constructed). Pipes damaged by Graders during road maintenance must be fixed. 	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> None
21/04/23	6	<ul style="list-style-type: none"> All streets at Mhlanga Village be bladed and that headmen must be informed when the project begins in this village. 	<p>Ntshamathe Access Road not completed.</p> <p>Mhlanga Acces Road not completed.</p>	<ul style="list-style-type: none"> None

21/04/23	18	<ul style="list-style-type: none"> • Villages without water be provided with water especially that we are approaching winter season. • Mpunzi must be provided with toilets 	<ul style="list-style-type: none"> • None 	<ul style="list-style-type: none"> • None
21/04/23	30	<ul style="list-style-type: none"> • . Nyanisweni be provided with boreholes as there is no water in the ward. • Nyanisweni Access Road need heavy maintenance. • Toilets at EXT 3 need to be upgraded to flushing toilets. 	<ul style="list-style-type: none"> • None 	<ul style="list-style-type: none"> • None

6.4 IDP Participation and alignment

The 2023 - 2024 IDP process plan was developed with scheduled activities and time frames as per Section 28 of the Local Government Municipal Systems Act of 2000 and it was approved by council on the 30th August 2022. The review process has followed the legislative prescripts with regards to the community involvement and participation in the review of IDP and the 2023 – 2024 IDP document have conformed to the core components of the IDP as prescribed in Section 26 of the Local Government Municipal Systems Act of 2000.

In compliance with section 17 of the Municipal Systems Act, during the year under review the municipality has established the following appropriate mechanisms, process and procedures to enable the local communities to participate in the affairs of the municipality: -

- IDP Representative Forum;
- Mayoral Outreaches to communities and Stakeholders;
- Mayor’s conversations with different stakeholders;
- Ward Community & Ward Committee meetings convened by Councillors;
- Newspaper advertisements and notices;
- Making the IDP document available to all members of the public;
- Information dissemination through the WMMLM quarterly newsletter;
- Sector specific for a, namely, LED Forums, Local Communicators Forum.

The role of stakeholders is outlined as follows:

STAKEHOLDER	COMPOSITION AND RESPONSIBILITY
Winnie Madikizela-Mandela Local Council	The Winnie Madikizela-Mandela Municipal Council is the ultimate political decision-making body of the municipality and the Council

STAKEHOLDER	COMPOSITION AND RESPONSIBILITY
	<p>has the responsibility to:</p> <ul style="list-style-type: none"> • consider and adopt the IDP Process Plan & time schedule for the preparation, tabling & approval of the annual budget; • consider and adopt the IDP and annual Budget; • ensure the municipal budget is coordinated with and based on the IDP; • adopt a Performance Management System (PMS) <p>Monitor progress and IDP implementation</p>
<p>The Executive Committee of Winnie Madikizela-Mandela Local Municipality</p>	<p>The Executive Committee of Winnie Madikizela-Mandela Local Municipality have the ultimate responsibility for the preparation and implementation of the IDP, Budget & Performance Management. The EXCO is responsible for:</p> <ul style="list-style-type: none"> • for the overall oversight, development and monitoring of the process or delegate IDP & PMS responsibilities to the Municipal Manager; • ensure that the budget, IDP & budget related policies are mutually consistent & credible; • Submit the revised IDP & the Annual Budget to the municipal Council for adoption.
<p>Ward Councilors, Traditional & Ward Committees</p>	<p>Ward Councillors are the major link between the municipal government and the residents. As such, their role is to: -</p> <ul style="list-style-type: none"> • link the planning process to their constituencies and/or wards; • ensure communities understand the purpose and the key mechanisms of the IDP, Budget process, Performance Management and are motivated to actively participate; • facilitate public consultation and participation within their wards. • provide feedback to their communities on the adopted IDP and Budget.
<p>The IDP, PMS & Budget Steering Committee</p>	<p>The IDP/PMS Steering Committee will be established to provide technical guidance over the IDP/Budget & PMS review. An IDP Steering Committee that would function, as a technical working team shall be composed of the following members: -</p> <ul style="list-style-type: none"> • Municipal Manager (Chairperson) • Municipal Management Team • Senior Managers from Sector Departments • Secretariat from IDP & PMS Unit
<p>The Municipal Manager</p>	<p>The Municipal Manager has the responsibility to provide guidance and ensure that the administration actively participates and supports the development and review of the IDP and Budget and works</p>

STAKEHOLDER	COMPOSITION AND RESPONSIBILITY
	towards its implementation.
Directorates & Departments	<p>Directorates and Departments are responsible for sector planning and for the implementation of the IDP. The participation of all Departments is thus critical and they: -</p> <ul style="list-style-type: none"> • provide technical / sector expertise and information, throughout the IDP Budget process; • ensure that the review process is participatory, integrated, strategic, implementation-oriented, budget linked and aligned with and satisfies sector planning requirements;
Representative Forum and Community Stakeholders	<p>The IDP/ PMS/ Budget Representative Forum constitutes the structure that institutionalizes sectoral participation in the IDP Process. The members of the IDP Representative Forum include Business, Traditional leaders Government& NGO sectors (as well as political and technical leaders of the IDP Clusters).</p> <p>The Mayor or her nominee chairs the Forum. The Forum represents the interests of their constituents in the IDP processes.</p>
Budget Steering Committee: Shall be constituted as follows: The Mayor The Chairperson – Finance Standing Committee The Municipal Manager All Senior managers Managers IDP & PMS	<p>The primary aim of the Budget Steering Committee is to ensure: -</p> <ul style="list-style-type: none"> • that the process followed to compile the budget complies with legislation and good budget practices; • that there is proper alignment between the policy and the service delivery priorities set out in the municipality's IDP and the budget, considering the need to protect the financial sustainability of the municipality; • that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and • that the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

The IDP document for the 2023 – 2024 financial year was adopted by council on the 26th May 2023. The alignment of the 2023 - 2024 IDP document with the performance contracts of section 57 managers as well as the Provincial Key Performance Indicators on the 12 outcomes particularly outcome 9 is tabulated in the table below: -

NO.	CRITERIA	N/Y	COMMENTS
1	Does the Municipality have Impact, outcome, input Indicators	Yes	Municipality doesn't have Impact Indicators
2.	Does the IDP have Priorities, objectives, KPIs and Development Strategies	Yes	
3.	Does the IDP have Multi Year targets	Yes	

4.	Are the above aligned and calculate into a score	Yes	
5.	Does the budget align directly to the KPIs in the IDP	Yes	
6.	Do IDP KPI's align to Section 57 managers contracts	Yes	
7.	Do KPIs lead to the functional area KPIs as the SDBIP	Yes	
8.	Do the IDP KPIs align with Provincial KPIs on 12 outcomes particularly outcome 9	Yes	
9	Were the Indicators communicated with the public	Yes	
10	Were the quarterly reports submitted to Council at stipulated time frames	Yes	

COMPONENT D

7. COMPONENT D - CORPORATE GOVERNANCE

7.1 Risk Management

The risk management of Winne Madikizela Mandela Local Municipality is facilitated by the internal audit unit. There is no risk management unit within the municipality. Risk management policy was adopted by the Council in May 2022. The Internal Audit unit facilitates the risk assessment on regular basis together with the management. Internal Audit Unit facilitated risk assessment during June 2023 together with the management. The internal audit unit has conducted the municipal wide risk assessment where risk registers were developed for all departments within the municipality detailing the risks identified on all the strategic objectives as per Integrated Development Plan, root causes and by rating the effectiveness of the existing controls for the risks identified. This strengthens the risk management within the organisation and mechanisms to mitigate those risks and contain them to an acceptable level. The top ten (10) risks faced by the municipality were identified

1. Inability to reduce the backlog and constructing the required 32km access road
2. Inability to rehabilitate the required 450km gravel access roads
3. Inability to provide reliable provision of electricity to the required number of households
4. Inability to provide sustainable municipal facilities
5. Inability to grow and strengthen agricultural sector
6. Inability to promote sustainable use of marine resources
7. Inability to promote enterprise development
8. Inability to reduce disaster risks
9. Poor use of natural resources (Land, Marine, General)
10. Inability to achieve competent workforce to achieve organizational objectives.

7.2 Fraud and Corruption

Winnie Madikizela Mandela Local Municipality has the Fraud and Anti-Corruption Policy and implementation plan which encompass the whole range of activities. The objective of this policy is to ensure that all fraudulent activities are discouraged, mitigated and attended to in a coherent and integrated manner, and promoting ethical conduct or behaviour amongst its employees and councillors. Fraud & anti-corruption policy is in place and was adopted and approved by the council during May 2022.

The municipality has got fraud & anti-corruption burners that are displayed in all municipal events, ranging from Council meeting, awareness events, imbizo, and etc. Fraud & anti-corruption awareness campaigns were conducted twice in the financial year of 2022-23.

Winnie Madikizela Mandela Local Municipality is committed to fighting fraudulent behaviour at all levels within the organisation by promoting ethical conduct and early warnings of fraud and corruption. All fraud and corruption cases reported are timely investigated and followed up by the application of all remedies available within the full extent of the mighty law and the implementation of appropriate prevention and detection controls.

The fraud anti-corruption policy applies to all fraud, corruption, theft, maladministration or suspected irregularities involving the following persons or entities: -

- All employees of the municipality;
- Councillors;
- Consultants, suppliers, contractors and other providers of goods or services to the Municipality; and
- Any other parties receiving benefits from the Municipality.

The Winnie Madikizela Mandela Local Municipality Fraud Prevention Plan comprises of five pillars, namely;

- Prevention of Fraud and Corruption;
- Detection of Fraud and Corruption;
- Investigation of Fraud and Corruption;
- Resolution of Fraud and Corruption; and
- Maintenance and evaluation of the Fraud Prevention Plan.

7.3 Internal Audit/Audit committee and Compliance

The audit committee; an independent advisory committee is required in terms of s166 of the Municipality Finance Management Act; MFMA s56 of 2003 to among others perform functions required by the Act in line with the terms of reference; the audit Committee Charter.

As provided for in terms of section 166(2) of the MFMA, the municipality had an audit committee established to address matters relating to the compliance, performance and internal controls assurance and any other activity the council may deem necessary. These matters include amongst others the following:

- Governance; Ethics; and policies and procedures
- Assessment of the effectiveness of Internal Controls;
- Performance management
- Risk Management

The Council established the Audit Committee some of couple of years back and appointed five independent members outside the employ of the municipality. is functional with 5 independent members selected from different areas of expertise to enhance the audit committee's overall knowledge of the municipality or entity and the ability to discharge its obligations and provide appropriate recommendations to the council.

Audit Committee terms of reference was adopted by Council in executing their responsibilities as set in the approved Audit Committee Charter.

7.4 Effectiveness of Internal and External Auditors

The Municipality is required to have an internal audit function in terms of section 165 (1) of the Municipal Finance Management Act no 56 of 2003 ("MFMA"). This requirement is re-enforced by the recommendations of the King IV Report on Corporate Governance. Winnie Madikizela Mandela Local Municipality has functional Internal Audit unit. Internal Audit Risk based audit coverage plan was approved by the Audit Committee. The Internal Audit structure has six warm bodies being the Manager and Senior Internal Auditor, Junior Auditor, Internal Audit Clerk and 2 interns.

The Audit opinions for the past two years were clean audit in 2020/21; 2021/22 financial years. After the final audit report received from the Office of the Auditor General, follow up procedures were implemented by internal audit in ensuring the implementation of action plan prepared by management to address issues raised by Auditor General.

7.5 Websites

Winnie Madikizela Mandela Local Municipality has a functional and compliant website (URL: <https://www.winniemmlm.gov.za>) as per section 21B of MSA No. 32 of 2000 and section 75 of MFMA No. 56 of 2003. The municipal website is managed and updated internally by the Information and Communication Technology Section.

7.6 Supply chain Management

The Municipal Finance Management Act No 56, of 2003, section 80, directs the establishment of a Budget and Treasury Office by all municipalities. The established Budget and Treasury Office is then required to be headed by the Chief Financial Officer with a number of responsibilities assigned to him/her. One of the responsibilities assigned to the Chief Financial Officer also include supply chain management.

Winnie Madikizela-Mandela Local Municipality has established the Budget and Treasury Office, within which a Supply Chain Management Unit has further been established. This unit is responsible for all demand management, procurement, logistics and disposals within the municipality.

The unit is headed by a Supply Chain Management Manager, who reports directly to the Chief Financial Officer. The unit also has two Supply Chain Management Officers who report to the manager. Further to this, there are three Supply Chain Management Clerks who report to the officers, making it a total of Six members of the unit. These personnel are further enhanced by financial management interns who rotate within all sections within the Budget and Treasury office. As part of their rotation plan, Supply Chain Management unit forms part of their programme. Our records indicate that all the Supply Chain Management officials meet the minimum competency levels required for SCM officials.

As part of the section 71 reports that are tabled to the Mayor through the council committees at the end of each month, Supply Chain Management issues are also reported. This means that there are twelve (12) reports that are tabled to the Mayor through council committees on an annual basis.

The supply chain management policy is reviewed on a yearly basis and forms part of the budget related policies. This review therefore also happened for the 2022/23 financial period. The following thresholds are outlined in that policy: -

STRUCTURE OF APPROVAL		
GOODS/SERVICE VALUE	PROCUREMENT METHOD MINIMUM	APPROVAL AUTHORITY
R0 – 200	Petty Cash	Head of Department
R201 – R2 000	One Written Quotation	Head of Department
R2 001 – R30 000	Three Written Quotations	Head of Department
R30 001 – R200 000	7 days advert on the Notice Board and the Website	Accounting Officer or delegated
R200 001 – R50 Million	Competitive Bidding Process	Accounting Officer
Above R50 Million	Competitive Bidding Process	Accounting Officer

- The bid committees are appointed for specific projects with the following principle applied at all times:
- The Bid Specification committee is chaired by the Senior Manager of the procuring department, a Supply Chain Management Officer (Practitioner), a member from Engineering Services department as well as any members deemed necessary.

- The Bid Evaluation Committee is composed of at least three managers reporting to senior managers, and each committee always has a Supply Chain Management Officer (Practitioner).
- The Bid Adjudication Committee is composed of at least four Senior Managers (of which one is considered a technical expert), a senior Supply Chain Management official, the scribe and is chaired by the Chief Financial Officer

The performance of the committees and their commitment to their sitting is central to the achievement of all targets that have been set by the municipality. It is essential therefore that these committees convene as often as required to ensure delivery of much needed services to our communities. As per our tender register and other documentation, the following is the number of awards that have been made throughout the financial year: -

Overview of the supply chain and reporting protocols and number of reports submitted to council and its committees. Thresholds used by the municipality, performance of bid committees, existence of the policy and its implementation number awards made in the year under review. Staff component and meeting requirements as outlined by National Treasury.

NO	SUCCESSFUL TENDERER	AMOUNT	TENDER NO	DESCRIPTION	DATE AWARDED	END USER DEPARTMENT
1	Vitsha Trading	R5,594,999.70	WMM LM 31/05/22/02 SMA	CONSTRUCTION OF SIGINQINI TO MARINA ACCESS ROAD	Friday, July 22, 2022	Engineering Department
2	YG Solutions	646,225.25	WMM LM 31/05/22/01 MEI	MAINTENANCE OF ELECTRICITY INFRASTRUCTURE	Friday, August 19, 2022	Engineering Department
3	Oracle Energy and Power	R 5,485,723.24	WMM LM 0059E MV	ELECTRIFICATION OF NOMLACU VILLAGE	Wednesday, September 14, 2022	Engineering Department
4	Moya Training and Projects	Rates	WMM LM 0064 SRM	Supply and Delivery Of Social Relief Material for 3 Years	Thursday, June 9, 2022	Community Services
5	Mabozela Trading and Enterprise	R 8,255,733.77	WMM LM 31/05/22/03 SAR	CONSTRUCTION OF SIXHAXHENI ACCESS ROAD	Tuesday, September 6, 2022	Engineering Department
6	Masilo Jv Mshakeni	R 1,312,600.69	WMM LM 00090 Q-S A/R	REHABILITATION OF QOBO TO SIZINDENI ACCESS ROAD	Thursday, October 20, 2022	Engineering Services
7	Stira Construction and Projects cc	R 1,830,184.95	WMMLM 00092 M A/R & B	REHABILITATION OF MNYAMENI ACCESS ROAD AND BRIDGE	Thursday, October 20, 2022	Engineering Services
8	Mabozela Trading and Enterprise	R 3,885,094.57	WMM LM 00095 B A/R & B	REHABILITATION OF BAZANA ACCESS ROAD	Thursday, October 20, 2022	Engineering Services
9	Vitsha Trading	R 3,522,826.29	WMM LM 00091 SKM A/R	REHABILITATION OF SIKHOMBE ACCESS ROAD	Thursday, October 20, 2022	Engineering Services
10	Zebhi Institute	R 650,000.00	WMM 004/S-EIAS	SOCIO-ECONOMIC INFRASTRUCTURE	Tuesday, January 11,	Municipal Manager'

N O	SUCCESSFUL TENDERER	AMOUNT	TENDER NO	DESCRIPTION	DATE AWARDED	END USER DEPARTMENT
					2022	s Office
11	Vitsha Trading	R 1,692,588.98	WMM LM 31/05/22/03 TAR	CONSTRUCTION OF TSHONGWENI ACCESS ROAD IN WARD 16	Friday, November 11, 2022	Engineering Services
12	Sakhiwe Contractors	R 1,287,700.00	WMM 00083 PEM&T	PROCUREMENT OF ELECTRICITY MATERIAL AND TOOLS	Wednesday, November 16, 2022	Engineering
13	Sebekho Holdings	R 484,380.00	WMM LM 09/06/22	SUPPLY AND DELIVERY OF ARTS AND CRAFTS MATERIAL AND EQUIPMENT	Wednesday, November 16, 2022	Development Planning
14	Toyota South Africa Motors Pty Ltd	R 1,596,687.92	33040	PURCHASE OF TWO VEHICLES	Thursday, December 15, 2022	Corporate Services
15	Mvi Construction and Maintenance	R 2,358,132.67	WMM LM 00093	REHABILITATION OF MATSHEZINI ACCESS ROAD	Monday, December 19, 2022	Engineering Services
16	Isivuno Esihle Construction	R 7,534,851.06	WMM/LM 00097	CONSTRUCTION OF TSHUZE TO LUPHILISWENI ACCESS ROAD	Wednesday, December 21, 2022	Engineering Services
17	YG Solutions	R 8,162,989.79	WMMLM 0060E	ELECTRIFICATION OF MSARHWENI ACCESS VILLAGE	Wednesday, December 21, 2022	Engineering Services
18	Iheans Traveling Agency	Rates	WMM LM 30/06/22/01 TRA	PROVISION OF TRAVEL AGENCY FOR 36 MONTHS	Wednesday, December 21, 2022	BTO
19	Tunimart	Rates	WMM LM 30/06/22/01 TRA	PROVISION OF TRAVEL AGENCY FOR 36 MONTHS	Wednesday, December 21, 2022	BTO
20	Bomba Diesele	Rates	WMM LM 09/09/1/01	SUPPLY AND DELIVERY OF STATIONERY FOR 12 MONTHS	Wednesday, December 21, 2022	BTO
21	Abangula ICT Solutions	R 1,700,828.15	WMM LM 03/11/22/01	RE-CABLING OF THE MAIN MUNICIPAL BUILDING	Wednesday, December 21, 2022	Corporate Services
22	Nikhwe Group	R 700,000.00	G	FENCING OF MZAMBA COMMUNITY HALL & DUDUMENI COMMUNITY HALL	Wednesday, December 21, 2022	Community Services
23	Thahle Projects Jv Ayagu Trading	R 19,990,389.66	WMM LM 00098	CONSTRUCTION OF SIDANGA ACCESS ROAD WITH BRIDGES	Thursday, January 5, 2023	Engineering Services
24	Madstof	R 1,200,000.00	WMM LM 06/10/22/01 SBD	CBD ROAD MAINTENANCE	Monday, January 16, 2023	Engineering Services
25	XS Dollarz	R 860,706.00	WMM LM 08/12/22/01 CGH	CONSTRUCTION OF DLTC GUARD HOUSE	Friday, March 3, 2023	Engineering Services
26	Nikhwe Group	R 1,557,620.17	WMM LM 00099 R&M MB	REPAIRS AND MAINTENANCE OF MUNICIPAL MAIN BUILDING	Friday, March 3, 2023	Engineering Services
27	Mabozela Trading	R 4,845,112.10	WMM LM 00057E MV	ELECTRIFICATION OF REDOUBT	Monday, March 6, 2023	Engineering

N O	SUCCESSFUL TENDERER	AMOUNT	TENDER NO	DESCRIPTION	DATE AWARDED	END USER DEPARTMENT
	Enterprise Jv Boboshe Trading Enterprise			VILLAGE (WARD 20) 180 HOUSEHOLDS	2023	Services
28	XS Dollarz	R 3,494,043.85	WMM LM 25/05/22/05 ECDC	CONSTRUCTION OF WARD 13 ECDC	Monday, March 6, 2023	Engineering Services
29	Thahle Projects Jv Ayagu Trading	Rates	WMM LM 08/12/22/02 HPC	HIRING OF CONSTRUCTION PLANT AND TRUCKS	Wednesday, March 15, 2023	Engineering Services
30	Mabozela Trading and Enterprise	Rates	WMM LM 08/12/22/02 HPC	HIRING OF CONSTRUCTION PLANT AND TRUCKS	Wednesday, March 15, 2023	Engineering Services
31	Mvi Construction and Maintenance	Rates	WMM LM 08/12/22/02 HPC	HIRING OF CONSTRUCTION PLANT AND TRUCKS	Wednesday, March 15, 2023	Engineering Services
32	Manyobo Group	Rates	WMM LM 08/12/22/02 HPC	HIRING OF CONSTRUCTION PLANT AND TRUCKS	Wednesday, March 15, 2023	Engineering Services
33	LG Construction	Rates	WMM LM 08/12/22/02 HPC	HIRING OF CONSTRUCTION PLANT AND TRUCKS	Wednesday, March 15, 2023	Engineering Services
34	Phahle Construction	R 680,000.00	WMM LM/10/22/01 CCR	SUPPLY AND DELIVERY OF A CUSTOMISED CHANGE ROOM CONTAINER	Wednesday, March 15, 2023	Community Services
35	Wosa Nawe Trading 16	Rates	WMM LM 08/12/22/02 HPC	HIRING OF CONSTRUCTION PLANT AND TRUCKS	Monday, March 27, 2023	Engineering Services
36	Siti Cargo cc	Rates	WMM LM 08/12/22/02 HPC	HIRING OF CONSTRUCTION PLANT AND TRUCKS	Friday, March 24, 2023	Engineering Services
37	Nikhwe Group	Rates	WMM LM 08/12/22/02 HPC	HIRING OF CONSTRUCTION PLANT AND TRUCKS	Friday, March 24, 2023	Engineering Services
38	Mayile Solutions	Rates	WMM LM 06/10/22/03 IAS	PROVISION OF INTERNAL AUDIT SERVICES	Monday, April 24, 2023	Municipal Manager's Office
39	ZML Africa Group	R 7,836,167.58	WMM LM 00058E	ELECTRIFICATION OF ZIZITYANENENI VILLAGE	Friday, April 28, 2023	Engineering Services
40	Masinyane and Son Pty Ltd	R 453,510.00	WMM LM 00101 S&D FE &M	SUPPLY AND DELIVERY OF FISHING MATERIAL AND EQUIPMENT	Friday, April 28, 2023	Development Planning
41	Masinyane and Son Pty Ltd	R 1,194,685.00	WMM LM 06/10/22/02 AGR	SUPPLY AND DELIVERY OF AGRICULTURAL INPUTS	Friday, April 28, 2023	Development Planning
42	Ezamavovo Trading Pty Ltd	R 542,376.67	WMM LM 02/06/22/01 PST	SUPPLY AND DELIVERY OF PROTECTIVE CLOTHING FOR 12 MONTHS	Monday, June 5, 2023	Community Services
43	Citeplan	R 276,000.00	WMM LM/24/08/22K/M LSDF	KUBHA/MAGUSHENI LSDF	Wednesday, June 7, 2023	Development Planning
44	NanoChip Technology	R 1,524,520.00	WMM LM 16/03/23/01 SLD	SUPPLY AND DELIVERY OF	Thursday, June 8,	Corporate

N O	SUCCESSFUL TENDERER	AMOUNT	TENDER NO	DESCRIPTION	DATE AWARDED	END USER DEPARTMENT
	es			LAPTOPS AND DESKTOPS	2023	Services
45	Manyobo Group	Rates	WMM LM 04/08/22/02 RMD	REHABILITATION OF DUMPING SITE FOR 18 MONTHS	Thursday, June 8, 2023	Community Services
46	Lilitha Project Managers	R 1,722,106.00	WMM LM 14/06/22 FAR	PREPARATION OF GRAP COMPLIANT IMMOVABLE ASSET REGISTER FOR 2022/23FY	Thursday, June 8, 2023	BTO
47	Wandile and Son Trading Pty Ltd	Rates	WMM LM 03/11/22/05 EMT	MULTI THREE YEAR CONTRACT FOR SUPPLY AND DELIVERY OF ELECTRICITY MATERIAL	Thursday, June 8, 2023	Engineering Services
48	Ziinzame Consulting	Rates	WMM LM 25/03/22/01 MDP	MULTI DISCIPLINE PANEL OF CONSULTANTS FOR PERIOD OF 3 YEARS	Friday, June 23, 2023	Engineering Services
49	Nikhwe Group	Rates	WMM LM 25/03/22/01 MDP	MULTI DISCIPLINE PANEL OF CONSULTANTS FOR PERIOD OF 3 YEARS	Friday, June 23, 2023	Engineering Services
50	Masilo 85 Logistics	R 3,491,945.22	WMM LM 00081 RLV	REFURBISHMENT OF LOW VOLTAGE LINES IN EXTENSION 4	Friday, June 23, 2023	Engineering Services
Total		R 106,370,729.28				

7.7 Legal Services

Functions of Legal Services

Legal Services is tasked with the following Areas of Operations:

1. Litigation Management
2. By Law Development
3. Contract Management
4. Legislation Regulation and Policy Compliance
5. Ad hoc support to departments

Litigation Management

The municipality developed and adopted legal risk management policy and strategy and has a functional legal section. A panel of attorneys for a period three (3) is in place wherein the Municipality selects members of the panel to attend to various matters that the Municipality has such as, litigation, obtaining legal opinions, transactional advices etc.

Litigation status quo:

Twenty 20 Civil cases

Category of cases:

- Civil Claim for damages
- Labour Related matters
- Debt collection
- Contractual disputes

Challenges

We have dormant cases: people who are suing the Municipality are losing interest in terms of pursuing their matters into finality. (Litigation is very expensive)

Meter readings are either not working or inaccurate, it affects the billings and makes enforcement of payment difficult due to disputes raised leading to litigation

Overaged debtors as the Municipal debtor's analysis, it affects the billing and makes enforcement of payment.

Litigation Risk Reduction Action Plan

Every action of the Municipality is potentially litigious and complicated by the requirement for compliance to all Local Government related legislative prescripts, whilst also requiring compliance with other general legislation as may become pertinent, depending on the activity which has resulted in the litigation at hand. Legal Services created the Litigation Risk Management Strategy by introducing a Litigation Reduction Monitoring Tool. The strategy is aimed at identifying the various areas of litigation risk, develop an action plan to mitigate those risks. The Litigation Risk Management Strategy of the Winnie Madikizela-Mandela Local Municipality aims to:

- identify, manage, monitor and mitigate risks of litigation throughout the Municipality.
- actively mitigate these risks by identifying them, setting minimum standards for their management and allocating clear responsibility for such management to Management
- ensure that sound legal principles and legislative compliance is mainstreamed into operational activities
- ensure a reduction of litigation against the Municipality through proactive monitoring.

Mitigation Processes

Litigation risk reduction will be implemented through:

- Identification of and continuous review of areas where litigation risk exists
- Documented advisory service aimed at mitigation
- Allocation of responsibility for the development of procedures for management and mitigation of these risks
- Installation of appropriate segregation of duties, so that legal documentation is reviewed and executed with the appropriate level of independence from the persons involved in proposing or promoting transaction
- Ongoing examination of the relationship between litigation risk and other areas of risk management, so as to ensure that there are no gaps in the risk management process

- Establishing of minimum standards for mitigating and controlling each risk, including the nature and extent of work to be undertaken by internal and external legal resources
- Establishing of procedures to monitor compliance, considering the required minimum standards
- Continuous awareness of legal reform and development in order that current compliance is continuously observed.

The litigation risk reduction plan and schematic process was developed to ensure that the municipality complies with the strategy. The plan is disseminated quarterly for departments to populate and indicate compliance to the strategy where applicable.

Municipal By-Laws

The legal support services office is tasked with ensuring that the municipality has all the required by-laws and policies in place in order to have the proper and effective controls to ensure that the services to the community are carried out in compliance with the framework of the by-laws as anticipated by the legislation that creates these by-laws. The municipality continuously researches the areas where by-laws must be developed and periodically reviews and where applicable amends the by-laws.

It is imperative that consumers and the community at large familiarize themselves with the by-laws. This will help the consumer to be aware of not only their rights but equally important their responsibilities. This will be ensured through extensive continuous public consultations/participation, public notices and media statements and stakeholder engagements for harmonious relations which will impact on sound and efficient inter-governmental relations.

Municipal By-Law Register 2022/23

No.	By law per Department
	Engineering services
1.	Electricity By-law
	Community Services
2.	Public Amenities
3.	Nuisance
4.	Indigent support
5.	Keeping of Animals
6.	Pound
7.	Cemeteries
8.	Air Quality
9.	Coastal Management
10.	Beach
	Development Planning
11.	Informal Trading

No.	By law per Department
12.	SPLUMA
13.	Control of advertisement
Budget and Treasury Office	
14.	Credit Control and Debt Collection

Institutional Compliance

The municipality is a creature of statute and such it operates within the ambit of a vast number of legislations. An Institutional Compliance checklist has been developed for the municipality wherein all the issue of legislative compliance are listed, the persons responsible, the actions require, the time frame and the evidence for compliance with same. The legal support services are tasked with ensuring that the compliance checklist is disseminated to departments to populate and provide evidence to show compliance on prescribed legislative provisions. This exercise is to done quarterly with each quarter being guided by the applicable legislative provisions.

Further the unit as one area of priority ensures compliance of the institution through conducting quarterly workshops on updates and/or amendments on legislation, regulations, decided case law etc.

Contract Management

The municipality procures services through competitive bidding, amongst other, SCM processes in compliance with the SCM policy, SCM regulations. The municipality is required by law to conclude contracts for certain services and for the most part this speaks to the majority of the services that the municipality requires. It is the prerogative of the municipality to ensure that such contracts are compliant, legally binding and implementable. The section is working closely with SCM and various departments to ensure that contracts entered into by the Municipality are sound by either drafting or vetting such contracts and negotiating sound contracts on behalf of the Municipality. Further the performance of Service providers and Contractors in respect of awarded contracts is closely monitored to ensure optimal performance of Service Providers and Contractors.

Ad hoc support to Departments

Legal Services is also tasked with the duty to provide ad hoc support to departments as and when required to ensure legal compliance to legislation on engagements that departments engage in that are binding or likely to be binding. These include but not limited to legal assistance in respect of transactional advises that departments engage in on behalf of the Municipality, special projects, labour matters etc.

8. MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC)

MPAC was established and is functional with seven members according political party representation and a traditional leader during the previous term of council. Meetings are convened according to the adopted schedule by council and reports are prepared with recommendations to be received by

Municipal Council for resolution. The members names of the MPAC and number of meetings attended.

Municipal Public Accounts Committee Attendance

Initial & Surname	FT / PT	Political Org/Prop – PR /WC	Total meetings planned	Number of attended including special	Absent
1. Cllr N. P. Mavundla	F T	Chairperson	04	04	00
2. Cllr n Sikibi	P/T	ANC /PR	04	03	01
3. Cllr A Maquthu	P/T	ANC /WC	04	04	00
4. Cllr Z.H Dyarvane	P/T	ANC/WC	04	01	03
5. Cllr K. Zinya	P/T	ATM/PR Cllr	04	01	03
6. Cllr B.W. Mangqalaza	P/T	DA/PR Cllr	04	03	01
7. Cllr P. Nophinga	P/T	EFF/PR Cllr	04	02	02

The above members served in the committee from November 2021. On the 25 November 2021 the council established the new committee as it was the beginning of a five-year term (2021- 2026 Local Government Term) of council. Below are members of the committee:

9. Component A: Basic Service Delivery

9.1 Electricity

The Winnie Madikizela Mandela Local Municipality has a NERSA approved electricity distribution licence (NER/D/EC 132/2016/17) and is responsible for the provision and maintenance of electricity to the residents of the town which is the seat of the local municipality and Eskom provides the service of electricity to the rest of the municipal area starting from the outskirts of the town to the municipal boundary. The municipality also receives funds from the department of Energy through schedule 5b to do electrification on the rural areas. The municipality and Eskom did a 5-year electrification master plan which when completed the municipality would have reached a universal access within its area of jurisdiction. This electrification master plan has been adopted by council though the numbers per village are reviewed before the implementation of the project.

There is a general increase of electricity demand in Mbizana as new households are constructed. In conjunction with Eskom the Municipality has managed to reduce electricity backlogs from 19000 (39 %) households in 2011 to 1 836 (4%) in 2019 based on STATS 2011.

This backlog will further reduce once the on-going projects are completed. In the current financial year 2022/23 WMMLM received INEP funding allocation of R 16 400 000.00 which was utilised for the connection of 820 households in Ward 26,31,20 and 22

PROJECT NAME	WARD NUMBER	NUMBER OF HOUSEHOLDS
Msarhweni Village Ph 1	22	220
Lower Etheridge Ph 1	20	180
Nomlacu Ph 1	26	120
Zizityaneni	31	300
TOTAL		820

The new statistics as per the recent population survey shows an increase in households because of the new extensions that are created in the already electrified area. WMM Local Municipality is working closely with the Department of Energy in the installation of solar backed electricity in villages where grid electricity will take more than three years to be installed and where the terrain makes it difficult for grid electricity.

Financial Performance Year 2022/2023: Electricity Services					
Details	2021/22	2022/23			
	Actual	Original Budget	Adjusted Budget	Actual	Variance if any
Total Operational Budget	59,438,105.00	47,325,308.00	53,325,308.00	57,288,025.39	3,962,717.39
Expenditure					
Employees	4,496,137.93	5,746,132.00	5,446,132.00	5,045,207.83	400,924.17
Repairs and Maintenance	1,753,815.12	4,634,800.00	4,984,800.00	943,401.18	4,041,398.82
Other	88,442,590.21	53,027,422.00	77,098,406.00	88,208,788.07	11,110,382.07

Financial Performance Year 2022/2023: Electricity Services					
Total Operating Expenditure	94,692,543.26	63,408,354.00	87,529,338.00	94,197,397.08	- 6,668,059.08
Net Operational Expenditure	35,254,438.26	16,083,046.00	34,204,030.00	36,909,371.69	- 10,630,776.47

Capital Expenditure Year 2022/23: Electricity Services					
Capital Project	2022/23				
	Budget	Adjusted Budget	Actual Expenditure	Variance from Original Budget	Total Project Value
Transport Assets	700,000.00	-	-	-	
Electrification of Lower Etheridge	3,060,000.00	2,766,435.00	2,746,342.82	20,092.18	R3,015,293.85
Electrification of Msarhweni	3,740,000.00	5,826,087.00	5,739,187.98	86,899.02	R 5 982 431.76
Electrification of Zizityaneni	5,100,000.00	3,581,391.00	3,512,026.19	69,364.81	R4,038,830.11
Electrification of Nomlacu	2,040,000.00	2,086,957.00	2,434,758.50	- 347,801.50	R2,799,972.28
Supply and Installation of High Masts	1,785,000.00	1,304,348.00	819,868.80	484,479.20	R1,437,513.77
				-	

Employees: Electricity services					
Level	2021-22	2022/2023			
	Employees No	Posts No	Employees No	Vacancies	Vacancies % (As a % of total posts)
0-3	A0323, A0269 A 0390	3	A0323, A0269, A0390	-	
4-6	A0028	1	1		
7-9					
10-12	A 0209, A 0242, A 0041, A 0389, A 0324	5	A0209, A0242, A0041,A0389,A0324	-	
13-15	A0315	1	A0315	-	
Total	10	10	10	0	

9.2 Waste Management and Refuse Removal

The waste management service is rendered by the refuse removal section within community services department. The section is responsible for coordinating Collection, transportation and disposal of waste within Bizana. The section provides waste management services to the CBD and surrounding extensions (EXT 1, EXT2, EXT3 and EXT 4). On EXT1, EXT2 and EXT3 waste is collected through

curb side collection once a week on Mondays and EXT 4 waste is provided through communal collection by the use of skips placed in identified areas along the area and collected as per need. In the CBD waste collection is done 3 to 7 days a week depending on the category of the shop/business. Street sweeping is done 7 days a week using EPWP beneficiaries and refuse removal employees, using the shift system from 7h00 to 19h00 during the week and 8h00 to 17h00 over the weekend.

The section has also extended the service to areas along R61 which includes government departments and privately-owned businesses. Waste collection in outside areas is done 3 times a week on Monday, Tuesday and Friday. Refuse bags are being provided to households annually. The number of refuse bag to be issued depends on the category of the household. The categories and number of refuse bags are distributed as follows:

refuse bags are distributed as follows:

Category	No of Refuse Bags	Amounts	Residential Plot
Category 1	100	R187.00	House only
Category 2	300	R375.00	House with secondary structure (domestic use) with 5 or less rooms/Flats
Category 3	400	R752.00	House with secondary structure (domestic use) with 5 or more rooms/Flats
Category 4	250	R316.00	Flats/Rooms for domestic use only with 5 or less rooms
Category 5	250	R564.00	Flats/Rooms for domestic use only with 5 or more rooms.
Category 6	100	R187.00	NGO's, Churches, Hospice, Day-care
Category 7	250	R354.00	NGO's with secondary structure for businesses
Category 8	40 (Occasional)	R88.00	Vacant land (zoned as residential)
Category 9	100	R90.00	Bulk/Communal Collection (Low Cost Income Area)

Businesses are being issued with wheelie bins both businesses in the CBD and in rural areas. The municipality has reviewed and adopted the IWMP and it was submitted to DEDEAT for reviewal and submission to the MEC for endorsement. Furthermore, the waste management by-law was removed and it has been gazetted. The municipality also reviews its tariff policy annually. Our area has five public beach areas where waste collection is managed through EPWP beneficiaries working along the coast. The beneficiaries are responsible for waste collection and removal of invasive alien plant species along the coast. The area is characterised by dongas due to illegal sand mining. These dongas are utilized as waste hot spots.

Waste Management Campaigns/Clean up Campaigns

One of the targets on the approved SDBIP is to conduct 8 waste management awareness campaigns within Bizana. The purpose of the campaigns is to educate communities about best practices of waste management and assist communities in achieving cleaner communities by instilling culture of the 3R principles and with high emphasis on recycling.

These campaigns had played a significant role in decreasing the amount of illegal dumping spots around Bizana area, and as such most areas which were previously used as illegal dumping spots

have been rehabilitated. Eight waste management awareness's have been conducted in financial year 2022/2023 namely;

- Waste Management campaign conducted at Ward 13, 18 & 20 on the 29th of July 2022.
- Waste Management campaign conducted at Multi-purpose Youth Centre on the 1st of September 2022.
- Waste Management campaign conducted at Ezizityaneni community Hall on the 16th of November 2022.
- Waste Management campaign conducted at O.R Tambo Cultural Village on the 17th of November 2022.
- Waste Management campaign conducted at O.R Tambo Cultural Village on the 17th February 2023.
- Waste Management campaign conducted at Ntombekhaya Mhlembana Pre-School on the Ext 3 Dumping site on the 30th of March 2023.
- Waste Management campaign conducted in Ward 13 Community Hall on the 4th of May 2023.
- Waste Management campaign conducted in Ward 23&24 on the 9th of June 2023.



Waste Minimization and Recycling Programmes

The municipality has an initiative to motivate recycling projects which assists in waste minimisation within Mbizana jurisdiction. The municipality supports 4 waste recycling cooperatives.

- Two are situated at the dumping site ward 1 (Sibambene recycling responsible for cardboards and Kwakhanya recycling responsible for plastics).
- Laphum'khwezi recycling cooperative is situated at Kwanikhwe location ward 32 responsible for bottles.
- Athandiwe Nursery is situated at Mathwebu location ward 13 responsible for composting.

There are also a number of unregistered/ informal recyclers focusing mostly on cardboards, plastics and can recycling. All of these local recyclers are at the primary stage of recycling, meaning that they sell their products to other companies such as Consol, Mondi, Collect cans for processing and manufacturing. The municipality assists these recyclers in finding buyers for their products as the municipality has no buy back centre to receive all recyclables. The municipality has received a proposal of two companies which are requesting to open recycling buy back centres which will focus on cardboard, plastics and cans. This will be privately owned and it will assist the municipality as recyclers will be motivated because they will be selling their products locally and it will be easily assessable.



Skip Bin Services

The municipality is continuing with provision of skip bin service and in the financial year 5 skips have been added to make the total of skip bins 35. The project has proved to be highly sustainable in management of areas with high volumes of waste in the CBD and in elimination of illegal dumping at ext 4 in ward 1, this area has been one of the areas where it was very difficult to manage waste due to high production rate of waste, currently the area is improving from its previous state. The cleaning and management of skip bins within the municipality is championed by the municipal EPWP and

Refuse removal employees. Daily up liftment of all 30 skip bins is done using municipal skip loader truck, purchased purposely for skip bins.

More areas outside the CBD and along R61 with high volumes of waste production requests skip bins to be placed in their areas.



Cleaning of Beaches

The municipality is continuing with cleaning and removal of aliens in five beaches that are in ward 24, 25 and 28. This is achieved by using mopping project (DFFE) beneficiaries, EPWP beneficiaries and conducting joint cleaning campaigns along the coast.



Extension Of Waste Management Services to Rural Areas

The municipality extended its waste management services through introduction of cage system in rural areas. The project was initially piloted in 3 wards (ward 13, 23 and 24) with a total of 15 sites. After realising how effective the project has been on the piloted areas, 9 areas were added. In the added areas ward 10 and ward 08 cages were placed and in other wards hotspots were identified as collection points. EPWP beneficiaries are placed in all these areas and collection is done by EPWP

beneficiaries and refuse removal employees with municipal fleet. The areas that are serviced are as follows:

Ward 13 (Mathwebu, Didi & Ngcingo), Ward 23 (Zikhuba, Plangweni & Sea View), Ward 24 (Ebenezer, Garane & Mzamba Mouth), Ward 04 (Ludeke Halt, Siwisa Bus stop area), Ward 6 (Mhlanga entrance), Ward 07 (Nyanisweni, Jerusalem Bus stops), Ward 08 (Dudumeni, Magusheni business centre), Ward 10 (Ntlenzi area), Ward 19 (Zamokuhle Special School), Ward 20 (Imizizi Clinic), Ward 21 (Greenville Hospital and Clinic), Ward 23 (Zikhuba, Marina & Seaview areas) Ward 24 (Lubusi Boutique Hotel, EMampingeni Lodge), Ward 26 (Magadla, Nomlacu bus stop, Nompumalanga bus stop, Hluma Flea Market and Lodge) and Ward 31 (Zizityaneni bus stop).



Following are the waste equipment/fleet used for waste collection services by the municipality:

Reg. Number	Section/Division	Make
FWK 197 EC	Solid Waste	Compactor Truck
JNV 743 EC	Solid Waste	Tractor
DTH 289 EC	Solid Waste	Compactor Truck
JNG 815EC	Solid Waste	Compactor Truck
JNX120EC	Solid Waste	4 ton truck
JTG 283EC	Solid Waste	Skip Loader
JFG 442 EC	Solid Waste	4 ton truck
KFG 940 EC	Solid waste	Bakkie



Reporting to South African Waste Information System (SAWIS)

The municipality is reporting to SAWIS on tonnages and quantities of waste disposed at the municipal disposal site. The last reported tonnages of waste disposed were 7092 tons, and that was reported by end June 2023.

Tariff Structure for WMMLM

The municipality reviews its tariff structure annually. This is done in trying to balance, resolve complaints received and to accommodate changes that were noticed in the previous year. There has been a decrease in the number of complaints received as customers are now aware of the tariff structure and aware of how to lodge their complaints. The municipality has formed a team responsible for tariff management; the team is responsible for monthly assessment, updating of the refuse billing data base and attend all complaints.

Solid Waste Service Delivery Levels: House Holds						
Description	2020/21	2021/22	2022/2023	Original Budget No	Adjusted No	Actual No
	Actual No	Actual No	Actual No			
Solid Waste Removal:	0	0	0			
Removed Once a	1266	1362	1362			

week					
Removed more than once a week	0	0	0		
Total Number of House holds	1266	1362	1362		

Employees: Waste Management and Refuse Removal services					
Level	2021/22	2022/2023			
	Employees No	Posts No	Employees No	Vacancies	Vacancies % (As a % of total posts)
0-3	A0009 A0064 A0071 A0072 A0073 A0102 A0128 A0129 A0130 A0133 A0141 A0142 A0143 A0146 A0147 A0148 A0272 A0273 A0274 A0275 A0276 A0277 A0278 A0279 A0282 A0294 A0295 A0296 A0297 A0298	30	A0009 A0064 A0071 A0072 A0073 A0102 A0128 A0129 A0130 A0133 A0141 A0142 A0143 A0146 A0147 A0148 A0272 A0273 A0274 A0275 A0276 A0277 A0278 A0279 A0282 A0294 A0295 A0296 A0297 A0298	8	
4-6	A0305 A0018 A0022 A0077 A0381 A0382	6	A0305 A0018 A0022 A0077 A0381 A0382	1	
7-9	A0251 A0383	2	A0251 A0383	1	
10-12	A0251 A0303				
13-15					

Capital Expenditure Year 2022/2023: Waste Management and Refuse Removal					
Capital Project	2022/2023				
	Budget	Adjusted	Actual	Variance	Total Project

		Budget	Expenditure	from Original Budget	Value
Transport Assets (Refuse Bakkie)	R700 000	-R55 000	R602 228.17	R42 771.83	R602 228.17
Office Equipment (Change room container)	R425 000	+R270 652	R695 652	-	R695 652
Landfill (Construction of Landfill)	R 8 075 000	-R6 685 217	R1 031 532.64	R358 250.36	R1 031 532.64

Financial Performance Year 2022/23: Waste Management and Refuse Removal					
Details	2021/22	2022/2023			
	Actual (R)	Original Budget (R)	Adjusted Budget (R)	Actual (R)	Variance if any (R)
Total Operational Revenue	- 7,771,924.00	- 9,550,293.00	- 8,217,982.00	- 19,164,472.96	10,946,490.96
Expenditure					-
Employees	9,079,328.36	11,649,336.00	10,366,336.00	9,431,779.37	934,556.63
Repairs and Maintenance	806,802.14	505,000.00	873,000.00	866,719.18	6,280.82
Other	4,686,820.99	14,741,806.00	14,549,806.00	15,017,364.27	- 467,558.27
Total Operating Expenditure	14,572,951.49	26,896,142.00	25,789,142.00	25,315,862.82	473,279.18
Net Operational Expenditure	6,801,027.49	17,345,849.00	17,571,160.00	6,151,389.86	11,419,770.14

9.3 Housing

The majority of people in the municipal area live in rural communal areas (98%) in traditional housing. The bulk of the housing demand is therefore vested in rural areas. The exact housing need in the municipal area is 19 627. The majority of people within the municipal jurisdiction are residing within self-built structures (traditional dwellings) within rural settlements. WMMLM is rural in nature, and consists of dispersed, scattered rural unplanned settlements. The municipality is implementing rural housing subsidy programme, aiming in building houses within the rural communities. There is a huge demand of housing within the municipal jurisdiction in both Urban and Rural Areas.

The exact housing backlog and subsequent housing demand for the WMMLM is in rural areas compared to the urban. The settlement pattern of the municipal area reflects a predominantly rural character and the vast majority of the population resides in rural traditional houses. There is a high demand of middle-income houses within the urban area; the main issue is unavailability of land, due to unresolved land claims between the municipality and communities as the municipal commonage is subject to land claims. The municipality has completed the formalisation of the down town informal settlement upgrading through the insitu upgrading. The scope of work entailed pre-planning and the layout plan was adopted by the council. The surveying (pegging) is also completed, awaiting for the

approval of the general plan by the office of the surveyor general, while Environmental Impact Assessment (EIA) Approval has been granted by the department of economic development and environmental affairs. The project will be handed over to the department of human settlements for the construction of top structures soon as the general plan is approved.

In addition, the Municipality's Spatial Development Framework identifies land for future settlement development. The municipality adopted the reviewed spatial development framework, aiming in guiding development within the municipal jurisdiction. According to the spatial development framework, numerous land pockets are identified for human settlement development, proposing various housing densities and typologies. The spatial development framework is aligned to the municipal integrated development plan and it contains the housing chapter extracted from the housing sector plan for the purpose of housing development and delivery within the municipal jurisdiction.

In this financial year, The service provider for reviewing the WMMLM Housing Sector Plan has completed all the 3 phases of the project which were; Phase 1 – Project Inception. Phase 2- Review of Existing Housing Sector Plan and Phase 3- Submission of Revised Housing Sector Plan. Service Provider received comments from councillors and is currently finalising the document. The purpose of the review is to develop a strategic document to inform and guide the WMMLM in the allocation of resources with regards to housing, access to services, administration, and socio economic realities. The plan will incorporate the municipal housing need register, determine the backlogs, infrastructure and Spatial Illustration of projects, demand and backlogs in ward-based approach

Employees: Housing					
Level	2021/22	2022/2023		Vacancies	Vacancies %(As a %of total posts)
	Employees No	Posts No	Employees No		
0-3					
4-6	2	2	2	0	
7-9					
10-12	1	1	1	0	
13-15					
Total	3	3	3	0	

Financial Performance Year 2022/2023: Housing					
Details	2021/22	2022/2023			
	Actual (R)	Original Budget (R)	Adjusted Budget (R)	Actual (R)	Variance if any (R)
Total Operational Revenue	-	-	-	-	-
Expenditure					

Employees	818,070.50	846,157.00	846,157.00	883,626.86	- 37,469.86
Repairs and Maintenance	-	-	-	-	-
Other	-	200,000.00	200,000.00	172,173.91	27,826.09
Total Operating Expenditure	818,070.50	1,046,157.00	1,046,157.00	1,055,800.77	- 9,643.77
Net Operational Expenditure	- 818,070.50	- 1,046,157.00	- 1,046,157.00	- 1,055,800.77	- 9,643.77

Capital Expenditure Year 2022/2023 Housing

Capital Project	2022/2023				
	Budget	Adjusted Budget	Actual Expenditure	Variance from Original Budget	Total Project Value
Housing Sector Plan	R 200 000	R 200 000	R 172 173.91	R 27 826.09	R 200 000

WMMLM doesn't have developer status in terms of implementing the housing delivery, it only coordinates, facilitate and administer housing projects. The Department of Human Settlements is responsible for all housing related projects and is the implementing agent on behalf of the municipality; therefore the Municipality doesn't provide any capital expenditure budget for housing section, except for employees. Below is the project budget from the department of human settlements for the reviewal of sector plan.

KEY PERFORMANCE INDICATOR	ANNUAL TARGETS FOR 2022/23
DESTITUTE AND VULNERABLE	19 627
UNITS	715 (209 Temporal Shelters)
FULL SERVICES	0
PARTIAL SERVICES	
RECTIFICATION	0
BUDGET	R 200 000.00

Successes

The department of human settlements has provided a number of 209 Temporal Shelters to the municipality as a response to a disaster that occurred. A number of 715 of 1300 permanent structures have been constructed however the project is still ongoing.

A Service Provider was appointed to conduct the development of a Housing Sector Plan, the project was a success and the time frame was met.

The Department of Human Settlements appointed Housing Development Agency (HDA) as the Implementing Agent of this project. HDA appointed Sizeya Consulting Engineers as the Professional Resource Team (PRT) to undertake professional services for the project and TCT Civil and Construction for the construction of Interim and Permanent Engineering Infrastructure Services in Downtown and Highland view in upgrading informal settlements.

Challenges

Mbizana is the area prone to disaster, residents within the rural part of the municipality are highly vulnerable and impacted by disaster. Many disaster incidents were reported related to houses blown away by heavy winds, rains resulted to people being homeless.

The terrain is not friendly to delivery of human Settlement within the rural spaces and also result to slow delivery of houses. We are experiencing slow responses from the department for emergency houses as the contractors are not interested because of spatial issues of distance within affected areas that will not be feasible to deliver if they take the project. The municipality have a huge backlog of destitute houses to deliver on.

Sizeya Consulting Engineer's contract was terminated due to contractual issues and the project currently does not have a PRT. This negatively affects the smooth running of the project as the PSC and monthly progress meetings are not sitting.

9.4 Free Basic Services

Provision of free Basic services

The Municipality is providing free basic electricity, free basic refuse removal in Ward 1 and free basic alternative energy in the form of solar. The qualifying beneficiaries are extracted from the approved and adopted indigent register. The number of qualifying beneficiaries each year varies as it is dependent on the availability of funds.

Indigent register

The Indigent Register was approved and adopted by Council by the 30th of June 2022 for implementation in the 2022/2023 financial year. The total number of indigents for that financial year was 18 357.

Number of people benefiting

There were 4703 qualifying beneficiaries for free basic electricity and 730 qualifying beneficiaries for Free Basic Refuse Removal and 2646 for alternative energy.

Free Basic Services to Low Income House holds						
Year	Number of House Holds					
	Total	House Holds Earning Less than R 3960.00 Per month				
		FBAE	Free Basic Electricity		Free Basic Refuse	
		Access	Access	%	Access	%
2022/2023	18 357	2646 (14%)	4703	26 %	730	4%

Financial Performance 2022/2023: Cost to the Municipality Free Basic Services Delivered

Services Delivered	2021/22	2022/2023			
	Actual	Budget	Adjustment Budget	Actual	Variance to Budget
Free Basic electricity and free Basic Alternative Energy	813 586	984 892.57	None	984 892	984 892.57
Indigent Burial Support	None	None	None	None	None
Indigent to rates	None	None	None	None	None

Indigent Awareness Campaigns Conducted

Conducted 4 indigent awareness campaigns the 1st awareness campaign was held at Oliver and Adelaide Tambo Regional Hospital the second one was held at Zikhuba Community Hall the third one was held Inkosi Gcinisizwe Sigcawu Community Hall and the last one was held at Dangeni Village.

Project Goals & Objectives

The goals of the project are to: -

- Get common understanding of the Indigent Policy.
- Ensure the implementation of the Indigent registration by subsidizing qualifying beneficiaries with grid electricity and FBAE.
- Pledge for support of the program.
- Ensure the provision of basic services to indigent household in communities falling under the jurisdiction of Winnie Madikizela-Mandela Local Municipality in sustainable manner, within the financial and administrative capacity of Winnie Madikizela - Mandela LM.
- To ensure the implementation of FREE BASIC SERVICES to the indigent.
- To monitor the provision of the services and impact determination.
- To establish an information system that will be use to capture data for each and every indigent households in the municipality.
- Achieve an up to date household database for the improved basic service delivery and planning.
- To collaborate with other stakeholders to ensure subsidization of poor households with free basic services.

10. COMPONENT B - ROADS

Roads and Storm Water Drainage

Roads infrastructure within the municipality are classified and categorized according to the authority that is responsible for their construction, maintenance and funding. Roads are classified as; provincial, district and access. Provincial and District roads are the responsibility of the Eastern Cape

Department of Transport with gravel access roads being the responsibility of the local authority; Winnie Madikizela-Mandela Local Municipality.

For the 2022/2023 financial year, the municipality prioritised to construct 12.6km of gravel access roads in various wards within its jurisdiction. The following access roads were constructed and completed; Siginqini to Marina in ward 23, Tshongweni in ward 16, Tshuze to Luphilisweni in ward 9 and Sixhanxeni in ward 31. Sidanga Access Road was also part of the prioritized roads for the 2022/2023 financial year but is a multi-year project with a duration of 18 months that is divided into two phases. It is currently under construction.

For rehabilitation of existing roads, the municipality maintained and rehabilitated the following access roads through the Disaster Grant; Qobo to Sizindeni in ward 27, KwaBulala to Mdatya in ward 28, Bazana in ward 25, Matshezini in ward 25, Mnyameni in ward 25, and Skhombe in ward 25, Zamilizwe in ward 13, Mgomazi in ward 14 & 19, Luphondweni in ward 14, Mkolweni in ward 14, Swane in ward 11, Ntlozelo in ward 19, Monti in ward 19, Langaletu to Dotye in ward 21, Dumasi in ward 25, Matshezini Phase 2 in ward 25, Ntamonde in ward 2, Mgodini to Mcijweni in ward 10. Some of the above-mentioned roads are planned to be completed in 2023/24 financial year.

The municipality prioritized the construction and building of, the Bizana Taxi Rank, Civic Centre & Town Hall in ward 1 (CBD), and the DLTC Guard House in ward 1. The taxi rank and DLTC Guard House have been completed. The municipality also prioritised the construction of Ward 13 ECDC in ward 13 and it is still under construction. The Civic Centre is still under construction as it is a multi-year project of 36 months and with the scope of work being divided into three phases.

The municipality successfully constructed and completed about 90% of gravel access roads, rehabilitated 100% of the planned existing roads and 90% of buildings that were to be implemented for the 2022/2023 financial year however it was also met by a number of challenges as listed below;

Challenges

a) Borrow pits

Borrow pits are a major challenge for the municipality as they are becoming scarce and access to these resources is becoming a futile exercise. Communities that have existing borrow pits require some form of compensation prior to its use. This is a challenge for the municipality especially since the municipality relies heavily on grants for developmental initiatives. Forms of compensations varies from community to community, some communities demanding rehabilitating existing infrastructure prior to gaining access to the borrow pit. Some communities demand a form of plough back that can be in a form of providing sport kits for sports clubs within their area with the worse cases being monetary compensation to certain individuals in the community such as the traditional leaders that demand contractors to pay amounts ranging from R10 000.00 to R50 000.00.

These demands hinder the progress of the project as these items are not catered for in the BOQ and especially in grant allocations the municipality depends on. Access to borrow pits is restricted by the

communities unless these demands are met. In some wards, there are no existing borrow pits and cost increase due to the distance between the project and borrow pit such as in the case of ward 21, the nearest borrow pit is found in Mpunzi Drift which is ward 18. The distance between Mpunzi Drift and ward 21 is about 14km's and the community always makes demands prior to accessing the borrow pit. We encountered such challenges with one of the rehabilitation projects (Langaletu via Dotye to Greenville Access Road) where delays were mainly because of the demands of the community of Mpunzi Drift. The community demanded that they be bought tents, plates, spoons, African pots, as well as the construction of a 1 km long access road before the contractor could make use of the borrow pit.

To mitigate these challenges, the municipality needs to embark on awareness campaigns that will educate communities on the nature of the projects that are being implemented by the municipality that will illustrate the types of grants we receive and how they are utilised. Some of the projects are delayed by community requests that are not catered for in our budgets. It has become a trend in our communities for local contractors to demand a 30% SMME package in projects of which the bulk of projects implemented by WMMLM do not cater for such as they are usually below 30million rand which is the minimum budget for projects that can cater for such requirements. Our communities need to be educated about such matters as these can hinder the progress of a project in some cases, the municipality having to allow these demands to be considered by the contractor but resulting in financial implications for the municipality.

b) Contractor/service provider delays

Contractors deliberately delaying projects so they can claim standing time with every project awarded to undertake. This has become a norm for such contractors purposefully stalling the project by undertaking tasks that they were not appointed to undertake. Such Contractors are known to create problems that will hinder the progress of the project such as; wanting to change the BOQ they tendered with when construction should be taking place. During the planning and tender stages, all risks are assessed and mitigated. Challenges encountered with these contractors are not because they lack capacity to implement but it is a norm to want to delay the project and demand payments without working. Such challenges have a negative impact on service delivery initiatives and the municipality at large as it can be seen as supervision is inadequate, further impacting on the funding for the municipality. Prior to any project, the municipality holds community engagements to ensure public participation and that communities are actively involved from the inception period of the project till the asset is handed over for use by the community.

The municipal ISD Officer is tasked with ensuring the social aspect of the project is fully conducted through community engagements; community consultation prior to a project being handed over, where the community is requested to verify that the proposed project is what they requested and still their need, then Project Steering Committee meetings are held on a monthly basis throughout the duration of the project and a close out meetings are held at the completion stage of the project with the entire Project Steering Committee led by the Ward Councillor to ensure that the completed scope of work is per the requirements. The project is also closely monitored by the Municipal Technician,

Consulting Engineer, Project Steering Committee and other personnel that form part of the project management team.

For the previous financial year, the municipality successfully completed 90% of the planned projects, those remaining, are multi-year projects such as the Mphuthumi Mafumbatha Sport field and Civic Centre. The planned and committed budget was utilised at 100%. All the projects were constructed and completed as per the requested scope of work.

Gravel Road Infrastructure: Kilometres				
Years	Total gravel Roads (Km)	New Gravel Roads Constructed	Gravel Roads Upgraded to Tar	Gravel Roads Maintained
2020/21	20.5	20.5	0	0
2021/22	25.8	25.8	0	0
2022/2023	12.6	12.6	0	0

Cost of Construction and Maintenance: Rand Per KM				
Year	Gravel Roads		Tarred Roads	
	New gravel road	Maintained Road	New	Maintained
2020/21	06	0	0	0
2021/22	08	0	0	0
2022/2023	04	0	0	0

Financial Performance Year 2022/2023: Roads					
Details	2021/22		2022/23		
	Actual	Original Budget	Adjusted Budget	Actual	Variance to the Budget
Total Operational Revenue	- 51,022,999.99	- 55,038,000.00	- 79,747,608.00	- 78,416,573.31	- 158,164,181.31
Expenditure					
Employees	9,680,806.57	12,137,856.00	12,137,856.00	12,530,610.57	- 392,754.57
Repairs and Maintenance	7,492,486.84	21,361,454.00	38,481,454.00	7,244,654.04	31,236,799.96
Other	80,375,612.20	33,583,226.00	43,243,249.00	32,046,318.27	11,196,930.73
Total Operating Expenditure	97,548,905.61	67,082,536.00	93,862,559.00	51,821,582.88	42,040,976.12
Net Operational Expenditure	46,525,905.62	12,044,536.00	14,114,951.00	- 26,594,990.43	- 116,123,205.19

Capital Project	2022/2023				
	Budget	Adjusted Budget	Actual Expenditure	Variance from Original Budget	Total Project Value
Upgrading of Taxi Rank Phase 2	1,360,000.00	5,669,545.00	2,196,468.19	3,473,076.81	R31,822,051,69
Construction of Mbizana Town Hall	7,628,075.00	10,373,642.00	9,920,871.47	452,770.53	R93 218 730,12

Capital Project	2022/2023				
	Budget	Adjusted Budget	Actual Expenditure	Variance from Original Budget	Total Project Value
Construction of DLTC Guard house	340,000.00	849,635.00	748,440.00	101,195.00	R 860 706.00
Construction of ECDC Ward 13	2,975,000.00	1,943,383.00	1,889,690.01	53 692.99	R3,494,043,85
Rehabilitation of Scambeni to Thembaesizwe CompTech SSS	1,712,994.00	4,814,309.00	4,814,308.92	0.08	R7 613 484.73
Construction of Mqonjwana to Greenville AR	1,275,000.00	-	0	0	R9 681 001,48
Construction of Sixhanxeni AR	5,270,000.00	7,500,926.00	7,496,468.25	4,457.75	R9 394 045,97
Construction of Sigingqi to Marina AR with Bridge	3,527,500.00	5,304,948.00	5,182,585.18	122,362.82	R6 433 340,78
Construction of Tshuze to Philisweni AR	9,401,788.00	6,679,972.00	6,679,971.56	0.44	R8 767 556.76
Construction of Sidanga Bridge	8,674,255.00	-	18,941,792.90	599,243.90	R23 246 754,04
Construction of Qobo to Sizinden Access Road	843,128.00	-	1,554,233.54	1,554,233.54	R1 813 257,06
Construction of Matshezini Access Road	859,060.00	1,912,802.00	4,518,945.63	2,606,143.63	R 2 195 594,59
Construction of Mnyameni Bridge	514,676.00	-	2,052,672.44	2,052,672.44	R 2 104 834,95
Construction of Bazana Access Road and Bridge	2,217,708.00	-	3,783,853.40	3,783,853.40	R 4 380 274,57
Construction of Sikhombe Access Road	2,440,962.00	-	3,419,147.13	3,419,147.13	R 2 104 834,95
Construction of Kwabulala to Mdatya Access Road	1,710,856.00	-	2,145,547.11	2,145,547.11	R 2 539 128,90
Construction of Tshongweni AR	1,355,177.00	1,488,193.00	1,488,193.00	0.46	R1,964,210.79
Rehabilitation of Umhlambi SSS Langaletu-Dotye Access Road	-	1,399,966.00	1,399,966.00	0.60	R 4 367 381.93
Rehabilitation of Mgomazi AR	-	3,570,030.00	3,456,746.19	113,283.81	R 4 323 440,20
Rehabilitation of Mgodini to	-	3,489,993.00	2,300,712.86	1,189,280.14	R 3 717 484,19

Capital Project	2022/2023				
	Budget	Adjusted Budget	Actual Expenditure	Variance from Original Budget	Total Project Value
Mcinjweni AR					
Rehabilitation of Ntamonde Access Road	-	3,069,044.00	3,069,044.00	2.00	R 4 050 934,37
Rehabilitation of Luphondweni AR	-	3,471,304.00	3,265,347.72	205,956.28	R 3 801 543,44
Municipal Plant and Machinery	-	86,957.00	88,914.40	1,957.40	
Rehabilitaion of Zamiliwe AR	-	1,197,698.00	1,120,137.79	77,560.21	R 1 626 790,90
Rehabilitation of Ntlozelo Access Road	-	2,459,154.00	2,402,213.42	56,940.58	R 2 837 418,85
Rehabilitation of Monti Access Road	-	1,624,982.00	1,612,069.41	12,912.59	R 1 885 809,84
Rehabilitation of Mkolweni AR	-	4,108,121.00	4,052,532.16	55,588.84	R 4 742 969,94
Rehabilitation of Dumasi AR(Disaster)	-	3,627,825.00	3,562,194.16	65,630.84	R 4 248 282,75
Rehabilitation of Swane Access Road	-	1,902,568.00	1,838,341.12	64,226.88	R 2 155 360,90
Construction of Mphuthumi Mafumbatha Stadium (OWN)	-	8,571,820.00	2,858,800.00	5,713,020.00	R 77 476 603.08
Rehabilitation of Mpetshwa AR	-	-	3,652,174.36	3,652,174.36	R4 200 000.00
Rehabilitation of Zwelethu AR	-	-	4,260,869.57	4,260,869.57	R4 900 000.00
Sizabonke to Ndinomntu Access Road	-	-	2,980,000.00	2,980,000.00	R2 980 000.00

Employees: Project Management Unit and Operations and Maintenance					
Level	2022/2023				
	Employees No	Posts No	Employees No	Vacancies	Vacancies %(As a %of total posts
0-3	0	0	N/A	N/A	100%
4-6	3	3	A0151,A0235,A0403	0	0%
7-9	0	0	0	0	100%
10-12	5	5	A0097,A0088,A0322 A0208,A0237	0	0%
13-15	1	1	A0091	0	0%

Total	09	09	09	0	
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Road Maintenance

Over the past three years, the municipality decided to improve its internal capacity to maintain access roads. We have improved our road works machinery in order to continuously improve the state of our roads. The general state of our access roads is poor and hence the municipality has budgeted an amount of R 12 080 000.00 during 2022/2023 financial year to rehabilitate some of the gravel access roads. The Municipality has managed to maintain 105,1km during this financial year. The allocated budget is far less than the required funding in order to meaningfully eradicate roads maintenance backlogs. The municipality already has two (2) fully-fledged sets of construction plant (2 x Grader, 2 x Roller, 2 x water cart, 1 x Excavator, 1 x TLB, 1 x Diesel Tanker Truck, 1 x Lowbed Truck and 3 x tipper trucks), however these are not enough to rapidly deal with the current backlog as it is too high. EPWP contract labourers to maintain the storm water drainage and also to fix the small to medium potholes within our CBD roads were utilized. The municipality has allocated R3 687 000.00 to create 292 new EPWP jobs by June 2023. An amount of R1 361 278.00 has been budgeted for a total of 942m² of pothole patching in the CBD for 2022/2023 financial year.

The long-term strategy the municipality is developing is that of developing a comprehensive Roads Master Plan that incorporates the road maintenance plan for a period of three to five years. The mentioned plan shall enable the municipality to enjoy an informed roads maintenance programme. The Roads Master Plan shall further explore and introduce contemporary roads maintenance technologies as our competitive edge. The section is also responsible for the maintenance of municipal buildings.

11. COMPONENT C - PLANNING AND DEVELOPMENT

11.1 Planning Development

The Development Planning consists of two sections namely; Local Economic Development, Planning and Land Use. The two sections work closely to each, due to the nature of work in order to promote development and enhance local economic growth.

Location of the section

Planning and Land Use Section is located in the Development Planning Department. The section comprises of subsections namely; Town Planning, Building Control, Housing, Geographic Information System services (GIS) and Real Estate, as per the approved organogram structure.

Objectives and functions of the section

The main objectives of the section are to facilitate, coordinate, administer, implement as per the departmental mandate;

- To ensure controlled and coordinated urban development

- To ensure a reliable register of land and valuation of properties
- To ensure Development and Review of Spatial Development Framework, Nodal Plan, Precinct Plan and Local Spatial Development Framework
- To ensure availability of land for development
- To ensure a safe and planned built environment for the future
- To ensure development of integrated, sustainable human settlements
- To avail land for purposes of development, housing, commercial, industrial, social and recreational facilities.
- To ensure maximum use of space through infill planning/ densification
- To facilitate the formalisation/ upgrading of informal settlements
- To facilitate human settlement development, township establishment, street naming and numbering, small town revitalisation
- Ensure compliance of Building legislation, town planning scheme, legislation, act adhered to
- Facilitate the prevention of illegal occupation of municipal land
- Facilitate land acquisition and disposal

Functions

A function of the section is to enhance service delivery through planning, facilitating, coordinating, administering and implementing the following functions;

Spatial Planning

- To ensure an informed approach towards development in the future in developing of Spatial Development Framework, Nodal Development Plans, Precinct Plans and Review of Spatial Planning Plans.
- Development of a Town Planning Scheme and Zoning Plan, Integrated Land Use Scheme to promote development to occur in a harmonious and coordinated manner
- Development of a Land Use Management System in providing guide lines for land use management in an integrated approach.
- Development of Land Audits in identification of municipal, state and private land for purpose of acquisition, disposals, preservation for future development, proper billing.

Building Control

In terms of the National Building Regulations and Building Standard Act “No person shall without the prior approval in writing of the local authority in question, erect any building in respect of which plans and specifications are to be drawn and submitted in terms of this Act and if a local authority, having considered a recommendation referred to, is satisfied that the application in question complies with the requirements of this Act and any other applicable law, shall grant its approval in respect thereof.

Building Control Section is mandated by council to enforce the National Building Regulations Act 103 of 1977 as amended through the following aspects plan submission, plan processing, referred plans, approved plans and archiving of original plans.

The building control subsection is to ensure the built environment is according to the required standards as per building regulations. Any construction, amendments, renovations, demolitions of the site requires prior approval and monitoring on different levels for safe environment. Unauthorised buildings are the main challenge and debilitated, deteriorating buildings that pose danger to public/communities.

- Building Control to improve the built-up area that all building plans submitted comply with building regulations by conducting site inspection, building development, management, control and demolishing.
- Facilitate the prevention of unauthorised building works and occupation of illegal buildings.

Valuation

- Develop a credible valuation roll that will improve the property valuation, billing and revenue enhancement for the municipality. Valuation of municipal land for possible disposal and supplementary valuation roll.
- Conducting of
- supplementary valuations

Town Planning

Land use management for effective, efficient use of land, development control, enforcement and assessment of development applications received and processed for the following categories:

- Rezoning,
- Sub-division,
- Consent use,
- Removal of restrictive conditions
- Township establishments
- Permanent departures
- Temporary departures
- Consolidation
- Land Surveying

Land administration

The management and administering of council owned land, municipal buildings and investment properties for the following;

- Disposal of council land
- Property management of council land, houses and leases on land.
- Acquisition of land for development
- Dealing with land invasions on council land
- Encroachments in municipal properties

Geographic Information Services

Providing of Geo spatial services and offering support within the municipal departments in the following services;

- Undertake municipal data capturing and update spatial planning
- Undertake capturing and update of municipal immovable assets (Assets Register)
- Maintenance of GIS Infrastructure

Human Settlement

The Constitution of the Republic of South Africa, 1996 states that everyone should have access to adequate housing. The Housing Act, (of 1997 make provisions the compilation of Housing Sector Plans to be integrated with District Housing Sector Plan and aligned with the Integrated Development Plan.

- Provision of housing and services to guide human settlements, responsible for Beneficiary administration; facilitate the provision of housing and coordinating housing projects.

Key stakeholders

The main players involved in development planning mainly in planning and land use Stakeholder Role Responsibility:

Department of Local Government and Traditional Affairs	Planning and Surveys, Formalisation of informal settlements, statutory applications approval, spatial planning and land use management
Department of Rural Development and Land Reform	Spatial Planning and Land Use Management, SPLUMA, Land Tenure, Land Claims, Deeds Office, Surveyor General Office.
Dept of Justice	Court Orders for enforcing of bylaws, regulations and municipal policies
South African Police Services	Law Enforcement and Crime prevention
Alfred Nzo District Municipality	GIS Support, spatial planning and land use management
Department of Public Works (provincial, national)	Small Town Revitalisation, Land Acquisition and Disposal
South African Local Government Association	Small Town Regeneration Programme, Land Use Management and Spatial Planning.

Challenges and Successes

Land use management for effective, efficient use of land, development control, enforcement and assessment of development applications received and processed for the following categories:

- Contraventions of town planning scheme regulations and building act standard.
- Illegal land uses and unauthorised building
- Undeveloped residential, commercial sites,
- Land invasions, informal settlement development
- Land claims impeding development
- Dilapidated and deteriorating buildings
- Ribbon development along the R61
- Non-approval of subdivision by the Surveyor General Office as they require dual approvals
- None responsive applications in appointment of the municipal planning tribunal

Successes

The section has developed the land invasion policy to deal with the land invasions and outdoor advertising policy to increase revenue streams. The sectional organogram is approved and vacant post budgeted to be filled and implementing departmental mandate.

Implementation of by-laws,

The section is experiencing slow implementation of by-laws, due to the nature of the statutory policies require consultations, serving of notices and council resolutions, court orders prior implementation. The by-laws have been adopted by the council and gazetted.

Land audits

The municipality adopted the land audits for urban area that was completed in 2015 and for rural in 2016 is in the process of implementing both land audits respectively. The main purpose of the urban land audit was to have an up to date information on all properties, to enable an efficient billing system which will benefit the municipality and residents as well as initiate land use management system that will ensure that the municipality effectively perform its land use function. To also enable the municipality to avail accurate information to property owners in order to ensure efficient development of the said properties and the ownership status of land within the urban edge and rural properties.

The main purpose of the rural land audit was to obtain the information on the surveyed and unsurveyed properties, registered, unregistered properties in all rural wards through a ward-based approach. The municipality obtained the cadastral information that will assist in influencing planning and decision making within these rural spaces and is aligned with the rural zoning

Issues of land claims

WMMLM has a number of land claims that were lodged in the past years. Various individuals, groups and communities lodged restitution claims for various portions of land around Bizana. The nature of the claims vary from one claim to the other, most of the claims are community claims which involve large portions of land. Some of the land claims fall within the Sustainable Rural Development Program (ISDRP) nodal point. They are as follows: -

- Betterment claims
- Commonage claims
- Forestry claims
- Conservation claims
- Sugar cane claims

The restitution claims in Mbizana are at various stages of the settlement process, including research, claimant verification, valuations, settlement and court referral as guided by Restitution of Land Rights Act 22 of 1994. Urban land claims including the municipal commonage, impeding development. Township Establishment south of Bargain wholesale and commercial development in Erf 10 is part of the land claims in Town.

Applications for Land Use Development										
Detail	Planning application received		Determination made in the year of receipt		Determination made in the following year		Applications Withdrawn		Applications outstanding at the year end	
	21-22	22-23	20-21	22-23	21-22	22-23	21-22	22-23	21-22	22-23
Subdivisions	3	2	3	0	0	0	0	0	0	2
Consolidations	0	1	0	0	0	0	0	0	0	1
Rezoning	1	3	1	1	0	0	0	0	0	2
Applications relating to land restriction	0	1	0	1	0	0	0	0	1	0
Special consents	0	1	0	1	0	0	0	0	0	0
Other application must be mentioned	0	4	0	3	0	0	0	0	1	1

Employees: Planning and Land use, Building control, and Housing					
Level	2021/2022	2022/2023			
	Employees No	Posts No	Employees No	Vacancies	Vacancies % (As a % of total posts)
0-3					
4-6					
7-9					
10-12		6	5	1	83%
13-15		6	5	1	83%
TOTAL		12	10	2	83%

Financial Performance Year 2022/2023: Planning and Land use , Building Control					
Details	2021/22	2022/2023			
	Actual	Original Budget	Adjusted Budget	Actual (R)	Variance to the Budget
Total Operational Revenue	(87,842.53)	(129,076.00)	(129,076.00)	(70,586.07)	199,662.07
Expenditure	0	0	0	0	0
Employees	1,882,867.41	2,430,498.00	2,305,498.00	2,114,001.13	191,496.87
Repairs and Maintenance	0	0	0	0	0
Other	865,840.25	2,882,717.00	3,004,994.00	1,269,181.76	1,735,812.24
Total Operating Expenditure	2,748,707.66	5,313,215.00	5,310,492.00	3,383,182.89	1,927,309.11
Net Operational Expenditure	2,660,865.13	5,184,139.00	5,181,416.00	3,312,596.82	1,727,647.04

Financial Performance Year 2022/2023: Housing					
Details	2021/22	2022/2023			
	Actual	Original Budget	Adjusted Budget	Actual	Variance if any
Total Operational Budget	0	0	0	0	
Expenditure					
Employees	818,070.50	846,157.00	846,157.00	883,626.86	37,469.86
Repairs and Maintenance	0	0	0	0	
Other	-	200,000.00	200,000.00	172,173.91	27,826.09
Total Operating Expenditure	818,070.50	1,046,157.00	1,046,157.00	1,055,800.77	9,643.77
Net Operational Expenditure	818,070.50	1,046,157.00	1,046,157.00	1,055,800.77	9,643.77

11.2 Local Economic Development and Tourism

The Local Economic Development Section mandate is to maximise the economic potential of the municipality and enhance the resilience of macro-economic growth through increased local economic growth, employment creation and development initiatives within the context of sustainable development and it further facilitate the economic activities for the improvement as well as

development of Mbizana economy as per chapter 5 of the National LED framework which stipulates that Government has a decisive and unapologetic role in shaping the economy of the country as well as regions. The following are the key economic drivers in Mbizana as per the LED strategy that is currently under review.

1. Agricultural Development
2. Tourism
3. SMME development
4. Mining
5. Ocean Economy
6. Manufacturing
7. Wholesalers and retail sector

LED Strategy Implementation:

The LED strategy was adopted in 2009 and is currently under review and is being implemented by the municipality. In executing the LED Strategy, the Development planning Department involved other key stakeholders in economic development, sector Departments and established key forums. Working with all business formations in Mbizana in the implementation of LED strategy maximised value.

LED Challenges Hindering Economic Development

- Lack of synergy in the activities of different role players
- Limited resources are key challenges in Economic Development. This refers to the financial resources and skills to execute our bankable plans
- Land claims protract development in the area as in some areas there are financial resources allocated but the implementation cannot commence due to land claims
- Poor Economic infrastructure is a challenge in the Municipality as it keeps investment at bay such as poor access to tourist and heritage sites
The above-mentioned challenges need to be taken into consideration as it may impact negatively in the broader economic development of the area. This is the cause for economic leakage to neighbouring municipalities and province
- Lack of product supply chain system to link producers to market
- Low levels of literacy, affecting business development

LED Successes

- The municipality have received a funding for Bricks & Blocks Manufacturing Hubs and in a process to finalise feasibility study.
- The municipality has incubated 20 business SMMEs.
- National Department of Tourism has completed designed for beach infrastructure development and has done signage for Amampondo Hiking trails.
- The municipality is in a process of building its boat launching site for local fisheries

- Renovation of Bukuveni market stalls & Boxer store is to build 50 hawker stalls within Bizana town.
- Department of Arts and Culture has completed the construction of Khananda Hill Grave site and O. R. Tambo Garden of Remembrance and now they are in the process of finalising interpretative library.
- DRDAR has completed one multi-purpose sheds in ward 14 and ward 18 it is still in process
- NDT has commissioned a study for beach infrastructure development along our coastline and it is still in progress
- Visitor Information Centre is well maintained and is well operating

List of supported LED Projects 2022/2023

	COMPANY NAME	SECTOR	WARD	Amount
1	Amihle Trading Enterprise	Manufacturing	Ward 26	R184 000.00
2	Iyanzi (PTY) LTD	Branding	Ward 01	
3	BZN Technology	ICT	Ward 01	
4	MCTM	ICT	Ward 01	

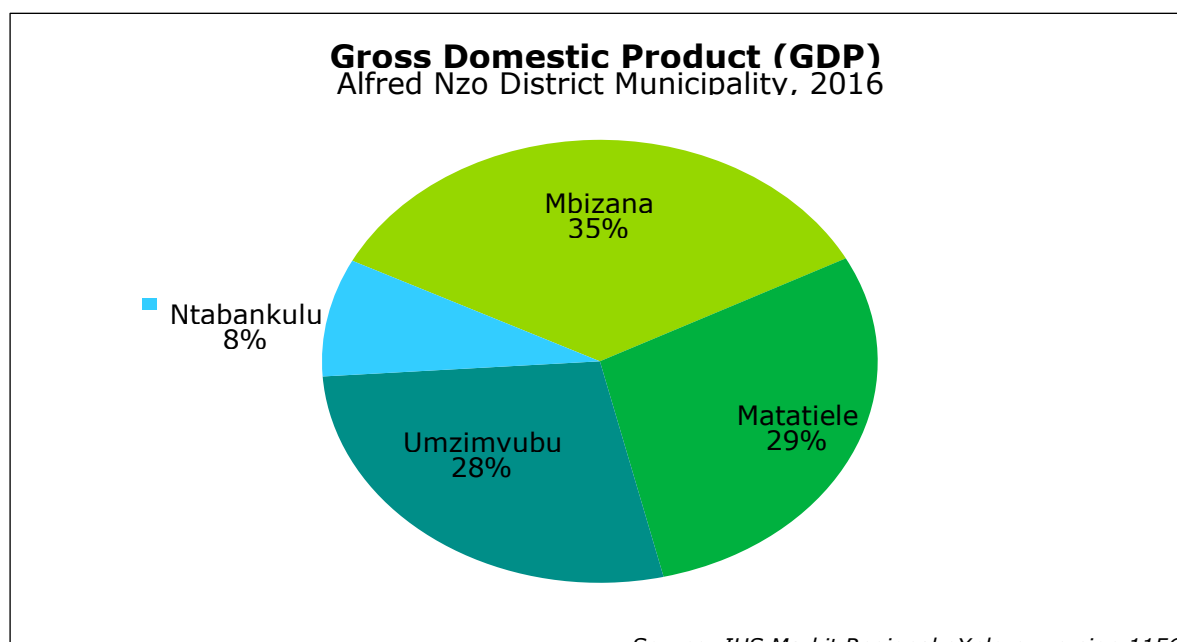
ARTS AND CRAFT SUPPORT				
	COMPANY NAME	SECTOR	WARD	TOTAL BUDGET SPENT
1	Gejamaqabane music artist	Music artist	25	R 484 380.00
2	Belik traditional dance	Traditional dancer	19	
3	Two-line (masikandi musician)	Masikandi musician	20	
4	Eunimak fashion designer	Fashion designer	19	
5	Hlalazimfiken(masikandi)	Masikandi musician	02	
6	Dalisto project	Arts & craft	07	
7	Indiphile project	Arts & craft	31	
8	Luthando lwenkosi arts and craft	Arts & craft	01	
9	Ingqayi kati poet	Poet	26	
10	Amampondo youth empowerment program	Visual artist, writer & poet	04	
11	Miks designs	Fashion designer	01	
12	Dleziza sewing project	Fashion designer	18	
13	Actions boys (Isicathamiya group)	Isicathathamiya group	17	
Total budget for Arts & Craft Support				
14	Life guards	Life savers	24	
15	Dumper wave	Surfing	24	

AGRICULTURE INPUTS			
No.	COMPANY NAME /PROJECT NAME	WARD	TOTAL BUDGET SPENT
1.	Nkosiphendulo Christophor	7	R1 100 000
2.	Vuyolwethu Twabu Ward 15	15	
3.	Zamokwakhe Matara	22	
4.	Zoleka Madikizela	14	

AGRICULTURE INPUTS			
No.	COMPANY NAME /PROJECT NAME	WARD	TOTAL BUDGET SPENT
5.	Kuyachuma Trading Enterprise	09	
6.	Bathele Mathanjana	13	
7.	Mr Ntola	25	
8.	Mamelani Njonga	06	
9.	Malixole Memory Nokwe	31	
10.	Nompendulo Joyce Qhabatshana	31	
11.	Liver Wiseman Dlamini	30	
12.	Nomangesi Phetshula	29	
13.	Bongeka Tshonofolo	12	
14.	Zamanani Cc	12	
15.	Lindiwe Mavula	12	
16.	Thaleni Development Pty Ltd	12	
17.	Zwelijikile Wiseman Bandezi	09	
18.	LUTHANDO JAYIYA	15	
19.	P MNOTHISWA	12	
20.	Victoria Bele	31	
21.	Nothobile Nomawethu Dotye	29	
22.	Thulani Mfanwa	12	
23.	Mandisa Donga	31	
24.	Amagquma Coop	31	
25.	Mangusa Fikiswa Tshezi	12	
26.	Khangelani Tshezi	12	
27.	Alexia Jikizwa	04	
28.	Florence	31	
29.	Nomveliso Somgunqu	06	
30.	Gloria Khwetshube	09	
31.	Wenzakahle Projects	31	
32.	Vigirnia N Msobo	15	
33.	Fezeka Ngulubana	31	
34.	Dineo Queen Ntseare	31	
35.	Amandla Kabawo Coop	22	
36.	Ncebenkulu Community Project Primary Coop	28	
37.	Mpandle Veg Project	13	

AGRICULTURE INPUTS			
No.	COMPANY NAME /PROJECT NAME	WARD	TOTAL BUDGET SPENT
38.	Mtasi Greens	13	
39.	Soli Noi Primary Coop	11	
40.	Amahomba Primary Coop	05	
41.	Queens Green	19	

Gross Domestic Product (GDP) - Mbizana Local Municipality And The Rest of Alfred Nzo, 2016 [Percentage]

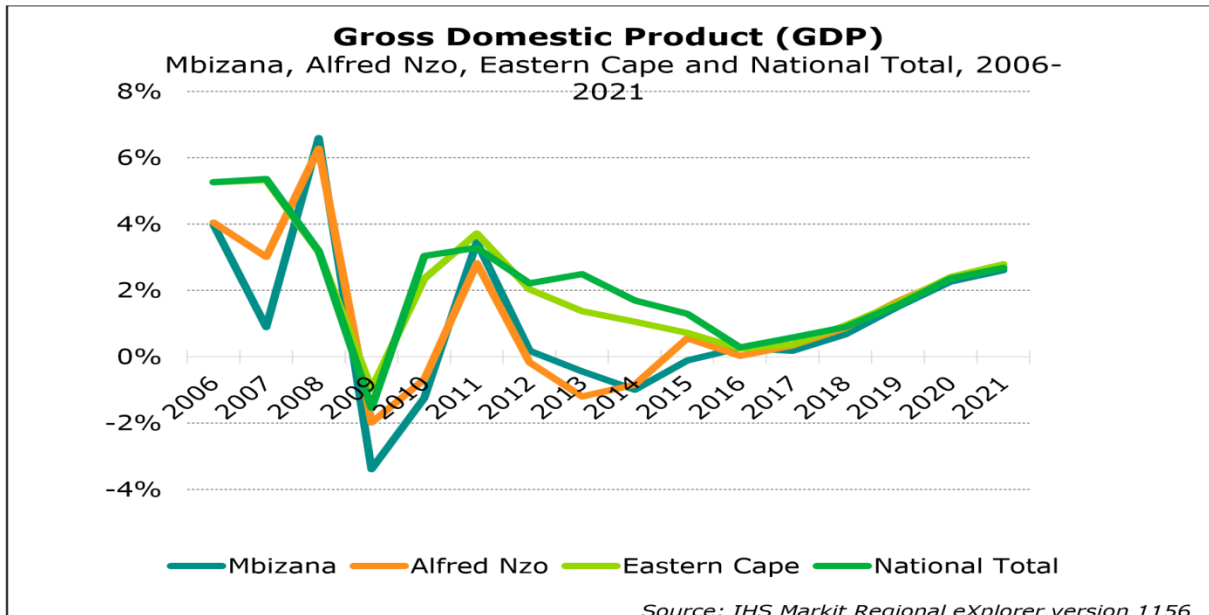


The Winnie Madikizela Mandela Local Municipality had a total GDP of R 4.31 billion and in terms of total contribution towards Alfred Nzo District Municipality the Winnie Madikizela Mandela Local Municipality ranked highest relative to all the regional economies to total Alfred Nzo District Municipality GDP. This ranking in terms of size compared to other regions of Mbizana remained the same since 2006. In terms of its share, it was in 2016 (34.8%) very similar compared to what it was in 2006 (34.8%). For the period 2006 to 2016, the average annual growth rate of 0.5% of Mbizana was the second relative to its peers in terms of growth in constant 2010 prices.

Economic Growth Forecast

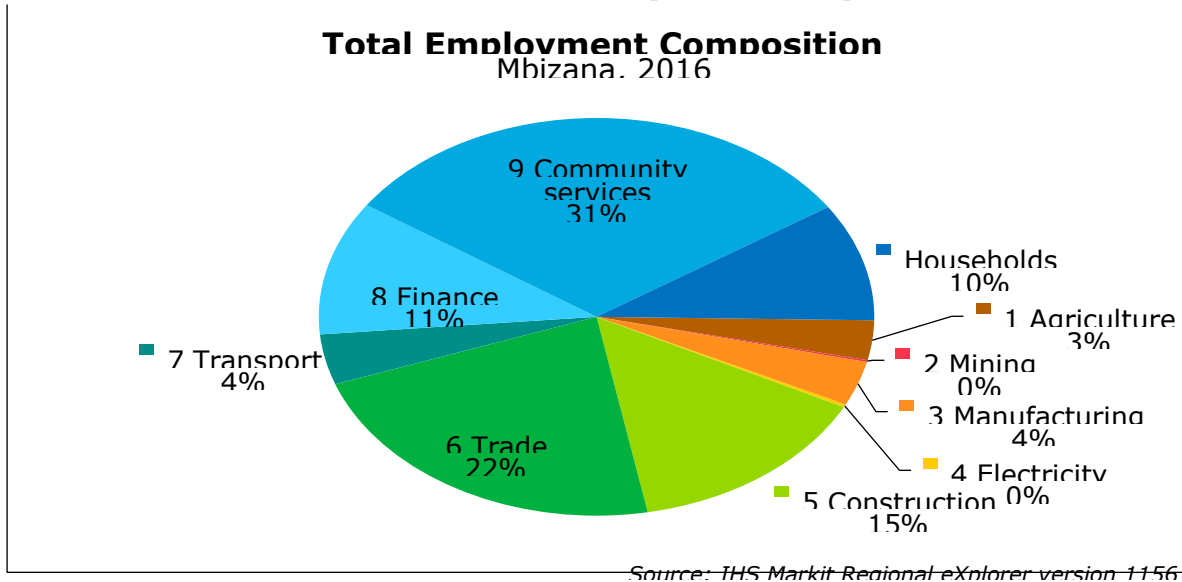
It is expected that Winnie Madikizela Mandela Local Municipality will grow at an average annual rate of 1.44% from 2016 to 2021. The average annual growth rate in the GDP of Alfred Nzo District Municipality and Eastern Cape Province is expected to be 1.58% and 1.62% respectively. South Africa is forecasted to grow at an average annual growth rate of 1.61%, which is higher than that of the Winnie Madikizela Mandela Local Municipality.

CHART 10. GROSS DOMESTIC PRODUCT (GDP) - MBIZANA, ALFRED NZO, EASTERN CAPE AND NATIONAL TOTAL, 2006-2021 [AVERAGE ANNUAL GROWTH RATE, CONSTANT 2010 PRICES]



In 2021, Mbizana's forecasted GDP will be an estimated R 3.13 billion (constant 2010 prices) or 34.5% of the total GDP of Alfred Nzo District Municipality. The ranking in terms of size of the Winnie Madikizela Mandela Local Municipality will remain the same between 2016 and 2021, with a contribution to the Alfred Nzo District Municipality GDP of 34.5% in 2021 compared to the 34.7% in 2016. At a 1.44% average annual GDP growth rate between 2016 and 2021, Mbizana ranked the second compared to the other regional economies.

CHART 23. TOTAL EMPLOYMENT PER BROAD ECONOMIC SECTOR - MBIZANA LOCAL MUNICIPALITY, 2016 [PERCENTAGE]



In Winnie Madikizela Mandela Local Municipality, the economic sectors that recorded the largest number of employments in 2016 were the community services sector with a total of 8 250 employed people or 31.2% of total employment in the local municipality. The trade sector with a total of 5 930 (22.4%) employs the second highest number of people relative to the rest of the sectors. The mining

sector with 40 (0.2%) is the sector that employs the least number of people in Winnie Madikizela Mandela Local Municipality, followed by the electricity sector with 60.9 (0.2%) people employed.

Jobs Created by LED Initiatives excluding EPWP				
Year (Top 3 Initiatives)	No of jobs created	Jobs lost/ displaced by other initiative	Net Total jobs created in a year	
2020-21	46	0	0	
2021-22	49	0	0	
2022/2023	109	0	0	
Jobs created by EPWP projects				
Year	No of EPWP projects	No of Jobs created		
2020-21	6	177		
2021-22	8	245		
2022-2023	8	542		

Employees: Local Economic Development and Tourism					
Level	2021/22	2022-2023			
	Employees No	Posts No	Employees No	Vacancies	Vacancies % (As a % of total posts)
0-3	0	0	0	0	0
4-6	A0356	1	A0356	0	0
7-9	0	0	0	0	0
10-12	A0123 A0332 A0217	5	A0123 A0332 A0217	0	0
13-15	A0340	1	A0340	0	0
Total	5	7	5	0	0

Capital Expenditure Year 2022-2023: Local economic Development					
Capital Projects	2022-2023				
	Budget	Adjusted Budget	Actual Expenditure	Variance from Original Budget	Total Project Value
Beach Infrastructure: Ablution facilities	595,000.00	608,696.00	376,800.00	231,896.00	
Construction of Market Place	1,360,000.00	2,858,909.00	2,049,646.69	809,262.31	
Construction of Manufacturing hubs	11,561,579.00	11,827,702.00	996,995.00	10,830,707.00	

Financial Performance Year 2020-2021: LED and Tourism					
Details	2021-22	2022-2023			
	Actual (R)	Original Budget (R)	Adjusted Budget (R)	Actual (R)	Variance to the Budget (R)
Total Operational Revenue	- 750,107.66	- 22,933,384.00	- 22,883,384.00	- 1,564,333.80	- 21,319,050.20
Expenditure					
Employees	7,290,510.04	7,153,612.00	7,593,612.00	7,608,864.79	- 15,252.79
Repairs and Maintenance	35,950.00	162,240.00	162,240.00	-	162,240.00
Other	5,462,953.30	21,326,813.00	21,359,013.00	9,067,988.10	12,291,024.90
Total Operating Expenditure	12,789,413.34	28,642,665.00	29,114,865.00	16,676,852.89	12,438,012.11
Net Operational Expenditure	12,039,305.68	5,709,281.00	6,231,481.00	15,112,519.09	8,881,038.09

Economic Growth Analysis

This section provides the analysis of economic growth and development in the WMMLM. The section uses the GVA value as a measure of economic growth and outlines the growth thereof between 2011 and 2020. It further analyses the economy by the contribution of each sector to the overall GVA. The section provides the economic sectors by their potential employment multiplier effects as well as their ability to create strong backward and forward linkages.

GVA Contribution and Growth Trend

Economic performance can be measured in Gross Value Added (GVA), which quantifies the monetary value of goods and services that have been produced in a particular area once the cost raw materials used to produce said goods and services have been subtracted. This subsection analyses the WMMLM's economic growth using the GVA value and comparing it to other local municipalities in the Alfred Nzo district. Figure 15 demonstrates this further.

Figure 15: Comparative GVA of the WMMLM and other municipalities in Alfred Nzo

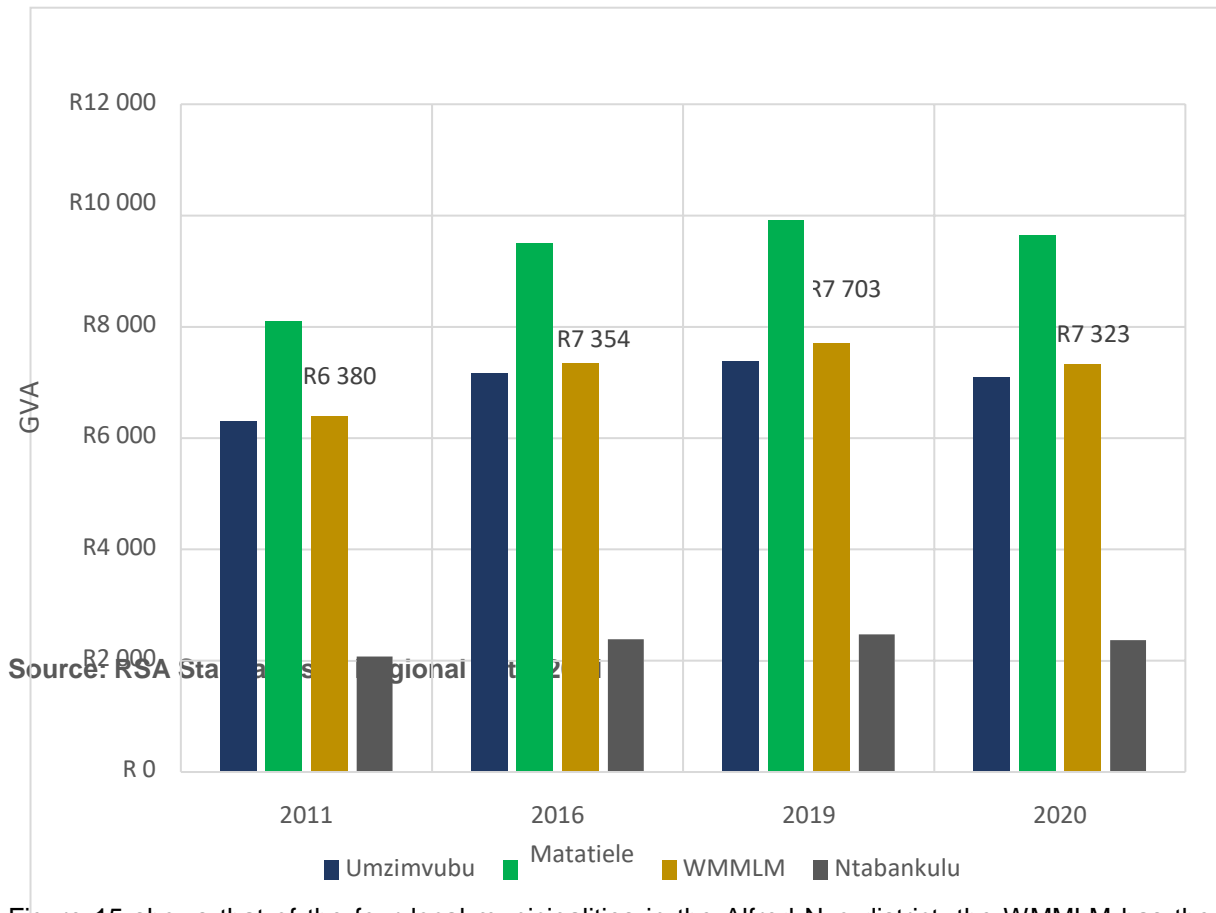
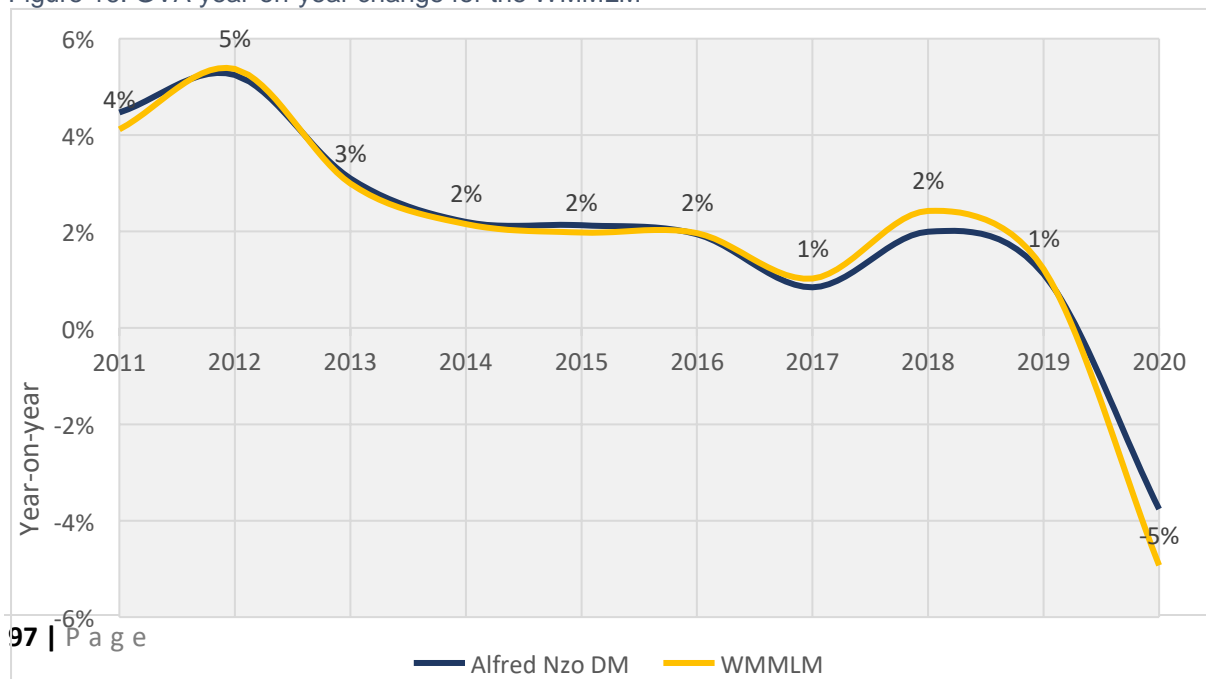


Figure 15 shows that of the four local municipalities in the Alfred Nzo district, the WMMLM has the third largest economy in terms of the GVA, the first being Matatiele LM, followed by Umzimvubu LM. In 2011 the WMMLM's GVA amounted to R6,38 billion. Between 2011 and 2019, the GVA grew at a decreasing rate from R6,38 billion to R7,70 billion. However, between 2019 and 2020, the WMMLM experienced a sharp decline in its GVA, managing to collect about R7,32 billion – the lowest value since 2016. To demonstrate the GVA growth trend over the 10-year period between 2011 and 2020, Figure 16 provides a year-on-year change in the WMMLM's GVA. The municipality's growth trend is compared with that of the Alfred Nzo district.

Figure 16: GVA year-on-year change for the WMMLM

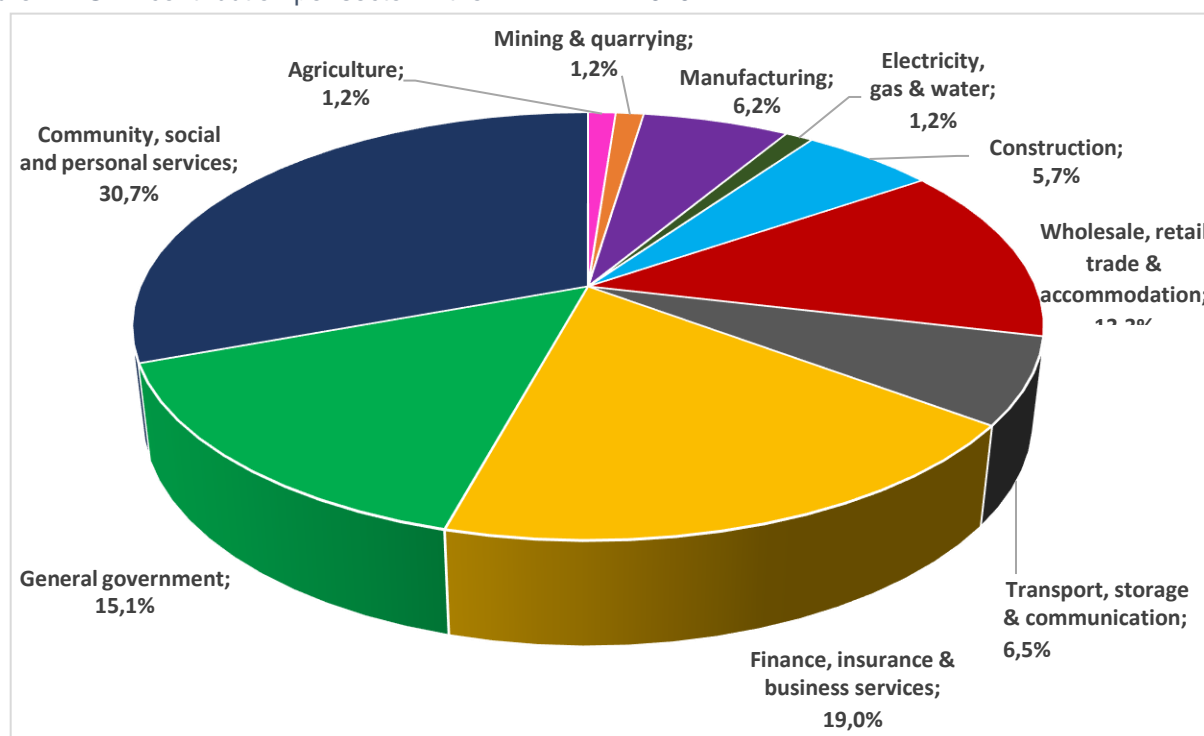


Although the previous figure showed that the municipality's GVA has seen positive growth between 2011 and 2019, Figure 16 also confirms that the GVA of the WMMLM has been increasing. However, it shows that since 2012, the growth in GVA has been occurring at a decreasing rate. This means that, the municipality's economy has been growing, although the rate at which it grew was slowing down. Furthermore, between 2019 and 2020, the WMMLM's economy contracted by -5%, reaching its lowest levels since 2016. The Coronavirus disease 2019, also known as COVID-19 is likely to have negatively impacted the growth (or a lack thereof) in the WMMLM's economy, as well as that of the entire district municipality since it experienced a similar economic downturn over the same period. The government's decision to halt economic activities, with the exception of those deemed as essential services played a major role in the municipality's economic output.

Growth by Economic Sectors

The WMMLM's economy can be further analysed by economic sectors. As such, this subsection demonstrates the GVA contribution of various sectors to the municipality's overall performance. Figure 17 below shows the percentage contributed by each economic sector to the WMMLM's GVA in 2020.

Figure 17: GVA contribution per sector in the WMMLM in 2020



Source: RSA Standardised Regional Data, 2021

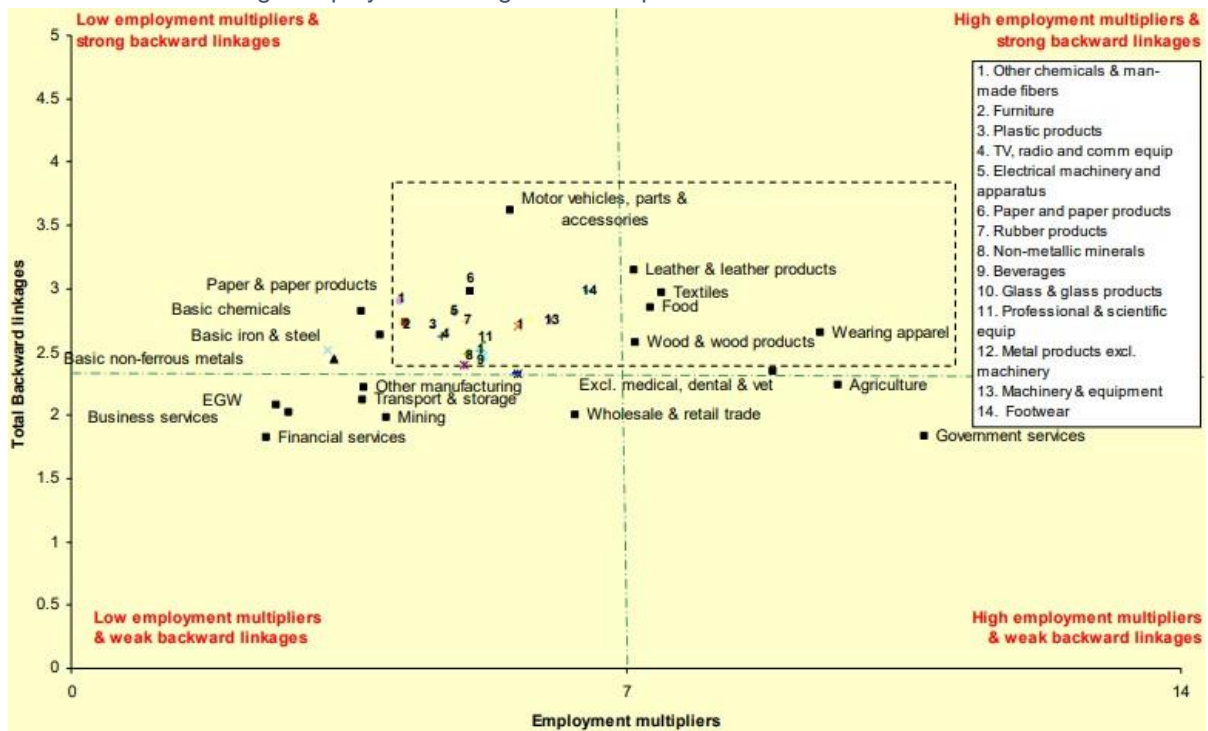
The tertiary sector appears to be the most dominant economic sector in the WMMLM as they contribute the largest share to the municipality's GVA. As shown in Figure 17, community, social and personal services accounts for 30,7% of the municipality's GVA, followed by finance, insurance and business services at 19%, general government services at 15,1%, and thereafter wholesale, retail and accommodation at 13,3%. These economic sectors, including transport, storage and communication, which contributes 6,5% towards the GVA, fall within the tertiary sector and have a combined share of

about 84,6% of the WMMLM's economy. The secondary sector is the second most dominant in the municipality, accounting for about 13,1% of the GVA. The secondary sector consists of manufacturing, which accounts for 6,2% towards the GVA, followed by construction with a contribution of 5,7% and utilities (electricity, gas and water) with 1,2%. The primary sector contributes the least to the municipality's GVA. As shown in Figure 17, agriculture, forestry and fisheries, as well as mining and quarrying each contribute about 1,2% to the WMMLM's GVA. Combined, the two subsectors make up the primary sector which accounts for a 2,4% share in the municipality's GVA.

Economic Sectors' Employment and Growth Multipliers

The significance of an economic sector is not only measured by its contribution to the GVA. It can also be measured by its ability to generate employment opportunities, as well as backward and forward linkages throughout the value chain. This subsection seeks to demonstrate the economic significance of sectors by assessing their level of employment and growth multipliers.

Figure 18: Sectors with high employment and growth multipliers



Source: IPAP 2011/12 – 2013/14

Figure 18 measures the employment multiplier of 14 value adding economic sectors along the x-axis while on the y-axis, the figure measures the growth multiplier effect for forward and backward linkages. Ideally, an economic sector should demonstrate high levels of growth multipliers and equally high employment multipliers. This would indicate that the primary products or outputs of a particular economic sector can be transformed into high value goods and services that generate more income and stimulate more direct and indirect employment opportunities throughout the entire value chain. As shown in Figure 18, the sectors that fall within the area marked with a dotted rectangle are the most desirable as they consist of high employment and growth multipliers. Non-metallic minerals consist of sand, gravel, limestone, marble and clay, and these are used in the manufacturing of building materials and will also be used in the proposed WMMLM's manufacturing hubs. Evidently, these non-metallic materials are expected to create relatively high levels of employment and have strong backward linkages in manufacturing and construction.

The analysis of the demographics of the WMMLM indicates the following:

1. Of the four local municipalities in Alfred Nzo district, the WMMLM has the largest population size, and its population grew by an average growth rate of 0,6% over the past decade.
2. The rate at which the municipality's population grows is decreasing, possibly due to migration to more developed municipalities and cities in search of economic opportunities.

3. Women make up 57% of the population whereas men account for 43%. In 2011, however, women and men accounted for 55% and 45% of the population, respectively. This indicates that a larger proportion of men are migrating out of the municipality.

The analysis of the socioeconomic context of the WMMLM, the following conclusions have been reached:

1. The majority of the population in the WMMLM has low levels of education. About 50% of them have completed primary school as their highest level of study while almost 10% have no schooling whatsoever.
2. Over the past decade, the municipality has seen an improvement in its education levels. The functional literacy rate increased from 33% in 2011 to 37% in 2020. While this indicates some improvement, people are classified as functionally literate are unable to use their reading and writing abilities to perform competently in the workplace.
3. About 42% of the working age population in the WMMLM is unemployed. While this number seems high, unemployment has decreased substantially from 46% in 2011.
4. The majority of people who are employed in the municipality work in the formal sector, and of those, most are either in highly skilled jobs or semi-skilled jobs.
5. Over half of the households in the WMMLM earn between R9,601 and R76,800 per month, and thus can be classified as middle-income households.
6. About 22% of the population in the municipality lives in extreme poverty which is measured at R624 per person per month – the average amount needed to purchase minimum intake of energy.
7. Income inequalities are widening in the municipality as indicated by the gain coefficient value for current income which increased by 0,02 points over the past decade.

The following analysis of the economic status of the WMMLM can be reached;

1. Of the four local municipalities in the Alfred Nzo district, the WMMLM has the third largest economy in terms of its GVA contribution, after Matatiele and Umzimvubu municipalities.
2. The tertiary sector is the largest contributor to the municipality's economy in terms of the GVA, accounting for more than 80% share.
3. The primary sector, which consists of mining and quarrying as well as agriculture is the least contributor accounting for 1,2% of the GVA, each.

Although mining and quarrying (the sector under which the extraction of building materials falls) is one of the least contributors to the GVA, it has potential to create strong backward linkages along the value chain and a relatively high employment multiplier

11.3 COMPONENT D - Community and Social Services

LIBRARIES

Winnie Madikizela Mandela Local Municipality has 4 functional libraries. Mbizana Public Library is situated next to Multi-Purpose Youth Centre (Ward 1). Homework Club @ Mbizana Public Library. Nkantolo Public Library is a modular placed at Kantolo JSS at ward 27. Monwabisi Mfingwana Public Library also a modular is placed next to Dudumeni Community Hall in Ward 08. Highland Reading Champions. Ebenezer Classroom Library used to be in a school class but has since moved to Wild Coast Sun former UNISA premises. Ebenezer Library fully functioning @ Wild Coast Sun. Wild Coast Sun is currently building the library for Ward 24 communities and surrounding next to Nobukhwe Gwala Community Hall in Ward 24.

DSRAC has given all 4 libraries Wi-fi and E-Books service. 1 MOA was signed between WMMLM and DSRAC for grant. Eight library awareness campaigns were conducted, supply and delivered periodicals to all our libraries and maintenance of library facilities.

Duties of the Municipality: To utilise the funding in accordance with the business plan. In accordance with the objectives as set out in this Agreement and not for any other objectives not stipulated herein. To submit reports to the department on or before the dates stipulated in the agreement.

Duties of DSRAC: Subject to clause of the agreement, effect transfer of the allocated amount to the Municipality, subject to the satisfactory fulfilment of the terms and conditions as set out in the agreement. Ensure the Municipality utilises the funding in accordance with Business plan.

Community Facilities

Number of community halls and how they are managed and booked.

Winnie Madikizela Mandela operated, maintained and equipped 36 Community halls. The municipality is using approved tariffs for bookings of the community halls and there is a service provider for minor maintenance of recreational facilities. The municipality also using EPWP Workers for daily maintenance and Caretakers for safe guarding of community halls. The municipality has officially opened and operating Mphuthumi Mafumbatha Stadium which is booked through approved tariffs. The municipality continues to maintain and operate all recreational facilities and this is possible with cooperative assistance from established Hall Management Committees. Hall Management Responsibilities.

- To ensure proper management of the halls.
- Receiving and consider requests from community and stakeholders for the use of Municipal Facilities; responding and/or recommending requests.
- To ensure general routine maintenance of halls.

Recreational Policy

The municipality has adopted and reviewed Recreational policy. Legislatives mandates which govern recreational facilities.

The municipality has fenced 2 community halls in Ward 08 and Ward 07 in order to secure safe keeping of municipal halls.

Cemeteries

Winnie Madikizela Mandela Local Municipality has 2 Cemeteries both in Ward 1 (EXT1). General cleansing is done on regular basis in and out. Cemeteries have been an important part of our culture and society, as such, it's of high importance that they are regularly maintained and are of high standard. Cemetery entrance was constructed for beautification of cemetery.

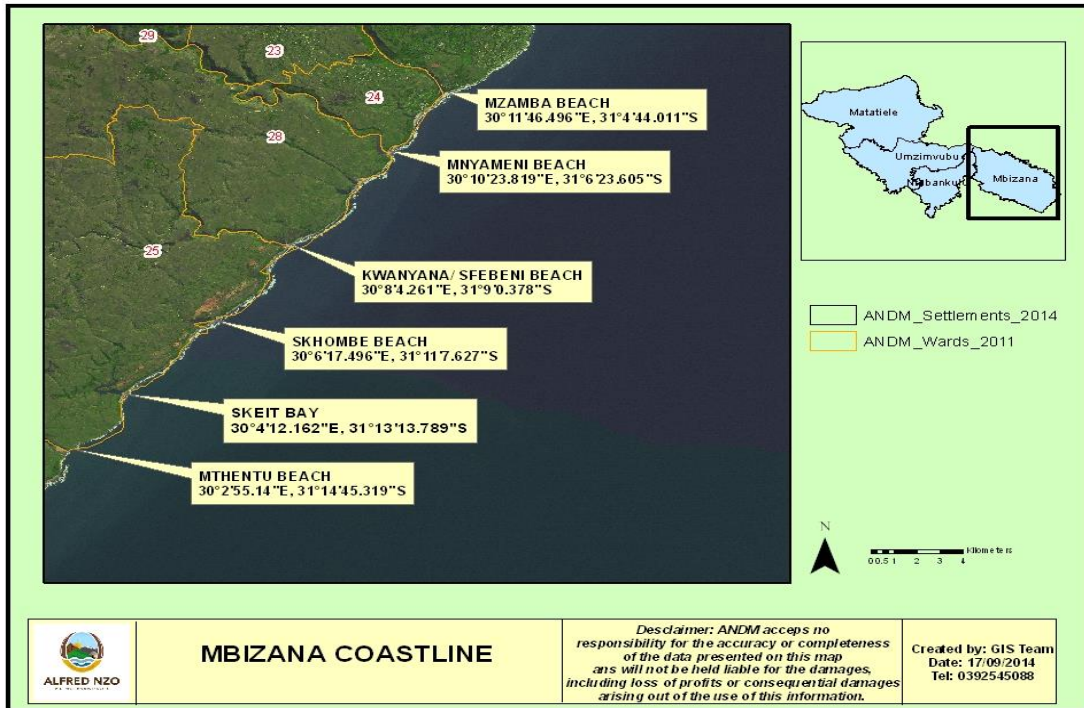


The future plans therefore, include landscaping the cemetery and provide benches, signage i.e. signboards in the current financial year.

Aquatic Safety

Bizana is categorised into inland and coastal areas and it has five public beaches namely; Mtentu, Mnyameni, Mzamba, Skhombe and Kwanyana/ Sfebeni (Beaches illustrated on the map below). Waste collection within the coastal Belt is managed through EPWP Personnel, the personnel is responsible for waste collection and removal of invasive alien plant species along the coast. There is also a project (Flood Mopping) by DFFE which assist in waste management and clearing of alien invasive plants. Invasive alien plants can transform ecosystems structure and ecosystem functioning and thus it's of high importance to identify and remove alien species.

Checking water quality has also been prioritised by the municipality, this is done so as to ensure aquatic species' safety, most importantly to ensure public space and that municipal beaches meet the Blue Flag standard.



In order to qualify for the Blue Flag, a number of stringent namely; environmental education, safety and accessibility criteria must be met and maintained. Bizana is currently prioritizing two beaches for Blue Flag status, namely; Mtentu Beach and Mzamba Beach. At the moment, 1 beach is on Pilot Blue Flag (Mzamba Beach). Beach signboards are installed in Mzamba beach and water sampling are being taken seasonal as part of the process of meeting the status of Blue Flag. Environmental awareness programmes are also conducted in coastal wards during the environmental days such as the International beach clean-up (See images below illustrating environmental awareness and beach signboards).





11.4 Special Programmes

Special Programmes Unit was able to achieve twenty nine out of thirty targets set in the Service delivery and budget implementation plan for the 2022-2023 financial year. Lobbying and advocating for mainstreaming of special groups (Children, People with disability, Elderly, Women, Men and Youth) into all internal and sector departments programmes was the main focus of the unit. All the for a are functional and working well with the municipality. WMMLM also managed to develop and adopt all special groups policies and all the special groups participated in the development of these policies. The municipality has also been visible in most programmes for the elderly from games to support to elderly centres also campaigns aiming at decreasing violence against elderly persons. Youth Programmes were conducted as follows

- Support of functioning of SAYC was held at Hluma Lounge on the 01 September 2022
- Initiation awareness campaign was held at Mbizana Sport field Next to cultural village on the 22 September 2023
- Initiation Support: Traditional Male Circumcision Workshop was held at youth centre on the 01 November 2023
- Young entrepreneur development program was held at Hluma lounge on the 17 -21 November 2022.
- Career Exhibition was conducted from the 31 January 2023 - 03 February 2023 at Wild Coast Sun
- Mayors Schools Achievement Awards were conducted on the 1 March 2023 at Wild Coast Sun
- Initiation Awareness was conducted on the 22 March 2023 at Youth Centre Hall
- Youth Month Activities were conducted:
- Digital Skills Training was conducted at Youth Centre from the 26-29 June 2023

- Youth Month Celebration was held from the 16 - 17 June 2023 at Mbizana Youth Centre
- Support Material for Young Entrepreneur and Youth Owned Civil Society Organisation was handed over on the 30 June 2023
- Initiation Support was provided through the provision of municipal vehicle for monitoring from 26 June 2023 to 18 July 2023

Children

- Inkciyo monthly stipend was paid to 33 inkciyo inspectors (for the whole year, Accounts to 4 targets)
- Inkciyo support was conducted at Matshona village Ntabankulu on the 10th of September 2022,
- Support to child headed household of vouchers was conducted on the 13th of December 2022 at Bizana Sport field,
- Inkciyo end year function was conducted at Mfundiwani ward 08 on the 09th-10th December 2022
- Back to School Campaign Full School Uniform was handed over to 60 learners on the 1st March 2023.
- Support to Early Childhood Development Centres Educational Tools to Preschool of excellence ward 13, Notha ECDC ward 18 and Thembelenkosini ECDC ward 18 was handed over on the 26 June 2023 and 28 June 2023.

Elderly

- support of Elderly centers: handing over of kitchen tools was conducted at Zwelitsha old age ward 04, Khananda civic center ward 22, Dikeni old civic center ward 19.
- Elderly wellness campaign was conducted at Bizana Sport field on the 13th of December 2022
- Support Functioning of Elderly Forum was conducted through the support of Nkantolo Elderly Centre with sewing machine and tools which were handed over on the 22 March 2023

People with Disability

- PWD support for Ikhaya Lembizana and Mzuvukile Special School was conducted at Hluma Guest Lodge
- Disability month was conducted at Hluma Guest Lodge on the 2nd of December 2022.
- Support functioning of PWD Forum was done through the support of Sisikelelwe Disability Project in ward 16 with 15 bags of potatoes seeds on the 9 February 2023.
- Handing over of Machine, Overlock and Sewing Material were handed over to Iphulo Lamampondo Disability Project on the 4 May 2023

Gender

- Women's month celebrations were held at Lubusi Boutique Hotel on 30th August 2022,
- Men's forum launch was held in Mbizana Sport field next to cultural village on 20th September 2022
- Men's Summit was held at Hluma Lounge on 04th November 2022,
- 16 days of activism against Women Abuse was held in three different venues Launch was held at Mhlabi village ward 12 on the 28th November 2022, build up was held at Qadu village ward 14 on

the 29th November 2022, Main event was held at kwa Khanyayo Ward 15 on the 30 November 2022.

Communicable Diseases

On Communicable Diseases the office of the Mayor champions the programme and are discussed at standing committee before they are approved and implemented by Local AIDS council.

- Conduct programmes on communicable diseases
- Local Communicable Diseases Management Plan was reviewed in March 2023 and presented to Standing Committee.
- The Local AIDS Council Meeting sits with all relevant WMMLM Stakeholders (Civil Societies and Government Departments) and the purpose of this Council Meeting is to implement, Develop the strategy and action plan to deal with HIV, AIDS, TB and STI's within WMMLM.



- Awareness Programmes Conducted to the following places in order to mitigate the spread of Communicable Diseases:

Schools – WMMLM conducted an awareness campaign in Reproductive Health to limit high teenage pregnancy; the danger of using drugs and bullying in schools. The awareness was conducted at Baleni JSS, Mdeni JSS, Ebenezer JSS and Ethridge JSS



WORK PLACE – Awareness Campaign was conducted to WMMMLM Employees as they do not have time to visit clinics for these health services.



CORRECTIONAL SERVICES – Awareness campaign was conducted at Correctional services Department to educate workers and prisoners about importance of knowing your HIV&AIDS status also how to prevent the spread of Diseases.



TRADITIONAL HEALTH PRACTITIONERS – Awareness campaign was conducted in WMMMLM THP's in order to link the western medicine and African medicine and understand the working

procedures. To motivate THP's to be registered in their council. The Structure of the Traditional Health Practitioners was elected at Youth Centre by the Speaker of WMMLM and the councillors. in collaboration with other Stakeholders.



- Capacity Building – Capacitating the WMMLM NGO's and Traditional Health Practitioners.



- World AIDS Day – WMMLM commemorated the World AIDS Day at Khanyayo Location, ward 15 to give support to the people infected by HIV/AIDS.



- SUPPLY OF HEALTH CARE KITS – WMMLM assist the Non-Profit Organization with Health Care Kits as they assist those who are sick in the communities and has no one to look after.



- SCREENING AND EDUCATION – Screening and educating 3092 people in the Communities in collaborating with Government sisters and NGO's.



11.5 Pollution control, Biodiversity, Landscape and Coastal Protection

The Alfred Nzo District Municipality (ANDM) is located in the Eastern Cape Province. The Department of Economic Development, Environmental Affairs and Tourism (DEDEAT) is the lead agent for environmental management in the Eastern Cape Province, and subsequently for air quality management in the province. DEDEAT forms part of the provincial government’s initiative to spearhead economic growth in the region. The goal being “Innovation for Sustainable Development”, with a mission to “Lead economic development and environmental management in the Eastern Cape” (DEDEA, 2013).

The Municipality currently relies on Air Quality Management Plan that was developed by ANDM. However, there is a plan in place to develop our own Air Quality Management Plan as the Air Quality Management bylaw is under public participation processes.

Public comfort facilities

The municipality comprises of 29 municipal facilities which includes; Community parks and Heritage Sites. Community parks is designed for recreational purposes such as picnics, sport facility, events and also has children accommodation zone. The heritage sites namely; O.R Tambo Cultural Village, O.R Tambo garden of remembrance, Winnie Madikizela-Mandela Heritage Site, Ndlovu Heritage Site and Khananda Heritage Site pride with greening, landscaping and also serves as tourist attraction areas. Grass cutting is done when required within Bizana town and it’s also done in the above-mentioned public comfort facilities.

Nurseries

Currently, Bizana has two nurseries namely; uMthamvuna nursery and Cultural Village nursery located in Ward 1 & Ward 18. They are maintained in-house by the municipality; these nurseries comprise of medicinal plants (See images below).





Conducting of Environmental Management Campaigns

One of the targets on the approved SDBIP is to conduct 4 environmental awareness campaigns within Bizana and environmental clubs have been introduced in various schools. The objective of the environmental clubs is to empower different communities and schools through conducting awareness's i.e. environmental education. Six awareness's have been conducted in financial year 2022/2023 namely;

- Arbor awareness conducted at O.R Tambo Cultural Village on the 8th of September 2022.
- Marine Week awareness conducted at Mdatya SSS & Sijadu SPS on the 19th of October 2022.
- Beach Clean-up campaign conducted at Mzamba Beach on the 2nd of December 2022.
- Wetlands Day awareness conducted at Cangci SSS & Ndllovumile SPS on the 22nd of February 2023.
- Environmental Awards conducted at Wild Coast Sun on the 5th of May 2023.
- Environmental day conducted at Ngele SPS & Mpeni SSS on the 5th of June 2023.

(See figures below showing environmental awareness campaigns undertaken in various areas within Bizana).





Capital Expenditure Year 2022-2023: Environmental Management and Biodiversity

Capital Projects	2022-2023				
	Budget	Adjusted Budget	Actual Expenditure	Variance from Original Budget	Total Project Value
N/A	0	0	0	0	0

Employees: Environmental Management and Biodiversity

Level	2022-2023				
	Employees No	Posts No	Employees No	Vacancies	Vacancies % (As a %of total posts)
0-3					
4-6					
7-9	A0253	1	A0253		
10-12	A0376	1	A0376		
13-15					
Total	2	2	2		

Financial Performance Year 2022-23: Environmental Management and Biodiversity

Details	2021-22	2022-2023			

	Actual (R)	Original Budget (R)	Adjusted Budget (R)	Actual (R)	Variance to the Budget (R)
Total Operational Revenue	-	-	-	-	-
Expenditure					
Employees	1,527,645.27	1,643,358.00	1,660,358.00	1,676,589.20	-16,231.20
Repairs and Maintenance	-	-	-	-	-
Other	630,998.68	1,007,841.00	733,841.00	559,835.91	174,005.09
Total Operating Expenditure	2,158,643.95	2,651,199.00	2,394,199.00	2,236,425.11	157,773.89
Net Operational Expenditure	2,158,643.95	2,651,199.00	2,394,199.00	2,236,425.11	157,773.89

COMPONENT F: SAFETY AND SECURITY

3.13 FIRE AND DISASTER MANAGEMENT

Fire Management

Fire and Rescue services are conducted by ANDM, operating a Satellite centre. There is no signed (MOU) memorandum of understanding, the ANDM is currently working on it and Fire Prevention Plan & Fire Tariffs and By-Law's where in jointly Fire tariffs will be determined and implemented. Municipality Conducts Veld Fire awareness in various ward 03 of Bizana in partnership with Alfred Nzo District Municipality Fire and Rescue on the 06th June 2023 in Amantshangase Admin area. Community Emergency Response Team Volunteers was launched on the same date of Veld fire awareness for Ward 03 and for Ward 26.

The municipality is planning to develop Fire Risk Assessment in order to develop Fire Protection Plan and tap into opportunities for funding projects like working on fire.

Objectives of working on fire

- Is intended for protection of natural vegetation;
- To create a community upliftment programme that will employ people especially the disadvantaged groups e.g. Women and Youth.
- To secure livelihoods and sustainable environment;
- To promote environmental strategies in minimizing veld fires through fire and life safety awareness and education campaigns;
- To provide trainings in different skills.

Disaster management

In terms of the Disaster Management Act, 2002 (Act 57 of 2002), municipalities are required to gather municipal disaster management plans. The municipality developed and adopted a Disaster Risk Management Plan (Level 1) in 2015; this document was reviewed in 2022/23. The function is done by both the ANDM and Winnie Madikizela Mandela Local Municipality, the district municipality has a satellite office with 4 Disaster Officials. The municipality has drafted Standard Operational Plan which is a guideline for WMMLM. WMML Municipality has adopted Social Relief of Distress policy which is a guideline on how to respond to affected and qualifying beneficiaries.

Disaster Awareness Campaigns

Aims of Disaster Awareness Campaigns

- Reduce the risk of disasters caused by human error
- Promote disaster management capacity building, training and education including in schools.
- Ensure the organization's ability to continue operating after a disaster.
- Place emphasis on measures that reduce the vulnerability of disaster –prone areas, communities and households.
- Promote disaster management research.
- Provide for appropriate prevention and mitigation strategies.
- Facilitate maximum emergency preparedness.
- Contain contingency plans and emergency procedures in the event of disaster by providing prompt disaster response and relief.

Disaster Awareness Campaigns Conducted

The municipality conducted 4 Disaster awareness campaigns

Objectives of Disaster awareness campaigns

- The extent of common knowledge about disaster risks, the factors that lead to disasters and the actions that can be taken individually and collectively to reduce exposure and vulnerability to hazards
- Reduce the risk of disasters caused by human error
- Promote disaster management capacity building, training and education including communities.
- Ensure the organization's ability to continue operating after a disaster.
- Place emphasis on measures that reduce the vulnerability of disaster –prone areas, communities and households.
- Promote disaster management research.
- Provide for appropriate prevention and mitigation strategies.

- Facilitate maximum emergency preparedness
- Contain contingency plans and emergency procedures in the event of disaster by providing prompt disaster response and relief.

The municipality launched Disaster Advisory forum that was on the 02nd September 2022 in Ward 24 Wild Coast Sun and conducted Disaster Advisory Workshop.

Community Based Disaster Risk Assessments

The municipality conducted 2 Community Based Disaster Risk Assessment in Ward 15 and in Ward 25

Objectives of CBDRA

- The key intended outcomes of the Community Based Risk Disaster Assessment are intent to increase local capacity so as to minimize the risk and impact of disaster.
- Disaster risk assessments must be actively including participation of vulnerable communities and households including physical isolated communities and female headed and child-led households.
- Monitor and educate communities about natural and man-made disasters that occurred in our communities.

Disaster Risk Assessments

The municipality assessed and responded to 278 households reported & recorded disaster incidents that were affected by disaster within 72 hours in various Wards of Mbizana.

Challenges

- Delays on intervention from Department of Human Settlement for providing assistance to affected beneficiaries.
- Temporary shelters that were erected are licking and some are already fallen down.

PROTECTION SERVICES

Protection Services is subdivided into five sections that is; Traffic law enforcement, driving licence testing Centre, Registering Authority, Security Services and Pound.

Traffic Section

This section serves to ensure roadworthiness of public transport, the enforcement of Bylaws, Safety of road users, minimise carnages of road accident, to create free flow of traffic and encourage voluntary compliance to the Legislation (N.R.T.A 93/96).



Driving License Testing Centre

Winnie Madikizela Local Municipality is providing drivers licence testing Centre Services where we produce credible learner's licence, new drivers licence application, renewal of drivers' licence card and Application for professional driving licence. The centre is graded as grade B Driving licence testing centre. Installation of computerised learners licence system to curb fraud and corruption. This infrastructure benefits 32 wards of WMM local municipality and entire South Africa in promoting service delivery which is the mission and the vision of WMM Local Municipality.

Activities

The activities that are being conducted at the centre as scheduled as follows: Learners License bookings are done from Monday to Friday. Learners License classes are conducted 4 days a week with 2 classes a day which is Monday to Thursday where each class consist of 9 applicants and that makes a total of 72 applicants a week. These figures are depending on the availability of applicants but the DLTC is readily available to work according to the indicated plan. Currently the DLTC is having 8 driving license appointments daily for driver's license test. The centre is having 2 live enrolment unit, 3 E-eNatis computer, 2 printers and face value documents. All the above-mentioned assets are provided by the Department of Transport as the custodian of the system.

Capital Expenditure Year 2022-23: DLTC					
Capital Projects	2022-2023				
	Budget	Adjusted Budget	Actual Expenditure	Variance from Original Budget	Total Project Value
N/A	0	0	0		
N/A	0	0	0		
Financial Performance Year 2022-2023: DLTC					
Details	2021-2022	2022-2023			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to the Budget
Total Operational Revenue	(4,270,438.31)				0
Expenditure	0			0	
Employees	6,614,986.49				
Repairs and Maintenance	980,708.51				
Other	9,583,837.69				
Total Operating Expenditure	16,198,824.18				
Net Operational Expenditure	16,198,824.18				

Challenges

The main challenge that hinders /hampers the services is the shortage of staff which makes it very difficult to maintain good service delivery standards. The test route is giving us a problem as it is badly damaged which makes the centre not to comply with the National Road Traffic Act Standards. There is a significant decrease in the production of learner's license due to the introduction of the computerised learners license test system by the department of transport as our clients still not familiar with computers. This adversely affect the driving license bookings as the leaners license is the first requirement for the application of driving license test. Cashier office deemed to be completed but not addressing the problem.

DLTC Data		
Details	2021-2022	2022-2023
	Actuals	Actuals
Total Number of learner's licences processed	1533	3103
Total Number of driver's licences processed	5385	6611
3weeks	1 weeks	1 weeks
Average turnaround time –Drivers-		

licence		
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Employees: DLTC					
Level	2022-2023				
	Employees No	Posts No	Employees No	Vacancies	Vacancies % (As a % of total posts)
0-3					
4-6	2	2	2	0	
7-9	1	1	1	0	
10-12	3	3	3	0	
13-15					
Total	6	6	6	0	



Registration Authority

Winnie Madikizela Local Municipality entered into a memorandum of understanding with Department of Transport thereby signing a valid service level agreement which is based on total revenue collection from the Registering Authority. Department of Transport sets terms on the collection of revenue which stipulates well that the Department will supply prescribed Stationery such as; face value documents and provision of eNatis computers also mentioning dividends from the collection of licence fees where 19% goes to the Institution (WMM Local Municipality) and 81% to the Department of Transport. The Registering Authority works effectively and efficiently with DLTC staff who work tirelessly at different levels producing good output.

Background of the Registering Authority

The Registering Authority rests with the responsibility of Registration and licensing of motor vehicles, issuing of both temporal & special permits and also motor trade numbers. This body (RA) is monitored by the Department of Transport (DOT) whereas employment of staff to ensure that service delivery is in smooth running to Mbizana Communities is the responsibility of Mbizana Local Municipality.

Registering Authority's Performance and Accessibility

The Authority is rendering a very good service, and it is more and easily accessible to customers.

Activities Conducted at Registering Authority

- Registration of all types of motor vehicles
- Licensing of motor vehicles
- Notices of change of ownerships
- Handling all motor vehicles queries
- Issuing of temporal and special permits
- Issuing of motor trade numbers
- Attending to deregistration reasons whether it's because of theft or any other reasons
- Applications for documentations
- Filing and any other issues related to motor vehicles
- Issuing of forms for all transactions

Number of Technical machines Available

The RA consists of 2 terminals system (ENatis computer system) and 1 HP printer which is also ENatis connected printer serviced by RTMC.3 Cash drawer from the municipality

Successes

- Correct transactions are done according to the regulation.
- Filing is done according to the audit manual (DOT).
- Meeting deadlines for submission of returns to the province
- Computerised Learners License System has been installed in Mbizana DLTC and it is operational.

Challenges

- Shortage of staff that result on no leave for the person who is working in the RA.

- The centre is facing in terms of performing its fundamental functions due to the severe load shading/power outages that attacks the nation at large as we solely depend on the network.
- The new system has negatively affected the revenue collection on learner's license side as the clients are running away on the new system.

Registering Authority Data		
Details	2021-2022	2022-2023
	Actuals	Actuals
Total amount collected for Department of Transport (DOT)	R 5 941 510.54	R6 696 400.29
Total amount collected for the Municipality	R2 146 051.80	R2 159 618.64
Total for registration and penalties	R 1 393 691.71	R1 565 747.99
Total for transaction fees (RTMC)	R565 560.00	R581 832.00

Capital Expenditure Year 2022-23: RA					
Capital Projects	2022-23				
	Budget	Adjusted Budget	Actual Expenditure	Variance from Original Budget	Total Project Value
N/A					
N/A					
N/A					
N/A					
N/A					
N/A					
N/A					
N/A					
Financial Performance Year 2022-23: RA					
Details	2021-22	2022-23			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to the Budget
Total Operational Revenue	0	0	0	0	0
Expenditure	N/A				
Employees	N/A				
Repairs and Maintenance	N/A				
Other	N/A				
Total Operating Expenditure	N/A				
Net Operational Expenditure	N/A				

Security

Winnie Madikizela Mandela Local Municipality has fifteen sites that should be taken care of amongst others is the institution (WMMLM) with all the resources and assets. The Institution permanently employed 20 Security Officers working from Monday to Friday, covering mornings and afternoons with two Security supervisors who are monitoring security personnel. Weekends and public holidays as well as night duties are covered by private security services. This subsection further has a VIP protection unit with three fulltime officers. The main objective for this section is to secure all Municipal key points, Assets, Resources, staff and the unit as indicated is attached to the principals in terms of security to create safe working environment.

Traffic Police Service data				
Details	2021/2022	2022-2023		2023-2024
	Actual Number	Estimated Number	Actual Number	Number Estimated
Number of road traffic accidents during the year	610	460	552	450
Number of by-law infringements attended	256	260	183	300
Number of traffic officers on the field on an average day	14	14	14	14
Number of officers on duty on an average day	14	14	14	14



Employees: Protection Services including security services					
Level	2021-2022	2022-2023			Vacancies % (As a % of total posts)
	Employees No	Posts No	Employees No	Vacancies	
0-3	2	2	2	0	0
4-6	24	24	24	0	0
7-9	10	10	10	0	0
10-12	17	17	17	0	0
13-15	1	1	1	0	0

Total	54	54	54	0	0
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Capital Expenditure Year 2022-2023: Protection Services					
Capital Projects	2022-2023				
	Budget	Adjusted Budget	Actual Expenditure	Variance from Original Budget	Total Project Value
CCTV Cameras	170 000.00	210 000.00	197 345,72	40 000,00	197 345,72
Security Equipment 2505	170 000.00	230 000,00	163 000,00	60 000,00	163 000,00

Financial Performance Year 2022-2023					
Details	2021-22	2022-2023			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to the Budget
Total Operational Revenue	- 3,683,579.13	- 4,293,501.00	- 4,413,501.00	- 4,698,712.98	285,211.98
Expenditure					
Employees	16,389,257.18	17,812,169.00	17,570,169.00	16,860,426.73	709,742.27
Repairs and Maintenance	701,934.73	1,371,000.00	1,149,395.00	556,658.33	592,736.67
Other	11,316,096.21	12,663,909.00	30,666,952.00	30,151,708.00	515,244.00
Total Operating Expenditure	28,407,288.12	31,847,078.00	49,386,516.00	47,568,793.06	1,817,722.94
Net Operational Expenditure	24,723,708.99	27,553,577.00	44,973,015.00	42,870,080.08	2,102,934.92

POUND

WMM Local Municipality has established a Pound situated in Highland View which is fully operational. The pound aims at implementing the legal processes of impounding stray and trespassing animals within the CBD, public roads, and private properties within WMM Local Municipality jurisdiction thus fostering to communities a sense of responsibility for their livestock and also enforcing municipal bylaws.

Activities

The activities that are presently conducted at Winnie Madikizela Mandela Pound is the collection and keeping of stray and trespassing animals within the CBD and Mbizana communities. At the moment only Large and small stock that is catered for, no domestic animals.

Number of technological machines available

- Shearing Machine
- Captive Bolt (Gun)

Successes

The Pound is performing its core functions successfully regardless of the challenges that are obstructing the service.

Challenges

- The main challenge is the access road to the Pound office
- No Sewage system



Pound: Data		
Details	2021-22	2022-23
	Actuals	Actuals
Total number of animals impounded	318	344

Employees: Pound					
Level	2022-23				
	Employees No	Posts No	Employees No	Vacancies	Vacancies % (As a % of total posts)
0-3	2	2	2	0	
4-6					
7-9					
10-12	1	1	1	0	
13-15					
Total	3	3	3	2	

Capital Expenditure Year 2022-23: POUND					
Capital Projects	2022-2023				
	Budget	Adjusted Budget	Actual Expenditure	Variance from Original Budget	Total Project Value
Pound Equipment	31 350	(31 350)	0		

Financial Performance Year 2022-2023: Licensing					
	2021-22	2022-2023			
	Actual (R)	Original Budget (R)	Adjusted Budget (R)	Actual (R)	Variance to the Budget (R)
Total Operational Revenue	- 83,986.68	- 50,000.00	- 50,000.00	- 29,675.00	- 20,325.00
Expenditure					
Employees	892,319.40	926,930.00	949,930.00	954,263.92	- 4,333.92
Repairs and Maintenance	143,165.00	149,000.00	189,000.00	156,522.00	32,478.00
Other	373,519.18	466,450.00	516,450.00	497,814.60	18,635.40
Total Operating Expenditure	1,409,003.58	1,542,380.00	1,655,380.00	1,608,600.52	46,779.48
Net Operational Expenditure	1,325,016.90	1,492,380.00	1,605,380.00	1,578,925.52	26,454.48

12. COMPONENT G: SPORT AND RECREATION

Sport Development

There were no sporting activities undertaken during the 2022/2023 financial year

13. COMPONENT H - CORPORATE POLICY OFFICES AND OTHER SERVICES

Executive and Council

Council was functioning with 61 councillors both ward and proportional representatives as well as 12 traditional leaders elected from traditional councils and was fully functional and stable. all the members of the council serve in different standing committees with each standing committee headed by portfolio head. A schedule of meeting was developed and adopted by council for the optimal functioning of all council committees. The mayor heads the executive committee that has 10 members including her. Five members are full time and five are part time. The office of the Municipal manager as a department has

seven units all head by a manager reporting to municipal manager. The mandates of the department include IDP and PMS, Internal Audit, Legal services, communications, IGR and customer care, public participation and council support and special programmes. The office of the municipal manager is also responsible for the administration support to all the offices of the political office bearers.

Employees: Office of the Municipal Manager Including SPU					
Level	2021-2022	2022-2023			
	Employees No	Posts No	Employees No	Vacancies	Vacancies % (As a % of total posts)
0-3	0	0	0	0	
4-6	11	1	11	1	
7-9	1	1	1	1	
10-12	13	7	13	7	
13-15	5	0	5	0	
Total	30	9	30	9	

Financial Services

Winnie Madikizela - Mandela Local Municipality has established a Budget and Treasury Office in terms of section 80 of the Municipal Finance Management Act. The office is headed by the Chief Financial Officer with four managers directly reporting to him. The four managers are Manager: Supply Chain Management, Manager: Budgeting and Reporting, Manager: Revenue and Expenditure and, Manager: Assets and Stores. The structure for the section is depicted below: -

	Post	Vacant or Filled
1.	Chief Financial Officer	Filled
2.	Secretary	Filled
3.	Manager: Supply Chain Management	Filled
4.	Manager: Revenue and Expenditure	Filled
5.	Manager: Budgeting and Reporting	Filled
6.	Manager: Assets and Stores	Filled

	Post	Vacant or Filled
7.	Asset Management Officer	Filled
8.	Stores Officer	Filled
9.	Supply Chain Management Officer X 2	Both Filled
10.	Asset Management Clerk	Filled
11.	Stores Clerk	Filled
12.	Procurement Clerk X 3	Filled
13.	Accountant: Budgeting	Filled
14.	Accountant: Reporting	Vacant
15.	Accountant: Billing and Revenue	Filled
16.	Billing Clerk	Filled
17.	Meter Readers X 2	1 filled one vacant
18.	Revenue Clerk	Filled
19.	Cashiers X 2	Filled
20.	Accountant: Payroll	Filled
21.	Payroll Clerk	Filled
22.	Accountant: General Expenditure	Filled
23.	Clerk: General Expenditure	Filled
24.	Accountant: Capital Expenditure	Filled
25.	Clerk: Capital Expenditure	Filled

The Budget and Treasury Office is made up of the following sections, all of which are functional and are able to perform at the expected levels: -

- **Revenue Management:** This section is responsible for ensuring that the revenue due to the municipality is collected and accurately accounted for. This includes ensuring that billing for all services and taxes is carried out on a monthly basis.
- **Expenditure Management:** This section is responsible for all expenditure incurred by the municipality and ensuring that all service providers are paid for services rendered and goods supplied.

- **Supply Chain Management:** As detailed in the SCM Section earlier, this section is responsible for demand management, acquisition, logistics and disposals. The supply chain management also has asset management as one component that it is responsible for.
- **Budgeting and Reporting:** This ensures that budgets and adjustment budgets are compiled according to the legislations and approved within the prescribed timeframes, all expenditure is spent within the approved budgets, reporting to the requisite structures at the prescribed timeframes. This section is also responsible for the compilation of the Annual Financial Statements which are part of annual reporting. These have been prepared by our own municipal staff for the 2016/17, 2017/18, 2018/19, 2019/20, 2020/21 and, 2021/22 and 2022/23 financial years.

Employees :Budget and Treasury					
Level	2021-22	2022-2023			
	Employees No	Posts No	Employees No	Vacancies	Vacancies % (As a % of total posts)
0-3	2	01	01	0	0
4-6	2	09	09	0	0
7-9	10	0	0	0	0
10-12	10	09	09	0	0
13-15	4	04	04	0	0
Total	28	23	23	0	0

Human Resources and Skills Development

The WMMLM Employee Retention Policy provides guidance and information to Council, Management and Labour in order to effectively implement and promote the retention of staff. In the concerned financial year, the Municipality has achieved the following:

Organisational Structure

The municipality has reviewed its organisation structure and was adopted by Council on the 28th of June 2022. The total number of approved positions in the Organizational Structure is 307 with 256 filled positions and 51 vacant positions.

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY



MACRO ORGANISATIONAL STRUCTURE

Organisational Structure reviewed in 2021/22 Financial Year

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Council Adopted – 28 June 2022

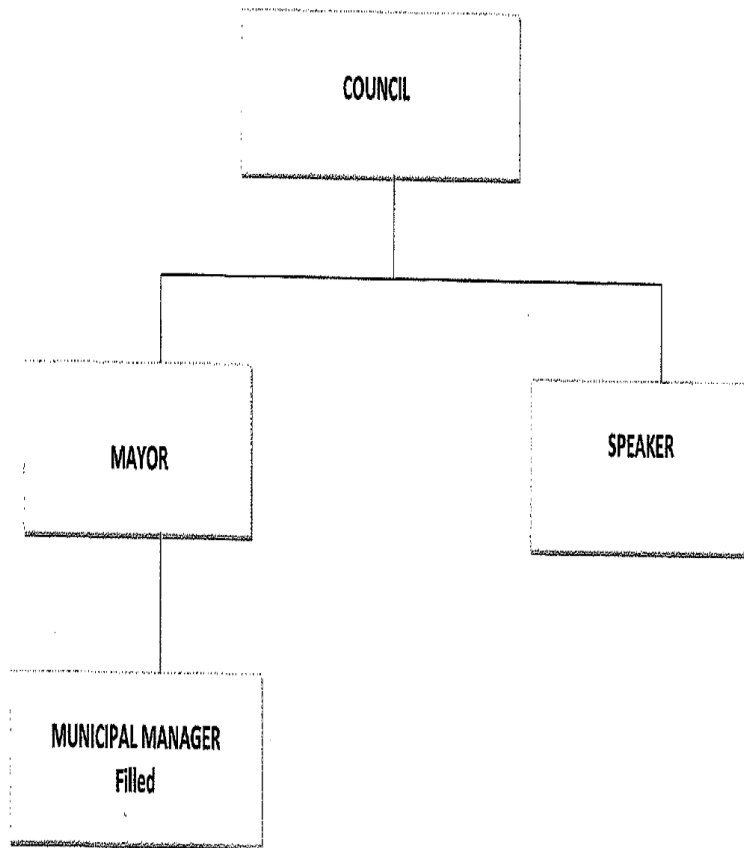
WINNIE MADIKIZELA-MANDELA
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PO BOX 12 BIZANA 4800

28 JUN 2022

OFFICE OF THE MUNICIPAL MANAGER

TEL : 039 251 0230

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Organisational Structure reviewed in 2021/22 Financial Year

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Council Adopted - 28 June 2022

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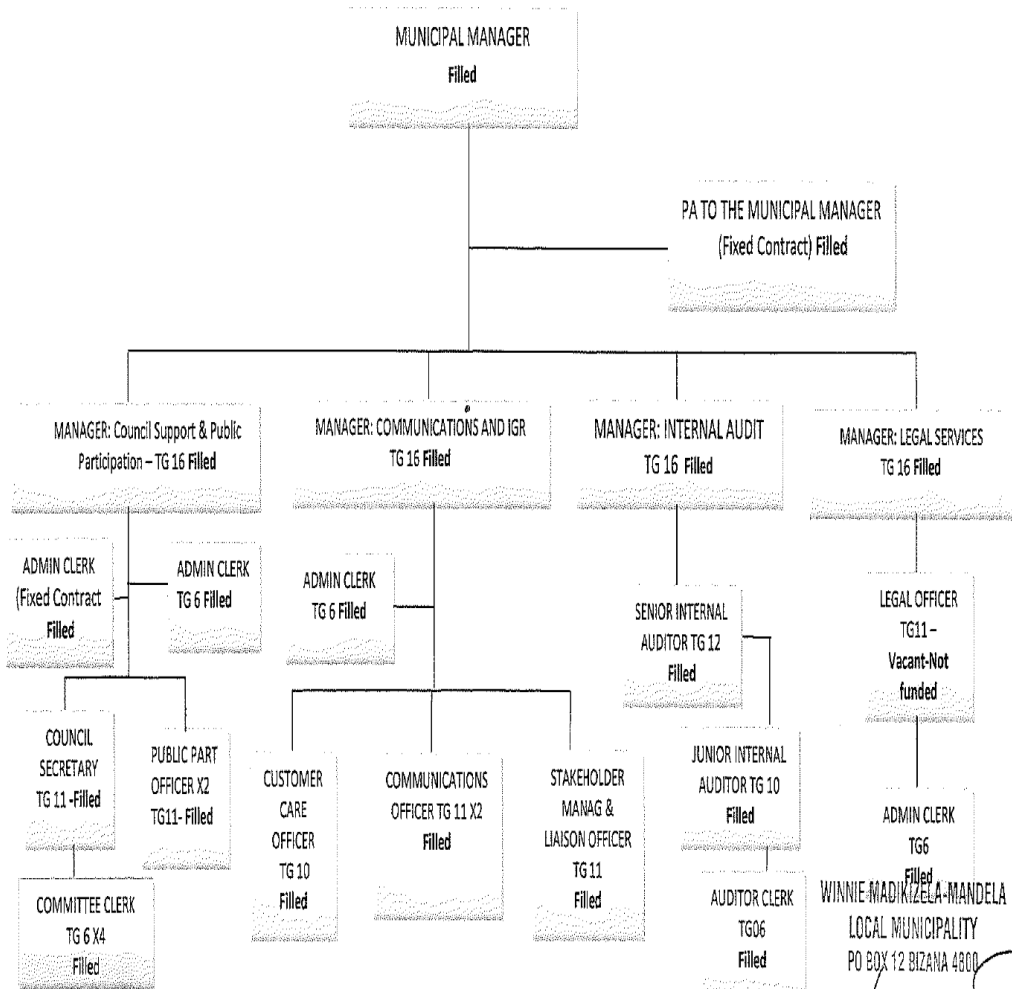
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Organisational Structure reviewed in 2021/22 Financial Year

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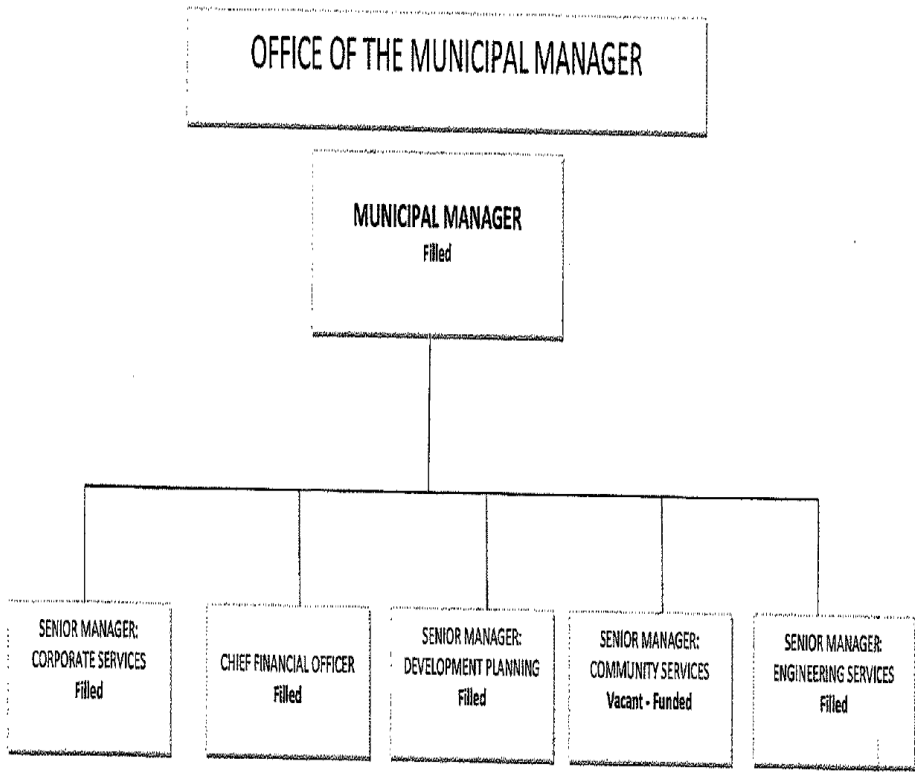
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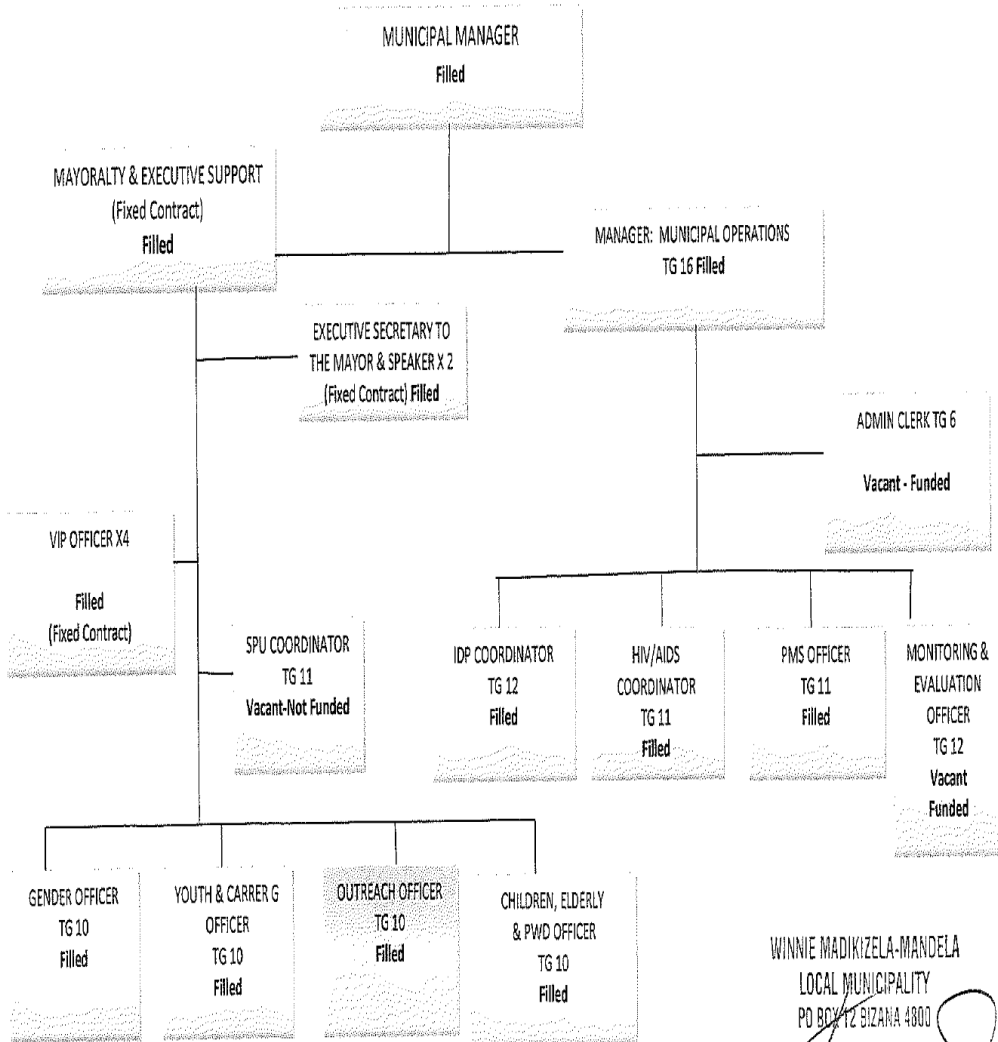
Organisational Structure reviewed in 2021/22 Financial Year

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Organisational Structure reviewed in 2021/22 Financial Year

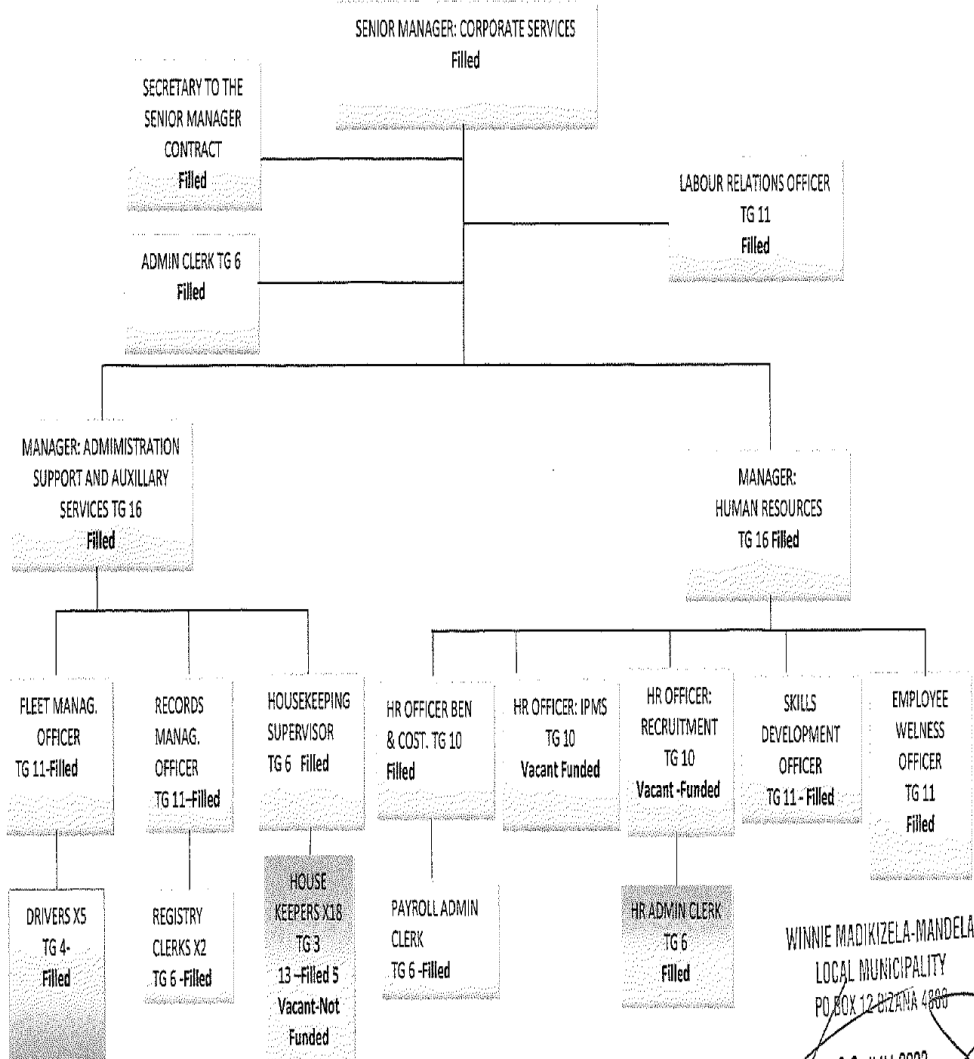
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CORPORATE SERVICES DEPARTMENT



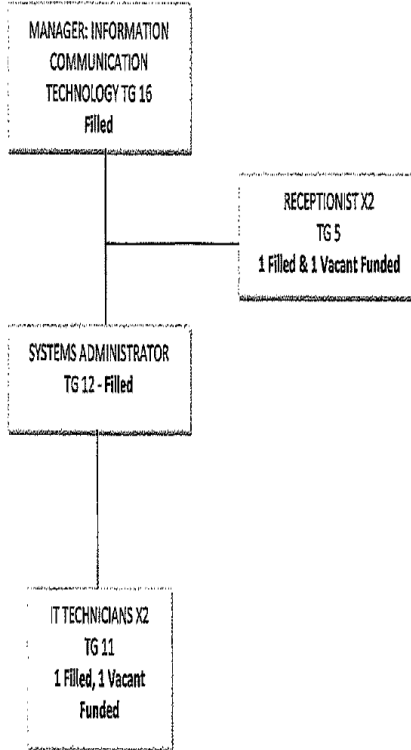
Organisational Structure reviewed in 2021/22 Financial Year

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LOCAL MUNICIPALITY
PO BOX 12 BIZANA 4000

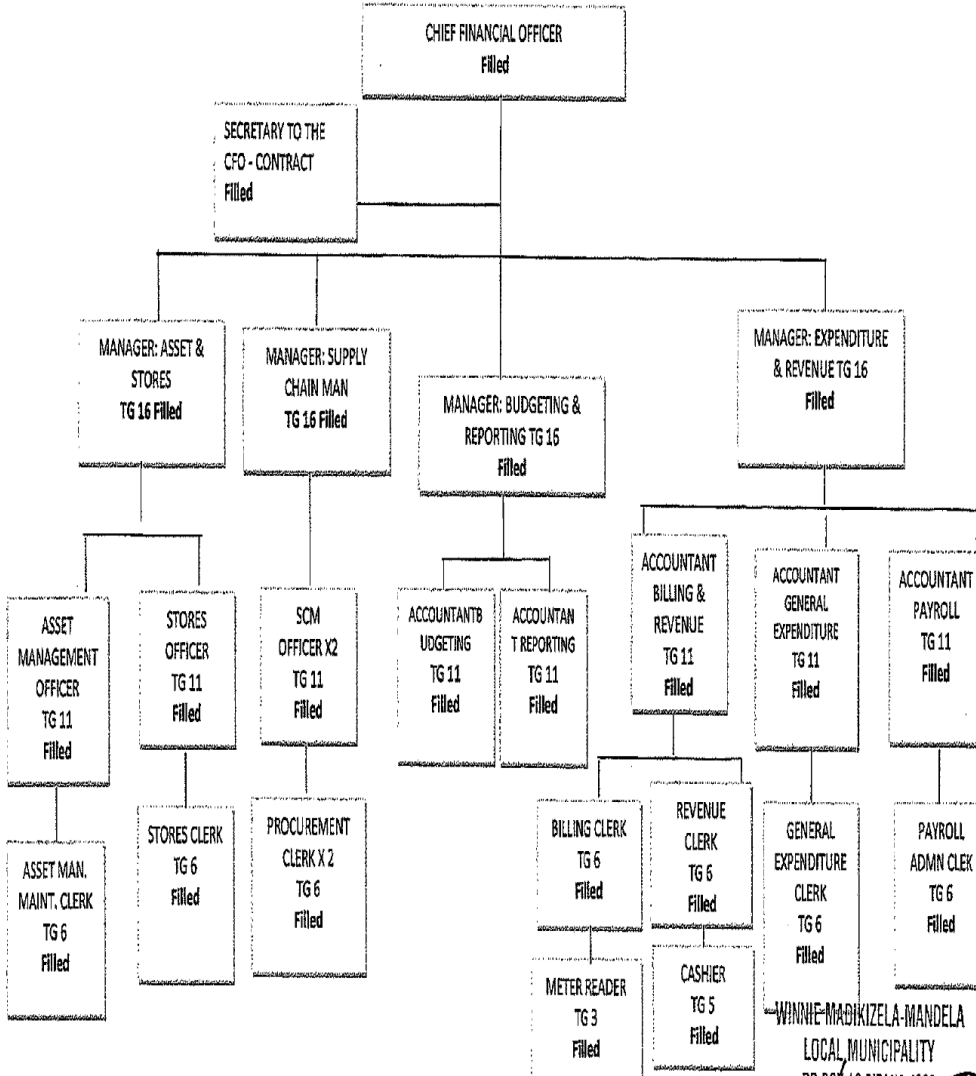
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CORPORATE SERVICES DEPARTMENT



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BUDGET AND TREASURY OFFICE



Organisational Structure reviewed in 2021/22 Financial Year

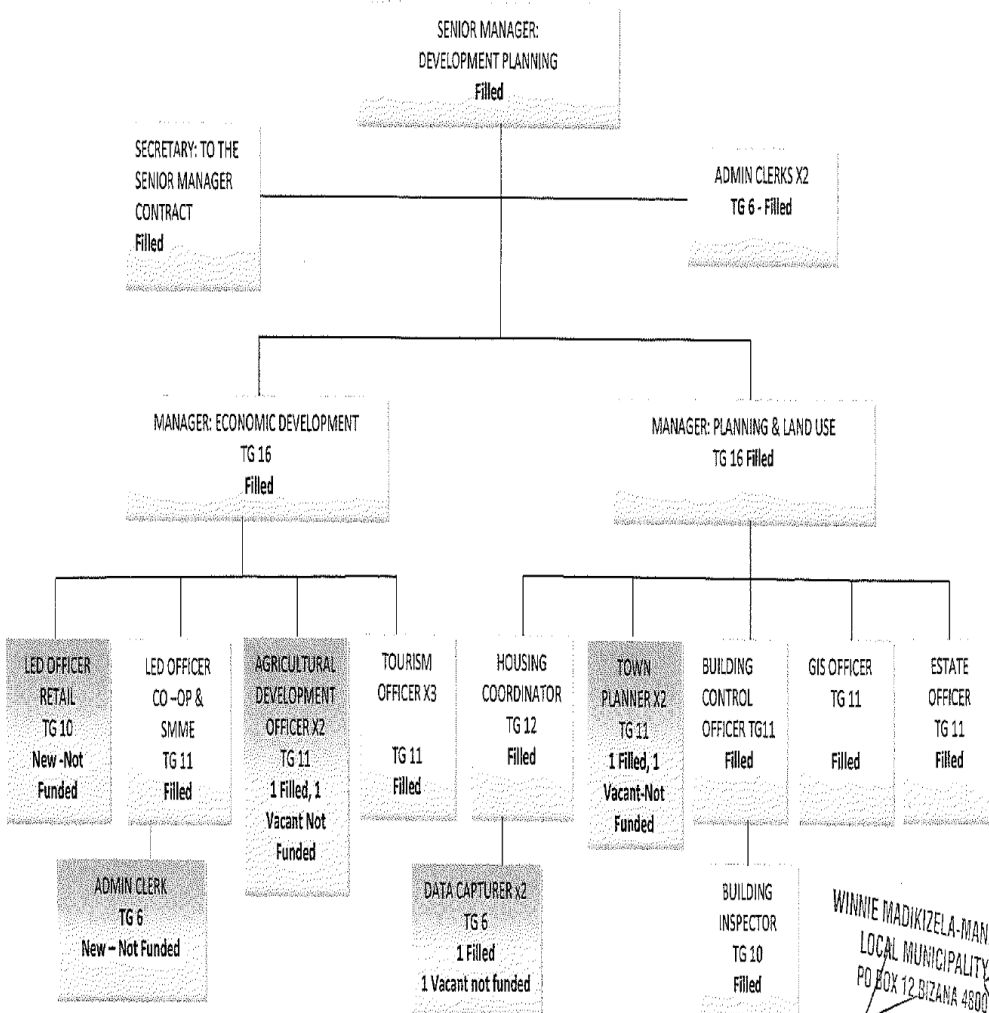
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LOCAL MUNICIPALITY
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DEVELOPMENT PLANNING DEPARTMENT



Organisational Structure reviewed in 2021/22 Financial Year

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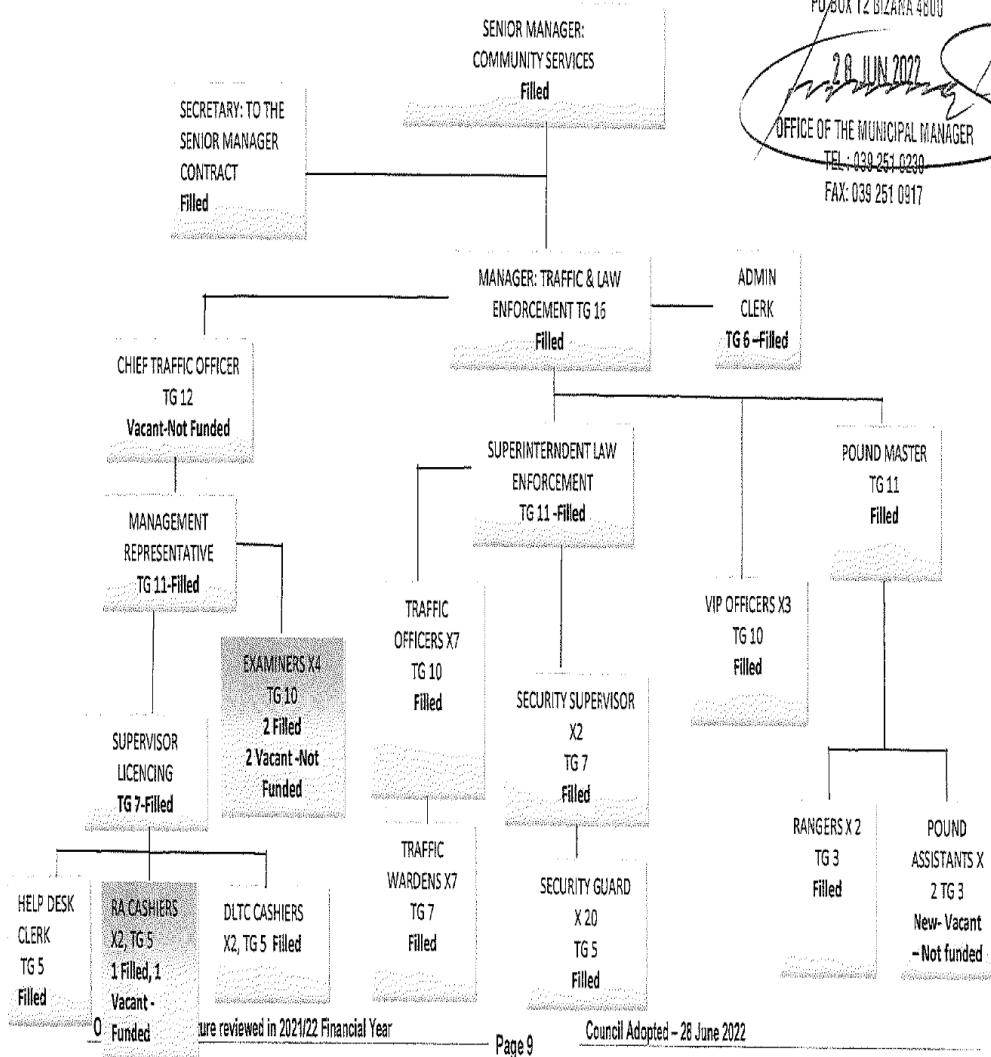
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COMMUNITY SERVICES DEPARTMENT

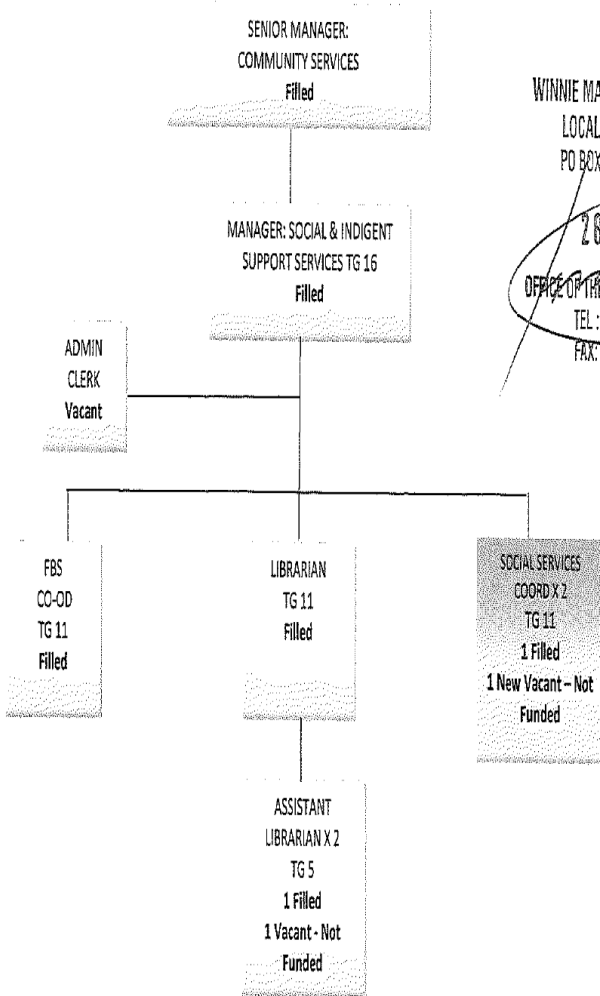
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LOCAL MUNICIPALITY
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28 JUN 2022
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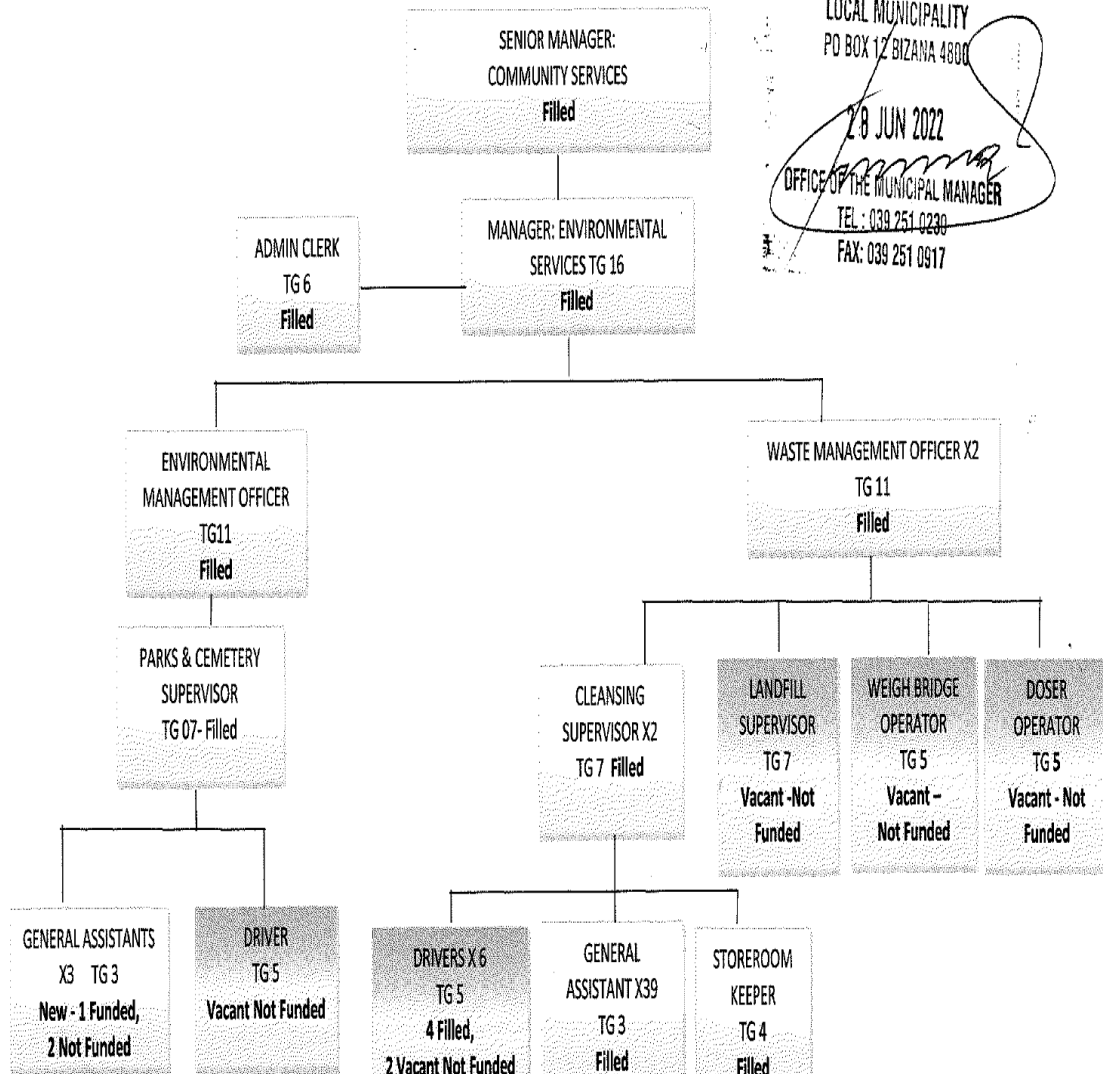
COMMUNITY SERVICES DEPARTMENT



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COMMUNITY SERVICES DEPARTMENT



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LOCAL MUNICIPALITY
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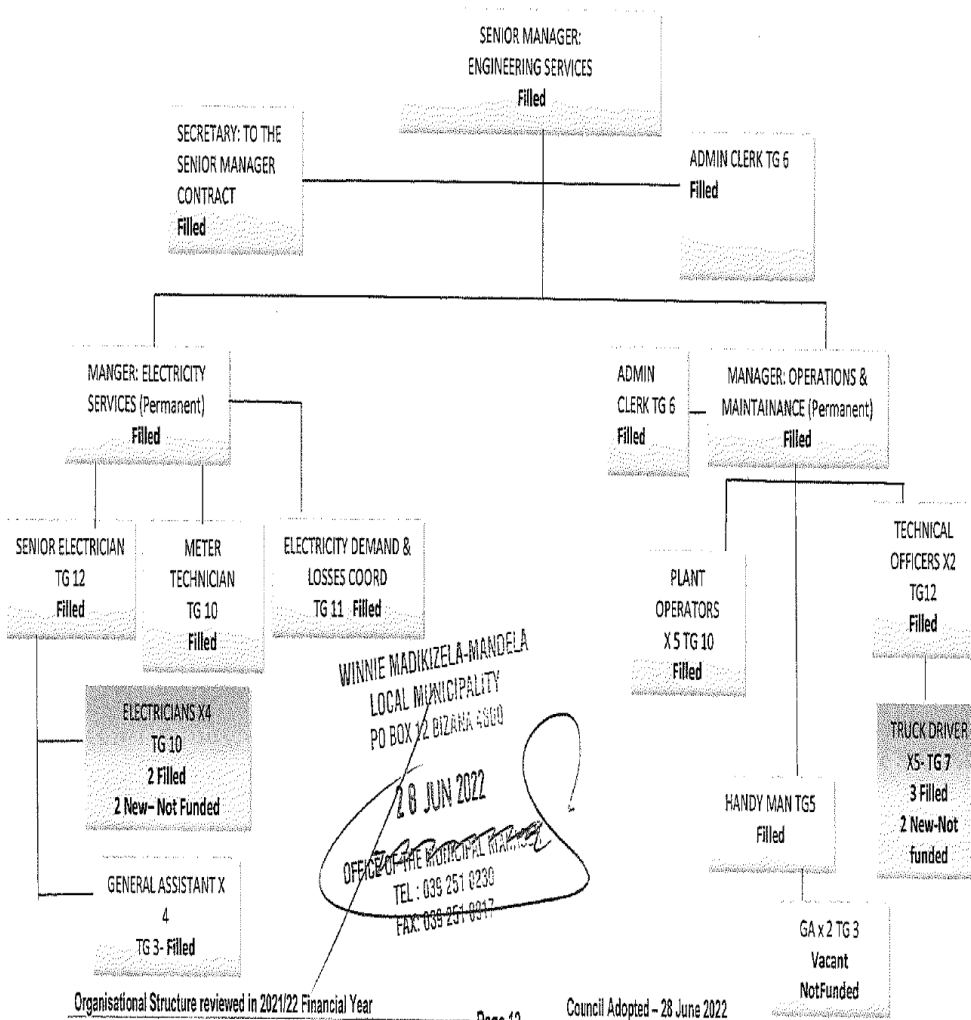
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Organisational Structure reviewed in 2021/22 Financial Year

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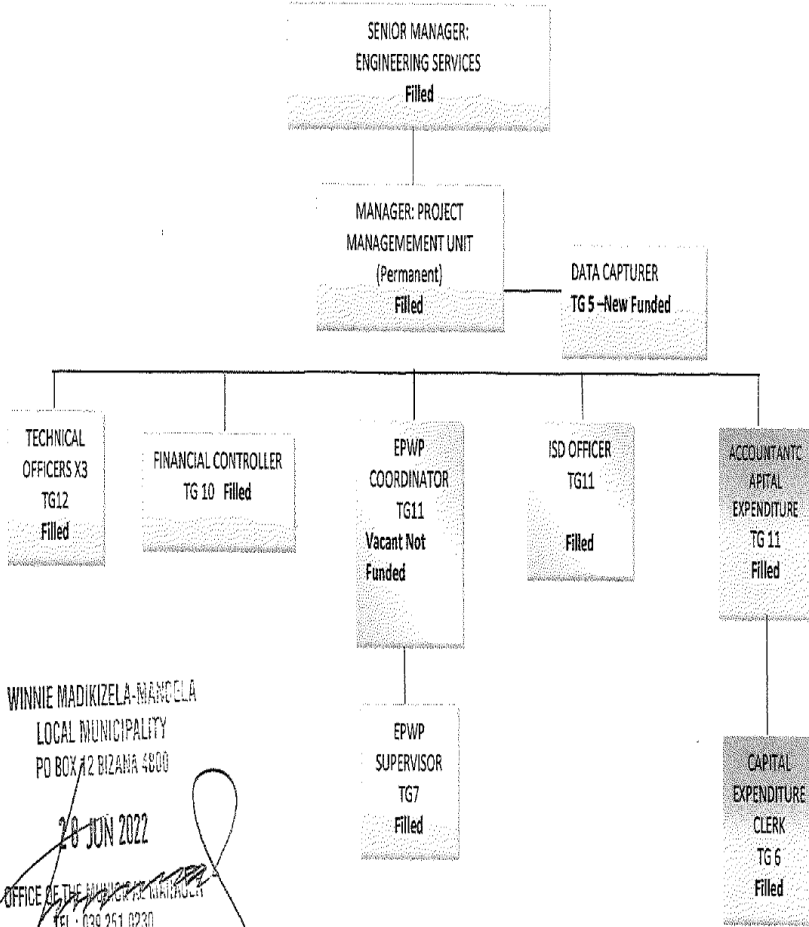
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ENGINEERING SERVICES DEPARTMENT



Organisational Structure reviewed in 2021/22 Financial Year

ENGINEERING SERVICES DEPARTMENT



WINNIE MADIKIZELA-NANOCIA
LOCAL MUNICIPALITY
PO BOX 12 BIZANA 4800

28 JUN 2022

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Retention Policy

The WMMLM Employee Retention Policy provides guidance and information to Council, Management and Labour in order to effectively implement and promote the retention of staff. In the concerned financial year the Municipality has achieved the following:

- Retained four (4) employees by means of promotion to higher positions.
- Absorbed three (3) of the EPWP beneficiaries into permanent positions.

Performance Management System

Performance management is implemented at the level of section 56 managers, middle managers and officers. Workshops have been conducted to all levels and we are in the process of formulating templates that are understandable and relatable mostly to lower levels in terms of the performance plan and reporting. Bi-annual and annual assessments have been conducted to middle management and officers that have signed their performance agreement and performance plans. The Municipality has procured a PMS system which has incorporated the organisational as well as individual performance management. The main objective of the system is to sync Municipal information as well as to centralise the record management. Information is being captured at the same time testing the capabilities of the system versus the needs of the municipality.

Employee Wellness

The municipality is committed to promoting equal opportunities and fair treatment to all its employees, through the elimination of unfair discrimination and integrated wellness programmes and policies. The municipality has adopted a holistic approach to address social and work-related problems through awareness programmes for its employees on HIV and AIDS, Chronic illnesses, Disability and Occupational Health and Safety for its employees.

Health & Safety representatives have been appointed, inducted and trained through the skill development programme. The section has undertaken the following during the reporting year:-

- A total of one hundred and eighty (180) employees that are exposed to high risk areas have been exposed to medical surveillance in order to ascertain that they are still fit to conduct their duties.
- The OHS Committee with the assistance of DOL (department of labour) led the Occupational Risk Assessment and have also conducted an inspection of all Municipal Buildings and vehicles and made recommendations on findings with time frames.
- An awareness programme of Organisational Culture and work ethics was conducted to all municipal employees.

- First aiders were appointed according to the different areas of concern in and around the municipality in order to adhere to the OHS Act and training was organised but could not get an appropriate provider and the department has had to devise other means going into the next financial year.

Information and Communication Technology Services

The Information and Communication Technology (ICT) section is responsible for ICT architecture, ICT hardware, software and networking including peripheral devices. As ICT unit, a number of duties are performed to ensure that employees have full access to the network and municipal systems. Information technology (IT) has become a vital and integral part in all government spheres in introducing efficiencies and ensuring data integrity.

ICT supports a server room with 2 hosts with 12 virtual servers and 3 other physical servers, a UPS for the entire server room with a backup generator. The server room has access control security system (biometric reader). All cabinets with distribution switches are supplied with UPSs. The municipality has a fully functional VoIP telephony system.

To improve internet and email traffic, the municipality has a 20mb fibre (Metro-E) running Voice over IP (VoIP), VIDEO and standard Data traffic. The Municipality has both physical and wireless Access points (Wi-LAN). The Municipality has an offsite storage. Daily backups are kept and stored this offsite storage that is fire proof, in a Data Centre in Centurion, Gauteng

ICT Governance Framework

The municipality had several policies that were consolidated to policy manuals. The first step was for the council to adopt ICT Governance Policy Framework (ICTGPF) and then two policy manuals were adopted which are IT Policy Manual and ICT Security Manual. The ICT Security Policy Manual has 21 policy statements and the ICT Policy Manual has 20 Policy Statements including change control procedures.

The Municipality further adopted a Business Continuity Plan (BCP), Disaster Recovery Plan (DRP), ICT Governance Policy Framework, ICT Charter and ICT Strategy as part of the documentation that will assist with the governance of ICT.

ICT Infrastructure Projects

The Municipality procured a bigger Ups high powered UPS to supply clean power that protects the server room from power surges emanating from the power grid instabilities. The rack mounted UPSs on all our cabinets. All our Distribution points (cabinets) have POE switches providing power to all IP phones. With the use of Redstor the municipality is able to back up all critical information from laptops and desktops and all servers.

A 20mb fibre (Metro-E) is also provided running Voice, VoIP, VIDEO and standard Data traffic. The Municipality has both physical and wireless Access points (Wi-LAN).

Municipal Website

WMM Local Municipality website is up and running, URL: <https://www.winniemmlm.gov.za>. ICT is responsible for compliance on the website in terms legislations and laws applicable to municipal websites. The role of Winnie Madikizela-Mandela website, as platform for information dissemination, participation and disclosure has been significantly catered for in various pieces of legislation, including:

- The Local Government Municipal Systems Act No 32 of 2000 ("the Systems Act");
- The Local Government Municipal Financial Management Act No 56 of 2003 ("the MFMA"); and
- The Municipal Property Rates Act, no 6 of 2004 ("the MPRA").

ICT is responsible for uploading compliance documents in terms of s75 of the Municipal Finance Management Act No. 56 of 2003 and all applicable laws of the republic of South Africa, With the collaboration with Municipal directorates, ICT is able to maintain fresh content on the website including social media platforms.

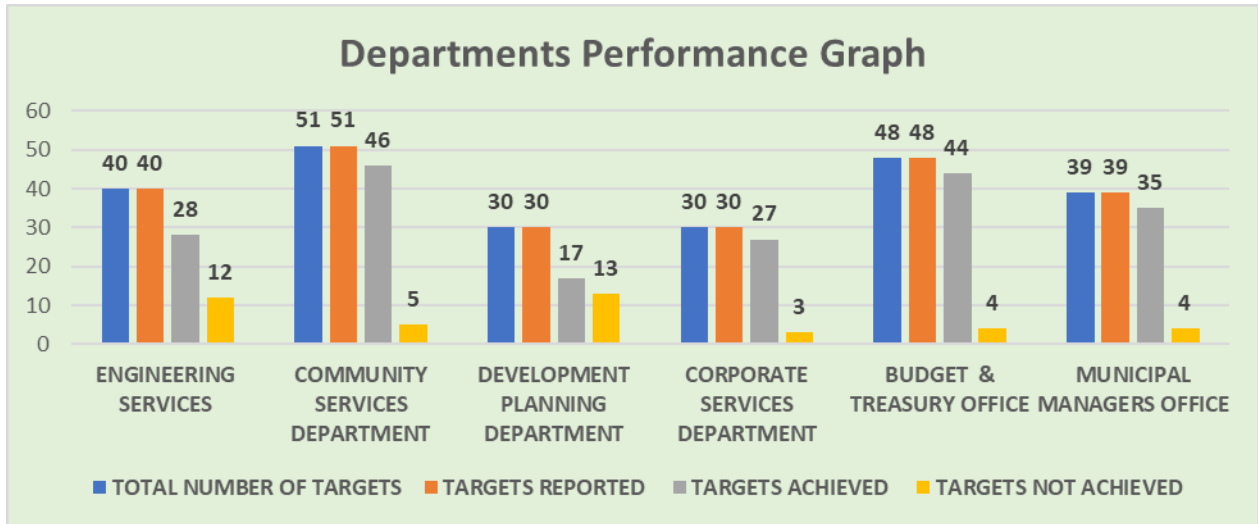
Disaster Recovery

The Municipality has an adopted Disaster Recovery Plan to be implemented with the adopted Business Continuity Plan that has also been adopted by the Municipal council. This is to ensure smooth recovery with minimal negative impact when a disaster occurs. The municipality has two hosts with several Virtualized servers and a dedicated server housing VEEAM with HYPER-V for back-up and replication. For offsite back up, the municipality has a service level agreement in a data center in Centurion, Gauteng province providing a cloud solution. As part of recovery plans and archiving, the municipality procured a records management system specifically for the managing of Finance records that are growing at a higher rate.

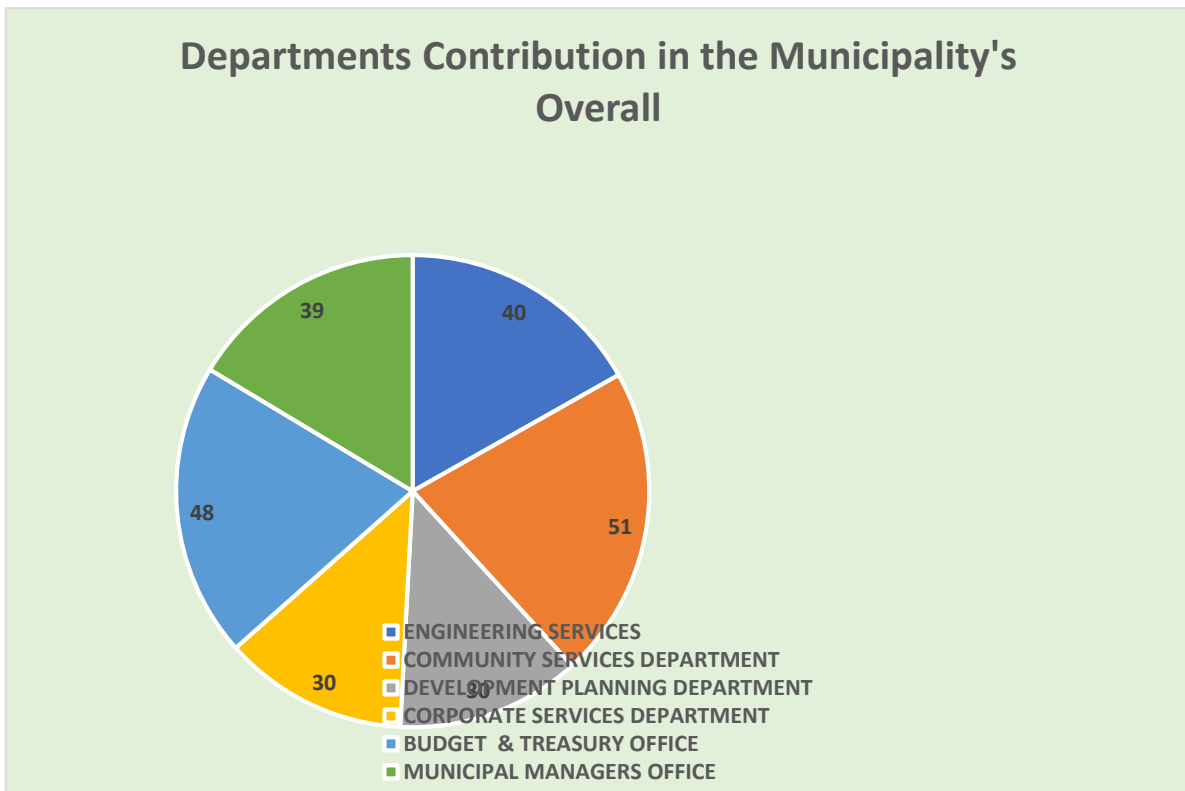
14. 2022/2023 ANNUAL PERFORMANCE REPORT IN NUMBERS AND PERCENTAGES

DEPT/KPA	Total Number Of Targets	Targets Reported	Targets Achieved	Targets Not Achieved	Achievement Percentage	Performance Improved or dropped Compared to 2021/2022	Colour Coding for Overall Performance
Engineering Services Department	40	40	28	12	70%	↑	Yellow
Community Services Department	51	51	46	5	90%	↑	Yellow
Development Planning Department	30	30	17	13	57%	↑	Red
Corporate Services Department	30	30	27	3	90%	↑	Yellow
Budget Treasury Office	48	48	44	4	94%	↓	Yellow
Municipal Manager's Office	39	39	35	4	90%	↑	Yellow
OVERALL PERFORMANCE	238	238	197	41	83%	↑	Yellow

DEPARTMENTS PERFORMANCE GRAPHS



DEPARTMENTS CONTRIBUTION IN THE MUNICIPALITY'S OVERALL PERFORMANCE



COMPARISONS BETWEEN 2021/2022 AND 2022/2023 FINANCIAL YEARS ANNUAL PERFORMANCE

DEPARTMENT	2021/2022 FY ANNUAL PERFORMANCE ASSESSMENT IN PERCENTAGE		2022/2023 FY ANNUAL PERFORMANCE ASSESSMENT IN PERCENTAGE	
	Achieved	Not Achieved	Achieved	Not Achieved
ENGINEERING SERVICES - BASIC SERVICE DELIVERY 1	63%	37%	70%	30%
COMMUNITY SERVICES - BASIC SERVICE DELIVERY 2	60%	40%	90%	10%
DEVELOPMENT PLANNING - LOCAL ECONOMIC DEVELOPMENT	50%	50%	57%	43%
CORPORATE SERVICES – INSTITUTIONAL TRANSFORMATION & DEVELOPMENT	87%	13%	90%	10%
BUDGET & TREASURY OFFICE - FINANCIAL VIABILITY	94%	6%	92%	8%
MUNICIPAL MANAGER'S OFFICE	81%	19%	90%	10%

MUNICIPALITY'S OVERALL PERFORMANCE COMPARISON

2021/2022 FINANCIAL YEAR PERFORMANCE					2022/2023 FINANCIAL YEAR PERFORMANCE				
ACHIEVED	NOT ACHIEVED	NOT REPORTED	TOTAL	PERCENTAGE	ACHIEVED	NOT ACHIEVED	NOT REPORTED	TOTAL	PERCENTAGE
136	53	0	189	72%	197	41	0	238	83%

The Municipality's Annual Performance for 2022/2023 Financial Year stands at **83%**. When compared to the preceding 2021/2022 Financial Year's 72% Annual Performance Assessment Report, the municipality's performance has increase by **11%** in its service delivery mandate. The reasons for non-achievement of targets with remedial measures thereof are outlined per department as follows: -

BREAKDOWN OF DEPARTMENTS TARGETS NOT ACHIEVED

ENGINEERING SERVICES TARGETS NOT ACHIEVED CONSTITUTING ABOUT 30% OF THE DEPARTMENT'S OVERALL TARGETS

Project To Be Implemented	KPI No.	Annual Target	Reason For Variance	Remedial Action
Construction of Sidanga gravel access road with bridge and construction of concrete slab	1.1.1	Constructed 4.5km of Sidanga gravel access road with Bridge and 1km of concrete slab constructed by June 2023	Bridge not completed due to delays in delivery of material.	Project to be completed in Quarter one of 2023/24FY.
Rehabilitation of uMhlambi AR	1.1.17	Rehabilitated 5km of UMhlambi SSS Langaletu- Dotye access road by June 2023.	Project could not be completed due to the non-availability of borrow pits in the Ward. Had to approach nearby Wards and they had unrealistic demands in which the Political Principals had to engage the community for access to the borrow pit.	The issue has since been resolved and the project will be completed in the first quarter of the 2023-2024 FY.
Rehabilitation of Ntamonde AR	1.1.19	Rehabilitated 8km of Ntamonde gravel access road by June 2023.	Delays in delivery of concrete	Project to be completed in August 2023/24FY.

Project To Be Implemented	KPI No.	Annual Target	Reason For Variance	Remedial Action
Rehabilitation of Mgodini AR	1.1.20	Rehabilitated 6km of Mgodini access road by June 2023.	Delays in delivery of concrete	Project to be completed in August 2023/24FY.
Rehabilitation of Mgomanzi AR	1.1.21	Rehabilitated 2,5km of Mgomazi access road by June 2023	Delays in delivery of concrete for slab.	Project to be completed in First quarter of 2023/24FY.
Rehabilitation of Luphondweni AR	1.1.22	Rehabilitated 2,5km of Luphondweni access road by June 2023.	The delays in delivery of concrete.	Concrete has been delivered now and busy with concrete slab now, project will be completed by end of August.
Construction of the Civic Centre	1.2.2	1 Civic Centre constructed and completed by June 2023	Project stalled due to the fact project team challenges which resulted in the municipality terminating the contract of the PSP and having to renegotiate for the Contractor to proceed with works.	The issue has since been resolved and the Contractor is back on site anticipating to complete the project in the second quarter of the 2023-2024 FY
Periodic repairs and maintenance of Municipal buildings	1.5.1	Municipal buildings periodically repaired and maintained by June 2023	Service provider was appointed late as the project has to be rescope late in the second quarter.	Contractor on cause to complete within contract period.

Project To Be Implemented	KPI No.	Annual Target	Reason For Variance	Remedial Action
Electrification of Lower Etheridge Village	1.6.2	Connected 90 households in Lower Etheridge by June 2023	Lack of plant trucks on site,90 Households not connected due to Eskom outage delays.	Liaise with Eskom to complete inspection and book outages before end of September 2023/24FY.
Electrification of Msarhweni Village	1.6.3	Connected and energized 110 households in Msarhweni by June 2023	Work has been monitored. Inspections for defects not done by Eskom.	Follow up with Eskom to come and do inspections.
Electrification of Nomlacu Village	1.6.5	Connected and energized 67 households in Nomlacu by June 2023	Technical challenges regarding Eskom feeder lines.	Liaise with Eskom to provide alternative feeder line to connect households.
Low Voltage lines Upgrade	1.7.1	2 KM of Low Voltage lines upgraded by June 2023	Appointment was only done in 26 June 2023 then delayed in identification of suitable project site.	Fastrack site establishment in first quarter of 2023-24FY.

COMMUNITY SERVICES TARGETS NOT ACHIEVED CONSTITUTING ABOUT 10% OF THE DEPARTMENT'S OVERALL TARGETS

Project to Be Implemented	KPI No.	Annual Target	Reason For Variance	Remedial Action
Purchasing of grass cutting machines and accessories and maintenance of garden power tools	1.17.1	Purchased 5 grass cutting machines with accessories and 30 maintained garden power tools by June 2023	After taking more than 6 months to get a suitable bidder, A Service Provider appointed but he went to purchase the machines already prices were up, hence ended up purchasing 4 instead of 5 machines.	Grass cutting machine is planned to be purchased in second quarter of 2023/24FY.
firearms cleaning kit, alcohol breathalyzers and tyre measuring tools.	1.19.4	50 firearms cleaning kit, 04 alcohol breathalyzers and 15 tyre measuring tools by June 2023	Non-responsive of bidders	Speed up quotation request processes in the first month of this financial year.
Maintenance of robots, CCTV cameras and calibration of machine	1.19.5	100% Maintained robots and CCTV cameras once a year and calibrated machine once a year by June 2023	Non-responsive of bidders	Speed up the seating of adjudication committee this financial year.
Supply of protective clothing to employees	1.19.7	Supplied protective clothing to 48 employees by June 2023	Protective clothing was delivered on the 30th of June 2023 but unfortunately other	Protective clothing was issued to other employees in July.

Project to Be Implemented	KPI No.	Annual Target	Reason For Variance	Remedial Action
			employees were absent and others already left for the day in question, since their shift end at 14:00 due to the reasons stated above they couldn't sign the issue register.	
Requisition traffic management system and pay parking meters.	1.20.2	1 Requisition of traffic management system and pay parking meter by June 2023	No budget allocation for this project.	Project should be taken out of the SDBIP as it does not have budget for next financial year.

DEVELOPMENT PLANNING TARGETS NOT ACHIEVED CONSTITUTING ABOUT 43% OF THE DEPARTMENT'S OVERALL TARGETS

Project To Be Implemented	KPI No.	Annual Target	Reason For Variance	Remedial Action
Local Spatial Development Framework for Kubha/Magusheni	2.1.1	Development of Kubha/Magusheni LSDF by June 2023	Delays in the appointment of service provider, finally appointment has been done at end of June.	Service Provider has been appointed and project will progress in 2023/24 FY.

Project To Be Implemented	KPI No.	Annual Target	Reason For Variance	Remedial Action
Subdividing and surveying municipal land and sub divisional plans	2.3.1	Subdivided and surveyed municipal land and sub divisional plans by June 2023	Non-responsiveness of Service Providers to tender.	To request Land Surveying Services from Engineering Services Panel of Professional by the first quarter of 2023/24FY.
Updating of municipal geodatabase. Hosting of GIS Open day and scanning of building plans and link them with GIS.	2.7.1	Updated municipal geodatabase. 1 Hosted GIS Open day and 100 scanned building plans and link them with GIS by June 2023	Non-responsiveness of Service Providers to tender and Plotter needs repairs to complete internally.	Complete internally once the plotter has been repaired by the first quarter of 2023/24FY.
To host Business Conference and develop business plans	2.11.2	1 Hosted Business Conference and 2 business plans developed for economic development by June 2023	Service provider for business plans appointed only on the 30th June 2023	The business plans to continue into the 2023/24 financial year.
Construction of Manufacturing Hubs	2.12.1	3 Manufacturing Hubs constructed at Blorhweni, Mpisi and Dudumeni (Phase 1) by June 2023	Delays in approval of EIA by DEDEAT.	Follow up on DEDEAT on Approval of EIA by the first quarter of 2023/24Fy.

Project To Be Implemented	KPI No.	Annual Target	Reason For Variance	Remedial Action
Facilitate capacity building of manufacturing hubs.	2.12.2	100 people facilitated for capacity building of manufacturing hubs by June 2023	Non-responsiveness of Service Providers to tender.	To follow up on the re-advert in the first quarter of 2023/24FY
Contract lifeguards and provision of Mzamba tower	2.13.1	15 lifeguards contracted and provided 1 Mzamba tower by June 2023	Delays in appointing the Service provider for provision of tower, It was only appointed on 20 June 2023. Unavailability of lifeguards and had to continue working with the previous ones contracted in Q3.	Follow up with service provider to deliver the tower after 15 days.
Review Agricultural Development Plan	2.14.2	1 Reviewed Agricultural Development Plan by June 2023	Delays in appointment of service provider.	Project to be completed in first quarter of 2023/24FY.
Construction of Mini market (Phase 1)	2.14.3	1 Mini market constructed (Phase 1) by June 2023	Disputes between principal agent and the main contractor and rainfalls caused delays.	To Fastrack the main contractor to complete the construction during 1st quarter of 23/24FY

Project To Be Implemented	KPI No.	Annual Target	Reason For Variance	Remedial Action
Construction of the Beach Infrastructure at Tompson Bay (Phase 1)	2.15.1	1 Beach Infrastructure constructed at Tompson bay (Phase 1) by June 2023	The EIA has not been completed and this has delayed construction of phase 1	To follow up on the approval of the EIA.
Support & Capacity for SMME's	2.16.1	20 Supported & Capacitated SMMEs by June 2023 (repetitive)	Non-Responsiveness of Service Providers	Request for re-advert in the 2023/24 financial year
Support & Capacitate Incubatees.	2.16.2	20 Supported & Capacitated Incubatees by June 2023	Submitted requisition to SCM for sourcing of Service Provider and advert was published, bidders were non - responsive	Request for re-advert in the 2023/24 financial year
Capacitate and Support wholesalers and retailers.	2.18.1	Capacitated and Supported 80 wholesalers and retailers by June 2023	Delays on the appointment of service provider (Service provider was appointed on the 30 June 2023)	The capacity and support of wholesalers and retailers is in progress and to be completed in the first quarter of 2023/24FY.

CORPORATE SERVICES TARGETS NOT ACHIEVED CONSTITUTING ABOUT 10% OF THE DEPARTMENT'S OVERALL TARGETS

Project to Be Implemented	KPI No.	Annual Target	Reason For Variance	Remedial Action
Provided experiential learning for students.	3.3.3	Provided experiential learning for 15 students by June 2023	The supporting document after IA review was found to be insufficient due to the times dated. The supporting document fell in the previous FY.	There is no recovering due to the in-take intervals for such programs.
Draft 35 job descriptions and submit to the DJEC by June 2023	3.6.1	Draft 35 job descriptions and submit to the DJEC by June 2023	35 job description were drafted, awaiting for submission for evaluations to DJEC, delays are caused by backlogs in the actual evaluation of Job Evaluation Committee.	There is a Planned special DJEC to consider Job Description of WMMLM only in September 2023.
Reviewal of the ICT Disaster Recovery Plan and Policies	3.10.3	1 Reviewed ICT Disaster Recovery Plan and 2 Policies by June 2023.	There were no responsive bidders.	This project has been re-advertised.

BUDGET & TREASURY TARGETS NOT ACHIEVED CONSTITUTING ABOUT 8% OF THE DEPARTMENT'S OVERALL TARGETS

Project to Be Implemented	KPI No.	Annual Target	Reason For Variance	Remedial Action
Promulgating of property rates policy and credit control policy	4.1.9	02 Gazetted property rates policy and credit control policy by June 2023	A request for quotation was sent to the Government Printers, however, due to the backlog they confirmed to have this has not been responded to, regardless of numerous emails and phone calls during the month of June.	The municipality will continue making follow ups until an update is received which we hope will be before the end of July 2023
Monitoring of Electronic filing system and loading of Budget and Treasury Office Documents	4.3.1	100 Budget and Treasury documents scanned using Electronic Filling system by June 2023	The successful implementation of the project requires the municipality's servers to be upgraded which has been advertised about two times with no responsive bidders. The municipality has since opted to get help in procurering these through SITA which is a requirement of the	ICT has committed to finalizing the procurement of server room infrastructure during the first quarter of the 2023/24 financial year.

Project to Be Implemented	KPI No.	Annual Target	Reason For Variance	Remedial Action
			SCM regulations on procurement of IT equipment.	
Training of SCM Officials	4.3.9	Training of 1 SCM Manager and 1 SCM officer on CIPS by June 2023	SCM Manager and officer were enrolled for a 2year formal programme, since it's continuous therefore it's not achieved for 2022-23FY.	The formal program will be completed at the end of second quarter.
Appointment of service provider for provision of insurance services for a period of 36 months	4.4.9	Appointment of service provider for the provision of insurance services for a period of 36 months by June 2023	The advert for the Provision of Insurance Services was done with all other required Supply chain processes, however all the Bids submitted were non-responsive.	The bid has been re-advertised, closed and awaiting evaluation and adjudication processes. From which an alternative process will be recommended to the council if there is still not responsive bidder on the 3rd attempt.

MUNICIPAL MANAGERS OFFICE TARGETS NOT ACHIEVED CONSTITUTING ABOUT 10% OF THE DEPARTMENT'S OVERALL TARGETS

Project to Be Implemented	KPI No.	Annual Target	Reason For Variance	Remedial Action
conducting a socio-economic infrastructure survey as part of the situational	5.1.2	Socio economic infrastructure study conducted, and report produced by June	The contract was terminated after the fraudulent documents were identified. The	The project has been planned for the 2023/2024 financial year. It went on re-advert

Project to Be Implemented	KPI No.	Annual Target	Reason For Variance	Remedial Action
analysis report		2023	project was therefore not carried out to completion.	and evaluation has been done in August 2023.
Implementation of Gender Programs	5.8.5	6 Council Approved Gender programs implemented by June 2023	Non-Responsiveness of service providers	Reschedule to next financial year.
Implementation of Legacy programmes and installation of Winnie-Madikizela Mandela Statue	5.9.1	Seven (7) Council Approved Legacy programmes implemented and installation of Winnie-Madikizela Mandela Statue by June 2023	The commemoration of Mphuthumi Mafumbatha legacy was not achieved due to numerous postponements informed. For the installation of Winnie Madikizela – Mandela Statue, bidders were non – responsive.	The project has been carried out on the 11 th August 2023. The project was re-advert and evaluation has been done in August 2023.
To conduct research on institutional heritage	5.9.2	Appointed Service Provider for the development of institutional heritage book by June 2023	Non-responsiveness of bidders	Project is planned in the current Financial Year, went on re-advert and evaluation has been done in August 2023.

15. COMPONENT I: ORGANISATIONAL SCORE CARD

Basic Service Delivery (Engineering Services)

Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
Roads	Improved access to Basic Services	To reduce access roads backlog by constructing 32kms by June 2027	1.1	By constructing 19,3 kms of gravel access roads and rehabilitating 12,7 km of gravel access roads by end June 2023	865 kms in place	Construction of sidanga gravel access road with bridge and construction of concrete slab	Number of Kms constructed from Sidanga gravel access road with Bridge and concrete slab constructed	1.1	1	Proof of submission to SCM, Appointment letter, Progress Report.	R 8,674,255.00	R 8,873,917.00	N/A	MIG	N/A	N/A	Constructed 4.5km of Sidanga gravel access road with Bridge and 1km of concrete slab constructed by June 2023	Constructed 4.5km of Sidanga gravel access road with 1km concrete slab only bridge that is still under construction. Sidanga Access Road: Additional work done on site includes the	R21,789,061.85	Not Achieved	Bridge not completed due to delays in delivery of material.	The project progressed above expectations and more funds were moved to the project	Project to be completed in the first quarter of 2023/24FY.

Basic Service Delivery (Engineering Services)

Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
						gravel access road with bridge	qini to Marina gravel access road with bridge			appointment letter, Progress Report, completion certificate.								access road with bridge by June 2023	gravel access road with bridge				
					865 kms in place	Construction of Tshongweni gravel access road	Number of Kms constructed at Tshongweni gravel access Road	1.13	1	appointment letter, progress report, completion certificate.	R 1,355,177.00	R 1,996,050.00	N/A	MIG	N/A	N/A	Constructed 1.2km of Tshongweni gravel access road by June 2023	Constructed 1.2km of Tshongweni gravel access road	R1 711 421;25	Achieved	N/A	N/A	N/A

Basic Service Delivery (Engineering Services)

Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
					865 kms in place	Construction of Tshuze to Luphisweni gravel access road	Number of Kms constructed from Tshuze to Luphisweni gravel access road	1.14	0.5	proof of submission, appointment letter, progress report	R 9,401,788.00	R 9,114,795.00	N/A	MIG	N/A	N/A	Constructed 3.9km of Tshuze to Luphisweni gravel access road by June 2023	Constructed 3.95km of Tshuze to Luphisweni gravel access road	R7 681 967, 32	Achieved	N/A	N/A	N/A

Basic Service Delivery (Engineering Services)

Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
					865 kms in place	Construction of Sixhaxeni gravel access roads	Number of Kms constructed from Sixhaxeni gravel access roads	1.15	0.5	Appointment letter, progress report, Practical Completion Certificate	R 5,270,000.00	R 7,864,477.00	N/A	MI G	N/A	N/A	Constructed 5km of Sixhaxeni gravel access road by June 2023	Constructed 5km of Sixhaxeni gravel access road	R8 620 938;50	Achieved	N/A	Appointment amounts for service provider was higher than allocated budget more funds were moved towards the budget to cater for the budget variance	N/A
					12.7KM kms in place	Rehabilitation of Qobo to Sizin deni	Number of Kms rehabilitated from Qobo	1.16	0.5	Practical Completion Certificate	R 843,128.00	R 1,761,000.00	N/A	MD RG	N/A	N/A	Rehabilitated 3.5km of Qobo to Sizin deni	Rehabilitated 4km of Qobo to Sizin deni	R1 787 368;54	Achieved	N/A	Project was co-funded internal funding hence	N/A

Basic Service Delivery (Engineering Services)																									
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget variance	Remedial Action		
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved					
						grave l access road	to Sizindeni gravel access Road											gravel access road by June 2023	gravel access road					the budget variance	
					12.7kms in place	Rehabilitation of KwaBulala to Mdatya gravel access road	Number of Kms rehabilitated from KwaBulala to Mdatya gravel access road	1.17	0.5	Practical Completion Certificate	R 1,710,856.00	R 2,624,280.00	N/A	MDRG	N/A	N/A		Rehabilitated 2.1km of KwaBulala to Mdatya gravel access road by June 2023	Rehabilitated 2.5km of KwaBulala to Mdatya gravel access road	R2 467 379;19	Achieved	N/A	N/A	N/A	
					12.7 kms in place	Rehabilitation of Bazana gravel access road	Number of Kms rehabilitated Bazana gravel access road	1.18	0.5	Practical Completion Certificate	R 2,217,708.00	R 3,245,962.00	N/A	MDRG	N/A	N/A		Rehabilitated 0.4km of Bazana gravel access Road & Bridge by June	Rehabilitated 4km of Bazana gravel access Road & Bridge	R4 351 431;41	Achieved	N/A	Project was co-funded internal funding hence the budget variance	N/A	

Basic Service Delivery (Engineering Services)

Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget variance	Remedial Action	
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved				
						& Bridge	& Bridge											2023					e	
						12.7 kms in place	Rehabilitation of Matshezini gravel access road & Bridge	Number of Kms rehabilitated from Matsh ezini gravel access Road & Bridge	1.1 .9	0.5	Practical Completion Certificate	R 468,000.00	R 2,704,772.00	N/A	MD RG	N/A	N/A	Rehabilitated 1km Matshezini gravel Access Road & Bridge Phase 1 by June 2023	Rehabilitated 7.75km Matshezini gravel Access Road & Bridge Phase 1	R3 083 145;45	Achieved	N/A	Project was co-funded internal funding hence the budget variance	N/A
						12.7 kms in place	Rehabilitation of Mnyameni gravel access road & Bridge	Number of Kms rehabilitated Mnyameni gravel access Road & Bridge	1.1 .10	0.5	Practical Completion Certificate	R 514,676.00	R 2,305,660.00	N/A	MD RG	N/A	N/A	Rehabilitated 0,8km Mnyameni gravel Access Road & Bridge by June 2023	Rehabilitated 1km Mnyameni gravel Access Road & Bridge	R2 086 122;44	Achieved	N/A	N/A	N/A

Basic Service Delivery (Engineering Services)

Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
					12.7 kms in place	Rehabilitation of Sikhombe gravel access road	Number of Kms rehabilitated from Sikhombe gravel access Road	1.11	0.5	Practical Completion Certificate	R 2,440,962.00	R 3,997,563.00	N/A	MDRG	N/A	N/A	Rehabilitated 3km of Sikhombe gravel access road by June 2023	Rehabilitated 3.5km of Sikhombe gravel access road	R3 932 019;19	Achieved	N/A	N/A	N/A
					865 kms in place	Construction of long bridge & concrete slab from Mqonjwana to Greenville gravel access	Number of meters for long Bridge & Concrete Slab from Mqonjwana to Greenville gravel access road	1.12	0.5	advert, tender document, proof of submission to SCM	R 1,275,000.00	R 869,565.00	Equitable Share	N/A	Constructed and completed 55m long Mqonjwana to Greenville Access Road bridge by June 2022	Construction and completion of 55m long Mqonjwana to Greenville Access Road bridge not done	Advert Mqonjwana to Greenville gravel access road by June 2023	Advert Mqonjwana to Greenville gravel access road developed and submitted to SCM.	R0,00	Achieved	N/A	N/A	N/A

Basic Service Delivery (Engineering Services)

Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget variance	Remedial Action		
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved					
						road																			
						12.7 kms in place	Rehabilitation of zamilizwe access road	Number of Kms rehabilitated from zamilizwe access road.	1.113	0.5	Practical Completion Certificate	R 4,259,296.45	R 3,485,243.08	N/A	MDRG	N/A	N/A	Rehabilitated 0,5km of zamilizwe access road by June 2023.	Rehabilitated 5.7km of zamilizwe access road	R1,288,158.47	Achieved	N/A	N/A	N/A	
						12.7 kms in place	Rehabilitation of Monti gravel access road	Number of Kms rehabilitated from Monti access road.	1.114	0.5	Practical Completion Certificate	R 1,754,032.97	R 1,438,307.05	N/A	MDRG	N/A	N/A	Rehabilitated 2,5km of Monti access road by June 2023.	Rehabilitated 2,5km of Monti access road	R1,853,879.82	Achieved	N/A	virements were done to cater for difference.	N/A	
						12.7 kms in place	Rehabilitation of Ntlozelo access road.	Number of rehabilitated Kms from Ntlozelo access roads	1.115	0.5	Practical Completion Certificate	R 2,046,372.14	R 1,678,025.16	N/A	MDRG	N/A	N/A	Rehabilitated 3km of ntlozelo gravel access road by June 2023.	Rehabilitated 3km of ntlozelo gravel access road	R2,762,545.45	Achieved	N/A	virements were done to cater for difference.	N/A	

Basic Service Delivery (Engineering Services)

Sub-Resu lt Area	Issue	Strate gic Objec tive	Objec tive No.	Strate gies	Baseli ne Inform ation	Proje ct to be Imple mented	Outp ut - KPI	KPI No .	K PI W ei gh t	Mean s of Verifi cation	Budg et	Adjus ted Budg et	Budget Source		Preceding year 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget variance	Remedial Action	
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved				
						road.																		
					12.7 kms in place	Rehabilitation of Dumasi access road.	Number of Kms rehabilitated from Dumasi gravel access road.	1.16	0.5	Practical Completion Certificate	R 3,173,664.16	R 2,602,404.61	N/A	MDRG	N/A	N/A	Rehabilitated 6,9km of Dumasi gravel access road by June 2023.	Rehabilitated 6,9km of Dumasi gravel access road	R4,096,523.67	Achieved	N/A	Appointment amounts for service providers was higher than the budget available hence the budget variance	N/A	
					12.7 kms in place	Rehabilitation of umhlambi AR	Number of Kms rehabilitated from umhlambi AR	1.17	0.5	appointment letter, Progress report	R 2,285,932.10	R 1,874,464.33	N/A	MDRG	N/A	N/A	Rehabilitated 5km of Umhlambi SSS langalet hu-Doty access road by June	Rehabilitated 0km of Umhlambi SSS langalethu-Doty access road, however	R1,609,960.22	Not Achieved	Project could not be completed due to the non-availability of borrow pits in the	N/A	The issue has since been resolved and the project will be	

Basic Service Delivery (Engineering Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
																		2023.	er 5Km access road is still under construction.		Ward. Had to approach nearby Wards and they had unrealistic demands in which the Political Principals had to engage the community for access to the borrow pit		completed in the first quarter of the 2023-2024 FY
					12.7 kms in place	Rehabilitation of matshezini AR	Number of Kms rehabilitated from matsh	1.1	0,5	appointment letter, Progress report	R 2,988,896.07	R 2,450,894.79	N/A	MDRG	N/A	N/A	Rehabilitated 2km of Matshezini gravel access	Rehabilitated 2km of Matshezini gravel access	R2,113,642.01	Achieved	N/A	N/A	N/A

Basic Service Delivery (Engineering Services)

Sub-Resu It Area	Issue	Strate gic Objec tive	Ob jec tive No.	Strate gies	Baseli ne Inform ation	Proje ct to be Imple ment ed	Outp ut - KPI	KPI No .	KPI W ei gh t	Mean s of Verifi catio n	Budg et	Adjus ted Budg et	Budget Source		Preceding year 2021/2022		Actual Measurable Performance 2022/2023				Reason s for Varianc e	Reason s for Budget varian ce	Remed ial Actio n
													Inte rna l	Ext ern al	Annu al Targ et	Actu al Perform ance Non-Financ ial	Annual Target	Actual Perform ance Non-Financ ial	Actual Financi al	Achieved / Not Achieved			
						ezini AR												road Phase 2 by June 2023.	road phase 2.				
					12.7 kms in place	Reha bilitati on of ntam onde AR	Numb er of Kms rehabi litated from ntamo nde AR	1.1 .19	0, 5	appoi ntme nt letter, Progr ess report	R 2,782, 609.00	R 2,782, 609.00	N/A	MD RG	N/A	N/A	Rehabi lited 8km of Ntamo nde gravel access road by June 2023.	Rehabi lited 0km of Ntamo nde gravel access road, howev er 8km access road is still under constru ction.	R3,529, 398.30	Not Achieved	Delays in delivery of concrete	vireme nts were done to cater for differen ce.	Proje ct to be compl eted in Augu st 2023/ 24FY.
					12.7 kms in place	Reha bilitati on of mgodi ni AR	Numb er of rehabi litated Kms from mgodi ni AR	1.1 .20	0, 5	Practi cal Com pletio n Certifi cate	R 3,834, 783.00	R 3,834, 783.00	N/A	MD RG	N/A	N/A	Rehabi lited 6km of Mgodini access road by June 2023.	Rehabi lited 0Km of Mgodini gravel access road, howev er 6Km access road is	R2,645, 819.79	Not Achieved	Delays in delivery of concrete	N/A	Proje ct to be compl eted in Augu st 2023/ 24FY.

Basic Service Delivery (Engineering Services)

Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
					12.7 kms in place	Rehabilitation of luphondweni AR	Number of Kms rehabilitated from luphondweni AR	1.122	0,5	appointment and progress report	R 3,720,997.56	R 3,051,218.01	N/A	MDRG	N/A	N/A	Rehabilitated 2,5km of Luphondweni access road by June 2023.	Rehabilitated 0km of Luphondweni access road, however 2,5Km access road is still under construction, only concrete slab left.	R3,755,149.87	Not Achieved	Delays in delivery of concrete	Appointment amounts for service providers was higher than the budget available hence the budget variance	Concrete has been delivered now and busy with concrete slab now, project will be completed by end of August.

Basic Service Delivery (Engineering Services)

Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
					12.7 kms in place	Rehabilitation of Mkolweni AR	Number of Kms rehabilitated from mkolweni AR	1.123	0,5	Practical Completion Certificate	R 3,987,901.00	R 3,987,901.00	N/A	MDRG	N/A	N/A	Rehabilitated 4,5km of Mkolweni access road by June 2023	Rehabilitated 4,5km of Mkolweni access road done	R4,660,413.13	Achieved	N/A	Appointment amounts for service providers was higher than the budget available hence the budget variance	N/A

Basic Service Delivery (Engineering Services)

Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
					12.7 kms in place	Rehabilitation of swane AR	Number of rehabilitated Kms from swane AR	1.124	0,5	Appointment letter, progress report	R 1,684,156.00	R 1,684,156.00	N/A	MDRG	N/A	N/A	Rehabilitated 2km Swane access road by June 2023.	Rehabilitated 2km Swane access road done	R2,114,092.29	Achieved	N/A	Appointment amount for service providers was higher than the budget available hence the budget variance and virements were approved to cover the difference	N/A

Basic Service Delivery (Engineering Services)

Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
Buildings	Improved access to Basic Services	To construct 1 Early Childhood Development Centre (ECD C) in the villages of Bizana by end June 2023	1.2	By constructing 1 Early Childhood Development Centre (ECD C) using services of service providers by June 2023	6 Early Childhood Development Centres	Construction of Early Childhood Development Centre (ECD C) in Ward 13	Number of Early Childhood Development Centres constructed	1.2 .1	1	Progress report	R 2,975,000.00	R 434,783.00	Equitable Share	N/A	Constructed and Completed 1 Early Childhood Development Centre (ECD C) at Ward 1 by June 2022	1 Early Childhood Development Centre under construction at Ward 13 by June 2023	1 Early Childhood Development Centre is under construction at Ward 13 and progressing well	R2,173,143.50	Achieved	N/A	Appointment amounts for service providers was higher than the budget available hence the budget variance and virements were approved to cover the difference	N/A	
	Improved access to	To complete the		By constructing Civic	MPYC Hall and Income	Construction of the	Number of building	1.2 .2	1	Progress Report	R 7,628,075.00	R 4,207,321.09	N/A	MI G	Constructed Phas	Construction of Phas	1 Civic Centre constructed	0 Civic Centre constructed	R7,652,400.24	Not Achieved	Project stalled due to the fact	Expenditure incurred	The issue has since

Basic Service Delivery (Engineering Services)

Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
	Basic Services	construction of Civic Centre by June 2023		Centre through the services of the services provider by June 2023	Complete Civic Centre Building	Civic Centre	infrastructure constructed and completed									3 of the Civic Centre by June 2022	3 Civic Centre not done	and Completed by June 2023	and completed, however 1 Civic Centre is under construction.		project team challenges which resulted in the municipality terminating the contract of the PSP and having to renegotiate for the Contract or to proceed with works	includes the fees that were agreed upon to be paid to the PSP during the termination process	been resolved and the Contractor is back on site anticipating to complete the project in the second quarter of the 2023-2024 FY

Basic Service Delivery (Engineering Services)

Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
	Refurbishment of the dilapidated infrastructure to acceptable standards	To upgrade buildings structures and related infrastructure by June 2023		By employing services of service providers to upgrade buildings and related infrastructure by June 2023	One underdeveloped Taxi Rank in the CBD	Upgrading of Taxi Rank (Phase 2)	Number of Ranks Upgraded	1.2.3	1	Practical Completion Certificate	R 1,360,000.00	R 5,669,545.00	Equitable Share	N/A	1 Taxi Rank (Phase 1) Upgraded at the CBD by June 2022	Taxi Rank (Phase 1) Upgraded done	Completed and Upgraded Taxi Rank (Phase 2) by June 2023	1 Completed and Upgraded Taxi Rank (Phase 2) done	R6,992,031.05	Achieved	N/A	Additional works on the project that had to be factored in during construction	N/A
	Improved access to Basic Services	To construct security guard houses at DLTC and		By constructing security guard house at DLTC by	DLTC Buildings	Construction of security guard house at DLTC	Number of Security Guard Houses constructed	1.2.4	0.5	Progress Report	R 340,000.00	R 173,043.00	Equitable Share	N/A	N/A	N/A	1 security guard house under construction at DLTC by June	1 security guard house has been completed and at Practic	R860,706.00	Achieved	N/A	Appointment amount for service provider was higher than the	N/A

Basic Service Delivery (Engineering Services)

Sub-Resu lt Area	Issue	Strate gic Objec tive	Ob jec tive No.	Strate gies	Baseli ne Inform ation	Proje ct to be Imple mented	Outp ut - KPI	KPI No .	KPI W ei gh t	Mean s of Verifi cation	Budg et	Adjus ted Budg et	Budget Source		Preceding year 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
		Cultural Village by June 2023		June 2023													2023	al Completion				budget available hence the budget variance	
EPWP	High unemployment rate	Provide short term EPWP job opportunities to alleviate poverty and unemployment by June 2027	1.3	By facilitating recruitment of EPWP workers in all WMM LM Wards by June 2023	745 EPWP Jobs created	Creating of 292 EPWP Job Opportunities	Number of EPWP Job Opportunities created	1.3	1	Signed Employment Contracts, Signed Expenditure Report	R 3,687,000.00	R 3,687,000.00	N/A	EPWP Grant	400 EPWP Jobs created by June 2022	894 EPWP Jobs created	292 EPWP Job Opportunities Created by June 2023	292 EPWP Job Opportunities Created done	R10,559,776.69	Achieved	N/A	Project co-funded with Equitable Share and EPWP Grant. Co-funding is a result of the insufficient funds by the EPWP Grant	N/A

Basic Service Delivery (Engineering Services)

Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
Roads Maintenance	Improved road network in CBD	To routinely maintain a better standard of our CBD Roads by June 2027	1.4	By appointing service providers to maintain CBD Roads and acquisition of small tools and equipment for maintenance by June 2023	6.3 km tarred roads	CBD Road Maintenance	Numbers of square meters of potholes patched at the CBD	1.4	1	Completion Certificate	R 1,657,654.00	R 2,367,654.00	Equitable Share	N/A	200m ² potholes patched by June 2022	2925 m ² of potholes patched	500m ² potholes patched at the CBD by June 2023	942m ² potholes patched	R1,106,471.14	Achieved	N/A	N/A	N/A

Basic Service Delivery (Engineering Services)

Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
	Road rehabilitation	To routinely rehabilitate 450km gravel access roads by June 2027		By utilizing the services of service providers and internal plant to maintain gravel access roads by June 2023	865 km gravel access roads	Maintenance of gravel access roads	Number of kilometers of gravel access roads maintained	142	0.5	Completion Certificate	R18,169,788.00	R18,169,788.00	Equitable Share	N/A	72,2 kms of gravel access roads maintained by June 2022	139.3 km of access roads maintained	85km of gravel access roads Maintained by June 2023	105.1km of gravel access road maintained	R12,080,000.51	Achieved	N/A	N/A	N/A
Buildings Maintenance	Building infrastructure not accepted	To maintain rehabilitate and repair buildings	1.5	By employing services of service providers	Municipal buildings	Periodic repairs and maintenance of Municipal buildings	Municipal buildings periodically repaired	151	0.5	Completion Certificate	R 3,900,000.00	R 2,758,297.00	Equitable Share	N/A	1 building infrastructure (Main municipal)	Monitored periodic repairs and maintenance	Municipal buildings periodically repaired and maintained	0 Municipal buildings repaired and maintained	R1,275,025.11	Not Achieved	Service provider was appointed late as the project has to	Less buildings needed maintenance	Contractor on cause to complete within

Basic Service Delivery (Engineering Services)

Sub-Resu It Area	Issue	Strate gic Objec tive	Ob jec tive No.	Strate gies	Baseli ne Inform ation	Proje ct to be Imple mented	Outp ut - KPI	KPI No .	KPI W ei gh t	Mean s of Verifi catio n	Budg et	Adjus ted Budg et	Budget Source		Preceding year 2021/2022		Actual Measurable Performance 2022/2023				Reason s for Varianc e	Reason s for Budg et varian ce	Remed ial Actio n		
													Inte rnal	Ext ernal	Annu al Targ et	Actu al Perform ance Non-Financ ial	Annu al Target	Actual Perform ance Non-Financ ial	Actual Financi al	Achieved / Not Achieved					
	stand ards	ngs struc tures and relate d infrast ructur e by June 2027		ers to maint aining , rehabi litatin g and repairi ng munic ipal buildi ngs and relate d infrast ructur e by June 2023		ipal buildi ngs	and maint ained by June 2023									cipal buildi ng) perio dicall y repair ed and maint ained by June 2022		ce to completion	maintai ned by June 2023	ned, mainte nance and repairs of 1 munic ipal buildi ng is still in progres s			be rescope late in the second quarter		contra ct period
Elect ricity	Electri ficatio n of rural house holds	Ensue reliabl e provis ion of electri city to house holds	1.6	Connect electri city to formal house holds within the munic	42 834 house holds with electri city	Electri ficatio n of Xholo beni Villag e	Numbe r of house holds conn ected and energiz ed in Xholo	1.6	0.5	Comple tion Certifi cate	R 4,000, 000.00	R 4,000, 000.00	N/A	INE P	80% of poles plant ed and backf illed with MV	80% of Exca vatio n of pole holes , planti ng	Connect ed and energiz ed 385 househ olds in Xholobe ni by June 2023	386 House holds conn ected and energiz ed.	R2,362, 477.01	Achieved	N/A	N/A	N/A		

Basic Service Delivery (Engineering Services)																								
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget variance	Remedial Action	
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved				
		by June 2027		ipal jurisdiction by June 2023		beni										and LV Lines stringed at Xholo beni by June 2022	and backfilling. MV and LV lines stringed at 80%							
						Electrification of Lower Etheridge Village	Number of households connected and energized in Lower Etheridge	1.62	1	Completion Certificate	R 3,060,000.00	R 3,060,000.00	N/A	INEP	N/A	N/A	Connected 90 households in Lower Etheridge by June 2023	0 households connected, However Project is at 70% construction.	R3,015,293.85	Not Achieved	Lack of plant trucks on site,90 Households not connected due to Eskom outage delays.	N/A	Liaise with Eskom to complete inspection and book outages before end of September 2023/24FY.	

Basic Service Delivery (Engineering Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
						Electrification of Msarhweni Village	Number of households connected and energized in Msarhweni	1.63	0.5	Completion Certificate	R 3,740,000.00	R 3,740,000.00	N/A	INEP	N/A	N/A	Connected and energized 110 households in Msarhweni by June 2023	0 households Connected and Energized, However Project is at 70% construction.	R 5 982 431.76	Not Achieved	Work has been monitored. Inspections for defects not done by Eskom.	N/A	Follow up with Eskom to come and do inspections.
						Electrification of Zizityaneni Village	Number of households connected and energized in Zizityaneni	1.64	0.5	appointment Letter	R 5,100,000.00	R 5,100,000.00	N/A	INEP	N/A	N/A	Appointed a contractor and works commenced at Zizityaneni by June 2023	0 households connected. Contractor appointed and works has commenced at 52%	R4,038,830.11	Achieved	N/A	N/A	N/A

Basic Service Delivery (Engineering Services)

Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
						Electrification of Nomlacu Village	Number of households connected and energized in Nomlacu	1.65	0.5	Completion Certificate	R 2,040,000.00	R 2,040,000.00	N/A	INEP	N/A	N/A	Connected and energized 67 households in Nomlacu by June 2023	67 Households Connected and awaiting Eskom to energize 67 households ,MV & LV excavation , planting and stringing for 67 Households at 100%.	R2,799,972.28	Not Achieved	Technical challenges regarding Eskom feeder lines.	INEP was under budgeted therefore intervention was done.	Liaise with Eskom to provide alternative feeder line to connect households.

Basic Service Delivery (Engineering Services)

Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
Electricity	Low Voltage lines upgrade	Have a conductive and safe electricity network by June 2025	1.7	Installation of 35mm, 4 core Aerial Bundled conductors by June 2023	4,5 KM of Low Voltage lines upgraded in town	Low Voltage lines Upgrade	Number of LV lines and poles replaced	1.7.1	0.5	Progress Report	R 3,000,000.00	R 3,000,000.00	Equitable Share	N/A	100% of Low Voltage lines and poles upgraded by June 2022	Low voltage lines and poles upgraded	2 KM of Low Voltage lines upgraded by June 2023	0KM of LV lines upgraded, However Contractor has been appointed and project hand over done.	R0.00	Not Achieved	Appointment was only done in 26 June 2023 then delayed in identification of suitable project site.	N/A	Fastrack site establishment in first quarter of 2023-24FY.
Electricity	Installation of High Mast Lights	Have safer and light efficient streets by June 2026	1.8	Facilitating the installation and energizing of High Mast lights by June	Two High Mast Lights Installed in Highland View	Installation of High Mast Lights	Number of High mast lights installed	1.8.1	1	Completion Certificate	R 1,785,000.00	R 1,785,000.00	Equitable Share	N/A	2 high mast lights installed at highland view by June 2022	Concrete foundations, no High Mast lights installed	Two High Mast Lights installed by June 2023	Two High Masts installed	R1,437,513.77	Achieved	N/A	N/A	N/A

Basic Service Delivery (Engineering Services)

Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget variance	Remedial Action	
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved				
				2023																				
Electricity	Maintenanc e of Electricity Infrastru ctur e	Reduce techni cal loses and have reliable, safe distrib ution netwo rk by June 2027	1.9	Replaceme nt of old and faulty electri city infrastru ctur e by June 2023	Five vandal ized meter kiosks and 22 meters replac ed.	Replaceme nt of dama ged and faulty electri city infras tructu re	Number of dama ged and faulty infrastru ctur e replac ed	1.9	1	Completi on Certifi cate	R 1,500, 000.00	R 1,500, 000.00	Equ itable Sha re	N/A	N/A	N/A	Replac ed dama ged and faulty electri city infrastru ctur e in town by June 2023	6 Kiosks replac ed in town and 4 Vandali zed Substat ion doors replac ed with Burglar gates installe d. Lights and Plug circuits installe d @ 2 substat ions. Project s comple	R452,17 4.73	Achieved	N/A	N/A	N/A	

Basic Service Delivery (Engineering Services)

Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
																		te.					

Basic Services Delivery (Community Services)

Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved			

Basic Services Delivery (Community Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
Free basic services	High number of indigent households	To ensure Saudization of poor households in order to receive basic services by June 2027	1.12	By providing 5500 beneficiaries with free grid electricity & 5150 FBAE by June 2023	Subsidized 4994 beneficiaries with free grid electricity & 5980 beneficiaries with FBAE	Subsidizes 4000 qualifying beneficiaries with free grid electricity and 2646 with FBAE	Number of beneficiaries receiving free grid subsidy & receiving FBAE	1.12.1	1	12 Monthly reports and invoices	R8,800,000.00	R8,800,000.00	Yes	N/A	Subsidized 4000 qualifying beneficiaries with free grid electricity and 5150 with FBAE by June 2022	Subsidized 4584 qualifying beneficiaries with grid electricity and 2646 with FBAE	By providing 4000 beneficiaries with free grid electricity & 2646 FBAE by June 2023	Provided 4216 Beneficiaries with free grid electricity and 2646 FBAE beneficiaries by June 2023.	R9,700,608.92	Achieved	N/A	Beneficiaries that claimed were more than the budgeted beneficiaries	N/A
	Inconsistent indigent register			By facilitating process of applications for review of indigent register	Adopted credible indigent register	Review and adoption of credible indigent register	Reviewed and adopted credible indigent register	1.12.2	1	12 Monthly reports, Adopted credible indigent register & Council resolution	605000.00	R35,000.00	Yes	N/A	Reviewed and adopted 1 credible indigent register by June 2022	1 Reviewed and Adopted credible indigent register on the 28th June 2022	1 Reviewed and adopted credible indigent register by June 2023	Conducted 32 Stakeholder engagement sessions, Collection of data in all 32	N/A	Achieved	N/A	N/A	N/A

Basic Services Delivery (Community Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
				er by June 2023														wards and verification was done in all 32 wards, and the Register was adopted by Council on 27 June 2023.					

Basic Services Delivery (Community Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
				By conducting awareness campaigns to assist process of applications for review of indigent register by June 2023	Conducted 4 indigent awareness campaigns	Conduct 4 Indigent awareness campaign	Number of indigent awareness campaigns conducted	1.1 2.3	0.5	4 Awareness campaigns report & 4 attendance registers	647 300.00	647 300.00	Yes	N/A	Conducted 4 indigent awareness campaigns by June 2022	Conducted 4 Indigent awareness campaigns on the 10th September 2021 at Council Chamber, 20 December 2021 at Ward 3 Emantshangase Hall, 30th of March 2022 at M.P.Y.C and on the 10th June 2022 at Adelaide and O.R.Tambo Regional Hospital	4 indigent awareness campaigns conducted by June 2023	Conducted 4 indigent awareness campaigns on the 06th September 2022 at Oliver and Adelaide Tambo Regional Hospital, 6th December 2022 at Zikhuba Com	R223 300.00	Achieved	N/A	N/A	N/A

Basic Services Delivery (Community Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
	Noncompliance with indigent policy			By providing 730 beneficiaries with	New indicator	Providing 730 qualifying beneficiaries with	Number of beneficiaries qualifying	1.1 2.4	0.5	12 Monthly reports	N/A	N/A	Yes	N/A	N/A	N/A	Provided 730 qualifying beneficiaries with	Provided 730 Qualifying beneficiaries with	N/A	Achieved	N/A	N/A	N/A

Basic Services Delivery (Community Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
				free refuse removal by June 2023		free refuse removal.	for free refuse removal.											free refuse removal by June 2023	free refuse removal by June 2023				
Disaster Management	Lack of systematic approach in responding to disaster risk management	To ensure disaster risk reduction by June 2027	1.13	By Monitoring, assessing and coordinating Council's disaster risk management by June 2023	Assessed & responded to 699 reported & recorded disaster incidences within 72 hours	Asses and respond to all reported & recorded disaster incidences within 72 hours	Assessed & responded to reported & recorded disaster incidences within 72 hours	1.13.1	0.5	Disaster incidences register and disaster report	R706,500.00	719,000.00	Yes	N/A	Assessed & responded to reported & recorded disaster incidences within 72 hours by June 2022	Assessed & responded to reported & recorded to 733 disaster incidences within 72 hours	Assessed and responded to all reported & recorded disaster incidences within 72 hours by June 2023	Assessed and responded to 278 disaster incidents reported and recorded in various Wards of Mbizana	R980,920.00	Achieved	N/A	April Disasters that were intensive saw a high number of people in need of SRD therefore more funds had to be available to assist	N/A

Basic Services Delivery (Community Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
					1 adopted Disaster Risk Management Plan	Review and adoption of the Disaster Risk Management Plan	Number of Reviewed and adopted Disaster Risk Management Plans	1.1 3.2	0.5	5 Monthly reports and Council resolution	R500,000.00	R500,000.00	Yes	N/A	1 Reviewed Disaster Risk Management Plan by June 2022	The service provider was appointed in April 2022, consultative meetings were held and the terms of reference for Local Disaster Management Advisory Forum developed.	1 Reviewed and adopted Disaster Risk Management Plan by June 2023	Reviewed and adopted Disaster Risk Management Plan	R480000.00	Achieved	N/A	N/A	N/A

Basic Services Delivery (Community Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
					Conducted 4 disaster awareness campaigns.	Conduct disaster & social services awareness campaigns.	Number of disaster & social services awareness campaigns conducted	1.1 3.3	0.5	6 Awareness campaign reports & 6 attendance registers	R480,500.00	R480,500.00	Yes	N/A	4 Disaster awareness campaigns conducted by June 2022	Conducted 4 Disaster Awareness Campaigns in Ward 31 Isikhumbana on the 15 September 2021, on the 22 December 2021 Ward 01 MPYC, on the 30 March 2022 @ MPYC and on the 24th June 2022 @ Isikhumbana SikaMzitsana community	4 Disaster & 2 social services awareness campaigns conducted by June 2023	Conducted 4 Disaster awareness in Ward 04 28th September 2022 in Ward 04 Sizalu Tamboko Community Hall, on the 20th October 2022 in Ward 23 Izikhumba	R167000.00	Achieved	N/A	N/A	N/A

Basic Services Delivery (Community Services)																												
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action					
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved								
																	y Hall		Community Hall, on the 30th March 2023 in Ward 02 Mbuthweni Community Hall, on the 12 May 2023 in Ward 06 Ntshamathe Community Hall and Conducted 02 Social aware									

Basic Services Delivery (Community Services)																										
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action			
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved						
																			ness on the 02nd September 2022 in Ward 01 M.P.Y .C and on the 06 June 2023 in Ward 06 Aman tshan gase Villag e.							
					No Disaster Bakkiye	Purchase of 1 Disaster Bakkiye	Number of Disaster Bakkies purchased	1.1 3.4	0.5	Appointment letter/order, follow up email and Delivery note	R700,000.00	R700,000.00	Yes	N/A			1 Disaster Bakkiye purchased by June	Purchased 1 Disaster Bakkiye	R602,228.17	Achieved	N/A	N/A	N/A			

Basic Services Delivery (Community Services)																																			
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action												
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved															
																		2023																	
Recreational facilities	Adhoc operation & management of community facilities	To provide sustainable services of municipal facilities to the communities by June 2027	1.14	By managing proper functioning of municipal facilities by June 2023	Operated & managed 32 municipal facilities	Operate, Manage & Equip Community facilities	Number of municipal facilities operated, managed & equipped	1.14.1	1	12 Monthly checklists and 12 Progress certificates	R250,000.00	R399,640.00	Yes	N/A	Operated, maintained and equipped 52 Municipal facilities by June 2022	Operated, maintained and equipped 52 Municipal facilities.	Operated, maintained and equipped 36 Municipal facilities by June 2023	Operated 36 recreational facilities, maintained 36 recreational facilities and equipped 36 Municipal facilities	R441,860.00	Achieved	N/A	In the Previous years there was no service provider for maintenance of recreational facilities and most facilities were more damaged so more money was spent	N/A												

Basic Services Delivery (Community Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
																					and the target is under budgeted.		
				By managing proper functioning of municipal facilities by June 2023	Shortage of Ablution facilities in Taxi rank.	Purchase 2 mobile toilets	Number of ablution facilities purchased, operated and maintained.	1.1 4.2	0.5	Requisition, Specification and follow up email.	R0.00	R173,913.00	Yes	N/A	N/A	N/A	Purchased, operate and maintain 2 mobile toilets by June 2023	Purchased, operated and maintained 2 mobile toilets.	R177 400.00	Achieved	N/A		N/A
				By operating & managing proper functioning	Provided employees with Protective clothing.	Provide Protective clothing to employees	Number of employees receiving Protective	1.1 4.3	0.5	Requisition, Specification and follow up email.	R0.00	200 000.00	Yes	N/A	N/A	N/A	Provided protective clothing to 70 employees by	Provided protective clothing to 70 employees	R170 000.00	Achieved	N/A	N/A	N/A

Basic Services Delivery (Community Services)																									
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action		
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved					
							Clothing.											June 2023.							
	Inconsistent use of Parks Municipal facilities.				of municipal facilities by June 2023	By operating & managing proper functioning of municipal facilities by June 2023	Provided employees with cleaning equipment.	Provide resources to employees	Number of employees receiving resources.	1.1 4.4	0.5	Appointment letter, Delivery notes and issue registers	R300,000.00	R300,000.00	Yes	N/A	N/A	N/A	Provided cleaning resources to 36 employees by June 2023.	Provided cleaning resources to 36 employees.	R129 640.00	Achieved	N/A	N/A	N/A
	Unsecured recreational facilities				By facilitating fencing of recreational	26 facilities fenced	Fencing of recreational facilities	Number of recreational facilities	1.1 4.5	1	Appointment letter & Progress/Completion certificate	R846,087.00	R846,087.00	Yes	N/A	2 recreational facilities fenced by June	Fencing of 2 recreational facilities was not done.	2 recreational facilities fenced by	Fenced 2 recreational facilities in Ward	R797 060.00	Achieved	N/A	N/A	N/A	

Basic Services Delivery (Community Services)																									
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action		
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved					
				facilities by June 2023			fenced									2022		June 2023	07 Mzamba Community Hall and in Ward 08 Extension fencing of Dudumeni Community Hall.						

Basic Services Delivery (Community Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
Library Services	High rate of illiteracy	To facilitate provision of library services to Mbizana Community by June 2027	1.15	By instilling a culture of reading and lifelong learning by June 2023	Conducted 4 library awareness campaigns	Conduct library awareness campaigns	Number of library awareness campaigns conducted	1.15.1	0.5	8 Awareness reports & 8 Attendance registers	R443,100.00	R443,100.00	Yes	N/A	4 library awareness campaigns conducted by June 2022	Conducted 4 Library awareness campaigns on the 25 August 2021 @ Mbizana Public Library (ward 1), 15 December 2021 @ Mbizana Community Park next to Ferguson (Ward1), 07 March 2022 @ MPYC /Mbizana Public Library & 26 May 2022 @ ward 24 Ebenezer, Ward 27	8 library awareness campaigns conducted by June 2023.	Conducted 8 library awareness campaigns at Dudumeni Hall (ward 8) on the 25 Aug 2022, Nkantolo Community hall (ward 27) on the 29th Sep 22, Mbizana Public Library	R189,850.00	Achieved	N/A	N/A	N/A

Basic Services Delivery (Community Services)																										
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action			
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved						
																	Oliver Regional Tambo Public School & ward 8 Monwabisi Mfingwana Public Library.		(ward 1) on the 4 November 22, MPY C (ward 1) on the 13 Dec 22, Various schools on the 1 Feb 23, MPY C (ward 1) on the 28 Feb 23, Mbizana Public Library (ward							

Basic Services Delivery (Community Services)																								
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action	
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved				
					signage for 2 libraries	and Ebenezer												2023	Library. Equipped Nkantolo Public Library and Ebenezer JSS. Maintenance and equip was done by Sword Group				budget.	
					Supplied 3000 periodicals	Supply periodicals	Number of periodicals supplied	1.1	0.5	Appointment letter and supply of periodicals register	R100,000.00	R100,000.00	Yes	N/A	Supply 2250 periodicals by June 2022	Supplied and delivered 1838 periodicals from July -Dec 2021, Advertisement for the	3000 periodicals supplied by June 2023	3368 periodicals supplied and delivered to main library	R36,313.00	Achieved	N/A	N/A	N/A	

Basic Services Delivery (Community Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
																	service provider was done						
Environmental Management	Inadequate legal environmental tools. Required continuous maintenance of beaches	To ensure conservation and management of natural resources for sustainable use by June 2027	1.16	By facilitating application for blue flag beaches and provision of beach material by June 2023	Applied for blue flag beaches & Provided beach material	Application of Pilot blue flag beach & provision of beach material	Number of pilot blue flag beaches applied for and provision of beach material	1.16.1	0.5	Application for blue flag beach, confirmation of recipient of water samples, order & delivery notes	R147,950.00	147,950.00	Yes	N/A	Application for 2 blue flag beaches by June 2022	Collected 120 water samples from Mzamba and Mthentu, applied for 2 blue flag beaches and provided beach information material for 2 beaches	Application for 1 Pilot blue flag beach and Provided Beach Material by June 2023	Completed and submitted Application for 1 Pilot Blue Flag beach, collected & submitted 110 Water Samples and provided Beach material in the form	R76,346.35	Achieved	N/A	N/A	N/A

Basic Services Delivery (Community Services)																								
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action	
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved				
																		of signboards						

Basic Services Delivery (Community Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
	Inadequate legal environmental tools required			By reviewing and implementing environmental management tools (Climate Change Strategy) by June 2023	Adopted Climate Change Strategy	Adoption and Implementation of climate change strategy	Number of Council documents adopted & implemented	1.1 6.2	0.5	Adopted Climate change strategy, Council Resolution and 3 Reports	R371,000.00	81000.00	Yes	N/A	1 Reviewed Climate Change Strategy by June 2022	Status quo report done, establishment of Local Climate Change Committee, development of an implementation plan for the strategy, conducted a workshop with all relevant stakeholders for the review of climate change which is still in progress.	1 Adopted & implemented Climate change strategy by June 2023	1 Adopted & implemented Climate change strategy, implementation was done in the form of workshops in tribal authorities and removal of alien plants	R83,800.00	Achieved	N/A	N/A	N/A

Basic Services Delivery (Community Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
				By establishing and conduct coastal committee meetings by June 2023	New Indicator	Establishment and conducting Coastal Committee meetings	Established coastal committee and Coastal Committee meetings conducted	1.1 6.3	0.5	4 Attendance Registers and 4 Reports	R50,000.00	R50,000.00	Yes	N/A	N/A	N/A	1 Established coastal committee and 3 Coastal Committee meetings conducted by June 2023	1 Established coastal committee meetings conducted on the 15th Sept 2022 at Khumbuza Community Hall (Ward 25), on the 13th December 2022	R6,700.00	Achieved	N/A	N/A	N/A

Basic Services Delivery (Community Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
																			at Zikhuba Community Hall, on the 22nd March 2023 at Mdaty a SSS (Ward 28) and on the 24th May 2023 at Khumbuza Community Hall.				

Basic Services Delivery (Community Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
				Conduct environmental awareness campaigns by June 2023	Conducted Environmental Awareness Campaigns	Conduct environmental awareness campaigns	Number of environmental awareness campaigns conducted	1.1 6.4	0.5	4 Attendance Registers, 4 Awareness Campaign Reports	R320,400.00	R365,400.00	Yes	N/A	3 Environmental awareness campaigns conducted by June 2022	Conducted 4 Environmental Awareness campaigns on the 09 September 2021 @ Mpunzi Drift S.P.S, 22 March 2022 @ Majavu S.S.S, 10 May 2022 @ St Patrick S.P.S & 01 June 2022 @ Marina S.S.S	4 Environmental Awareness campaigns conducted by June 2023	Conducted 6 Environmental Awareness campaigns on the 22nd February 2022 at Cangci SSS & Ndlovumile SPS (Ward 25), on the 8th September 2022 at O.R Tamb	R227 930	Achieved	N/A	N/A	N/A

Basic Services Delivery (Community Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
																			o Cultural Village (Ward 1), on the 19th October 2022 at Mdatya SSS and Sijadu SPS (Ward 28), on the 2nd December 2022 at Mzamba Beach (Ward 24),				

Basic Services Delivery (Community Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
																			on the 5th May 2023 at Wild Coast Sun (Ward 24), on the 5th June 2023 at Ngele SPS and Mpeni SSS (Ward 2)				

Basic Services Delivery (Community Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
Parks, Cemetery & Municipal facilities	Irregular maintenance of Parks, Management of Cemetery & other Municipal facilities	To provide sustainable services of Parks, Cemeteries and municipal facilities by June 2027	1.17	By providing grass cutting machines and accessories, maintenance of garden power tools by June 2023	Purchased 5 grass cutting machines and accessories	Purchasing of grass cutting machines and accessories and maintenance of garden power tools	Number of grass cutting machines and accessories purchased and number of maintained garden power tools	1.17.1	0.5	2 Appointment letters/orders, delivery note/s, progress/completion certificate.	R337,500.00	420,435	Yes	N/A	Purchased 5 grass cutting machines with accessories, Fuel tanker and trailer by June 2022	Purchased 5 grass cutting machines with accessories, advertised for purchase of fuel tanker and trailer	Purchased 5 grass cutting machines with accessories and 30 maintained garden power tools by June 2023	Purchased 4 grass cutting machines and maintained 30 garden power tools	R326,500.00	Not Achieved	After taking more than 6 months to get a suitable bidder, A Service Provider appointed but he we	N/A	Grass cutting machines are planned to be purchased in second quarter of 2023/24 FY.

Basic Services Delivery (Community Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved			
																					nt to purchase the machines already prices were up, hence ended up purchasing 4 instead		

Basic Services Delivery (Community Services)																									
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action		
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved					

Basic Services Delivery (Community Services)																									
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action		
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved					
				functioning of cemetery, parks and municipal facilities by June 2023	Parks and Municipal facilities	ries, Parks and Municipal facilities	nurseries, parks and municipal facilities maintained			delivery note/s/ progress / completion certificates					installed solar lights & panels at cemetery, Mthamvuna nursery & Community park by June 2022	Nurseries) and appointed service provider for installation of solar lights & panels at cemetery, Mthamvuna nursery and community park	ries, 1 Park and Municipal facilities by June 2023	ries, 1 Park and Municipal facilities							
Waste Management	Poor provision measures to remediate contaminated land	To ensure proper disposal of waste by June 2027	1.18	By ensuring the effective and efficient disposal of waste by	12 routine rehabilitation of EXT 3 dumping site done	Routine rehabilitation of EXT 3 dumping site	Number of routine rehabilitations of EXT3 dumping site	1.18.1	0.5	12 Monthly monitoring reports, 12 Progress/ completion certificates, advert	R 1 500 000.00	R 1 500 000.00	Yes	N/A	12 routine rehabilitation of extension 3 dumping site by June 2022	12 routine rehabilitation of EXT 3 dumping site done	12 Routine rehabilitation of EXT 3 dumping site by June 2023	12 routine rehabilitation of EXT 3 dumping site were done.	R908,094.06	Achieved	N/A	N/A	N/A		

Basic Services Delivery (Community Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
				June 2023	1 financial projection report was compiled	Compilation of financial projections report	Number of financial projection reports compiled	1.18.2	0.5	Appointment letter, 1 Approved financial projection report, Advertisement	R300 000.00	R400,000.00	Yes	N/A	1 Financial projection report for EXT 3 dumping site compiled by June 2022	1 Financial projection report for EXT 3 dumping site compiled	1 Financial projection report compiled by June 2023	Compiled 1 Financial projection report	R198 610.00	Achieved	N/A	N/A	N/A
	Inadequate, compliant landfills which hinders safe disposal of all waste streams.	To establish effective compliance with Waste Act by June 2027		By establishment of proper disposal site by June 2023	New indicator	Fencing of Majazi Landfill site	Number of landfill sites Fenced	1.18.3	1	Requisition, Adverts, tender and for designs.	R8 075 000.00	R1,389,783.00	Yes	N/A	N/A	N/A	Advertisement for fencing of Majazi Landfill site & Environmental Consultants (Panel of	Advertised for fencing of Majazi Landfill site & Environmental Consultants (Panel of	R1,186,262.54	Achieved	N/A	N/A	N/A

Basic Services Delivery (Community Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
	High volumes of obstacles which causes	To ensure proper collection		By collecting, transporting and safely	200 environmental threatening obstacles	Attended to reported and recorded	Number of reported and recorded	1.18.4	0.5	12 Monthly monitoring reports and 12 progress	R420 000.00	R100,000.00	Yes	N/A	200 reported, attended and recorded	Reported, recorded and attended to 227 environmental	Attended to 250 reported and recorded	Attended to 268 reported and recorded	Nil	Achieved	N/A	N/A	N/A

Basic Services Delivery (Community Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
	harm/nuisance to the environment.	and disposal of environmental threatening obstacles by June 2027		disposing of all environmental threatening obstacles by June 2023	cleaning were attended	environmental threatening obstacles	ded environmental threatening obstacles attended to			s/completion certificates						ed environmental threatening obstacles by June 2022	ental threatening obstacles.	ded environmental threatening obstacles by June 2023	ded environmental threatening obstacles.				
	Inadequate delivery of waste service and Limited knowledge to communities about the importance of living in a	To ensure effective and efficient delivery of waste service by June 2027		By providing waste management working resources to employees and June 2023	Provided cleaning resources to 168 employees & 1362 households and 50 waste	Provide cleaning resources to 163 employees, 1362 households. Installation of 50 waste recep	Number of cleaning resources provided and Number of waste receptacles	1.18.5	0.5	Appointment letter, Delivery Note, Issue registers	R1,810,640.00	R1,730,640.00	Yes	N/A	Provided cleaning resources to 168 employees & 1362 households and 50 waste receptacles	Provided cleaning resources to 168 employees & 1362 households and 50 waste receptacles	Provided cleaning resources to 163 employees, 1362 households and 50 waste receptacles install	Provided cleaning resources to 168 employees, 1662 households and 50 waste receptacles install	R1,174,718.10	Achieved	N/A	N/A	N/A

Basic Services Delivery (Community Services)																									
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action		
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved					
	healthy environment				receptacles were installed	tactles in the CBD.	installed.									purchased by June 2022		ed in the CBD by June 2023	ed in the CBD and issued out 100 wheelie bins						
					Provide 5 skip bins in the CBD	Number of skip bins provided	1.18.6	0.5	Appointment letter and delivery note	R0.00	R173,913.00	Yes	N/A	30 skip bins serviced and 15 skip bins purchased by June 2022	Serviced 30 skips bins, advertised for supply and delivery of 15 Skip Bins.	Provided 5 skip bins in the CBD by June 2023	5 skip bins were provided in the CBD.	R150000.00	Achieved	N/A	N/A	N/A			

Basic Services Delivery (Community Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
	Inadequate delivery of waste service and Limited knowledge to communities about the importance of living in a healthy environment.	To ensure effective and efficient delivery of waste service by June 2027		By providing PPE to employees by June 2023	Provided PPE to 215 beneficiaries	Provision of PPE to Employees	Number of employees provided with Protective Clothing	1.18.7	0.5	Appointment letter, Delivery Note, Issue registers	R500000.00	R1,869,000.00	Yes	N/A	Provided PPE to 215 EPWP beneficiaries by June 2022	Provided PPE to 215 EPWP beneficiaries, Service provider delivered PPE for 223 EPWP beneficiaries.	Provided Protective Clothing to 41 employees and 170 EPWP employees by June 2023.	Provided protective clothing to 41 employees and 174 EPWP employees	R1,297,261.91	Achieved	N/A	N/A	N/A

Basic Services Delivery (Community Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved			
	Inadequate delivery of waste service and Limited knowledge to communities about the importance of living in a healthy environment.			By conducting waste education programmes, and clean up campaigns for proper waste delivery by June 2023	Conducted 6 waste management awareness campaigns	Conduct waste management awareness campaigns	Number of waste management awareness campaigns conducted	1.18.8	0.5	8 Awareness/workshop reports & 8 Attendance registers	R 289 398.00	R309,398.00	Yes	N/A	3 waste awareness campaigns conducted and supported 2 waste minimization projects by June 2022	Conducted 05 Awareness campaigns on the 23 August 2021 @ Spar Taxi Rank, 06 November 2021 @ ward 1, 25 March 2022 @ Town Entrances, 06 May 2022 @ Bizana CBD, 04 June 2022 @ CBD & R61 and supported 10 Waste minimization projects in a form of workshop	8 waste management awareness campaigns conducted by June 2023	Conducted 8 waste management awareness campaigns on the 29th July 2022 at Ward 13, 18 & 20, on the 1st September 2022 at Multi-Purpose Youth Centre (Ward 1),	R222,000.00	Achieved	N/A	N/A	N/A

Basic Services Delivery (Community Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
																			16th November 2022 at Zizity aneni (Ward 31), on the 17th November 2022 at O.R Tamboko Cultural Village (Ward 1), on the 17th February 2023 at O.R Tamboko				

Basic Services Delivery (Community Services)																								
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action	
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved				
																			Cultural Village (Ward 1), on the 30th March 2023 at Ntom bekha ya Mhiel emba na Pre-School (Ward 1), ,on the 4th May 2023 at Ngcin go Community Hall					

Basic Services Delivery (Community Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
																			(Ward 13), on the 9th June 2023 at Zikhuba and Ebenezer Halls (Ward 23 & 24)				
	Limited knowledge to communities and waste customers about waste management service.			By conducting waste management committee meetings to ensure	new Indicator	Conduct waste management committee meetings	Number of waste management committee meetings conducted	1.18.9	0.5	4 Attendance Registers and 4 reports	R50 000.00	R50,000.00	Yes	N/A			4 waste management committee meetings conducted by June 2023	Conducted 4 waste management committee meetings on the 14th September 2022 at	R5,125.00	Achieved	N/A	N/A	N/A

Basic Services Delivery (Community Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
				transparency and effective waste delivery by June 2023															Council Chamber, on the 29th November 2022 at Council Chamber, on the 17th March 2023 at WMM LM(Council Chamber), on the 11th May 2023 at Mbiza na Library.				

Basic Services Delivery (Community Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
	Limited vehicles/fleet to facilitate/undertake waste collection duties.	To ensure that there is enough fleet to achieve an integrated waste management by June 2027		By increasing waste collection fleet for effective waste service delivery by June 2023	3 Compactors, 2 mini-trucks, 1 skip loader, 1 tractor and 1 bakki	Purchase of refuse bakki	Number of bakki purchased	1.18.10	0.5	Order & Delivery note	R700 000.00	R645,000.00	Yes	N/A	N/A	N/A	1 refuse bakki purchased by June 2023	Purchased 1 refuse bakki	R602,228.17	Achieved	N/A	N/A	N/A
	Historical backlog, inadequate delivery of waste services in more remote	To ensure that more remote areas receive waste service by		By extending waste collection services to unserved areas	Extended waste management services to 15 rural areas, and	Provide waste management services to rural areas	Number of rural areas provided for waste management	1.18.11	1	Monthly monitoring reports	R1 242 000.00	R742,000.00	Yes	N/A	Extension of waste management service to 10 rural areas and	Extended waste management services to 25 rural areas and illegal dumping in R61	15 rural areas provided waste management services by June 2023.	Provided waste management service to 24 rural areas.	Nil	Achieved	N/A	N/A	N/A

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Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action	
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved				
	areas	June 2027		and manage illegal dumping by June 2023	attended to illegal dumping along R61	services										illegal dumping in R61 by June 2022								
	Limited facilities for employees	Provision of facilities for employees by June 2027		By providing proper change room for employees by June 2023	2 showers and 2 toilets	Purchase of change room containers	Number of change room containers purchased	1.18.12	0.5	Appointment letter and delivery note	R420,000.00	R695,652.00	Yes	N/A	Purchased 1 Change room container by June 2022	Advertisement was done on the 03 June 2022 and closed on the 17 June 2022 and appointment of BEC was done.	1 change room purchased by June 2023	Purchased 1 change room container.	R680000.00	Achieved	N/A	N/A	N/A	

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													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
Security Services	To comply with Municipal Systems, Act of 2000	To ensure all Municipal key points, assets and resources are safe by June 2027	1.19	Visibility of Security personnel by June 2023	44 private security personnel	Provision of security personnel to sites	Number of security personnel to sites	1.19.1	1	Signed SLA & Attendance registers, 12 Monthly monitoring reports	R8,300,000.00	R10,876,700.00	Yes	N/A	48 Security Personnel to safeguard 15 Municipal sites by June 2022	48 Security Personnel to safeguard 15 Municipal sites has been done	Provision of 48 security personnel to safeguard 15 sites by June 2023	48 security personnel has been provided to safeguard 15 Municipal sites.	R10,876,700.00	Achieved	N/A	N/A	N/A
				By installing CCTV Cameras by June 2023	Main building and DLT C with installed CCTV cameras	Installation of CCTV cameras	Number of CCTV cameras installed	1.19.2	0.5	Appointment letter & Completion Certificate	R170,000.00	R210,000.00	N/A	N/A	10 CCTV cameras as installed at the DLTC containers and the Pound by June 2022	The project was published on the 06th of June 2022 and the closing date for the project was on the 15th of June 2022.	15 CCTV cameras as installed by June 2023	15 CCTV Cameras have been installed in Cultural village, DLTC and Pound.	R197,345.72	Achieved	N/A	N/A	N/A

Basic Services Delivery (Community Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
				By providing security equipment by June 2023	11 glock 19,10 firearm cleaning kit and 04 breathalyzer alcohol	Purchasing of glocks, firearms	Number of glocks firearms	1.19.3	0.5	WMM proof of payment and proof of purchase from the Dealer	R170 000.00	R230,000.00	N/A	N/A	N/A	N/A	Purchased 10 glock 19 firearms	10 glock 19 firearms were purchased and confirmation of ownership has been issued to the Municipality.	R163,000.00	Achieved	N/A	N/A	N/A
				By providing security equipment by June 2023	11 glock 19,10 firearm cleaning kit and 04 breath	firearms cleaning kit, alcohol breathers and tyre	Number of Firearms cleaning kit, alcohol breath	1.19.4	0.5	Appointment letter and delivery note	R170 000.00	R230,000.00	N/A	N/A	N/A	N/A	50 firearms cleaning kit, 04 alcohol breathers	Request for quotation was done by SCM twice and report	N/A	Not achieved	Non-responsive of bids	N/A	Speed up quotation request processes in the

Basic Services Delivery (Community Services)																							
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													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
					halyzer alcohol	measuring tools	halyzers and tyre measuring tools purchased											and 15 tyre measuring tools by June 2023	ed that bidders were non-responsive.				first month of this financial year

Basic Services Delivery (Community Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
				By facilitating maintenance of robots, cctv cameras and calibration of machinery by June 2023	Functional CCTV cameras, robots and calibration of machinery	Maintenance of robots, CCTV cameras and calibration of machine	% of maintenance done for robots, CCTV cameras and calibration of machine	1.19.5	0.5	Completion Certificate	R500,000.00	R500,000.00	N/A	N/A	Maintained robots and CCTV cameras twice a year and calibrated machine once a year by June 2022	Advertisement of traffic lights was done on 17th of June 2022 and the closing date for the project was on the 18th of July 2022. The CCTV Cameras were not done since they were functional during the quarter under hence the target was not met. The Calibration of	100% Maintained robots and CCTV camera once a year and calibrated machine once a year by June 2023	The project was advertised for the fourth time and we are waiting for the seating of adjudication committee.	N/A	Not achieved	Non-responsive of bidders	N/A	Speed up the seating of adjudication committee this financial year.

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Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action	
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved				
																	machine was done							

Basic Services Delivery (Community Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
				By facilitating Acquisition of consumables by June 2023	Purchased 20 Rechargeable Torches, 3000 rounds for hand gun, 1000 rounds for rifle and 3000 rubber bullets and 100 pepper sprays and 50 hand cuffs	Purchasing of Rechargeable Torches, rounds for hand gun, rounds for rifle, rubber bullet s, pepper spray s, hand cuffs and traffic cones	Number of Rechargeable Torches, rounds for hand gun, rounds for rifle, rubber bullet s, pepper spray s, hand cuffs and traffic cones	1.1	0.5	Appointment letter and delivery note	R177,000.00	R207,000.00	N/A	N/A	Purchased 05 Rechargeable Torches, 500 rounds for hand gun, 500 rounds for rifle, 2000 rubber bullets, 50 pepper sprays, 25 hand cuffs and 25 traffic cones by June	Purchased of 05 Rechargeable Torches, 500 rounds for hand gun, 500 rounds for rifle, 2000 rubber bullets, 50 pepper sprays, 25 hand cuffs and 25 traffic cones has been done.	Purchased 05 Rechargeable Torches, 200 rounds for hand gun, 200 rounds for rifle, 3000 rubber bullet s, 50 pepper spray s, 25 hand cuffs and 50 traffic cones were purchased	05 Rechargeable Torches, 200 rounds for hand gun, 200 rounds for rifle, 3000 rubber bullet s, 50 pepper spray s, 25 hand cuffs and 50 traffic cones	R155,750,00	Achieved	N/A	N/A	N/A

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													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved									
																2022		June 2023	and received.										

Basic Services Delivery (Community Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
				By providing protective clothing to 48 employees by June 2023	48 personnel receiving protective clothing	Supply of protective clothing to employees	Number of employees supplied protective clothing	1.19.7	0.5	Issue register & Progress/Completion certificate	R526,000.00	R526,000.00	Yes	N/A	Supplied protective clothing to 48 employees by June 2022	Advertisement done on the 17th of June 2022 and the closing date was on the 01st of July 2022.	Supplied protective clothing to 48 employees by June 2023	Protective clothing for 48 employees was purchased and issued	R362,000.00	Not Achieved	Protective clothing was delivered on the 30th of June 2023 but unfortunately other employees were	N/A	Protective clothing was issued to other employees in July.

Basic Services Delivery (Community Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
	Road users disobeying rules of the road that contributed to road carnages and we need to ensure compliance to the NRTA 93/96 and Mbizana Municipal By-laws and Lack for education to communities regarding traffic services	To ensure consistent safety of road users by June 2027	1.20	By ensuring General law enforcement, provision of equipment & resources and improve road signage by June 2023	1627 Traffic fines issued 20 road blocks conducted	Issuing of traffic fines, and conduct road blocks	Number of traffic fines issued, and road blocks conducted	1.20.1	1	Traffic fines issued and road block authorization from SAPS	N/A	N/A	N/A	N/A	1200 of traffic fines issued, 15 Road blocks conducted by June 2022	1603 Traffic fines issued and 22 Road blocks conducted on the:30 August 2021 at Masimini Bus Stop R61, 03 September 2021 at Qotyana Bus Stop R61, 17 September 2021 at Ludeke bus stop R61 Road, 23 September 2021 at Nomlacu Bus Stop R61, 19 November 2021 at Ntsingizi R61 Road, 24 November 2021 at Ludeke	1500 traffic fines issued, 20 road blocks conducted by June 2023	1942 Traffic fines issued and 20 road blocks conducted in the following : 8 June 2023 at Nomlacu R61, 01 May 2023 at Magusheni bus Stop R61, 11 April 2023 at Masimini R61, 04 April 2023	N/A	Achieved	N/A	N/A	N/A

Basic Services Delivery (Community Services)																								
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action	
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved				
				By facilitating regulating pay parking meters and traffic Management system by June 2023	7 pay parking signs installed	Requisition traffic management system and pay parking meters	Requisition traffic management system and pay parking meter	1.20.2	0.5	Pay parking meter progress report and traffic management system progress report	R0.00	R0.00	N/A	N/A	N/A	N/A	1	Requisition of traffic management system and pay parking meter by June 2023	No requisition for Pay Parking meter and traffic management system, only reports and quotations were acquired.	N/A	Not Achieved	No budget allocation for this project.	N/A	Project should be taken out of the SDB IP as it does not have budget for next financial year.

Basic Services Delivery (Community Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
				By ensuring General law enforcement, provision of equipment & resources and improve road signage by June 2023	8 road signs erected and renewal of 22 kilometres of road markings	Purchase of Road signs and road marking paint; renewal of road markings	Number of Renewed kilometres of road markings and purchased road marking paint and signs and number of road signs erected	1.20.3	0.5	Appointment letter & Delivery note, pictures for road markings, monitoring report	R520,000.00	R549,000.00	N/A	N/A	Purchased 08 Road signs and road marking paint and 22 kilometres road markings renewed by June 2022	Purchased 08 Road signs & road marking paint and renewed of 27.3 kilometres road markings has been done.	Renewed 33 kilometres of road markings and purchased road marking paint and signs and 8 road signs erected June 2023	35 kilometres of road markings have been renewed, road marking paint, 8 road signs purchased and 8 road signs erected.	R 244 400,00	Achieved	N/A	N/A	N/A

Basic Services Delivery (Community Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved			
				By Facilitating community education programs by June 2023	4 Community safety awareness campaigns conducted	Conduct Community safety awareness campaigns	Number of community safety awareness campaigns conducted	1.2 0.4	0.5	4 Community safety Awareness campaigns report & 4 attendance registers	R343 900.00	R383,900.00	N/A	N/A	4 community safety awareness campaigns conducted by June 2022	04 Awareness campaigns has been conducted on the 15 December 2021 at Cultural Village Sport Field Ward 1, 15 December 2021 at Masimini R61 Road in a form of Roadblock, 28 May 2022 at Qotyana bus stop in a form of roadblock, 31 May	4 community safety awareness campaigns conducted by June 2023	4 community safety awareness campaigns conducted on the 01 June 2023 at Wild Coast Sun. 08 June 2023 at Nomlacu R61 (Road block, 08 December 2022 next Cultural	R310 400,00	Achieved	N/A	The budget was not enough due to price escalation in market	N/A

Basic Services Delivery (Community Services)																									
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action		
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved					
																	2022 at Dudumeni.		Village and 08 December 2022 at Masi mini R61 (Road block).						
Driving License Testing Centre	Unlicensed motor vehicles on the road contributed to road carnages and we	To ensure consistent safety of road users by June 2027	1.21	Registration and licencing of motor vehicle by June 2023	540 of registration and licencing of motor vehicles	Registration and licencing of vehicles	Number of vehicles registered and licenced	1.21.1	1	List of registered and licenced motor vehicles from Natis system (RD 323)	N/A	N/A	N/A	N/A	1800 registered and licenced vehicles by June 2022	Registration and licencing of 8723 has been done.	3000 vehicles registered and licenced by June 2023	8972 vehicles registered and licenced by 2022/23 Financial Year	N/A	Achieved	N/A	N/A	N/A		

Basic Services Delivery (Community Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
	need to ensure compliance to the NRTA 93/96.			Application of learner's license, driving license and PrDPs by June 2023	1500 learners license, 480 driving license and PrDPs	Learners license, application for learner's license, driving license and PrDPs issue	Number of learner's license, driving license and PrDPs issued	1.2 1.2	0.5	List of registered and licenced motor vehicles from Natis system (RD 323)	N/A	N/A	N/A	N/A	450 learners license, 2000 driving license and 100 PrDPs by June 2022	2986 learners license, 6046 driving licensee and 929 PrDPs has been done.	240 learners license, 500 learners license application, 2500 driving licenses and 500 PrDPs by June 2023	715 learners license, 2388 learners license application, 6611 driving license and 1070 PrDPs by June 2023	N/A	Achieved	N/A	N/A	N/A
				By facilitating process of purchasing stationary by June	10 000 professional driving permits & learners	Supply of DLTC Stationery	DLTC stationary supplied	1.2 1.3	0.5	Delivery note	R603,000.00	R603,000.00	Yes	N/A	DLTC Stationery supplied by June 2022	Advertisement was published on the 03 June 2022 and closed on the 04 July 2022	DLTC Stationery supplied by June 2023	DLTC Stationery Purchased and delivered	R 593,326.11	Achieved	N/A	N/A	N/A

Basic Services Delivery (Community Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
				2023	licenses forms and 1000 face value documents																		
Pound	Control of stray animals as per traffic NRTA 93 of 96	control of stray animals within CBD, communities and public roads by June 2027	1.22	By upgrading the pound to comply with prescribed standards by June 2023	4 camps with shelters, No provision for crush pan, palisade fencing, No provision for feedlot	Impounding of animals	Number of animals impounded	1.22.1	0.5	Entry register of impounded animals	N/A	N/A	Yes	N/A	200 Animals impounded by June 2022	Collection of 318 trespassing and stray animals has been done	240-Animals impounded by June 2023	344 straying animals collected	N/A	Achieved	N/A	N/A	N/A

Basic Services Delivery (Community Services)																								
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action	
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved				
				By facilitating purchasing of feed, remedies and consumables by June 2023	No provision for remedies and feed	Purchasing of feed bales, bags of concentrates, crushed maize, licks, Pellets, salt, litres of remedies and consumables	Number of feed bales, bags of concentrates, crushed maize, licks, Pellets, salt, litres of remedies and consumables	1.2	2.2	0.5	Completion Certificate and Delivery note	R400,000.00	R532,000.00	Yes	N/A	Purchased 1000 feed bales, 650 bags concentrate, 150 crushed maize, 30 licks, 150 Pellets, 200 x50kg salt, 80 litres of remedies and consumables by June 2022	Appointment of service provider was done on the 05 July 2022.	Purchased 1000 feed bales, 50kgx 300 bags concentrate, 50kgx 200 crushed maize, 30kgx 200 crushed maize, 50x50kg yellow maize, 45kgx 45 licks, 40kg x75P ellets, 50kg x 75 salt, 80 litres of remedies	1000 feed bales, 50kgx 300 bags concentrate, 50kgx 200 crushed maize, 50x50kg yellow maize, 45 licks, 40kg x75P ellets, 50kg x 75 salt, 80 litres of remedies	R48989.00	Achieved	The target has been over achieved since the feed for the last quarter of 21/22 financial year	N/A	N/A

Basic Services Delivery (Community Services)																								
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action	
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved				
																		dies ,05 Knap sack spray ers, 10x50 m Rope s, 10x 20ltrs Molas ses and consu mable s by June 2023	Knap sack spray ers, 10x50 m Rope s, 10x 20ltrs Molas ses and consu mable s were purch ased			was appointed on the 08 July 2023 and delivered in the 1st quarter of 22/23 financial year		

Basic Services Delivery (Community Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
				2023																			

KPA NO 2: Development Planning																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/2022FY		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
Spatial Development Framework	Redressing past spatial imbalances	To Implement municipal SDF that will guide developmental programmes and projects by	2.1	By implementing municipal SDF adopted by the council by June 2023	Spatial Development Framework	Local Spatial Development Framework for Kubha/Magus heni	Development of Kubha/Magus heni LSDF	2.1	1	Terms of reference, attendance registers, LSDF reports	R285,280.00	R585,280.00	Yes	N/A	N/A	N/A	Development of Kubha/Magus heni LSDF by June 2023	Kubha/Magus heni LSDF was not Developed	Nil	Not Achieved	Delays in the appointment of service provider, finally appointment has been done at end of	During budget adjustment More funds were allocated to cover/ com	Service provider has been appointed and project will progress in 2023/24 FY.

KPA N0 2: Development Planning																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/2022FY		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
		2027																			June.	plete budget costs of Project	
Integrated Land Use Management Systems	Non-Conforming land uses, encroachments and land invasions within municipal jurisdiction	To enforce regulations of the use of land and to ensure controlled land use management by June 2027	2.2	By implementing the council integrated land use scheme and enforcement on land usage by June 2023	Integrated land use scheme and land use management system	Contravention notices served	Number of contravention notices served	2.2 .1	1	4 Contravention notices and Monitoring Report	N/A	N/A	Yes	N/A	N/A	N/A	4 contravention notices served by June 2023	4 Contravention Notices Served	Nil	Achieved	N/A	N/A	N/A

KPA N0 2: Development Planning																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/2022FY		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
Land Audit	Unsurveyed, unregistered municipal land and properties	By ensuring that properties are registered and survey of, and to maintain and update the register of properties within municipal jurisdiction by June 2027	2.3	By implementing municipal land audit by June 2023	Land Audit	Subdividing and surveying municipal land and subdivisional plans	Subdivided and surveyed municipal land and subdivisional plans	2.3.1	1.2	1 General plan	R250,000.00	R356,000.00	Yes	N/A	2 Surveyed Layout and Subdivisional plans by June 2022	2 Surveyed general plans approved	Subdivided and surveyed municipal land and subdivisional plans by June 2023	Subdivision and Surveying of Municipal Land and Subdivision plans not done	Nil	Not Achieved	Non-responsiveness of Service Providers to tender	During budget adjustment More funds were allocated to cover/complete budget costs of Project	To request Land Surveying Services from Engineering Services Panel of Professional by the first quarter of 2023/24FY

KPA N0 2: Development Planning																										
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/2022FY		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action			
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved						
Valuation Roll	New Property developments, subdivisions, rezoning and property transfers	To develop a credible valuation, roll by 2027	2.4	By formulating valuation, supplementary valuation roll to improve revenue collection by June 2023	Valuation roll	Supplementary Valuation Roll	Supplementary Valuation Roll	2.4	1.3	Supplementary Valuation	R315,000.00	R300,000.00	Yes	N/A	1	Supplementary valuation roll compiled by June 2022	Supplementary valuation roll not compiled	1	Supplementary Valuation Roll by June 2023	1	Supplementary Valuation Roll compiled	Nil	Achieved	N/A	N/A	N/A

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Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/2022FY		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action			
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved						
Provision of Human Settlements	Housing backlog	To guide human settlements in ensuring access to housing is achieved by June 2027	2.5	By providing beneficiary administration and applications for funding by June 2023	Municipal Housing sector plan	Maintaining and Updating housing needs register. Monitor human settlements projects and signing of happy letters	Maintained and Updated housing needs register. Monitor human settlements projects and number of happy letters signed	2.5	2	Maintained and Updated Housing Needs Register. Reports and 20 Signed Happy Letters of the completed Houses	N/A	N/A	N/A	N/A	1	Maintained and updated housing needs register by June 2022	Maintained and updated 1 housing register	1	Maintained and Updated housing needs register. Monitor human settlements projects and 20 happy letters signed by June 2023	1	Housing Needs Register Maintained and Updated. Monitored Human Settlements Projects and Signed 20 Happy Letters	Nil	Achieved	N/A	N/A	N/A

KPA N0 2: Development Planning																									
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/2022FY		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action		
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved					
						Review Housing Sector Plan	Reviewed Housing Sector Plan	2.52		Terms of Reference, Attendance Registers, Reports and Final Reviewed Housing Sector Plan	R200 000.00	R200,000.00	Yes	N/A	N/A	N/A	1	1	1	1	198,000.00	Achieved	N/A	N/A	N/A
Building Control	Illegal building construction	To ensure compliance with National Building Regulations by June 2027	2.6	By updating building plan register and conducting inspections on submission	National Building Regulations	Update building plan register and routine inspections conducted	Updated building plan register and number of routine inspections conducted	2.61	1.3	Updated Building Plan Register and 12 Routine Inspection Registers	R1,504,773.60	R0.00	Yes	N/A	1	Updated 1 building plan register and conducted 12 routine inspections	1	1	1	1	Nil	Achieved	N/A	Budget was allocated for Construction of Welcome Signages	N/A

KPA N0 2: Development Planning																								
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/2022FY		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action	
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved				
				tted building plans by June 2023												cted by June 2022	as well as served contravention notices and inspection sheets						ever the project was removed from the SDB IP, Funds were then transferred to other projects during Budget Adjustment	

KPA NO 2: Development Planning																								
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/2022FY		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action	
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved				
						Implementation of the Outdoor advertising Policy	Outdoor advertising Policy implemented	2.6	0.5	Report with photos						N/A	N/A	Outdoor advertising Policy implemented by June 2023	Outdoor Advertising Policy Implemented by Identifying and Removing Illegal Sign Boards	Nil	Achieved	N/A	N/A	N/A
Geographic Information System	Outdated municipal geospatial information	To ensure management and update of municipal geospatial information by June	2.7	By implementation of GIS systems as a tool to enhance service delivery through	Council adopted GIS strategy and policy	Updating of municipal geodatabase. Hosting of GIS Open day and scanning of building plans and	Updated municipal geodatabase. 1 Hosted GIS Open day and 100 scanned building plans	2.7	0.9	Updated municipal geodatabase, Attendance registers, scanned building plans and	R350,000.00	R200,000.00	Yes	N/A	Final Report of Online Land Use Application and Updated Geo Database by June	Final report of online land use application not done. Municipal geodatabase updated.	Updated municipal geodatabase. 1 Hosted GIS Open day and 100 scanned building plans	Municipal Geodatabase Updated. Hosted 1 GIS Open Day and Scanned 33 Building Plans internal	Nil	Not Achieved	Non-responsiveness of Service Providers to tender and Plotter needs repairs to complete intern	N/A	Complete internally once the plotter has been repaired by the first quarter	

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													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved					
		2027		spatial information by June 2023		link them with GIS	and link them with GIS			linked to GIS						2022		and link them with GIS by June 2023	ly and linked them with GIS				ally		of 2023 /24FY
Implementation of SPLUMA	Past Spatial Imbalances	To ensure compliance with SPLUMA by June 2027	2.8	By Facilitating the implementation of SPLUMA by June 2023	Spatial Planning, Land Use Management Act and SPLUMA Regulations	Attending to Land Development Applications	% of Land Development Applications attended	2.8	0.5	Proof of submission, approval letters and Report	R140,300.00	R194,300.00	Yes	N/A	N/A	N/A	100% of Land Development Applications attended by June 2023	100% of Land Development Applications Attended	Nil	Achieved	N/A	N/A	N/A		
Land Acquisition & Disposal	Unutilized, undeveloped land	To facilitate acquisition of well located land and	2.9	By ensuring maximum utilization of prime land by June	Land Audit Report	Acquisition of strategic land for development	Facilitated of Transfers by means of Deed of Sale/Lease Agreement	2.9	0.8	Deed of Sale/Lease agreement	R400,000.00	400,000.00	Yes	N/A	5 Disposed available municipal land by June 2022	Disposed 1 municipal land	Facilitated of Transfers by means of 4 Deed of Sale/Lease Agree	Facilitated 4 Transfers by means of Deed of Sales	R362,972.78	Achieved	N/A	N/A	N/A		

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													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved				
		disposal of council land by June 2027		2023		ment												ment by June 2023						
Township Establishment	Unavailability of land parcels for land development	To facilitate township establishment applications by June 2027	2.10	By creating land parcels for land development by June 2023	SPLU MA By-Laws	Approved Township Establishment Layout Plan	Approved Township Establishment Layout Plan	2.10.1	1.5	Report and Approved Layout Plan	R500,000.00	R700,000.00	Yes	N/A	2 Approved Township Establishment Applications by June 2022	No approved Township Establishment Township Establishment report completed and submitted to District Municipality	1 Approved Township Establishment Layout Plan by June 2023	1 Approved Township Establishment Layout Plan	Nil	Achieved	N/A	N/A	N/A	

KPA N0 2: Development Planning																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/2022FY		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
Local Economic Development Governance	Lack of stakeholder integration	To revive structures to contribute to local economic development initiatives by June 2027	2.11	Capacitate and work in collaboration with structures in all sectors by June 2023	There are a number of local formations and structures that are not fully operational and too much contestations in formations	Facilitate stakeholder meetings	Number of stakeholder meetings facilitated	2.11.1	1	Attendance Registers	R750,100.00	R863,136.50	Yes	N/A	4 stakeholder engagements conducted by June 2022	5 stakeholder engagements conducted	4 Stakeholder meetings facilitated by June 2023	4 Stakeholder Meetings Facilitated	Nil	Achieved	N/A	Budget Adjustment	N/A
						To host Business Conference and develop business plans	Number of Business Conferences hosted and business plans developed	2.11.2	1	Concept document and attendance register Draft and Final Business Plans		Yes	N/A	1 Hosted Infrastructure Development Imbizo, 1 Business Conference, and	Hosted 1 Infrastructure Development Imbiz	1 Hosted Business Conference and 2 business plans developed for economic develo	Hosted 1 Business Conference and 2 Business Plans not Developed for Economic	R553,985	Not Achieved	Service provider for business plans appointed only on the 30th June 2023	Budget Adjustment	The business plans to continue into the 2023/24 financial year.	

KPA N0 2: Development Planning																							
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													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
										Delivery note for marketing material						and 3 Business plans developed by June 2022	3 business plans were developed	ment by June 2023	Development				
Manufacturing	Undeveloped manufacturing sector	To develop and support manufacturing across municipality until June 2027	2.1 2	Facilitate Integrated implementation of the LED Strategy by June 2023	Approved Business Plan by National Treasury	Construction of Manufacturing Hubs	Number of Manufacturing Hubs constructed	2.1 2.1	2	Progress Report	R12,461,579.00	R19,837,785.30	Yes	N/A	N/A	N/A	3 Manufacturing Hubs constructed at Blorhweni, Mpisi and Dudumeni (Phase 1) by June 2023	Plans, designs and BOQ are in place, and feasibility studies have been submitted to DEDE AT for approval and 3 Manufacturing Hubs not	R996,995	Not Achieved	Delays in approval of EIA by DEDE AT.	More Additional funds were allocated by National Treasury	Follow up on DED EAT on Approval of EIA by the first quarter of 2023/24FY

KPA N0 2: Development Planning																							
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													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
																			Constructed at Blorhweni, Mpi si and Dudumeni (Phase 1)				
						Facilitate capacity building of manufacturing hubs	Number of people facilitated for capacity building of manufacturing hubs	2.1 2.2		Attendance Registers and training reports			Yes	N/A	N/A	N/A	100 people facilitated for capacity building of manufacturing hubs by June 2023	17 People Facilitated for Capacity Building of Manufacturing Hubs not facilitated	R406,799.92	Not Achieved	Non-responsiveness of Service Providers to tender	More Additional funds were allocated by National Treasury	To follow up on the re-advert in the first quarter of 2023 /24fy
Tourism	Tourists statistics is not	To grow the tourism industry	2.1 3	Facilitate Integrated Implementation	Tourism plan implementation	Contract life guards and provision of	Number of life guards contracted and	2.1 3.1	1	Attendance Registers, Signed	R1000000.00	R201,997.60	Yes	N/A	Contract 15 Life guards and Suppo	Contracted 14 life guards and suppo	15 life guards contracted and not	15 life guards not contracted and 1	R236800.00	Not Achieved	Delays in appointing the Service	Budget Adjustment	Follow up with service provi

KPA N0 2: Development Planning																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/2022FY		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
	prepared monthly	ry & increase the number of tourists by 10% by June 2027		tion of the tourism plan by June 2023		Mzamb a tower	number of Mzamb a towers provided			Terms of Reference, Reports						orted 5 arts and crafters by June 2022	rted, 5 Arts and crafters not supported	provided 1 Mzamb a tower by June 2023	Mzamb a tower not provided			der to deliver the tower after 15 days	

KPA N0 2: Development Planning																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/2022FY		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
						Support artists and crafters	Number of artists & crafters supported	2.1 3.2	1	Appointment Letter, Distribution Register and Completion Certificate	R593 000.0 0	R593 000.0 0	Yes	N/A	N/A	N/A	5 artists & crafters supported by June 2023	11 artists & crafters supported	R48 4,38 0	Achieved	N/A	N/A	N/A
						Host festival for artists & crafters	Number of festivals hosted for artists & crafters	2.1 3.3	0.5	Attendance Register					N/A	N/A	1 festival hosted for artists & crafters by June 2023	1 Festival for artists & crafts hosted	R 108 620, 00	Achieved	N/A	N/A	N/A

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Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/2022FY		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
						Support Tourism product owners, develop branding and marketing material to attend 2023exhibition & investment attraction	Supported Tourism product owners, developed branding and marketing material to attend exhibition & investment attraction	2.1 3.4	1	Reports, delivery & receiving note, attendance register	R355 600.00	R177, 700.00	Yes	N/A	N/A	N/A	Supported 2 Tourism product owners, developed branding and marketing material to attend 1 exhibition & 1 investment attraction by June	Supported 2 Tourism product owners with branding and marketing material, Attended 1 exhibition and 1 investment attraction	R130 800.00	Achieved	N/A	Virement was made to cover for the difference between the appointment amount the available budget.	N/A
						Maintenance of Visitor Information Centre	Maintained Visitor Information Centre	2.1 3.5	0.5	Attendance Register, Visitor	R162, 240.00	R177, 700.00	Yes	N/A	Conducted 1 tourism awareness,	Conducted 2 tourism awareness,	1 Maintained Visitor Information Centre	1 Visitor Information Centre maintained	Nil	Achieved	N/A	The budget was not spent as	N/A

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													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved						
										Information Centre Maintenance Report, Signed Terms of Reference						5 Supported product owners and maintenance of Victor's Information Centre (VIC) by June 2022	15 supported product owners, Maintained Visitor Information Centre (VIC)	at the Casino Wild Coast by June 2023							VIC system was maintained internally	
Agriculture	Lack of access to market and infrastructure	To grow and strengthen the agricultural sector by	2.14	Integrated farmer support by June 2023	Outdated Agricultural Development Plan	Facilitate farmer support programme and Agri parks programme	Number of local farmers supported	2.14.1	1.5	Delivery note, attendance register, Reports	R1,400,000.00	R1,400,000.00	Yes	N/A	5 local farmers supported through Agri-parks programme	5 local farmers were not supported A notice for	5 Local Farmers supported by June 2023	41 Local Farmers supported	R 194 685.00	Achieved	N/A	N/A	N/A			

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		supporting local farmers by June 2027				mme										am & Farmer Support program by June 2022	Farmers Development Programme was done, site verification done, Executive Committee resolved 5 projects to be supported									
						Review Agricultural Development Plan	Agricultural Development Plan Reviewed	2.14.2	0.5	Signed Terms of Reference, Attendance registers, Reports, Reviewed Agricultural Dev Plan			Yes	N/A	Review of Agricultural development plan by June 2022	1 site verification done, Executive Committee resolved 5 projects to be supported	1 Reviewed Agricultural Development Plan by June 2023	Draft Agricultural Development Plan not developed, the service provider was only appointed in June.	R165750,00	Not Achieved	Delays in appointment of service provider.	N/A	Project to be completed in first quarter of 2023 /24FY.			

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Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/2022FY		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
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	Congestion in the CBD	To Reduce Informal Trading in the CBD by June 2027		To create a conducive Environment for Informal Traders by June 2023	Market Place Feasibility Study Report	Construction of Mini market (Phase 1)	Mini market Constructed (Phase 1)	2.14.3	1	Progress report and close out report	R2500000.00	R2,207,728.60	Yes	N/A	Constructed	Temporal market plan not constructed	1 Mini market constructed (Phase 1) by June 2023	Phase 1 of mini market has been not completed, paving has been done awaiting completion of phase 1 shelters	R2357093,79	Not Achieved	Disputes between principal agent and the main contractor and rainfalls caused delays.	N/A	To Fast track the main contractor to complete the construction during 1st quarter of 23/24FY

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Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/2022FY		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
Mari culture	Unavailability of Boat Launching Site and Infrastructure	To promote sustainable use of marine resources to contribute in the local economy by June 2027	2.15	To Develop small scale and commercial fisheries by June 2023	District Ocean Economy Sector Plan	Construction of the Beach Infrastructure at Tompson Bay (Phase 1)	Beach Infrastructure constructed at Tompson Bay (Phase 1)	2.15.1	1.5	Signed Terms of Reference, Requisition and reports	R595,000.00	R608,696.00	Yes	N/A	Beach Infrastructure Constructed and Facilitated boat launching site by June 2022	Beach Infrastructure not Constructed and facilitated 2 boat launching site meetings.	1 Beach Infrastructure constructed at Tompson bay (Phase 1) by June 2023	Consultant have been appointed and have developed draft plans and they are circulating for comments and 1 Beach Infrastructure has been not constructed	Nil	Not Achieved	The EIA has not been completed and this has delayed construction of phase 1	N/A	To follow up on the approval of the EIA by June 2024

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Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/2022FY		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
				To Develop small scale and commercial fisheries by June 2023		Support Small Scale & Commercial Fishers	Number of Small Scale & Commercial Fishers supported	2.1 5.2	1	Requisitions, Attendance Register, Report and delivery notes	R391,000.00	R391,000.00	Yes	N/A	Supported 1 commercial and 1 small scale fisheries by June 2022	Supported 1 commercial and 1 small scale fisheries which is Mzamba small scale fisheries	2 Small Scale & Commercial Fishers supported by June 2023 (assessment)	4 Small Scale & Commercial Fishers has been supported	R453510,00	Achieved	N/A	Budget was taken from other projects to complete the support of fishers.	N/A
Enterprise Development	Lack of Finance	To promote enterprise development to contribute 10% by June 2027	2.1 6	Implementation of SMME & Cooperative Plan by June 2023	Adopted SMME & Cooperative Plan	Support & Capacity for SMME's	Number of SMMEs Supported & capacitated	2.1 6.1	1. 5	Delivery note and Distribution register	R3,956,503.20	R605,655.00	Yes	N/A	20 SMMEs Capacitated and supported with equipment, protective clothi	20 SMMEs Capacitated and supported with equipment, protective clothi	20 Supported & Capacitated SMMEs by June 2023 (repetitive)	TORs were developed, advert was published and 6 SMMEs were supported & Capaci	Nil	Not Achieved	Non-Responsiveness of Service Providers	N/A	Request for re-advert in the 2023 /24 financial year

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Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/2022FY		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
																ng, machinery and promotional material by June 2022	ng, machinery and promotional material.		tated.				
	Unsustainable Businesses					Support & Capacity Incubates	Number of Supported & Capacity Incubates	2.16.2	1.5	Attendance Registers and Reports			Yes	N/A	1 Business Incubator Plan Implemented by June 2022	1 Business incubator plan not implemented. The adverts were done for the Business	20 Supported & Capacity Incubates by June 2023	TORs were developed, advert was published and Selection of 9 Incubates was done.	Nil	Not Achieved	Submitted requisition to SCM for sourcing of Service Provider and advert was published, bidders were non-	N/A	Request for re-advert in the 2023/24 financial year

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Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/2022FY		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
incubator plan but no appointment was made for the year under review																							
responsible																							
Minning	Minning not fully supported	Coordination of Minning activities by June 2027	2.17	Integration of key industry players for minning activities by June 2023	Uncoordinated minning activities	Conducting SLP Meetings	Number of Social Labour Plan Meetings	2.17.1	0.5	Attendance Registers	N/A	N/A	N/A	N/A	2 Social Labour Plan meetings by June 2022	2 Social Labour Plan meetings were done	2 Continuous facilitated SLP meetings by June 2023	2 SLP has been facilitated	Nil	Achieved	N/A	N/A	N/A

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													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
Wholesalers & Retailers	Lack of growth and skills on local wholesalers and retailers	To capacitate and promote small wholesalers by June 2027	2.18	Collaboration of key industry players for wholesalers and retailers by June 2023	WMM LM Database	Capacitate and Support wholesalers and retailers	Number of wholesalers and retailers capacitated and supported	2.18.1	1	Attendance Registers and Reports	R100,000.00	R100,000.00	Yes	N/A	N/A	N/A	Capacitated and Supported 80 wholesalers and retailers by June 2023	TORs were developed, advert was published and 80 wholesalers & retailers has been not capacitated & supported	Nil	Not Achieved	Delays on the appointment of service provider (Service provider was appointed on the 30 June 2023)	N/A	The capacity and support of wholesalers and retailers is in progress and to be completed in the first quarter of 2023/24FY

Municipal Transformation and Institutional Development																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/22		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
Employee Wellness	Promotion of employee wellbeing	To ensure Sustainable Provision of wellness services to all employees by June 2027	3.1	By developing and implementing Employee Wellness Programmes by June 2023	Four (4) Employee wellness campaigns and two (2) team buildings conducted, 500 medical check-ups conducted, training of OHS Committee Members and OHS Repre	Conduct Employee Wellness campaigns	Number of Employee Wellness campaigns conducted.	3.1	0.25	Report and Attendance Register	R176,617	R0	Yes	N/A	2 Employee wellness campaigns conducted (Marketing EAP services, Financial fitness) by June 2022	The financial fitness was conducted on the 10 May 2022 to 60 employees and the EAP services conducted on 23/05/2022 to 97	1 employee wellness campaign (organisational culture and work ethos) conducted for 100 employees by June 2023	Concept developed and signed. Organisational Culture & Work Ethos campaign conducted on the 31 May 2023, 01 June 2023, 14 June 2023 and 21 June 2023	Nil	Achieved	N/A	There was no financial expenditure as the campaign was conducted by COGTA	N/A

Municipal Transformation and Institutional Development																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/22		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
					sentatives and four (4) OHS awareness campaigns conducted, six (6) site inspections facilitated, six (6) municipal buildings and forty two (42) municipal vehicles fumig												employe		to 106 employees				
					Refer employees for medical check-ups	Number employees referred for medical check-ups	3.1	0.25	SLA and Attendance Register	R450,000	R39510.00	Yes	N/A	Medical checkups for 150 employees by June 2022	Medicals were conducted to 118 employees on the 21-22 September 2021 and to 80 employees	150 employees referred for medical check-ups by June 2023	102 employees were referred for medicals on the 28/11/2022 to the 01/12/2022 and 78 on the 16-25 May 2023.	Nil	Achieved	N/A	No financial implications as section worked with the local department of health at no cost	N/A	

Municipal Transformation and Institutional Development

Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/22		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget Variance	Remedial Action	
													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved				
					ated.												refered for medicals on 12 May 2022							
						Training and induction for OHS Committee and Representatives	Number of OHS committee members and representatives trained.	3.1	0.25	Concept document, attendance register and certificates of attendance	R130 225	R190 000.00	Yes	N/A	N/A	N/A	One (1) training and one (1) induction for 15 OHS Committee and 8 Representatives conducted by June	Concept document was submitted to SCM on the 31/08/22. Training of 15 OHS Committee mem	R214 000.00	Achieved	N/A	N/A	N/A	

Municipal Transformation and Institutional Development																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/22		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
																		2023	bers & 8 representatives conducted on the 07-09 June 2023.				
						Conduct OHS awareness	Number of OHS awarenesses conducted	3.14	0.25	Attendance Register and concept document	R65,000	R65,000	Yes	N/A	N/A	N/A	Conduct one (1) OHS awareness by June 2023	Concept document drafted and signed. OHS Awareness on injury on duty and 10 Rules of OHS were	Nil	Achieved	N/A	No financial implications as the section resorted to conducting the awareness in-house	N/A

Municipal Transformation and Institutional Development																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/22		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
																			posted onto Municipal Intranet, Notice Boards and emails sent to all employees				

Municipal Transformation and Institutional Development																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/22		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
						Facilitate inspections of municipal buildings and facilities	Number of inspections facilitated.	3.15	0.25	SLA, site inspection report, attendance register, minutes and agenda.	R65,000	R65,000	Yes	N/A	N/A	N/A	Facilitate two (2) inspections of municipal buildings and facilities by June 2023	Site inspection, was conducted on the 24-25/08/2022 in 5 municipal buildings, OHS Committee sat on the 29th of May 2023 at the Council Chambers and went over	Nil	Achieved	N/A	No financial implications. The OHS committee was utilized to conduct the inspections.	N/A

Municipal Transformation and Institutional Development																							
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													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
																			the inspection reports. report consolidated and submitted to the OHS committee on the 03/11/2022				
Performance Management System	Instill a culture of higher performance management and	To implement and sustain a functional and effective Performance	3.2	Evaluating employee performance through midyear and annual	Contracted 58 employees and assessed 45 employees below senior	IPMS workshops conducted to employees below TG10	Number of IPMS workshops conducted for employees below TG10	3.2.1	0.5	Concept document and attendance register	R96,700	R96,700.00	Yes	N/A	N/A	N/A	Conduct IPMS workshop for twenty (20) employees below TG10 by	Concept document developed and Workshop conducted on the	R95,026.20	Achieved	N/A	N/A	N/A

Municipal Transformation and Institutional Development																										
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/22		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget Variance	Remedial Action			
													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved						
	accountability	Management System (PMS) by June 2027		assessment by June 2023	managers.													June 2023.	29-30 May 2023 for 75 employees below TG10							
						Signing of PMS agreements and formulation of workplans for employees below senior management	Number of PMS agreements signed and workplans formulated for employees below senior management.	3.2	0.5	Signed IPMS Agreements and plans	N/A	N/A	N/A	N/A	40 PMS agreements signed and workplans formulated for employees below Senior	55 IPMS agreements signed and plans formulated	Signing of PMS agreement and formulation of workplans for fifty (50) employees below senior management by June 2023	Fifty-eight (58) employees below senior managers signed their performance agreements and plans	Nil	Achieved	N/A	N/A	N/A			

Municipal Transformation and Institutional Development																								
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/22		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget Variance	Remedial Action	
													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved				
																managers by June 2022								
						Bi-annual assessment of employees below senior management	Number of employees below senior management assessed.	3.23	0.5	Assessment Report and attendance register	N/A	N/A	Yes	N/A	N/A	N/A	Bi-annual assessment of 50 employees by June 2023	Fifty-three (53) employees were assessed on 2021/22 annual Performance. Fifty-seven (57) employees below senior managers were assessed	Nil	Achieved	N/A	N/A	N/A	

Municipal Transformation and Institutional Development																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/22		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
																			sed for mid-year of 2022/23 FY				

Municipal Transformation and Institutional Development																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/22		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
Human Capital Development	Training and development of Human Capital	Providing comprehensive education, training and human resource development by June 2027	3.3	By Capacitating Councilors and Employees through Skills Development by June 2023	WSP submitted to LGSETA in the 2020/2021 Financial Year.	Facilitate training for councilors and municipal officials	Number of employees and councilors provided with training	3.3	0.125	Concept document, attendance register and certificates	R345,000	R500,000	Yes	N/A	Induction of 64 councilors conducted by June 2022	64 councilors inducted by SALGA on the 06 - 10 December 2021 and Internal orientation conducted on the 13-14 December	Facilitated training for 60 councilors and 8 municipal officials by June 2023	Concept document developed and submitted to SCM. Computer training was conducted for 41 councilors instead of 60 councilors and in addition 30 councilor support assist	R338,938.00	Achieved	N/A	N/A	N/A

Municipal Transformation and Institutional Development																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/22		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
																	2021		ance were also trained on the 28-30/09/2022. A recovery training done to the remaining 19 councilors on the 06-07 June 2023. Adhoc training facilitated for 9				

Municipal Transformation and Institutional Development																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/22		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
																			Cllrs. Skills development training facilitated for fourteen (14) employees				

Municipal Transformation and Institutional Development																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/22		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
						Provide study assistance to new applicants	Number of new applicants provided with study assistance	3.3.2	0.125	Approved list of beneficiaries	R300,000	R350,000.00	Yes	N/A	Study assistance provided to 10 internal staff by June 2022	10 study assistance was provided to internal staff	Provided study assistance for 5 new applicants by June 2023	Consolidated report submitted to training committee that sat on the 09th of Feb 2023 and Study Assistance provided to 9 new applicants.	R110,165.00	Achieved	N/A	N/A	N/A

Municipal Transformation and Institutional Development																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/22		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
						Provided experiential learning for students	Number of learners provided with experiential learning	3.3	0.125	Approved list of learners	R50,000	R50,000.00	Yes	N/A	Tabulate experiential training and learnership report to training committee by June 2022	The progress report was consolidated on the 20 June 2022	Provided experiential learning for 15 students by June 2023	Experiential learning provided to 25 WIL programme students and 15 students from various higher education institutions	R180,000.00	Not Achieved	The supporting document after IA review was found to be insufficient due to the times dated. The supporting document fell in the previous FY	N/A	There is no recovering due to the intake intervals for such programmes.

Municipal Transformation and Institutional Development																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/22		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
Labour relations	To promote sound labour relations in the workplace	To ensure sound labour relations in the Municipality by June 2027.	3.4	By coordinating trainings and sittings of organized labour by June 2023	Four (4) LLF sittings coordinated, Fifty (50) employees trained on disciplinary procedures	Co-ordinate LLF sittings	Number of LLF sittings coordinated	3.4.1	0.083	Notice and attendance registers	R30,039	R12,520	Yes	N/A	Convened 4 LLF Meetings by June 2022	Nine (09) LLF meetings sat in the F/Y	Co-ordinate four (4) LLF sittings by June 2023	Four LLF sittings sat on 25/07/2022 and on 18/10/2022 and 22/11/2022. One LLF sitting coordinated and sat on the 19-21 June 2023.	R99,935.00	Achieved	N/A	The LLF sitting for consultation purposes was held off-site for a number of days and savings from the projects	N/A
						Training of LLF members	Number of LLF members trained	3.4.2	0.083	Concept document, Request letter	R40,500	R12,520	Yes	N/A	50 employees trained	Concept document developed	Co-ordinate training of 17	Concept Document drafted and	R22,315.10	Achieved	N/A	N/A	N/A

Municipal Transformation and Institutional Development																									
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/22		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget Variance	Remedial Action		
													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved					
							d.			and attendance register							ed on disciplinary procedures by June 2022	loped and submitted to SCM. Training was conducted on the 28 October 2021	LLF members by June 2023	approved. Training of 17 LLF Members conducted on the 12 October 2022; Further trained 07 Employer Components on 8-10 November 2022.					

Municipal Transformation and Institutional Development																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/22		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
						Coordinate training of supervisors on disciplinary procedures	Number of managers and line supervisors trained.	3.43	0.083	Request letter, attendance register	R40,500	R12,520	Yes	N/A	50 employees trained on disciplinary procedures by June 2022	Concept document developed and submitted to SCM. Training was conducted on the 28 October 2021	Coordinate training of 6 supervisors on disciplinary procedures by June 2023	Concept document was drafted, approved, submitted to SALGA and Commitment to provide training received. Training conducted to 22 supervisors on the 31st	R4200.00	Achieved	N/A	N/A	N/A

Municipal Transformation and Institutional Development																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/22		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
																			of May 2023.				
Review of Institutional Policies	Outdated Policies	Review of Institutional Policies by June 2027	3.5	By reviewing institutional policies by June 2023	Twenty-five (25) HR policies reviewed	Review of existing HR policies	Number of policies reviewed	3.5	0.01	Signed reviewed policies and report to Council	R100000.00	R400000.00	Yes	N/A	Reviewed 25 HR policies and developed 1 HR policy by June 2022	Policies were reviewed and adopted by the council on the 13th May 2022	8 Reviewed institutional policies by June 2023	Eighteen (18) HR policies identified for review, Specification developed and signed. Council works hopped on the policies and	R222000.00	Achieved	N/A	N/A	N/A

Municipal Transformation and Institutional Development																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/22		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
																			LLF consultation coordinate and policies submitted to the Council for adoption.				

Municipal Transformation and Institutional Development																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/22		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
Job Evaluation	Job descriptions not aligned to TASC standards	To integrate institutional development with organizational structure and workforce principles by June 2027	3.6	By developing job descriptions for all filled and vacant positions by June 2023	Sixty (60) job descriptions developed and signed	Draft 35 job descriptions and submitted to the DJEC	Number of signed job descriptions submitted to the DJEC Number of jobs in the org structure maintained.	3.6	0.01	Signed job descriptions	N/A	N/A	Yes	N/A	N/A	N/A	Draft 35 job descriptions and submitted to the DJEC by June 2023.	Five job descriptions for MM's Office, ten from LED, forty-two from Community services and five from engineering services - developed and signed.	None	Not Achieved	35 job descriptions were drafted, awaiting for submission for evaluations to DJEC, delays are caused by backlogs in the actual evaluation of Job Evaluation Committee.	N/A	There is a Planned special DJEC to consider Job Description of WM MLM only in September 2023.

Municipal Transformation and Institutional Development																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/22		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
FLEET MANAGEMENT	Depreciating Municipal Fleet	To ensure that there is sufficient and roadworthy municipal fleet by June 2027	3.7	By procuring and Maintaining Municipal vehicles by June 2023	30 Licenses renewed	Renewal of licenses	Number of Licenses renewed	3.7.1	0.25	30 vehicle license renewals	R415,000	R270,246	Yes	N/A	30 Vehicle licenses renewed by June 2022	31 Vehicle licenses were renewed from 01-07-2021 to 31-06-2022	30 Licenses renewed by June 2023	54 licenses renewed	R283,343.00	Achieved	N/A	Virements were made to accommodate the difference.	N/A
					15 Drivers and operators referred to awareness	Awarenesses to drivers and operators	Number of awarenesses to Drivers and operators	3.7.2	0.25	Attendance Register	N/A	N/A	Yes	N/A	15 drivers and operators referred to awarenesses by June	Awarenesses to drivers was conducted on the 22/06/2022	2 Awarenesses to 15 drivers and operators by June 2023	Two awarenesses to 15 drivers and operators were conducted	N/A	Achieved	N/A	N/A	N/A

Municipal Transformation and Institutional Development																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/22		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
																2022							
					Fleet Management tracking System in place	Provision of fleet management tracking system	Renewal of Fleet management tracking system	3.73	0.5	Signed concept document, TORs and SLA	R308,000	R308,000	Yes	N/A	N/A	N/A	Renewed Fleet Management tracking System by June 2023	Fleet Management Tracking System was renewed	R249,996.00	Achieved	N/A	N/A	N/A
					Fleet Management tracking System in place	Installation of tracking devices to new vehicles	new vehicles installed with tracking devices	3.74	0.25	Two municipal vehicle tracking certificates	R100,000	R96,680	Yes	N/A	N/A	N/A	Two new vehicles installed with tracking devices by June 2023	Two new vehicles were installed with tracking devices	R249,996.00	Achieved	N/A	N/A	N/A

Municipal Transformation and Institutional Development																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/22		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
					10 pool vehicles	Provision of 4 new vehicles	Number of new municipal vehicles provided	3.75	1.0	Registration certificates	R4,400,000	R4,400,000	Yes	N/A	N/A	N/A	Provision of two new municipal vehicles by June 2023	Two new vehicles were Purchased	R1739597.92	Achieved	N/A	N/A	N/A
RECORDS MANAGEMENT	Insufficient record keeping space and improving adherence to file plan	To ensure adequate record keeping space and records management procedures are practiced by	3.8	By sourcing the services of a service provider towards awareness campaigns by June 2023	One office serving as storage and office	Provision of Office space for filing	Records keeping filing office	3.81	0.25	Report	N/A	N/A	Yes	N/A	N/A	N/A	Office space identified by June 2023	Office space was identified	N/A	Achieved	N/A	N/A	N/A
					Records Management Policy File Plan Procedure Manual	Awareness to records management and users	Number of awareness on records management and	3.82	0.25	Attendance Register and Report	N/A	N/A	Yes	N/A	N/A	N/A	1 Awareness on Records Management by June 2023	Awareness on Records Management to Management was	R200,000.00	Achieved	N/A	N/A	N/A

Municipal Transformation and Institutional Development																								
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/22		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget Variance	Remedial Action	
													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved				
		June 2027					record users												done					
							3.8	0.25	4	Attendance Registers with Reports		N/A	Yes	N/A	Records management awareness for 20 users by June 2022	Records management awareness conducted to 20 users on the 24th of May 2022	4	Awareness on Records Management to Records users by June 2023	Four Awareness on Records Management to Records users were done	N/A	Achieved	N/A	N/A	N/A

Municipal Transformation and Institutional Development																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/22		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
Municipal ICT Systems and Infrastructure	Sporadic challenges affecting ICT systems to support municipal objectives	To ensure maximum availability of efficient ICT Services and Infrastructure by June 2027	3.9	By optimize systems, administration and operating procedures by June 2023	Ict systems in place	ICT licenses and software procurement	Number of renewed and maintained service level agreements and licenses	3.9.1	1	Copies of service level agreements, copies of license certificates and proof of payments	R3,404,000	R1,904,000	Yes	N/A	2 renewed and maintained service level agreements and 5 licenses renewed. By June 2022	Two renewed and maintained service level agreements and 5 licenses renewed.	2 renewed and maintained service level agreements and 5 licenses renewed by June 2023	Requesting invoices from the service providers, Processing payments for license renewals. Printing SLA signed and Munssoft SLA renewed until 30 June 2025	R2,214,732.50	Achieved	N/A	N/A	N/A

Municipal Transformation and Institutional Development																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/22		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
				By providing ICT tools of trade for council and staff members by June 2023	laptops and desktops in place	Procurements of laptops for staff members	Number of laptops procured for staff members	3.9	0.2	Concept document, appointment letter and proof of payment and Delivery note and Handover Register and Report	R2,125,000	R4,589,565	Yes	N/A	72 Procured laptops for councillors, traditional leaders and staff members by June 2022	72 laptops issued to councillors, traditional leaders and staff members	10 laptops procured for staff members by June 2023	Concept document and TOR were developed and submitted to SCM. 10 laptops received and distributed them to users	R254,000	Achieved	N/A	There was budget variance to accommodate procurement of server room Infrastructure. The project was advertised but there were no responsive bidders. This project was	Re-advertisement of the server room infrastructure

Municipal Transformation and Institutional Development																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/22		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
				By Improving access to the Municipal ICT infrastructure by June 2023	Server room and cat 5 cabling in place	Recabling of the main municipal building	Main municipal building recable	3.9	0.01	Signed Specification, progress Report and Completion Report	R1,700,000	R1,739,130	Yes	N/A	N/A	N/A	1 main municipal building Recable by 2023	Concept document and TOR were developed and submitted to SCM. Adver t was issued and closed on the 24th November 2022. Recabling project commenced on the	R1,864,806.60	Achieved	N/A	There was extension of scope on the project. One of deliverables was connecting the UPS. After the UPS was connected the batteries were not charging, they had to be	N/A

Municipal Transformation and Institutional Development																							
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													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
																			18th January and it was completed on the 28th June 2023			replaced. The extension of scope was to accommodate procurement of 32 UPS batteries	
MUNICIPAL CORPORATE	Compliance with approved ICT Governance principles and	To ensure that Corporate Governance of ICT is implemented by June	3.10	By maintaining the Municipal website through regular updates	Website in place	Uploading of the municipal website content	Number of items uploaded on the municipal website content	3.10.1	0.01	20 Screenshots of uploaded municipal documents	R0	R0	Yes	N/A	20 items Uploaded on the Municipal Website	20 items were uploaded on the Municipal Web	20 items Uploaded on the Municipal Website Content by June 2023	20 Compliance documents were uploaded onto the website	N/A	Achieved	N/A	N/A	N/A

Municipal Transformation and Institutional Development																							
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													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
	Legislation	2027		es of the website content by June 2023												Content by June 2022	site						
				Websi te in place	Upgra ding and maint enanc e of the websit e	Websi te upgr aded and maint ained	3.1 0.2	0. 01	4 Reports	R100 ,000	R0	Ye s	N/ A	N/A	N/A	Websi te upgr aded and maint ained by June 2023	Updat ing of websi te con tent as per re quest s recei ved from depart ment s	R0.00	Achieved	N/A	There was no financ ial expen diture becau se the websi te was updat ed intern ally.	N/A	
				By imple mentat ion of Munic ipal ICT Gover	ICT Govern ance Policy Frame work in place	Revie wal of the ICT Disast er Recov ery Plan	Numb er of revie wed ICT disast er recov ery	3.1 0.3	0. 01	Signed Specific ation, Comple tion Report and Council Extract	R500 ,000	R30 0,00 0	Ye s	N/ A	N/A	N/A	1 Revie wed ICT Disast er Recov ery Plan	Conc ept docu ment and TOR were devel oped	R0.00	Not Achieved	There were no responsi ve bidders	N/A	This proje ct has been re- adver tised

Municipal Transformation and Institutional Development																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2021/22		Actual Measurable Performance 2022/2023				Reasons for Variance	Reasons for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
				Finance framework by June 2023		and Policies	plan and policies											and 2 Policies by June 2023	and submitted to SCM. Advert was issued and closed on the 06th April 2023				

KPA N0 4: Budget & Treasury																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Actual Achieved/Not Achieved			
Revenue Management	Revenue collection trends are decreasing posing a threat to the municipality's going concern	To achieve 100% billing for all services that are to be billed by June 2022	4.1	Metering of all electricity consumption	Electricity meters are read, recorded, and captured manually	Reading of electricity meters	Accurate billing of electricity consumption	4.1.1	0.5	12 Months Meter reading Report from the AMR System, invoice and GRV	R 900,000.00	R 900,000.00	Yes	N/A	Reading of 78 electricity meters utilizing the Automated system by June 2022	86 meters read in July, 117 in Aug, 85 in September, 91 in Oct, 94 in Nov and Dec 92,92 meters for January; 90 meters for February and	Monthly Reading of 92 electricity meters utilizing the Automated system by June 2023	94 July, 94 Aug, 94 Sept, 94 Oct, 94 Nov, 96 Dec, 96 Jan, 96 Feb, 96 March, 96 April, 96 May and 96 June electri	R 939,013.92	Achieved	N/A	N/A	N/A

KPA N0 4: Budget & Treasury																										
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action			
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved						
																	84 meters, 94 meters for April; 94 meters for May and 94 meters for June		city meters read							

KPA NO 4: Budget & Treasury																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Actual Achieved/Not Achieved			
				Monthly billing of all consumers for all services	90% billing on property rates, 80% on electricity and 90% on refuse	Maintain an accurate and complete consumer master database for refuse, electricity and property rates	Reduced Customer queries - 100% of consumers billed as per consumer master database	4.1.2	0.5	12 monthly Billing Report	R-	R-	Yes	N/A	Billing of 2 246 consumer accounts for Property rates, refuse and electricity by June 2022	Billing has been performed of an average of 2 238 accounts	Billing of 100% active accounts for Property rates, refuse and electricity by June 2023	100% active consumer accounts(21 18 July, 2117 August and 2115 Sept, 2114 Oct, 2111 Nov, 2111 in Dec,2109 Jan, 2106 Feb and 2102	R-	Achieved	N/A	N/A	N/A

KPA N0 4: Budget & Treasury																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
																		March, 2101 Apr, 2100 May and 2092 June) for Property rates, refuse and electricity billed by June 2023.					

KPA NO 4: Budget & Treasury																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Actual Achieved/Not Achieved			
					Billing completed beyond the 3rd day of the following month	Completion of billing process by the 3rd day of each following month		4.1.3	0.5	12 Month end closing Reports	R-	R-	Yes	N/A	Billing completed by the 3rd day of each month following the billing month by June 2022	12 months month end report for consumer debtors and sundry debtors were performed	Billing completed by the 3rd day of each month following the billing month by June 2023	July to June were billed within the 3 working days of each month following the billing month	R-	Achieved	N/A	N/A	N/A
					Manual distribution of consumer state	Sending of monthly statement using		4.1.4	0.5	12 Monthly Statements distribution Report	R7,000.00	R7,000.00	Yes	N/A	Distribution of electronic monthly consumer	12 months Statements have been delivered	Distribution of electronic monthly consumer	12 months monthly electronic state	R-	Achieved	N/A	N/A	N/A

KPA N0 4: Budget & Treasury																										
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action			
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved						
					ment	g emails and SMS's										mer statements by June 2022	red via email, SMS and hand delivered from the month of March since the lockdown was now terminated.	mer statements by June 2023	ments distributed by 30 June 2023.							

KPA N0 4: Budget & Treasury																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Actual Achieved/Not Achieved			
				Review and Implementation of the Revenue enhancement Strategy	Revenue Enhancement Strategy reviewed in 2020/21	Monitoring of the Revenue enhancement Strategy Action Plan	Improved revenue collection and generation	4.1.5	0.5	4 Quarterly Revenue enhancement Strategy Committee minutes and attendance register	R-	R-	Yes	N/A	Implementation of the Revenue enhancement Strategy Action Plan by June 2022	02 Meetings were organized for the Revenue enhancement Strategy Action Plan	Implemented Revenue enhancement Strategy Action Plan by June 2023	4 Meetings were held during the year (on the 29th September Virtual platform, 4 Nov 2022, 8 March and 22 June 2023)	R-	N/A	N/A	N/A	

KPA N0 4: Budget & Treasury																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Actual Achieved/Not Achieved			
		To achieve at least 95% collection of all debt		Implementation of credit control measures	Long outstanding debtors, which are more than 365 days	Outsourcing of collection services	Handing over of all business accounts that are beyond 90 days overdue	4.1.6	0.5	4 Quarterly report on all business accounts handed over that are beyond 90 days overdue	R 900,000.00	R 1,300,000.00	Yes	N/A	Consumer Data analyses and cleansing to ensure readiness for handing over of all accounts beyond 90 days by June 2022. Handing over of	An investigation was performed and 127 accounts have been attended to for debt collection and as well data cleansing however	Handing over of all business accounts that are beyond 90 days overdue by June 2023	100% business accounts that are beyond 90 days were handed over for debt collection to debt collectors by 30 June 2023.	R 1,083,268.63	Achieved	N/A	N/A	N/A

KPA N0 4: Budget & Treasury																															
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action								
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved											
																accounts that are beyond 90 days by June 2022	this was combined as one report as this is done concurrently Payment file on collected accounts report has been attached that														

KPA N0 4: Budget & Treasury																																		
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action											
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved														
																	reflect the number of accounts handed over and recovered.																	

KPA NO 4: Budget & Treasury																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Actual Achieved/Not Achieved			
	Accounts with errors taking longer to identify and resolve	To achieve a clean audit as at 30 June 2022		Performance of monthly debtors, rates and investment reconciliations	Monthly reconciliations not performed by the 7th day of each month	Monthly review of debtors, rates and investment reconciliations by the 7th working day of each month	Number of monthly reviewed debtors, investments and rates reconciliation	4.1.7	0.5	12 monthly Signed debtors ,12 monthly signed investments and 12 monthly signed rates reconciliation	R -	R -	Yes	N/A	12 monthly review ed debtors ,12 investments and 12 rates reconciliation by June 2022	12 Monthly reconciliation for Debtors, Investments and Rates have been performed and signed.	12 monthly reviewed debtors ,12 investments and 12 rates reconciliation by June 2023	12 monthly reviewed debtors ,12 investments and 12 rates reconciliation by June 2023	R -	Achieved	N/A	N/A	N/A

KPA N0 4: Budget & Treasury																								
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action	
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Actual Achieved/Not Achieved				
	Outdated Policies	Annually Review of sectional Policies		Reviewing sectional policies that are not reviewed annually	Sectional policies that are not reviewed annually	Review of policies and presentation to the relevant stakeholders	Number of reviewed policies	4.1.8	0.5	03 Reviewed and signed Credit control and debt collection policy, Tariffs Policy, Property Rates Policy.	R-	R-	Yes	N/A	N/A	N/A	N/A	03 Reviewed Credit control and debt collection policy, Tariffs Policy, Property Rates Policy and presentation to the relevant stake	The Credit control and debt collection policy, Tariff Policy, Property rates policy were reviewed by 30 June 2023.	R-	Achieved	N/A	N/A	N/A

KPA N0 4: Budget & Treasury																																		
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action											
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved														
																		holders by June 2023																

KPA N0 4: Budget & Treasury																								
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action	
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved				
	Compliance with laws and regulations	To ensure proper regulations of the municipal powers and functions		Promulgation of Property Rates policy and credit control policy into by-laws	Revenue by laws that not promulgated on time	Pro mulgating of property rates policy and credit control policy	Number of gazetted policies	4.1.9	0.5	02 Gazette d policies	R-	R-	Yes	N/A	N/A	N/A	N/A	02 Gazetted property rates policy and credit control policy by June 2023	Property rates and credit policy were not gazetted by 30 June 2023.	R-	Not achieved	A request for quotation was sent to the Government Printer s, however, due to the backlog they confirmed to have this has not been responded to, regardl	The municipality will continue making follow ups until an update is received which we hope will be before the end of July 2023	The municipality will continue making follow ups until an update is received which we hope will be before the end of July 2023

KPA NO 4: Budget & Treasury																								
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action	
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved				
																				ess of nueme rous emails and phone calls during the month of June	re the end of July 2023			
				Promulgation of the approved tariffs (gazetting)	Gazetting of approved municipal tariffs not performed on time	Promulgation of the approved property rates tariffs (gazetting)	Number of Gazetted approved property rates tariffs (gazetting)	410	0.5	Advert or Gazzette for property rates tariffs	R-	R-	Yes	N/A	N/A	N/A	N/A	1 Gazetted of the approved property rates tariffs (gazetting) by 30 June	Gazetted property rates tariffs were advertised on East Griqualand News	R-	Achieved	N/A	N/A	N/A

KPA N0 4: Budget & Treasury																										
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action			
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved						
						g)	g)											2023	Paper							
Expenditure Management	Invoices not submitted within 30 days of receipt for payment	To pay creditors within 30 days in compliance with the MFMA by June 2022		Enforcement of system descriptions and processes as per the Account payable policy	Invoices still taking longer to reach BTO for payment	Centralization of submission of invoices per department	Age analysis reflecting creditors within 30 days	4.1.1	0.5	Invoice register and age analysis report	R-	R-	Yes	N/A	Payment of all presented acceptable invoices within 30 days from receipt of invoice by June 2022	All valid invoices presented were settled within 30 days	Payment of all presented acceptable invoices within 30 days from receipt of invoice by June 2023	All creditors for July to June presented for payment were paid within 30 days	R-	Achieved	N/A	N/A	N/A			

KPA N0 4: Budget & Treasury																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Actual Achieved/Not Achieved			
	Data strings that are submitted with incomplete information and month end procedures that are not performed on	To achieve a clean audit as at 30 June 2022	4.2	Develop sound, strict and effective procedures for reporting	Non-implementation of all monthly procedures	Implementing of month end procedures for 3 modules (creditor, cash book)	Number of Submitted monthly data strings and Reports not later than 10 working days after month end of	4.2.1	0.5	12 confirmations of submission from LG Portal not later than 10 working days after month end	R-	R-	Yes	N/A	Submitting monthly data strings and Reports not later than 10 working days after month end of each month by June 2022	12 monthly data strings to LG Portal submitted not later than 10 working days after month end	Submitting 12 monthly data strings and Reports not later than 10 working days after month end of each month by June 2023	12 monthly data strings to LG Portal and Reports were submitted not later than 10 working days after the end of each month	R-	Achieved	N/A	N/A	N/A

KPA N0 4: Budget & Treasury																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
	time					each month												for the past 12 months.					
	Inaccurate and incomplete commitment register				Commitment register with material misstatements	Monthly review of commitment register by the 7th working day of each month	Number of monthly reviewed commitment register	4.2.2	0.5	12 signed commitment register	R-	R-	Yes	N/A	12 monthly reviewed commitment register by June 2022	12 monthly commitment registers were prepared and reviewed	12 monthly reviewed commitment register by June 2023	12 monthly commitment registers were prepared and signed by 30 June 2023.	R-	Achieved	N/A	N/A	N/A

KPA N0 4: Budget & Treasury																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Actual Achieved/Not Achieved			
						h																	
	Creditors and grants with errors taking longer to identify and resolve	To achieve a clean audit as at 30 June 2022		Performance of monthly Conditional Grants, creditors, retention and vat reconciliation	Monthly reconciliations not performed by the 7th day of each month	Monthly review of Conditional Grants, creditors, retention and vat reconciliation by the 7th work	Number of monthly reviewed Conditional grants, monthly retention and 12 monthly vat reconciliations	4.2.3	0.5	12 Signed monthly Conditional grants, 12 monthly creditors, 12 monthly retention and 12 monthly vat reconciliations	R-	R-	Yes	N/A	12 monthly review Conditional grants, 12 creditors, 12 retention and 12 vat reconciliation by June 2022	12 monthly grants, 12 monthly global creditors, 12 monthly retention and 12 monthly vat reconciliations were	12 monthly reviewed Conditional grants, 12 monthly creditors, 12 monthly retention and 12 monthly vat recon	R-	Achieved	N/A	N/A	N/A	

KPA NO 4: Budget & Treasury																									
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action		
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved					
						ing day of each month	vat reconciliation									prepared and reviewed	ciliation by June 2023	n were prepared and reviewed by 30 June 2023.							
	Payroll accounts with errors taking longer to identify and resolve			Performance of monthly payroll reconciliation	Monthly reconciliations not performed by the 7th day of each month	Monthly review of payroll reconciliation by the 7th working day	Number of monthly reviewed payroll reconciliations	4.2.4	0.5	12 Signed monthly payroll reconciliation	R-	R-	Yes	N/A	12 monthly reviewed payroll reconciliation by June 2022	12 months monthly payroll reconciliation submitted and reviewed	12 months reviewed payroll reconciliation by June 2023	12 months monthly payroll reconciliations (July to June) were prepared and	R-	Achieved	N/A	N/A	N/A		

KPA N0 4: Budget & Treasury																								
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action	
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved				
						of each month												signed						
	Outdated Policies	Annually Review of sectional Policies		Reviewing sectional policies	Sectional policies that are not reviewed annually	Review of Accounts Payable policy and presentation to the relevant stakeholders	Number of Reviewed policies	4.2.5	0.5	01 Reviewed and signed Accounts Payables Policy	R-	R-	Yes	N/A	N/A	N/A	N/A	1 Reviewed Accounts Payables policy and presentation to the relevant stake holders by 30 June 2023	Payables accounts policy was reviewed and presented to council	R-	Achieved	N/A	N/A	N/A

KPA N0 4: Budget & Treasury																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Actual Achieved/Not Achieved			
	Inadequate filing space and system for the volume of documents in the Budget and Treasury office	To have an effective and reliable filing system for SCM and all awarded tender documents and payment vouchers	4.3	Conversion of Supply Chain Management filing to electronic for old documents already audited	Paper based and physical filing	Monitoring of Electronic filing system and loading of Budget and Treasury Office Documents	Conversion of information into electronic documents	4.3.1	0.5	System printout Reflecting the number of documents Scanned	R-	R-	Yes	N/A	Electronic filing system setup and loading of Budget and Treasury Office Documents by June 2022	Filing system setup concluded and SCM documents scanned onto the system	100 Budget and Treasury documents scanned using Electronic Filing system by June 2023	The Municipality is currently busy finalizing with SITA to find other means of procuring the server	R-	Not achieved	The successful implementation of the project requires the municipality's servers to be upgraded which has been advertised about two times with no responsive bidders. The municipality has since	ICT has committed to finalizing the procurement of server room infrastructure during the first quarter of the 2023/24 financial year.	ICT has committed to finalizing the procurement of server room infrastructure during the first quarter of the 2023/24 financial year.

KPA N0 4: Budget & Treasury																							
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													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Actual Achieved/Not Achieved			
	No clear monitoring of the procurement plan	To have fully capacitated Supply Chain Management Personnel		Monitoring of adherence to the procurement plan	Approved procurement plan with no clear monitoring plan	Monthly monitoring of the procurement plan	Number of monthly reports on the monitoring of the procurement plan	4.3.2	0.5	Signed report by the SCM Manager	R	R	Yes	N/A	12 monthly reports on the monitoring of the procurement plan by June 2022	12 SCM Reports on the monitoring of the procurement plan prepared and signed	12 monthly reports on the monitoring of the procurement plan by June 2023	12 monthly SCM Reports were prepared	R	Achieved	N/A	N/A	N/A

KPA N0 4: Budget & Treasury																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Actual Achieved/Not Achieved			
	The municipality needs to comply with all statutory training requirement	el and effective procurement system		Training of Supply Chain Management Personnel and Communication of all updates on SCM matters	Officials operating with outdated information relevant to their sections	Training of SCM Officials	Number of capacitated SCM personnel	4.3.3	0.5	Email confirmation of Municipal Financial System release notes or attendance registers (where a training is attended)	R-	R-	Yes	N/A	Capacitating of all SCM officials on updates by June 2022	6 SCM officials attended training in Muns oft offices and changes and updates on SCM were distributed to SCM Officials	Capacitation of at least 2 SCM personnel on Municipal Financial Software updated and relevant modules, general information	4 SCM Officials were trained on a new Contract Management module by Muns oft by 30 June 2023.	R 13,800.00	Achieved	N/A	The training for SCM officials is budgeted under Msc oa.	N/A

KPA N0 4: Budget & Treasury																								
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action	
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved				
																		on the system and newly introduced modules 2022/2023 by June 2023						

KPA N0 4: Budget & Treasury																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Actual Achieved/Not Achieved			
	Supplier Database not updated annually			Calling of all suppliers to update their information	Supplier database with bidders showing information that expired in the past years	Annual update of the supplier database	Number of Suppliers updated information	4.3.4	0.5	Advertisement and Munsoft audit trail	R-	R-	Yes	N/A	Supplier Database with most bidders information updated during the year by June 2022	The supplier database was updated, the call to suppliers was published. 1200 supplier information was updated	800 Supplier updated information by June 2023	The call for suppliers was publicized on the municipal website. 818 Supplier information have been updated for the year.	R-	Achieved	N/A	N/A	N/A
	No schedule			Developing	Bid committee	Schedule of	Schedule of	4.3.5	0.5	12 Signed schedule	R	R	Yes	N/A	Schedule of seatin	The Bid comm	Schedule of	12 scheduled	R-	Achieved	N/A	N/A	N/A

KPA N0 4: Budget & Treasury																									
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action		
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved					
	of bid committee seating			Mechanisms to monitor seating of the bid committees	seating randomly	seating of bid committees	bid committee seating with confirmed dates			e of bid committees, attendance registers for Bid Adjudication Comm						g of bid committees ensuring each bid is concluded within 60 days of the tender closing by June 2022	itees schedule was developed and 56 bid committees seated	seating of bid committees ensuring each bid is concluded within 60 days of the tender closing by June 2023	for bid committee seating were prepared and signed and, 98 bid committee seated within 60 days from the date of adverts.		ev	eed			

KPA N0 4: Budget & Treasury																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Actual Achieved/Not Achieved			
	Inadequate contract management processes			To have Effective contracts for travel agency	Contracts for travel agency	Appointment of Travel Agency	Panel of travel agencies	4.3.6	0.5	Concept Document, Signed Advert, Appointment Letter and signed SLA by both parties	R 10,000.00	R 10,000.00	Yes	N/A	N/A	N/A	Appointment of municipal travel agency by June 2023	The concept letter, appointment for bid specification and was prepared and signed. The service providers for the provision of	R 2,000.00	Achieved	N/A	The advert only costed the municipality R2000, which means their savings for the municipality.	N/A

KPA NO 4: Budget & Treasury																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Actual Achieved/Not Achieved			
																		travel services for the period of 36 months were appointed.					
	Procurement documents not uploaded on the website on time			Monitoring of compliance with publication of documents	Publication documents uploaded on the website	Monthly monitoring of documents uploads	Updated Website with SCM adverts, closing registers and awarded	4.3.7	0.5	Screen shots of the website showing documents uploaded	R-	R-	Yes	N/A	Uploading of all Adverts, closing registers and awarded tenders on the municipal	All adverts for tenders, closing registers and awarded bids were uploaded	Uploading of all Adverts, closing registers and awarded tenders on the	All advertised Tenders were uploaded on Extender Portal and Municipal	R-	Achieved	N/A	N/A	N/A

KPA N0 4: Budget & Treasury																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Actual Achieved/Not Achieved			
						tenders										pal website by June 2022	ded on the municipal websites	municipal website by June 2023	Websi te from July to June 2023.				
	Inadequate contract management processes			Monthly review of all existing contracts	Contracts only reviewed at year end	Contract register reviewed monthly	Number of contract registers reviewed monthly	4.3.8	0.5	12 monthly signed contract registers	R-	R-	Yes	N/A	12 monthly contract registers reviewed by June 2022	12 Monthly contract registers prepared and signed.	12 monthly contract registers reviewed by June 2023	12 monthly contract registers were prepared and reviewed.	R-	Achieved	N/A	N/A	N/A

KPA N0 4: Budget & Treasury																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Actual Achieved/Not Achieved			
	The municipality needs to comply with all statutory training requirement			Training of Supply Chain Management Personnel	Officials operating with outdated information relevant to their sections	Training of SCM Officials	Number of trained officials	4.3.9	0.5	4 exam confirmations	R-	R-	Yes	N/A	Training of 1 Manager and 1 SCM officer on CIPS by June 2022	4 exam confirmation (2 SCM official and 2 SCM Manager) as proof of attendance	Training of 1 SCM Manager and 1 SCM officer on CIPS by June 2023	SCM Manager and SCM officer wrote 1 exam each.	R-	Not Achieved	SCM Manager and officer registered for a 2-year formal programme, since it's continuous therefore its not achieved for 2022-23FY.	N/A	Programme will be completed in second quarter of 2023-24FY.

KPA N0 4: Budget & Treasury

Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Actual Achieved/Not Achieved			
	Outdated Policies	Annually Review of sectional Policies		Reviewing sectional policies	Sectional policies that are not reviewed annually	Review of existing sectional policies and presentation to the relevant stakeholders	Number of reviewed policies	4310	0.5	Reviewed and Signed of Supply Chain Management Policy, Contract Management Policy, Cost Containment Policy and Framework for Infrastructure Development Management Policy	R-	R-	Yes	N/A	N/A	N/A	04 Reviewed existing sectional policies and presentation to the relevant stake holders by 30 June 2023	SCM Policy, Contract Management policy, Cost Containment Policy and Framework for infrastructure development management policy were reviewed by 30 June 2023	R-	Achieved	N/A	N/A	N/A

KPA NO 4: Budget & Treasury																								
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action	
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Actual Achieved/Not Achieved				
Assets and Stores Management	Financial statements with non-compliance with laws	To achieve a clean audit	4.4	To have an accurate GRAP compliant Asset Register.	Accurate and complete Fixed Assets Register as at 30 June 2021 with no Audit Findings	Performance of monthly reconciliations between FAR and GL within 5 working days after month closure.	Number of reconciliations that are reviewed and approved	4.4.1	0.5	12 monthly Fixed Assets reconciliations, by June 2023, that are signed for Reviewal and Approval	R-	R-	Yes	N/A	N/A	N/A	N/A	12 monthly reviewed and approved Fixed Assets reconciliations, by June 2023	12 monthly Fixed Assets reconciliations were prepared and reviewed by 30 June 2023.	R-	Achieved	N/A	N/A	N/A

KPA N0 4: Budget & Treasury																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Actual Achieved/Not Achieved			
					GRAP compliant Asset register as at 30 June 2021	Review of the GRAP compliant Fixed asset register	GRAP compliant Fixed Asset register as at 30 June 2022 by June 2023	4.4.2	0.5	Signed GRAP compliant Fixed asset register, Proof of submission to AG, RFI and Coaf Register	R 1,300,000.00	R 1,300,000.00	Yes	N/A	GRAP compliant Asset register as at 30 June 2021 by June 2022	Asset register produced, submitted to AG and found to be GRAP compliant	GRAP compliant Fixed Asset register as at 30 June 2022 by June 2023	Asset Register was submitted to AG by 31st August 2022. AG responses were submitted within the average of 2 days.	R 1,498,161.90	Achieved	N/A	The Virement were done during the year to accommodate the expenditure. Moving of funds from	N/A

KPA N0 4: Budget & Treasury																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
																						one segment to the other.	
						Service Level Agreement as at 30 June 2021 for the Preparation of GRAP compliant	Appointment of Service provider for GRAP Compliant Fixed Asset Register	4.4.3	0.5	Concept Document, Signed Advert, Appointment Letter and signed SLA by both parties	R 5,000.00	R 5,000.00	Yes	N/A	GRAP compliant Asset register as at 30 June 2021 by June 2022	Asset register produced, submitted to AG and found to be GRAP compliant	Appointment of Service provider for GRAP Compliant Fixed Asset Register by June 2023	The service provider for GRAP Compliant FAR was appointed by 20 June 2023.	R-	Achieved	N/A	N/A	N/A

KPA NO 4: Budget & Treasury																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
					FAR	Register																	
				All assets recorded in the FAR do exist and valued accurately.	Approved Assets Verification Report as at 30 June 2021	Quarterly performance of Assets verification process before the end of the following month	Number of signed and approved quarterly assets verification reports	4.4	0.5	4 Reviewed and signed Assets Verification Reports, by June 2023	-	-	Yes	N/A	4 Quarterly Assets verification Reports by June 2022	Physical verification for all Assets in our FAR has been performed. Also, we have assessed the current condition	4 Signed and approved Quarterly Assets Verification Reports by June 2023	4 quarterly Physical verification for all Assets in our FAR were done by 30 June 2023.	-	Achieved	N/A	N/A	N/A

KPA N0 4: Budget & Treasury																									
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action		
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved					
						h after the end of the quarter											ions of such assets to identify any indications of impairment.								
				To ensure completeness of GRA P compliant Asset Register	Council approved assets write-off report as at 30 June 2021	Removing of disposed assets from municipal operational facilities	Fixed Asset Register that is complete	4.4.5	0.5	A signed report with a list of all assets removed from municipal premises and thrown away.	R-	R-	Yes	N/A				Complete GRA P compliant FAR by 30 June 2023	All Identified assets were removed from the municipal premises	R-	Achieved	N/A	N/A	N/A	

KPA N0 4: Budget & Treasury																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Actual Achieved/Not Achieved			
				Basis and assumptions on which assets are accounted for to be well documented and approved	Audited PPE methodology as at 30 June 2021 with no audit findings.	Preparation and approval of a PPE (movable assets) Methodology	Approved PPE (movable assets) Methodology	4.4.6	0.5	Signed and approved PPE (movable assets) methodology as at June 2023.	R-	R-	Yes	N/A			1 Approved PPE (movable assets) Methodology by 30 June 2023	The PPE (movable assets Methodology) was prepared and reviewed by June 2023.	R-	Achieved	N/A	N/A	N/A

KPA NO 4: Budget & Treasury																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Actual Achieved/Not Achieved			
				Monthly update on inventory movements	Inventory report and listing as at 30 June 2021	Performance of monthly Inventory reconciliations within 5 working days after month closure.	Number of reviewed and signed monthly Inventory reconciliations	4.4.7	0.5	12 Reviewed and signed Inventory reconciliations by June 2023	R-	R-	Yes	N/A	12 monthly Inventory reconciliation and 4 Stock count Report by June 2022	Prepared 12 inventory reconciliations and performed 4 stock count.	12 reviewed and signed monthly Inventory reconciliations by June 2023	12 inventory reconciliations were reviewed.	R-	Achieved	N/A	N/A	N/A

KPA N0 4: Budget & Treasury																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Actual Achieved/Not Achieved			
				Inventory updates once every quarter	Approved Inventory Count report as at 30 June 2021	Quarterly performance of Inventory count process before the end of the following month after the end of	Number of Reviewed Inventory Counts with Reports	4.4.8	0.5	4 Reviewed and signed Inventory Count Reports	R-	R-	Yes	N/A			4 Reviewed Inventory Counts with Reports by June 2023	4 Inventory counts were performed and reviewed by 30 June 2023.	R-	Achieved	N/A	N/A	N/A

KPA N0 4: Budget & Treasury																																						
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action															
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved																		
						the quarter																																

KPA N0 4: Budget & Treasury

Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Actual Achieved/Not Achieved			
	All council assets need to be fully insured to ensure going concern assumption of the municipality is not at risk.	To ensure that the municipality has an active insurance policy		Procurement of Insurance Provision for 3 years	Active insurance policy as at 30 June 2021	Appointment of service provider for provision of insurance services for a period of 36 months	Appointment for provision of insurance services for a period of 36 months	4.4.9	0.5	An SLA for Insurance that is signed by both the Municipality and the Service provider, appointment letter	R 1,900,000.00	R 1,900,000.00	Yes	N/A	N/A	N/A	Appointment of service provider for the provision of insurance services for a period of 36 months by June 2023	The bid specification committee, bid evaluation committee was appointed. The were no responsive bidders. The bid was then re-advertised many times with no positive	R -	Not Achieved	The advert for the Provision of Insurance Services was done with all other required Supply chain processes, However all the Bids submitted were non-responsive	N/A	The bid has been re-advertised, closed and awaiting evaluation and adjudication processes. From which an alternative process will be recommended to the council if there is still

KPA NO 4: Budget & Treasury																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Actual Achieved/Not Achieved			
	Municipality that is operating smoothly with enough operational material	To ensure that municipality has stationery available when needed.		Procurement of Provision for Stationery	None	Appointment of service provider for the supply and delivery of municipal stationery	Appointed service provider for the supply and delivery of municipal stationery	4.4.10	0.5	An SLA for Stationery that is signed by both the Municipality and the Service provider, appointment letter	R 2,600,000.00	R 2,600,000.00	Yes	N/A	N/A	N/A	Appointment of service provider for the supply and delivery of municipal stationery by June 2023	The bid went for an re-advert an it was closed on 5 Dec 2022. The service provider to supply stationery for the period of 12 month	R -	Achieved	N/A	N/A	N/A

KPA NO 4: Budget & Treasury																								
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action	
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved				
																		s has been appointed.						
	Outdated Asset and Inventory Management Policies	Review of Asset and Inventory Management Policies		Annual review Asset and Inventory Management Policies	Reviewed and approved Asset and Inventory Management Policies for 2020/21 financial year.	Review of existing Asset and Inventory Management Policies	Number of Asset and Inventory Management policies reviewed, approved and signed	4.11	0.5	Signed Assets and Inventory Management Policies	R-	R-	Yes	N/A	N/A	N/A	2 Asset and Inventory Management policies were reviewed, approved and signed by June 2023	Asset and Inventory Management Policies were reviewed	R-	Achieved	N/A	N/A	N/A	

KPA NO 4: Budget & Treasury																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Actual Achieved/Not Achieved			
	All council assets need to be well managed effectively.	Compliance with the requirements of MFMA section 63		Development and review of an effective Asset Management Plan	None	Development and review of an Asset Management Plan	Number of Developed and approved Asset Management Plan	4.4.12	0.5	A signed Assets Management Plan by the CFO as at 30 June 2023	R-	R-	Yes	N/A	N/A	N/A	1 Developed Asset Management Plan by 30 June 2023	Asset Management Plan was developed reviewed and signed by the CFO	R-	Achieved	N/A	N/A	N/A
Financial Reporting	Financial statements with non-compliance with	To compile Annual Financial Statements that	4.5	Develop sound, strict and effective procedures	Audited Annual Financial Statements for 2019/20	Development and approval of processes and	Credible Annual Financial Statements submitted	4.5.1	0.5	AFS, Proof of payment, Interim Financial statements	R 200,000.00	R 200,000.00	Yes	N/A	Credible and fully compliant Annual Financial Statements	Financial Statements were produced, submitted to the AG by	Credible and fully compliant Annual Financial State	The AFS file was rolled forward and AFS Plan was monitored	R 205,845.57	Achieved	N/A	The Virement were done during the year	N/A

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Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action				
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved							
	laws	comply with all requirements as at 30 June 2022		for the compilation of AFS	with compliance findings	procedures for compilation of Compliant annual financial statements	d by 31 August 2022									as at 30 June 2021 submitted by 31 August 2021	the 31 August 2021.	ments as at 30 June 2022 submitted by 31 August 2022 by June 2023	ored to meet the target deadlines for 2021/22. Annual Financial Statement were submitted to AG.							to accommodate the expenditure. Moving of funds from one segment to the other.	
	To achieve a			Manage audit and	Audited Annual	Manage the external	Manage the external	4.5.2	0.5	Proof of submission to AG,	R 5,200,000.	R 5,200,000.00	Yes	N/A	Manage the external	Audit was managed	Manage the external	AG correspondences	R 3,638,986.14	Achieved	N/A	N/A	N/A				

KPA NO 4: Budget & Treasury																								
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action	
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Actual Achieved/Not Achieved				
		clean audit as at 30 June 2022		ensure audit readiness	Financial Statements for 2020/21 with compliance findings	audit by the office of the Auditor General to ensure smooth running	audit and ensure audit readiness to achieve clean audit opinion			COAF register, Audit Action Plan, updated Audit Action Plan						audit and ensure audit readiness to achieve clean audit opinion as at 30 June 2022	and the municipality has received and Unqualified Audit opinion with no findings (Clean Audit Opinion)	audit and ensure audit readiness to achieve clean audit opinion by 30 June 2023	were responded to within average of 2 days, the Municipality have received 28 RFI and 4 CoAF.		ed			
				Performance of Monthly	Reconciliations not allowed	Performance of month	Number of Reviewe	4.5.3	0.5	12 Signed monthly Bank Recon	R-	R-	Yes	N/A	12 Reviewed bank recon	12 Bank Reconciliations	12 Reviewed monthly	12 monthly bank recon	R-	Achieved	N/A	N/A	N/A	

KPA NO 4: Budget & Treasury																									
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action		
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Actual Achieved/Not Achieved					
				bank reconciliations	ys completed within time frames	hly reconciliations by the 7th working day of each month	d monthly bank reconciliations			iliation						iliation by June 2022	were performed monthly and reviewed as necessary.	bank reconciliations by June 2023	ciliations were reviewed and signed			d			
	Non compliance with statutory requirements	Adhere to compliance in terms of management	4.6	Preparation and submission of all in-year statutory reports	Reports not submitted on time	Submission of s71 Report not later than 10 work	Number of s71 and monthly FMG Report submissions	4.6.1	0.5	Proof of submission of 12 signed s71 Report and 12 signed FMG report	R-	R-	Yes	N/A	Submission of s71 Report by June 2022	12 Monthly s71 reports have been prepared and signed.	Submission of 12 s71 and 12 monthly FMG Reports by June	12 s71 and 12 monthly FMG Reports were submitted.	R-	Achieved	N/A	N/A	N/A		

KPA NO 4: Budget & Treasury																								
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action	
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved				
		and reporting		which is section 71,5 2d and 72 of the MFM A and FMG monthly and quarterly Reports		ing day of each month	d											2023						
						Submission of s52d reports within 30 days of the end of each quarter	Number of Submission of s52d reports and Quarterly FMG Report within 30 days of	4.6.2	0.5	Proof of submission of 4 Signed s52 Reports and 4 FMG Quarterly Reports	R-	R-	Yes	N/A	Submission of s52d reports within 30 days of the end of each quarter	4 s52d and 4 FMG quarterly report has been prepared and submitted.	Submission of 4 s52d reports and 4 Quarterly FMG Reports within 30 days of the end of each quarter by	4 s52d Quarterly and 4 FMG Report were prepared and submitted within 30day s.	R-	Achieved	N/A	N/A	N/A	

KPA N0 4: Budget & Treasury																																						
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action															
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved																		
							the end of each quarter											June 2023																				
							Submission of the s72 report by the 25th of January 2023	4.6.3	0.5	Proof of submission s72 Report by the 25th of January 2023	R-	R-	Yes	N/A	Submission of the s72 report by the 25th of January 2022	s72 report of January 2022 have been submitted	Submission of the s72 report by the 25th of January 2023	s72 Report was prepared and submitted to Council by the 25th January 2023	R-	Achieved	N/A	N/A	N/A															

KPA N0 4: Budget & Treasury																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Actual Achieved/Not Achieved			
Budgeting	The municipality needs to comply with all statutory budgeting and reporting requirements	Adhere to compliance to Municipal budget and reporting requirements		Preparation and submission of all in-year statutory reports	Appointed interns and new accountants	Training of financial management interns and finance staff to meet minimum competency requirements by June	Number of Trained financial management interns and 1 finance staff to meet minimum competency requirements	4.6.4	0.5	Proof of registration of 1 intern and Attendance register	R 266,000.00	R 266,000.00	N/A	Yes	Training of 2 financial management interns and 1 finance staff to meet minimum competency requirements by June 2022	2 Interns and 2 officials attending the Minimum Competency Training	Training of 3 financial management interns and 1 finance staff to meet minimum competency requirements by June 2023	One intern and one accountant were enrolled on CPM D third year. Three interns and one accountant were attending the CPM D.	R324,664	Achieved	N/A	The Virement were done during the year to accommodate the expenditure. Moving of funds from	N/A

KPA N0 4: Budget & Treasury																							
Sub-Result Area	Issue	Strategic Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action	
												Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Actual Achieved/Not Achieved				
		To timely produce budgets in line with the National Treasury guidelines and regulations		Develop and monitor processes to ensure timely preparation, adoption and publication of credible municipal budget	Adjustments budget approved by 28 February 2022 and draft budget approved by 31 March 2022 of each year;	Compile three budgets to be approved by council	Number of Approved budgets	4.6.5	0.5	Adjustment budget 22/23; Draft budget 23/24; Approved 23/24 Final Budget and Council resolutions	R-	R-	Yes	N/A	3 Approved budgets by June 2022	4 budgets approved by June 2022	3 Approved budgets by June 2023	The municipality had 2 Adjusted budget one adopted by council on the 30 August 2022 and 27th February 2023. The Draft budget was tabled	R-	Achieved	N/A	N/A	N/A

KPA N0 4: Budget & Treasury																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
				ets	final budget approved 31 May 2022														to council on the 31 March 2023. The Final budget for 2023/24 was approved on the 26 May 2023				

KPA N0 4: Budget & Treasury																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Actual Achieved/Not Achieved			
					non-publications of budgets approved by council	Publication of approved budgets	Number of Publicized approved budgets	4.6.6	0.5	3 Adverts	R 62,608.00	R 62,608.00	Yes	N/A	Publication of three approved budgets June 2022	4 budgets approved and published by June 2022	Publication of 3 approved budgets June 2023	Two Adjusted budgets were advertised on one local news paper on the 9th Sept 2022 and 3rd March 2023. The draft budget was advert	R25,672.58	Achieved	N/A	N/A	N/A

KPA N0 4: Budget & Treasury																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
																			ised on local news paper on the 7th April 2023. The Adopted budget was tabled on local news paper on the 9th June 2023.				

KPA N0 4: Budget & Treasury																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
	Outdated Policies	Annually Review of sectional Policies		Reviewing sectional policies	Sectional policies that are not reviewed annually	Review of existing sectional policies and presentation to the relevant stakeholders	Number of reviewed IDP and Budget policy and presentation to the relevant stakeholders	4.6.7	0.5	01 Reviewed and signed IDP/Budget policy	R-	R-	Yes	N/A	N/A	N/A	1 Review of IDP and Budget policy and presentation to the relevant stake holders by 30 June 2023	1 Review of IDP and Budget policy and presentation to the relevant stake holders by 30 June 2023	R-	Achieved	N/A	N/A	N/A

KPA N0 5: Good Governance & Public Participation																							
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved			
Integrated Development Planning	To comply with section 32 of the municipal Systems Act	To ensure development of credible (accredited by MEC) IDP reviews-aligned with PMS & Budget by June 2027	5.1	By developing an IDP process plan, by conducting public participation process. By ensuring alignment of budget to the IDP by June 2023	An assessed credible IDP document adopted by council by May 2022	Development of annual review of IDP adopted by the Council	Council resolutions on adoption of annual IDP reviews	5.1.1	0.5	Council resolution on adoption of IDP Process Plan for 2023/24 review. Mayor al Imbizo Comments & attendance registers. Council resolution on adoption of	R902,300.00	R902,300.00	Yes	N/A	Council Approved five-year IDP for council term 2022/27 by May 2022	Printing and binding of IDP documents for 2021/22. Developed IDP Process plan for 2022/2027 for adoption by Council. Process plan was adopted by Council on the 19th	Council Approved IDP review for 2023/24 by May 2023	IDP, PMS & Budget Process plan was developed and adopted by Council on the 30th August 2022. All the phases in the process plan were followed up to the adoption of the Final IDP review for 2023/2024 financial year,	R368,850.40	Achieved	N/A	N/A	N/A

KPA NO 5: Good Governance & Public Participation																									
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action		
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved					
		June 2027								draft IDP review for 2023/2024. Council resolution on Adoption of final IDP review for 2023 / 2024							August 2021, submitted to CoGTA and published on the municipal website and local newspapers. Consolidation of the situational analysis and		adopted by council on the 26th of May 2023. Final IDP was then publicized on the local newspaper, municipal website and submitted to CoGTA and Treasury.						

KPA N0 5: Good Governance & Public Participation																							
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved			
				By facilitating appointment of a service provider to conduct a socio-economic infrastructure study as part of the situational analysis report by June 2023	Terms of Reference developed and approved	conducting a socio-economic infrastructure study report	socio economic infrastructure study report	5.1.2	0.5	Socio economic infrastructure report	R798,720.00	R798,720.00	Yes	N/A		consultation with stakeholders. IDP Rep forum and Mayor al Imbiz o was held for public consultation . Draft IDP was noted by Council on the 29th March 2022, submitted to CoGT A and publis	Socio economic infrastructure study conducted and report produced by June 2023	The service provider to conduct the Socio-economic infrastructure study was appointed but as the project was still in initial stages it was identified that the service provider submitted fraudulent documents when	N/A	Not Achieved	The contract was terminated after the fraudulent documents were identified. The project was therefore not carried out to completion.	N/A	The project has been planned for the next financial year

KPA NO 5: Good Governance & Public Participation																							
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved			
																	the 30th May 2022, submitted to CoGT A and published on the municipal website and local news paper. Developed and signed Terms of references for the Socio-economic Infrastructure						

KPA NO 5: Good Governance & Public Participation

Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved			
																	study.						

KPA NO 5: Good Governance & Public Participation																							
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved			
Performance Management Systems	To comply with Performance planning, implementation, monitoring and reporting regulations	To ensure compliance with laws and regulations and ensure a culture of accountability, performance excellence & monitoring by June 2027	5.2	By Facilitating and monitoring periodic reporting by June 2023	4 Quarterly Performance Reports tabled to council and its structures	4 Quarterly performance reports tabled to council and its structures for consideration	Number of Quarterly performance reports tabled to council and its structures for consideration	5.2.1	1	Minutes of council adopting reports	R570,000.00	R570,000.00	Yes	N/A	4 Quarterly Performance Reports tabled to Council and its structures for consideration for the 2021/22 Financial Year by June 2022	The 4th Quarter Performance Report 2020-2021 was compiled and adopted on the 19th August 2021. Q1 Performance report was compiled and adopted on	4 Quarterly Performance Reports tabled to Council and its structures for consideration for the 2022/23 Financial Year by June 2023	The 4th Quarter Performance Report 2022/23 was compiled and adopted by council on 28 July 2022. Q1 Performance report was compiled and adopted by council on the 31/10/2022. Mid-Year Performance	Nil	Achieved	N/A	N/A	N/A

KPA NO 5: Good Governance & Public Participation																							
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved			
				By facilitating formal performance assessments by June 2023	2 performance assessments	Two performance assessments conducted	Number of performance assessments conducted	5.2.2		Signed self-assessment sheets, assessment report Invite and Attendance register	N/A	N/A	Yes	N/A	2 Performance Assessment conducted for 2020-2021 and Mid-Year for 2021-2022 Financial Year) by June 2022	Annual Performance Assessment conducted for 2020-2021 Financial Year was conducted on the 21 December 2021	2 Performance Assessment conducted by June 2023	1 Formal performance assessment was done on two dates - for Senior Managers on the 12th December and for the MM on the 27th December 2022.	Nil	Achieved	N/A	N/A	N/A

KPA NO 5: Good Governance & Public Participation																							
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved			
																	2022 Financial Year)		202/23 FY) for 4 senior managers were conducted.				

KPA N0 5: Good Governance & Public Participation

Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved			
				By Facilitating compilation of the 2021/22 annual report by June 2023	2020/2021 annual report adopted by council by May 2022	Compilation of the annual report	Annual report adopted by council	5.2.3	0.5	Annual Performance report 2021/2022, Council extract, Attendance register and oversight report with Council extract	R169,000.00	R169,000.00	Yes	N/A	2020/2021 annual report adopted by council by March 2022	Annual Performance Report 2020-2021 was compiled and approved by Council on the 30th August 2021. It was submitted to the AG on the 30th August 2021. Printing & Binding of the Annual Report for	2021/2022 annual report adopted by council by May 2023	Annual Performance Report was adopted by Council on the 30th August 2022. Printing & Binding of the Annual Report 20/21 was done and 120 Annual Report copies were delivered on the 28th September 2022. Draft annual report was compiled and tabled to	R96,000.00	Achieved	N/A	N/A	N/A

KPA NO 5: Good Governance & Public Participation																							
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved			
Internal Audit	To comply with Section 165 of the MFM A	To promote good governance within the institution by June 2027	5.3	By reviewing adequacy and effectiveness internal control and compliance with laws and regulations by June 2023	Audit Committee approved Internal Audit Plan and Adhoc assignments for 2021/22	Audit Committee approved Internal Audit Coverage Plan for 2022/23	Number of Internal Audit reports & Adhoc reports	5.3.1	0.5	Approved Internal Audit Plan, Minutes of Audit Committee, Internal Audit Reports	R1,000,000.00	R1,000,000.00	Yes	N/A	32 Internal Audit Reports & Internal Audit (IA) Charter and Audit Committee (AC) Charter & Internal Audit Coverage plan by June 2022	1. Fleet Management Report Q4 2. Cash and Bank Final report Q3 3. Contract Management Follow Up Q2 4. Performance Management Report Q1 5. Expen	20 Internal Audit Reports produced and Approval of Internal Audit Plan by June 2023	22 Internal Audit reports produced: APR, AFS review, S&T Q1, Expenditure Q1, Contract management Q1, Audit Tracker, Revenue Report Q2, Loss Control Report Q2, Good Governance Q2,	R367,200.00	Achieved	N/A	N/A	N/A

KPA N0 5: Good Governance & Public Participation																															
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action								
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved											
																		report Q2 11. Internal Audit Advisory report of PI 12. Internal Audit Consolidated Performance review 13. Contract Management Q1 14. Asset Management Report Q4	Quotations Q4, Expenditure Q4, Infrastructure Q4, Occupational Health and Safety Q4												
																		2. Internal Audit Plan was approved on the 03rd August 2022													

KPA NO 5: Good Governance & Public Participation																													
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action						
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved									
																	15. Internal Audit Final Consolidated Performance report Q3												
																	16. Fleet Management report Q1												
																	17. Leave Management report Q1												
																	18. Leave Management report Q4												

KPA NO 5: Good Governance & Public Participation																																			
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action												
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved															
																	19.Loss Control report Q1																		
																	20.Loss Control report Q2																		
																	21.Revenue Management Q1																		
																	22. Internal Audit Review of AFS																		
																	23. Subsistence and Travel report Q1																		
																	24. Subsistence																		

KPA NO 5: Good Governance & Public Participation																								
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action	
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved				
																	e and Travel Q4 25. Loss Control Q3 26. Performance information report Q3 27. PMS-SDBI P Advisory report Q4 28. Revenue Management Q3 29. SCM Quotation report							

KPA N0 5: Good Governance & Public Participation																											
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action				
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved							
																	Q3 30.SCM TENDER report Q3 31. Inventory Management Q4 32. SCM Quotation report Q4 IA coverage plan for 21/22 was approved by Audit Committee in a										

KPA NO 5: Good Governance & Public Participation																																			
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action												
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved															
																	meeting held on the 03 June 2021																		
																	AC & IA charters were submitted to Audit Committee in a meeting held on 17 September 202																		

KPA NO 5: Good Governance & Public Participation																							
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved			
					One service provider co-sourced	Co-sourced Internal Audit Services	Appointed service provider	5.3.2	0.5	Appointment letter				-	N/A	N/A	Appointment of Co-sourced Internal Audit Services provider by June 2023	Co-source service provider was appointed on the 24th April 2023	N/A	Achieved	N/A	N/A	N/A
					Approved Audit Committee Charter & Internal Audit Charter	Approval of Audit Committee Charter & Internal Audit Charter for 2022/23	Audit Committee and Internal Audit Charters 2022/23 approved	5.3.3	0.5	Minutes of Audit Committee, Audit Committee Charter and Internal Audit Charter	N/A	N/A	Yes	N/A	N/A	N/A	Approved Audit Committee Charter & Internal Audit Charter by June 2023	Audit Committee Charter and Internal Audit Charter were approved on the 03rd August 2022	N/A	Achieved	N/A	N/A	N/A

KPA NO 5: Good Governance & Public Participation																								
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action	
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved				
Risk Management	To comply with section 165 of the MFM A	To improve Risk Management to an acceptable level by June 2027	5.4	By conducting municipal wide risk management workshops. By developing participatory risk management process plan by June 2023	Implementable risk management plan. Risk Management Policy	Development of the Risk Management report	Audit Committee adoption of the Risk Management report	5.4.1	0.5	Risk Management report, Audit Committee minutes, Council Resolution	R200,000.00	R200,000.00	Yes	-	1	N/A	Risk Assessment Workshop conducted by June 2022	Audit Committee adopted Risk Management report and Council resolution adopting risk management policy by June 2023	Risk workshop was conducted on the 21-22 July 2022, Risk Management Report was compiled	R106,315.60	Achieved	N/A	N/A	N/A

KPA N0 5: Good Governance & Public Participation																							
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved			
Fraud and Corruption	To comply with Prevention and Combating of Corrupt activities Act 12 of 2004	To combat and defeat the fraud and corruption within the WM Local Municipality by June 2027	5.5	By implementation of the Fraud and Anti-Corruption policy . By conducting awareness campaigns with all relevant stakeholders by June 2023	2 Fraud awareness campaigns conducted	Review of Fraud and Anti-Corruption Policy and conducting Fraud awareness campaigns	Fraud and Anti-Corruption policy adopted by council and Number of awareness campaigns conducted	5.5.1	0.5	Attendance registers, 2 Concept documents and Council Resolution	R200,000.00	R200,000.00	Yes	-	Reviewed Fraud & Anti-Corruption Policy was reviewed and Adopted by Council on the 13th of May 2022	Fraud & Anti-Corruption Policy adopted by Council and conduct 2 Fraud awareness workshops by June 2022	Fraud and Anti-Corruption Policy adopted by Council and 2 Fraud and anti-corruption Awareness campaigns by June 2023	Fraud and anti-corruption awareness were conducted on the 13.09.2022, 05.12.2022 and 31.05.2023	R198,000.00	Achieved	N/A	N/A	N/A

KPA N0 5: Good Governance & Public Participation																									
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action		
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved					
Ethics	To comply with Code of Ethics and Municipal Systems Act 32 of 2000	To instill the moral regeneration within the councillors and employees of the Municipality by June 2027	5.6	By conducting ethics and values awareness campaigns there by complying with municipal Systems Act 32 of 2000 as well as Code of Ethics by June 2023	2 awareness campaigns conducted	Ethics and values awareness campaigns	Number of awareness campaigns conducted	5.6.1	0.5	Attendance registers, 2 Concept documents	R200,000.00	R200,000.00	Yes	N/A	2	Ethics campaign workshops conducted by June 2022	N/A	2	Ethics awareness campaigns conducted by June 2023	Ethics awareness was conducted on the 6th December 2022 and 31st of May 2023	R198,000.00	Achieved	N/A	N/A	N/A

KPA NO 5: Good Governance & Public Participation																							
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved			
Audit Committee	To comply with section 166 of the Municipal Finance Management Act	To advise the municipal council on the adequacy and effectiveness of the systems of internal controls by June 2027	5.7	By advising on risks, financial, internal controls, performance information and Annual Financial Statements as well as policies by June 2023	2 advisory reports relating to the effectiveness of risk management and internal controls as well as Annual Financial Statements and setting up of Audit Committee	Annual Report relating to the effectiveness of risk management and internal control and review of Annual Financial Statements and setting up of Audit Committee meeting	Audit committee annual report and Audit committee Meeting	5.7.1	0.5	Notice of the meeting, Audit Committee Attendance Register, Invitation, Audit Committee Report for 2021-2022 Financial Year	R350,000.00	R350,000.00	Yes	N/A	4 Audit Committee meetings held by June 2022	6 Audit Committee meetings (5 ordinary and 1 special) were held during the financial year: 1. 26 August 2021 2.30 August 2021 3. 17 September 2021 4.29 October 2021 5. 23 February	Audit committee annual report for 2021/22 and 4 Audit committee meetings conducted by June 2023	5 Audit committee meetings held as follows: 03 August 2022, 29 August 2022 and 28 October 2022, 28 February 2023, 29 May 2023	R326,000.00	Achieved	N/A	N/A	N/A

KPA NO 5: Good Governance & Public Participation																								
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action	
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved				
					e Meetings	ings											ary 2022 6.09 May 2022							

KPA N0 5: Good Governance & Public Participation

Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved			
SPU Unit	To improve participatory democracy and inclusiveness	To coordinate mainstreaming of special groups and support by June 2027	5.8	By coordinating special groups forums, internal and sector department to contribute towards mainstreaming of young people in all government programmes by June 2023	9 Council approved programmes targeting and in support of young people	Implementation of Youth Programmes	Number of Council approved Youth Programmes implemented	5.8.1	0.5	Concept Documents and Attendance registers	R 1,765,000.00	R 1,765,000.01	Yes	N/A	9 Council Approved Youth programs implemented by June 2022	1. Youth Summit was conducted at Hluma Lodge from the 14th-15 September 2021 2. Young Entrepreneur Program Support Material was handed over at Sinawe Guest House on the 30 September 2021	8 Council Approved Youth programmes implemented by June 2023	1. Support of functioning of SAYC was held at Hluma Lounge on the 01 September 2022 2. Initiation awareness campaign was held at Mbizana Sport field Next to cultural village on the 22 September 2022 3. Initiation Support : Traditional Male	R 1,234,453.00	Achieved	N/A	N/A	N/A

KPA N0 5: Good Governance & Public Participation

Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
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				By coordinating special groups forums, internal and sector department to contribute towards mainstreaming of Children in all government programmes by June 2023	10 Council approved programmes targeting and in support of children	Implementation of Children's Programmes	Number of Council approved Children programmes	5.8.2	0.5	Concept Documents and Attendance registers	R 952,860.00	R 952,860.01	Yes	N/A	9 Council Approved children's programmes implemented by June 2022	11 programs were done which includes inkciyo stipend that was done for the 4quarters 1. Mpondo Reed Dance was conducted at Mgomazi, Ward 14, on the 28 August 2021, 2. Support to Child headed House	9 Council Approved Children's programmes implemented by June 2023	1. Inkciyo monthly stipend was paid to 33 inkciyo inspectors (for the whole year, Accounts to 4 targets) 2. Inkciyo support was conducted at Matshona village Ntabankulu on the 10th of September 2022, 3 Support to child headed household of vouchers was conducted on	R423,460.00	Achieved	N/A	N/A	N/A

KPA N0 5: Good Governance & Public Participation																							
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved			
				By coordinating special groups forums, internal and sector department to contribute towards mainstreaming of elderly in all government program	3 Council approved programmes targeting and in support of elderly	Implementation of Elderly Programmes	Number of council approved Elderly programmes	5.8.3	0.5	Concept Documents and Attendance registers	R 396 700	R 396 701	Yes	N/A	3 Council Approved elderly programmes implemented by June 2022	1. Support to elderly centers: Handing over of kitchen tools was conducted at Vusi Sizwe Centre Batville Centre and at Thandani Centre on the 29 September	3 Council Approved Elderly programmes implemented by June 2023	1. support of Elderly centers : handing over of kitchen tools was conducted at Zwelits ha old age ward 04, Khananda civic center ward 22, Dikeni old civic center ward 19.	R297,443.00	Achieved	N/A	N/A	N/A

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Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action								
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved											
				es by June 2023																											

KPA NO 5: Good Governance & Public Participation																																										
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action																			
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved																						
																																		over at Vuyisi and Elderly Centre, Ward 26, on the 22 March 2022 and Uyolo Elderly Centre, Ward 32, on the 22 March 2022		which were handed over on the 22 March 2023						

KPA N0 5: Good Governance & Public Participation																							
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved			
				By coordinating special groups forums, internal and sector department to contribute towards mainstreaming of PWD in all government programmes by	5 Council approved programmes targeting and in support of People with Disability	Implementation of People with Disability Programmes	Number of council approved PWD programmes	5.8.4	0.5	Concept Documents and Attendance registers	R 334 100	R 334 101	Yes	N/A	5 Council Approved People with Disability programs implemented by June 2022	1. PWD Summit was conducted conducted at St Michael's from the 17-18 August 2021. 2. Disability Right Awareness Month was conducted at cultural Village on the 3	4 Council Approved PWD programmes implemented by June 2023	1. PWD support for Lkhaya Lembizana and Mzuvukile Special School was conducted at Hluma Guest Lodge 2. Disability month was conducted at Hluma Guest Lodge on the 2nd of December 2022. 3. Support	R351,410	Achieved	N/A	Virements were made to accommodate the programs.	N/A

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Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action	
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved				
				June 2023													December 2021 3. Support to PWD was provided through providing catering and Transport for Khulani License Driving program which was held on the 9 Febru		functioning of PWD Forum was done through the support of Sisikelelwe Disability Project in ward 16 with 15 bag of potato seeds on the 9 February 2023. 4. Handing over of Machine, Overlock and Sewing					

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Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action		
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved					
																ary 2022 at Rouxville 4. Support to Pwd was conducted at Baleni on the 31 May 2022 5. Support to PWD was conducted on the 14 June 2022 at Cultural Village		Materia l were handed over to lphulo Lamam pondo Disability Project on the 4 May 2023							

KPA N0 5: Good Governance & Public Participation

Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved			
				By coordinating special groups forums, internal and sector department to contribute towards mainstreaming of Gender in all government programmes by June 2023	4 Council Approved Gender programs	Implementation of Gender Programs	Number of council approved Gender programmes	5.8.5	0.5	Concept Documents and Attendance registers	R 306 800	R 306 801	Yes	N/A	4 Council Approved Gender programs implemented by June 2022	1. Women's Month Celebration Support Material to women were handed over at Sinawe Guest house on the 30 September 2021. 2. 16 Days of Activism Against Women Abuse was conducted at Benezere on the 26 November 2021.	6 Council Approved Gender programmes implemented by June 2023	1. Women's month celebrations was held at Lubusi Boutique Hotel on 30th August 2022 , 2. Men's forum launch was held in Mbizana Sport field next to cultural village on 20th September 2022 3. Mens	R 479,871.00	Not Achieved	None Responsiveness of services providers	N/A	Reschedule to next financial years

KPA N0 5: Good Governance & Public Participation

Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
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	Preserve legacy of prominent figure and historical events in Winnie Madikizela-Mandela	To commemorate prominent figure important events and their legacy by June 2027	5.9	By implementing six council approved legacy projects and activities by June 2023	6 programmes conducted	Implementation of Legacy programmes and installation of Winnie-Madikizela Mandela Statue	Number of Council approved legacy programmes implemented and installation of the Winnie-Madikizela Mandela Statue	5.9.1	0.5	Concept documents, Attendance registers and delivery note	R1,877,000.00	R1,877,000.00	Yes	N/A	6 Council approved legacy programmes implemented by June 2022	Three programmes were conducted as follows: 67 Minutes were conducted on the 27 August 2021, Winnie Madikizela-Mandela Month was conducted on the 27 September 2021, Oliver Tambo Commemoration	.7 Council Approved Legacy programmes implemented and installation of Winnie-Madikizela Mandela Statue by June 2023	1.67 minutes program was done on 18 July 2022 at ward 3.2. Winnie Madikizela Legacy program took place at ward 14 Mbhongweni on 14 October. 3.0 R Tambo legacy was conducted on 29 October 2022 at cultural	R367,634.30	Not Achieved	The commemoration of Mphuthumi Mafubatha legacy was not achieved due to numerous postponements informed. For the installation of Winnie Madikizela - Mandela Statue, bidders were non-responsive	N/A	The Mphuthumi Mafubatha Legacy commemoration has been carried out on the 11th August 2023. The project was re-advert and evaluation has been done in August 2023.

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													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved			
				By facilitating appointment of service provider to conduct research on institutional heritage by June 2023	N/A (new project)	To conduct research on institutional heritage	Research on institutional heritage conducted	5.9.2	0.5	Signed ToR and Appointment letter	R700,000.00	R20,000.00	Yes	N/A	N/A	N/A	Appointed Service Provider for the development of institutional heritage book by June 2023	TOR were developed and submitted to SCM for advertisement that closed on 31 August 2022. The project was advertised and bidders were non-responsive, therefore it went to re-advert that closed on the 6th July 2023.E	Nil	Not Achieved	Non responsiveness of bidders.	N/A	Project went on re-advert and evaluation has been done in August 2023/24FY.

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Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved			
																			valuation committee sat in August.				

KPA N0 5: Good Governance & Public Participation

Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved			
Customer Care	Lack of awareness and commitment on customer care relations	To minimize customer care related complaints and create a customer friendly environment by June 2027	5.10	By enhancing capacity within customer care function by June 2023	Customer Care register, Complaints book and Customer Care Policy	Implementation of Customer care policy	Number of Customer care programmes conducted	5.10	0.5	Concept documents, Attendance registers, updated customer complaints register and customer complaints progress report	R326,273.00	R326,273.00	Yes	N/A	8 customer care programmes conducted and 4 Customer care hotline reports submitted by June 2022	Only 7 customer care programmes done	8 Customer Care Programs, 4 Customer Care hotline Reports, 2 updated customer complaints register and 2 Customer Complaints Programs conducted: 14 October 2023	Fisrt Quarter Customer Care Day conducted on 22 August 2022	R289,800.00	Achieved	N/A	N/A	N/A

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Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action	
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				By enhancing capacity within customer care function by June 2023	Customer Care Satisfaction Survey Report	Conduct Customer Care Satisfaction Survey	Number of reports submitted	5.10.2	0.5	Final Customer Care Satisfaction Survey Report	R150,000.00	R150,000.00	Yes	N/A	1	No customer satisfaction survey conducted by June 2022	1	Customer Care Satisfaction Survey Report by June 2023	Customer Care Satisfaction Survey was conducted, final report was tabled to the Exco and to Council	R199,500.00	Achieved	N/A	The appointed service provider charged more than the allocated budget. Then variation order was done to accommodate the difference.	N/A

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Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved			
Communications	Ineffective communication	To improve sound communication and public liaison by June 2027	5.11	By implementing various mechanisms of communication within the council approved communication	Revised Communication strategy	Communication Strategy review and implementation	Number of reviewed communication strategy and Implemented Action Plan	5.11	0.5	Draft communication strategy, Final communication Strategy, Progress report, attendance register	R1,012,000.00	R1,012,000.00	Yes	N/A	1 reviewed communication strategy and implemented Action Plan by June 2022	Communication Strategy was implemented at the start of the financial year and reviewed on 07-08 June 2022.	Reviewed Communication strategy by June 2023	The communication strategy review session was held successfully on the 08 June 2023	R100464.00	Achieved	N/A	N/A	N/A

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													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved			
				n strategy by June 2023	2 newsletters	Compilation of the newsletter	Number of newsletters produced	5.11.2	0.5	Concept Letter approved by the MM, Draft newsletter, 1st & 2nd Final newsletter, Register for proof of distribution	R156,000.00	R156,000.00	Yes	N/A	2 newsletters produced by June 2022	2 Newsletters were produced by June 2022	2 newsletters by June 2023	2 Newsletters were produced and distributed by June 2022.	R39425,00	Achieved	N/A	N/A	N/A
				By implementing communication strategy by June 2023	4 quarterly LCF meetings	Conduct Local Communications Forum meetings	Number of LCF meetings conducted	5.11.3	0.5	4 invitation letters and Attendance registers	N/A	N/A	Yes	N/A	4 Quarterly LCF meetings conducted by June 2022	4 LCF Meeting sat on 08 September 2021, 24 November 2021, 16 March	4 quarterly LCF meetings by June 2023	The four LCF meetings were held successfully. Three of them were held face to	N/A	Achieved	N/A	N/A	N/A

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													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved			
																	2022, 31 May 2022		face and one virtual. The dates for the LCF meetings are 30 August 2022, 01 November 2022, 14 February 2023 and the virtual meeting on the 23 June 2023				

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Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved			
Inter Governmental Relations	Frag mented co-ordination of govern ment services	To improve coordination of service delivery amon gst spheres of govern ment by June 2027	5.12	By implementing IGR Terms of reference by June 2023	Adopted IGR terms of refere nces and four IGR meeti ngs	Four IGR Meeti ngs facilitated	Number of IGR meeti ngs facilitated	5.12	0.5	4 Invitation letters and attendance registers	N/A	N/A	Yes	N/A	1 Adopted IGR Terms of reference and 4 IGR meeti ngs held by June 2022	4 IGR meeti ngs were held on the 16 September 2021, 17 December 2021, 16th February 2022 and 21st June 2022	4 IGR meeti ngs facilitated by June 2022	IGR meeti ngs were facilitated on 15 September 2022,25 november 2022,8 March 2023,21 june 2023.	N/A	Achieved	N/A	N/A	N/A
Management of Communicable Diseases	Increasing rate of prevalence in number comm unicable dese	To reduce the rate of prevalence of all comm unicable dese	5.13	By rollou ting awer enes s on preventive meas ures of	1 Reviewed Com municable Diseases Mana geme nt Plan	Reviewal of the Local Com municable Diseases Mana geme nt	Number of Reviewed Local Com municable Diseases Mana geme	5.13	0.5	Attendance register for Programme , Minutes of the Standing	R23,000.00	R23,000.00	Yes	N/A	1 Adopted Local Com municable Diseases Mana geme nt	1 consultation meeti ng was held with stake holder s on the 29	1 Reviewed Local Com municable Diseases Mana geme nt	Comm unicable Diseases Management Plan was Reviewed at Council Chamb	R23,000.00	Achieved	N/A	N/A	N/A

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Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved			
	diseases	ases by June 2027		com muni cable dese ases by June 2023		Plan and present to Standing Committee	nt Plan and present to Standing Committee			Committee					Plan by June 2022	Sept 2021 at the Municipal Council Chambers.	Plan and present to Standing Committee by June 2023	er on the 06th of September 2022 and also presented to the Standing Committee on 30 November 2022.					

KPA N0 5: Good Governance & Public Participation

Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved			
				By rollouting awareness on preventive measures of communicable diseases by June 2023	12 programmes implemented	Conduct programmes on reduced teenage pregnancy and other communicable diseases	Number of programmes conducted in schools on reduced teenage pregnancy and communicable diseases	5.13.2	0.5	4 Concept Documents and 8 Attendance registers	R120,000.00	R120,000.00	Yes	N/A	12 programmes conducted in 4 schools on communicable diseases by June 2022	Awareness; Individual Counselling; Referrals and Assessment Programmes were conducted at the ff: Mjanyelwa JSS on the 16 September 2021; Maha JSS on the 14 October 2021; Ndunge JSS	12 programmes conducted in 8 schools on reduced teenage pregnancy and communicable diseases by June 2023	12 Programmes (Awareness in Sexual Reproductive Health, Individual Counselling and Human Papilloma Virus; School Dialogue, Hand-Wash Demonstration and Awareness in Human Papilloma Virus; Pregnancy Awareness, TB Awareness, STI/Condom Awareness	R70,000.00	Achieved	N/A	N/A	N/A

KPA N0 5: Good Governance & Public Participation

Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved			
				By rollouting awareness on preventive measures of communicable diseases by June 2023	2 HIV/AIDS support groups supported	To support 2 HIV/AIDS support groups	Number of HIV/AIDS support groups supported	5.13	0.5	Concept Document Attendance registers and hand over register	R120,000.00	R120,000.00	Yes	N/A	2 HIV/AIDS support groups supported by June 2022	Supported 2 Support Groups on the 18 November 2021; Supported 13 Support Groups by conducting Capacity Building and Candle Light program at Ntabankulu on the 02 June 2022.	8 HIV/AIDS support groups supported by June 2023	Conducted World AIDS Day on the 29th of November 2022 at kwaKhanyayo Village ward 15.8 HIV/AIDS Support Groups which were -	R120,000.00	Achieved	N/A	N/A	N/A

KPA NO 5: Good Governance & Public Participation																							
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved			
				By rollouting awareness on preventive measures of communicable diseases by June 2023	2 NGO's supported with health care kits and Personal Protective Equipment and promotional materials	2 NGO's supported with health care kits and Personal Protective Equipment and promotional materials and conducted 1 awareness for Traditional Health Practitioners (THP)	Number of NGO's supported with health care kits and Personal Protective Equipment and promotional materials and conducted 1 awareness for Traditional Health	5.134	0.5	Hand over register	R98,000.00	R98,000.00	Yes	N/A	2 NGO's supported with health care kits and Personal Protective Equipment and promotional materials by June 2022	Supported 2 Local NGO's with Health Care Kits ; Promotional Material and Protective Equipment.	2 NGO's supported with health care kits and Personal Protective Equipment and promotional materials and Conducted 1 awareness for Traditional Health	2 NGO's supported with Health Care Kits and Personal Protective Equipment and Promotional Material which were Sansit Health Support supported on the 2nd of December 2022 and Sinokh anyo Home-Based	R98000,00	Achieved	N/A	N/A	Nil

KPA NO 5: Good Governance & Public Participation																							
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved			
						s)	h Practitioners (THPs)											Practitioner (THP) by June 2023	Care where was Hand-over at Hluma Lodge by Mayor. Traditional Health Practitioner Awareness was Conducted at Youth Centre Hall on the 08th of September 2022 and attended an African Traditional Medicin				

KPA N0 5: Good Governance & Public Participation																							
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved			
																			Day on the 16th of September 2022 at Ntabankulu Local Municipality where THP's were transported and also provided with Lunch pack by WMML M.				

KPA N0 5: Good Governance & Public Participation																							
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved			
				By rolloung awareness on preventive measures of communicable diseases by June 2023	Screened and educated 4000 people on Communicable diseases	Screened and educated 4000 people on Communicable diseases	Number of Screened and educated people on Communicable diseases	5.13.5	0.5	Attendance Register	N/A	N/A	N/A	N/A	Screened and educated 4000 people on Communicable diseases by June 2022	Awareness Programs was conducted inside Municipality and in the Local Communities, also conducted Covid 19 Screening.	Screened and educated 4000 people on Communicable diseases by June 2023	Screening and Education was conducted in 5312 people on Communicable Diseases.	N/A	Achieved	N/A	N/A	N/A
				By rolloung awareness on preventive measures	4000 condoms distributed	4000 condoms distributed	Number of condoms distributed	5.13.6	0.5	Handover register	N/A	N/A	N/A	N/A	4000 condoms distributed by June 2022	Preventive Measures was done by Distributing and	4000 condoms distributed by June 2023	47 200 Condoms was Distributed on the Tarven; BnB's; Shops; Taxi & Bus	N/A	Achieved	N/A	N/A	N/A

KPA NO 5: Good Governance & Public Participation																																				
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action													
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved																
				of communicable diseases by June 2023																																

KPA N0 5: Good Governance & Public Participation																							
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved			
Litigations	Centralisation of Legal matters	To ensure proper management of municipal legal matters by June 2027	5.14	By implementing council adopted legal risk management and litigation policy by June 2023	Cases on court roll	Progress reports on cases attended and submitted to the Good Governance Standing Committee	Number of progress reports on cases attended and submitted to the GG Standing Committee	5.14	0.5	Progress report on litigation performance and minutes of Standing Committee	6 300 000.00	7 300 000.00	Yes	N/A	4 Progress reports on cases attended by June 2022	4 Progress reports on cases attended by June 2022	4 Progress reports on cases attended submitted to the GG Standing Committee by June 2023	4 Progress reports on cases attended to the the GG Standing Committee on 31 August 2022, 27 October 2022, 17 February 2023 and 11 May 2023	6 998 745.00	Achieved	N/A	An adjustment was made due to the claim for the civic centre wherein it was ordered by the Court to transfer a provisional payment of R665 573.70 to	N/A

KPA NO 5: Good Governance & Public Participation																							
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved			
																					the attorneys trust account pending the outcome of the arbitration between the Parties (Iqhayiya// WMM LM		

KPA NO 5: Good Governance & Public Participation																							
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved			
				By implementing council adopted legal risk management and litigation policy by June 2023	2 Workshops	workshops on policies	Number of workshops conducted on policies	5.14.2	0.5	Attendance Register and Presentation	N/A	N/A	N/A	N/A	2 workshops conducted on policies by June 2022	2 workshops were conducted on Institutional Disciplinary Code and procedure to departmental supervisors on the 28 October 2021	2 workshops conducted on policies by June 2023	2 workshops conducted on the Disciplinary Procedure & Code (Community Services & LED Department) on 04 November 2022 and Disciplinary Procedure and Dispute Resolution (Supervisors) on 31 May-01	N/A	Achieved	N/A	N/A	N/A

KPA N0 5: Good Governance & Public Participation

Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved			
																			June 23				

KPA N0 5: Good Governance & Public Participation

Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved			
Public Participation	Improve performance of public participation structures	To strengthen and enhance public participation Mechanism by June 2027	5.15	By creating engagement platforms for community's committee structure by June 2023	Community education conducted in ten wards, adopted schedule of ward committee structures and monitoring report	Conduct community education in ten wards, monitor ward committee meetings.	Number of community education, ward committee	5.15	0.5	Concept document, attendance register and monitoring report	R358,800.00	R358,800.00	Internal	N/A	10 Community education programs conducted and 8 ward committee meetings monitored by June 2022	12 Community Education programs were conducted as follows: Ward 1, ward 3, ward 6, ward 7(16 Sept 2021), ward 7 (15 Oct 2021), ward 15, ward 17, ward 24, ward 28, ward 32, ward 25, ward 21	10 community education programs conducted and 12 ward committee meetings monitored by June 2023	11Community Education Programs: ward 20 on 04/08/2022, ward 04 on 10/08/2022, ward 01 on15/08/22, ward 18 on02/11/22, ward 28 on03/11/22 and ward 32 on07/11/22, ward 08 on 21/02/2023, ward 16 on 22/02/2023, ward 21 on 03/03/2023 and ward 02 on 02/03/2023	R205,590.00	Achieved	N/A	N/A	N/A

KPA NO 5: Good Governance & Public Participation																							
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved			
				By supporting CDW's programmes and initiatives by June 2023	1 CDW Awareness Campaign and two round table meetings	CDW Awareness Campaigns, ward war room monitoring and two round table meetings held	Number of CDW Awareness campaigns conducted, number of round table meetings held and ward war room monitored	5.15.2	0.5	Concept document, attendance register and ward war rooms monitoring report	R147,600.00	R147,600.00	Internal	N/A	1 CDW Awareness Campaigns Campaign conducted on 31 March 2022	1 CDW Awareness campaign conducted on 31 March 2022	1 CDW Awareness Campaign, 2 round table meetings and 8 ward war room monitored by June 2023	1 CDW Awareness Campaign was done in ward 23 on 16/03/23, 5 CDW Round table meetings; 29/07/22, 29/08/22, 26/10/22, 26 April 2023 and 25 May 2023. 8 Ward war room meetings in wards: ward 23	R78,000.00	Achieved	N/A	N/A	N/A

KPA NO 5: Good Governance & Public Participation																									
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action		
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved					
																	10, ward 21, ward 10, ward 1, ward 13, ward 10, ward 1, ward 13, ward 10.		20/10/2 2. Ward 13 13/09/2 2. Ward 13 18/08/2 2. Ward 10 19/08/2 2. ward 01 23/02/2 3. ward 23 on 28/02/2 3. Ward 01 17/05/2 3. Ward 13 28/06/2 3. Additional Programs: GBV Awareness Campaigns done in 2						

KPA N0 5: Good Governance & Public Participation																							
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved			
				By building capacity and support to public participation by June 2023	310 ward committee member, 20 CDW's and 31 ward war rooms	Provision of training and monitoring of public participation structures	Number of training conducted and support provided	5.153	0.5	Concept documents, attendance registers,	R347,700.00	R347,700.00	Internal	N/A	32 Ward Committee Structures established and capacitate d by June 2022	Establishment of ward committees was done on 08-28 February 2022 Induction of ward committees was done on the 25th and 31st	Provided training to 64 ward committee members and monitored of public participation structures by June 2023	Procurement of ward committee stationary and name tags. Tender advert closed on the 10/11/22. Delivery was done. Training of Ward Committees was done	R97,780.00	Achieved	N/A	N/A	N/A

KPA NO 5: Good Governance & Public Participation																							
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved			
																	March 2022.		on 16 & 17 February 2023. Council meeting sat on the 28th of June 2023 to adopt the schedule of ward committee meetings.				
	Compliance with Section 73 MSA	To ensure coordinated public participation in all municipal		By facilitating consultative sessions with communities to ensure	1 Mayoral Imbizo, 1 IDP & Budget roads and 1 Annual Repo	To facilitate consultative sessions with communities	Number of consultative sessions with communities	5.154	0.5	Concept document, public comments, attendance registers.	R230,600.00	R230,600.00	Internal	N/A	1 Mayoral Imbizo, 1 IDP & Budget Road shows and 1 Annual	1 Mayoral imbizo done on 20/10/2021 1 IDP Road shows done	To facilitate 03 consultative sessions with communities by June 2023	1 Mayoral Imbizo on the 08th of November 2022. 1 Annual Report Public Consultation was	R37,846.38	Achieved	N/A	N/A	N/A

KPA NO 5: Good Governance & Public Participation																								
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action	
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved				
		programs by June 2027		public involvement in all municipal programs by June 2023	rt Consultation held											al Report roads how for community Comments by June 2022	from to 10-22 May 2022 1 Annual Report Public Consultation done on 14 and 16 March 2022		done on 14/03/23 in wards 01 and 09. 1 IDP & Budget roadshow was done on 19-21 April 2023.					

KPA N0 5: Good Governance & Public Participation																							
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved			
Council	Compliance with Sec 18(1) and (2) of Municipal Structures Act	To ensure proper sitting of Council and Council Committees by June 2027	5.16	By adhering to the council adopted schedule of council meetings and its committee meetings by June 2023	Adopted schedule of council meetings and its committees for 2021/2022	Adoption of Council meeting schedule and its committee meetings, convene Council meetings and council committees	Number of council meetings and number of councils committees convened	5.16	0.5	Adopted schedule of council meetings and its committees for 2023/2024 FY, Adverts for council meetings and registers for council and its committee meetings	R2,908,600.00	R2,908,600.00	Internal	N/A	1	1	Adoption of Council meeting schedule and its committee meetings was done	Schedule of meetings was adopted on the 28 June 2022, Four (4) council meetings convened and sixty seven (67) committee meetings held	R369,308.00	Achieved	N/A	N/A	N/A

KPA NO 5: Good Governance & Public Participation																									
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action		
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved					
																	council on the 27th January 2022								
																	41 Council committees held								
Bylaws	Compliance with laws and regulations	To ensure proper regulation of the municipal powers and functions by June 2027	5.17	By facilitating review and/or developed Municipal By Laws by June 2023	42 reviewed and gazetted by laws	Reviewing of By-laws and adopted by Council	Number of Gazetted By Laws Reviewed and adopted by Council	5.17	0.5	Copies of the 10 reviewed Municipal By laws	R216,000.00	136,000.00	Yes	N/A	2 Gazetted By Laws and 2 Reviewed Bylaws submitted to Council by June 2022	2 Reviewed By Laws submitted to Council for input namely: Rank Management By Law and	10 Gazetted Municipal By Laws reviewed and adopted by Council by June 2023	10 Gazetted Municipal By Laws reviewed and adopted by Council on 27 June 2023; Public Amenities, Nuisan	Nil	Achieved	N/A	No budget was spent on the review process as the task of review was	N/A		

KPA NO 5: Good Governance & Public Participation																									
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2021/2022		Actual Measurable Performance 2022/2023				Reasons for Variance	Reason for Budget variance	Remedial Action		
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non Financial	Actual Financial	Achieved / Not Achieved					
																	Waste Management By Law 2 Gazetted By Laws namely Liquor By Law and Informal Trading By Law gazetted on 07 June 2022		ce & Behaviour, Indigent Support, Metered Parking, Keeping of Animals, cemeteries, Parks & Recreational, Pound, Beach, Air Quality and Coastal Management By Law					done in house.	

CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

COMPONENT A: Introduction to Municipal Personnel

Employee Totals, Turnover and Vacancies

Employees	2022-2023			
Description	Approved Posts	No. Of Employees	Vacancies	Vacancy Rate in %
MM's Office	43	37	6	14%
Corporate Services	47	38	9	19%
BTO	25	23	2	8%
Development Planning	23	18	5	22%
Community Services	130	108	22	17%
Engineering Services	39	32	7	18%

Meetings and Administration and registry services

For the financial year of 2022/23 the records management unit undertook the following tasks to completion:

- Quarterly trained records end-users on records classification systems requirements and policy reviews
- Facilitated and coordinated awareness for records end-users on file plan use and proposed file plan revisions.
- Identified office space for RM personnel
- Coordinated awareness for management on importance of records management
- Responsible for organizational widespread communication of records management compliance and legislative requirements thereto.

Managing the Work Force

Policies

Human Resources Policies				
	Name of Policy	Completed	Reviewed	Adopted
1	Staff Establishment (Organisational Structure)	Yes	Yes	28 June 2022
2	Human Resource Plan	Yes	Yes	26 March 2020
3	Employment Equity Policy	Yes	Yes	27 June 2023
4	Workplace Skills Plan	Yes	Yes	27 June 2023
5	Acting Policy	Yes	Yes	27 June 2023
6	Attendance & Punctuality Policy	Yes	Yes	27 June 2023
7	Chronic Illness Policy	Yes	Yes	27 June 2023
8	Disciplinary Code & Procedure	Yes	Yes	27 June 2023
9	Employee Wellness Policy	Yes	Yes	27 June 2023
10	Employment Benefits & Conditions Policy	Yes	Yes	27 June 2023

11	Recruitment & Selection Policy	Yes	Yes	27 June 2023
12	Grievance Policy & Procedure	Yes	Yes	27 June 2023
13	Performance Management & Development System Policy	Yes	Yes	27 June 2023
14	Job Evaluation Policy	Yes	Yes	27 June 2023
15	Leave Policy	Yes	Yes	27 June 2023
16	Placement & Migration Policy	Yes	Yes	27 June 2023
17	Occupational Health & Safety Policy	Yes	Yes	27 June 2023
18	Organisational Design Policy	Yes	Yes	27 June 2023
19	Overtime Policy	Yes	Yes	27 June 2023
20	Retention Policy	Yes	Yes	27 June 2023
21	Remuneration Policy	Yes	Yes	27 June 2023

Suspensions

Number and period of suspensions				
Position	Nature of alleged misconduct	Date of Suspension	Details of disciplinary action taken	Date finalised
None	Nil	Nil	Nil	Nil

Performance Rewards

The Council resolved on the payment of senior management receiving performance bonuses after performance evaluations that were conducted as prescribed by the LG: Municipal Performance Regulations for Municipal Managers and Managers reporting directly to the Municipal Manager and the outcomes were as follows:-

Employee Name	Designation	Score Percentage	Reward
1. Mr. L.Mahlaka	Municipal Manager	154%	10%
2. Mr. Z.A. Zukulu	CFO	150%	10%
3. Mr. L. Gwala	SM: Engineering Services	131%	5%
4. Ms N. Mafumbatha	SM: Development Planning	134%	5%
5. Mr. Z. Gwala	SM Corporate Services	137%	7%

The reward is calculated based on the total annual remuneration of each employee.

Human Resources and Skills Management

The WMMLM Employee Retention Policy provides guidance and information to Council, Management and Labour in order to effectively implement and promote the retention of staff. In the concerned financial year the Municipality has achieved the following:

- Retained four (4) employees by means of promotion to higher positions.
- Absorbed three (3) of the EPWP beneficiaries into permanent positions.

Information and Communication Technology Services

The Information and Communication Technology (ICT) section is responsible for ICT architecture, ICT hardware, software and networking including peripheral devices. As ICT unit, a number of duties are

performed to ensure that employees have full access to the network and municipal systems. Information technology (IT) has become a vital and integral part in all government spheres in introducing efficiencies and ensuring data integrity.

ICT supports a server room with 2 hosts with 12 virtual servers and 3 other physical servers, a UPS for the entire server room with a backup generator. The server room has access control security system (biometric reader). All cabinets with distribution switches are supplied with UPSs. The municipality has a fully functional VoIP telephony system. To improve internet and email traffic, the municipality has a 20mb fibre (Metro-E) running Voice over IP (VoIP), VIDEO and standard Data traffic. The Municipality has both physical and wireless Access points (Wi-LAN). The Municipality has an offsite storage. Daily backups are kept and stored this offsite storage that is fire proof, in a Data Centre in Centurion, Gauteng

4.7. Employee Wellness

The municipality is committed to promoting equal opportunities and fair treatment to all its employees, through the elimination of unfair discrimination and integrated wellness programmes and policies. The municipality has adopted a holistic approach to address social and work-related problems through awareness programmes for its employees on HIV and AIDS, Chronic illnesses, Disability and Occupational Health and Safety for its employees.

Health & Safety representatives have been appointed, inducted and trained through the skill development programme.

The section has undertaken the following during the reporting year:-

- A total of one hundred and eighty (180) employees that are exposed to high risk areas have been exposed to medical surveillance in order to ascertain that they are still fit to conduct their duties.
- The OHS Committee with the assistance of DOL (department of labour) led the Occupational Risk Assessment and have also conducted an inspection of all Municipal Buildings and vehicles and made recommendations on findings with time frames.
- An awareness programme of Organisational Culture and work ethics was conducted to all municipal employees.
- First aiders were appointed according to the different areas of concern in and around the municipality in order to adhere to the OHS Act and training was
- had to devise other means going into the next financial year.
- organised but could not get an appropriate provider and the department has

CHAPTER FIVE: FINANCIAL MANAGEMENT

16. FINANCIAL MANAGEMENT

Financial Disclosure

The financial disclosure was done by the Municipal Manager, five Senior Managers reporting to the Municipal Manager as well as all SCM Officials of the municipality. Sixty-two Councillors also completed the financial disclosure requirements.

Statement of Financial Performance

The statement of financial performance prepared by the municipality shows that the municipality has in the 2022/23 financial year continued to record an operating surplus. This may be attributed to increases in the operating grants coupled with recorded savings that might have been as a result of savings on contracted, general expenses and, a decrease recorded in the provision for dumping site rehabilitation as a result of revised figures compared to the annual budget estimates. There were also savings on recorded on non-cash expenditures like depreciation, Impairment losses and debt impairment which may have been as a result of little impairments recorded for the year as initially anticipated as well as improved debt collection measures. This surplus is also as a result of revenue recognised on conditional grants received and spent that were used to create and rehabilitate assets where the corresponding expenditure is reported in the statement of financial position while the revenue recognised goes to the accumulated surpluses to create funding for the amortisation of the corresponding assets over their useful lives.

This statement shows revenue from Exchange Transactions at above R93 million, Property Rates at R21.1 million and grants at more than R437 million. The total expenditure on the other hand shows a total expenditure of R386 million including losses on disposal of assets (see annual financial statements).

Grants

Winnie Madikizela-Mandela Local Municipality received grant funding for the 2022/23 financial year as reflected on the Division of Revenue Act 5 2022, Appropriation Act and the Provincial Government Gazette. The grant funding for the year was as follows and all the grants were received: -

Description	2022/23 Adjusted Budget	2023/24 Budget	2024/25 Budget
EQUITABLE SHARE	R 320 095 000	R 341 204 000	R 364 039 000
FINANCIAL MANAGEMENT GRANT	R 2 100 000	R 2 100 000	R 2 100 000
MIG	R 50 682 000	R 57 426 000	R 59 969 000
INEP	R 16 400 000	R 17 000 000	R 23 500 000
EPWP GRANT	R 3 687 000	R 3 222 000	

Description	2022/23 Adjusted Budget	2023/24 Budget	2024/25 Budget
DISASTER RELIEF GRANT	R 12 790 000	R 0	R 0
GENERAL BUDGET SUPPORT GRANT	R 22 819 000	R 0	R 0
DISASTER RECOVERY GRANT	R 33 806 000	R 0	R 0
LIBRARY SUPPORT GRANT	R 500 000	R 500 000	R 500 000
TOTAL	R 462 879 000	R 421 452 000	R 452 108 000

- **Equitable Share:** is utilized mainly for funding operations and could also be used for a smaller portion of capital expenditure
- **Municipal Infrastructure Grant:** is a conditional grant for the funding of municipal infrastructure developments ranging from roads, community facilities and economic development infrastructure
- **Financial Management Grant:** is aimed at building the financial management capacity as well as for the procurement and maintenance of financial systems.
- **Integrated National Electrification Grant:** is a conditional grant used for electrification of rural villages to ensure universal access to the service.
- **Disaster relief Grant:** is a conditional grant availed to the municipality to provide immediate interventions to victims of disaster that may have occurred
- **Disaster Recovery Grant:** is a conditional grant availed to the municipality to reconstruct infrastructure damaged by disaster that may have occurred
- **General Budget Support Grant:** is a conditional grant availed to the municipality following applications to support manufacturing in the area through construction of manufacturing hubs

Winnie Madikizela-Mandela Local Municipality received other grant funding for the 2022/23 financial year as indicated in the provincial gazette which has also been included on the total indicated above. The grant funding for the year was as follows and all the grants were received: -

Description	2022/23 Adjusted Budget	2023/24 Budget	2024/25 Budget
LIBRARY SUBSIDY	R 500,000	R 500,000	R 500,000
TOTAL	R 500,000	R 500,000	R 500,000

Asset Management

Asset Management is a component of the Budget and Treasury Office that is a standalone component as Assets and Stores Management with its dedicated human and financial resources. This section ensures that all assets are correctly accounted for, safe guarded and are known exactly according to their locations. Over the years the section has ensured that a GRAP compliant fixed asset register is compiled, that is appropriately unbundled and is able to indicate the description of the assets, their locations, their useful lives, their current status, and a whole lot of other essential information as required. This register is subjected to the audit by the Auditor General to ascertain its credibility and its ability to assist management in managing assets.

17. COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

Capital Expenditure

The following table shows the capital expenditure incurred by the municipality for the 2022/23 financial period: -

Description	2022/23 Budget	Adjusted	ACTUAL
INFRASTRUCTURE	R 93,895,167.00		R 118,472,925
COMMUNITY ASSETS	R 31,709,378.00		R 22,494,988
VEHICLES	R 5,076,957.00		R 4,457,473
COMPUTER HARDWARE AND EQUIPMENT	R 4,439,565.00		R 3,120,966
FURNITURE AND OFFICE EQUIPMENT	R 3,307,917.00		R
MACHINERY AND EQUIPMENT	R 217,392.00		R 168,114
BUILDINGS	R 349,635.00		R 748,440
HERITAGE ASSETS	R 0.00		R
OTHER ASSETS	R 11,827,702.00		R 996,995
TOTAL	R 150,823,713.00		R 150,459,901

Sources of Finance

Apart from grant funding, the municipality also has other funding streams. It is important to note that these streams still form a very limited portion of the overall revenue generated and strategies and plans still need to be crafted to turn the situation around.

Description	Adjusted 2022/23 Budget	ACTUAL
PROPERTY RATES	R 21,468,489.00	R 21,160,320
SERVICE CHARGES - ELECTRICITY	R 36,845,308.00	R 40,847,763
SERVICE CHARGES – REFUSE REMOVAL	R 4,501,966.00	R 4,478,327
RENTAL OF FACILITIES AND EQUIPMENT	R 4,498,452.00	R 7,575,950
INTEREST ON INVESTMENTS	R 19,090,440.00	R 21,920,440
INTEREST ON ARREAR DEBT	R 5,377,731.00	R 6,450,430
FINES AND PENALTIES	R 592,627.00	R 1,224,575
AGENCY FEES	R 1,520,874.00	R 1,360,653
LICENCES AND PERMITS	R 2,403,886.00	R 2,169,042
TRANSFERS – OPERATING	R 350,923,700.00	R 343,329,882
TRANSFERS - CAPITAL	R 107,215,366.00	R 93,671,117
OTHER INCOME	R 868,367.00	R 13,402,908
TOTAL	R 555,307,206.00	R 557 112 051

Capital Expenditure on Seven (7) Largest Projects

Project Name	Status	Ward No	22/23 Expenditure
CONSTRUCTION OF MBIZANA CIVIC CENTER	In progress	01	R 7 652 400.24
CONSTRUCTION OF MPHUTHUMI MAFUMBATHA STADIUM	Completed	01	R 0.00
REFURBISHMENT OF TAXI RANK PHASE 2	Completed	01	R 6 992 031.05

Project Name	Status	Ward No	22/23 Expenditure
SIDANGA ACCESS ROAD	In progress	28	R 21 789 061.85
SIXHANXENI ACCESS ROAD	Completed	31	R 8 620 938.50
TSHUZE TO LUPHILISWENI GRAVEL ACCESS ROAD	Completed	09	R7 681 967, 32
ELECTRIFICATION OF MSARHWENI VILLAGE	In progress	22	R 5 982 431.76

18. COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENT

Cash flow

The municipality is still able to meet its obligations as they fall due, which is an indication that there are sufficient funds within the municipality to ensure that financial obligations and commitments are settled within time and with no difficulties.

As disclosed in the annual financial statements, the municipality is a going concern and is therefore expected to operate for at least the next 12 months. The liquidity ratio of the municipality is still showing signs of health as the current assets of the municipality far outweigh the current liabilities. Having noted this, it must be indicated that the municipality needs to ensure a careful balancing act to ensure that there is no extravagant spending on non-essential items and taking this from the tune of the National Treasury on cost cutting and austerity measures to be implemented. As disclosed on page 78 of the annual financial statements as well, the municipality still has commitments to the value of more than R66.7 million as at the end of June 2023.

The municipality has also been able to generate in the excess of R21.9 million on interest from investments. These investments are cash that is not immediately required by the municipality and is therefore placed on short term investments to generate some interest. The municipality's cash and cash equivalents balances at year end have increased during the year from R277.1 million to R360 million, which is in line with the savings reported earlier in this chapter.

Borrowing and Investment

The municipality has not entered into any borrowing arrangements over the past 5 years including the year being reported as all developments were funded from either grants or own funding. This was also to ensure that no additional financial burden is placed on the municipalities in terms of the cost of these borrowing arrangements.

The municipality places surplus cash into short term investments to ensure that they earn better interests and grow the municipality's income earning capacity. These are funds that we normally utilised to supplement service delivery within the municipality.

19. COMPONENT D: Other Financial Matters

GRAP Compliance

Winnie Madikizela-Mandela Local Municipality compiled its 2022/23 Annual Financial Statement according to the provisions of the MFMA, GRAP and other applicable legislations. This has always been supported by the compilation of a Fixed Asset Register that complies with all the requirements of GRAP. The Auditor General of South Africa then audited these and gave its opinion at the end of the process which was communicated to the municipality at the end of November 2023.

CHAPTER SIX: AUDITOR GENERAL'S AUDIT FINDINGS

20. COMPONENT A - Auditor's Opinion on the Finance Statement for Prior Year.

Prior Year Comments

The Auditor General of South Africa audited the 2021/22 annual financial statements and they expressed their opinion as an unqualified audit opinion with no material findings. The municipality then, on the basis of the findings, even though not material, has prepared an audit action plan to address the findings of the AG. The plan was developed by the Chief Financial Officer and will be tabled to council and approved. The progress on the action will then reported to management committee meetings and to the relevant council committees. This will ensure that there is enhanced monitoring on the progress in dealing with the findings. All findings should therefore be addressed by the next audit. The auditor general however emphasised the following:

- Material impairments as disclosed in note 14 to the financial statements, the municipality reported material impairment of R17.9 million (2021: R17.3 million) as a result of irrecoverable debtors.

Current Year

The Auditor General of South Africa audited the 2022/23 annual financial statements and they expressed their opinion as an unqualified audit opinion with no material findings. The municipality then, on the basis of the findings, even though not material, prepared an audit action plan to address the findings of the AG and improve the quality of the information reported and presented for the audit. The plan was developed by all affected heads of departments under the guidance of the Chief Financial Officer and will be tabled to council and approved.

The progress on the action will then reported to management committee meetings and to the relevant council committees. This will ensure that there is enhanced monitoring on the progress in dealing with the findings. All findings should therefore be addressed by the next audit. The auditor general however emphasised the following:

- Material impairments as disclosed in note 14 to the financial statements, the municipality reported material impairment of R18.0 million (2022: R17.9 million) as a result of irrecoverable debtors.

Compliance with legislation and key deadlines

The municipality has complied with legislation and key deadlines relating to the implementation of the IDP and the budget. Below is a summary of the key milestones that the municipality has ensured compliance with:

- The SDBIP was approved within 30 days from the approval of the budget
- The schedule of key deadlines or IDP and budget process plan was approved at least ten months before the start of the budget year
- All monthly reports were prepared and submitted within 10 working days of the end of each month as required by s71 of the MFMA
- All quarterly reports were prepared and submitted within 30 days of the end of the quarter
- The mid-year assessment was presented by the 25th of January to the Mayor
- The budget was adjusted within 60 days of the revision of government grants
- The main adjustment budget was approved by council by the 28th of February 2023
- The draft budget was tabled and adopted by council by 31 March 2023
- The budget for the 2023/24 financial year was tabled and approved by council by 31 May 2023
- Annual financial statements were prepared and submitted to the AG for auditing by 31 August 2023.
- The audit process commenced before the end of August and completed by 30 November 2023

Appendixes

- A. WMM LM Councillors and Council Attendance
- B. Municipal Committees
- C. Third Tier Management Structure
- D. Municipal Functions
- E. Ward Reporting
- F. Public Works Capital Programme
- G. Corrective Action Plan
- H. Audit Committee Recommendations

I. Revenue Collection Performance By Vote

Description	Final Budget	Actual Income
	6	7
	R	R
REVENUE BY VOTE		
Mayor and Council	R 0.00	R 0.00
Municipal Manager	R 0.00	R 0.00
Budget and Treasury	R 363 939 871	R 373 244 835
Corporate Services	R 509 099	R 575 685
Development and planning	R 44 480 949	R 22 795 240
Community and Social service	R 13 304 371	R 25 271 049
Engineering Services	R 133 072 916	R 135 225 242
Total Revenue by vote	R 555 307 206	R 557 112 051

J. Revenue Collection Performance by Source

Description	Final Budget	Actual Amount
	R	R
REVENUE		
Property rates	R 21 468 489	R 21 160 320
Service charges - refuse and electricity	R 41 347 274	R 45 326 090
Fines	R 592 627	R 1 224 575
Licenses and permits	R 2 403 886	R 2 169 042
Government grants and subsidies	R 458 139 066	R 437 000 999
Rental of facilities and equipment	R 4 498 452	R 7 575 950
Other income	R 2 389 241	R 12 546 488
Interest income	R 24 468 171	R 28 370 870
Fair value gain	R 0.00	R 1 737 717
Total Revenue	R 555 307 206	R 557 112 051

K. Conditional Grants Excluding MIG

Name of Grant	Name of Organ of State or Municipal Entity	Quarterly Receipts
		Receipts
Financial Management Grant (FMG)	National Treasury	2,100,000.00
Sports Arts and Culture Grant	Provincial Grant	500,00.00
Expanded Public Works Program (EPWP)	National Treasury	3,687,000.00
Integrated National Electrification Grant	National Treasury	16,400,000.00
Disaster Recovery Grant	National Treasury	33,806,000.00
Disaster Relief Grant	National Treasury	12,790,000.00
Total Grants and Subsidies Received		69,283,000.00

L. Conditional Grants Excluding MIG

Name of Grant	Name of Organ of State or Municipal Entity	Quarterly Receipts
		Receipts
Financial Management Grant (FMG)	National Treasury	2,000,000.00
Sports Arts and Culture Grant	Provincial Grant	500,00.00
Expanded Public Works Program (EPWP)	National Treasury	3,570,000.00
Integrated National Electrification Grant	National Treasury	28,453,000.00
Total Grants and Subsidies Received		34,523,000

Oversight Report on Annual Report

- The oversight report on Annual Report 2022/2023 FY be adopted by Council without reservations as guided by Circular 63 of MFMA.
- The report has complied with all prescripts and applicable legislation as provided by MFMA and LGMSA of 2000
- Monitoring of all engineering services projects should be done by project managers
- Supervising of municipal plant should be done.

M. Third Tier Management Structure

Department	Name of Manager	Job Title
Office of The	1. Ms N Jokweni	Manager: Municipal Operations
	2. Ms. O.	Manager: Legal Services

Department	Name of Manager	Job Title
Municipal Manager	Nodangala	
	3. Mr.N.Mgxiva	Manager: Internal Audit
	4. Ms.N.Ngejane	Manager: Council support and Public Participation
	5. .Mr.T.Cwibi	Manager: Communications
	8. Mr C. Noconjo	Manager Mayoralty and Executive support
Corporate Services	9. Ms. N. Mshweshwe	Manager: Human Resources
	10. Mr .M. Nqwazi/Ms N Ntlanga	Manager: ICT
	11. Ms N. Rabie	Manager Administration and Auxiliary services
Budget and Treasury	12. Ms. Z. Mehlo	Manager: Budgeting & Reporting
	13. Mr.S.Morlock	Manager: Revenue & Expenditure
	14. .Mr.Z. Khala	Manager: SCM
	15. Mr. S Mbusi/Mr M Madikizela	Manager: Assets
Development Planning	16. Ms. Z. Ndzelu	Manager: Land Use
	17. Mr B. Hlangabezo	Manager: LED
Community Services	18. .Ms N.Xoko	Manager: Social & Community Services.
	19. Mr.D.Luphoko	Manager: Community Safety
	20. Ms L. Mhlembana	Manager: Indigent & Social
Engineering Services	21. Mr.S.Songca	Manager: Operations & Maintenance
	22. Mr.V. Nontanda	Manager: MIG
	23. Mr V. Mqina	Electricity Superintendent

Municipal Powers and Functions

FUNCTION	ANDM	MLM	
SCHEDULE 4 PART B		Implementation Status	Challenges
Air pollution	X		
Building regulations		X	By law under review as there were gaps identified during
			Illegal buildings due to non-compliance with approved

FUNCTION	ANDM	MLM		
SCHEDULE 4 PART B		Implementation Status	Challenges	
			implementation	building plans
Child care facilities		X	Progressing fairly	Keeping up with demand from communities
Electricity reticulation	X	X	Progressing well	Limited funds to
Firefighting Services	X	X	Vehicles and staff deployed by the DM	Vastness of wards and roads conditions in some areas
Local tourism	X	X	Progressing well	N/A
Municipal airports	X		N/A	N/A
Municipal planning	X	X	Progressing well	N/A
Municipal Health Services	X		N/A	N/A
Municipal Public Transport		X	Not implemented	Limited funding
Pontoons and Ferries	X		N/A	N/A
Storm water		X	Progressing	Limited resources
Trading regulations		X	By law gazetted and implemented	Rapid growth of traders within limited space
Water (potable)	X		N/A	N/A
Sanitation	X		N/A	N/A
SCHEDULE 5 PART B				
Beaches and amusement facilities		X	Progressing	Seasonal operation and access due to roads leading to these facilities
Billboards and the display of adverts in public places		X	By law gazetted	Illegal billboards
Cemeteries, Crematoria and funeral parlours		X	One operating cemetery	Limited space
Cleansing		X	Progressing well	Currently utilising unlicensed dumping site
Control of public nuisances		X	By law gazetted and implemented	N/A
Control of undertakings that sell liquor to the public		X	Bylaw in process of promulgation	No by law in place which has resulted in illegal liquor trading especial in rural areas
Facilities for the accommodation, care and burial of animals		X	By law gazetted and service provider appointed to undertake removal and burial of animals	Removal of fencing along the main roads resulting to stray animals gett
Fencing and fences	X		N/A	N/A
Licensing of dogs		X	Bylaw gazetted	Illegal keeping of dogs
Licensing and control of undertakings that sell food to the public		X	By law gazetted	Non-compliance by traders with by law provisions

FUNCTION	ANDM	MLM		
SCHEDULE 4 PART B		Implementation Status	Challenges	
Local amenities		X	Progressing well	N/A
Local sport facilities		X	Progressing at slow pace due to limited resources	Maintenance of facilities and lack of ownership by communities
Markets		X	Temporal market place operational	Unavailability of space/land
Municipal abattoirs		X	Currently performed by DM	N/A
Municipal parks and recreation		X	1 park in town	Unavailability of space/land
Municipal roads		X	Progressing with back log	Maintenance of constructed roads
Noise pollution		X	By law gazetted and	Difficulty in implementing the bylaw due to cultural practices
Pounds		X	Animal pound operational	N/A
Public places		X	Non available	N/A
Refuse removal, refuse dumps and solid waste disposal		X	In progress	Operating unlicensed dumping site
Street trading		X	Issuing of trading licencing progressing	Number of traffic wardens to keep up with the number of street vendors
Street lighting		X	Progressing	N/A
Traffic and parking		X	In progress	Increasing volume of motor vehicles in town
Disaster Management	X	X (Devolved Function)	Disaster management plan developed and adopted	Community understanding of disaster terms

COUNCIL MEETINGS ATTENDANCE

COUNCIL ATTENDANCE 2022/23 FY- JULY TO JUNE 2023

Initials Surname	Political Org/ Prop-PR/WC	No of Council meetings planned	No of Council Meetings Actual seated	No attendance including special	Absent
1.Cllr Z. Mhlwazi	ANC/WC	04	12	12	00
2.Cllr T.D Mafumbatha	ANC/PR	04	12	10	02
3.Cllr M.C Mphetshwa	ANC/PR	04	12	10	02
4.Cllr N. Dlamini	ANC/PR	04	12	10	02
5.Cllr L. Makholosa	ANC/PR	04	12	10	02
6.Cllr N. Madikizela	ANC/PR	04	12	06	06
7.Cllr Y. Govana	ANC/PR	04	12	08	04

Initials Surname	Political Org/Prop-PR/WC	No of Council meetings planned	No of Council Meetings Actual seated	No attendance including special	Absent
8.Cllr N.M Njomi	ANC/PR	04	12	10	02
9.Cllr L. Mcambalala	ANC/WC	04	12	09	03
10.Cllr N. Langasiki	EFF/PR	04	12	06	06
11.Cllr N.E Cengimbo	ANC/PR	04	12	09	03
12.Cllr P.B. Majavu	ATM/PR	04	12	10	02
13.Cllr N.P Mavundla	ANC/PR	04	12	12	00
14.Cllr Z.P Ndebele	ANC/PR	04	12	11	01
15.Cllr F. Siramza	ANC/PR	04	12	06	06
16.Cllr F.N Sobazile	ANC/PR	04	12	10	02
17.Cllr F. Bewu	ANC/PR	04	12	07	05
18.Cllr N. Bongwana	ANC/PR	04	12	09	03
19.Cllr E. Voko	ANC/PR	04	12	10	02
20.Cllr L. Maqoga	ANC/PR	04	12	12	00
21.Cllr N. Sikibi	ANC/PR	04	12	11	01
22.Cllr R.F Madikizela	ANC/WC	04	12	11	01
23.Cllr S. Mphoswa	ANC/WC	04	12	11	01
24.Cllr B. Luwele	ANC/WC	04	12	06	06
25.Cllr SP. Madikizela	ANC/WC	04	12	08	04
26.Cllr M. Mbele	ANC/WC	04	12	07	05
27.Cllr F.N Nyathi	ANC/WC	04	12	10	02
28.Cllr T.Z Noconjo	ANC/WC	04	12	09	03
29.Cllr S.V Mfolozi	ANC/WC	04	12	09	03
30.Cllr L. Nomazele	ANC/WC	04	12	10	02
31.Cllr M. Msindo	ANC/WC	04	12	11	01
32.Cllr N. Mgolozana	ANC/WC	04	12	06	06
33.Cllr N. Majova	ANC/WC	04	12	11	01
34.Cllr A.I Guqaza	ANC/WC	04	12	11	01
35.Cllr T. Dlamini	ANC/WC	04	12	11	01
36.Cllr A. Maquthu	ANC/WC	04	12	10	02
37.Cllr X. Bhabhazela	ANC/WC	04	12	10	02
38.Cllr X. Ntsethe	ANC/WC	04	12	10	02
39.Cllr S.M Nomvalo	ANC/WC	04	12	10	02
40.Cllr A.D Diya	ANC/WC	04	12	11	01
41.Cllr M.W Dlamini	ANC/WC	04	12	11	01
42.Cllr Z.H Dyarvane	ANC/WC	04	12	06	06
43.Cllr M.C	ANC/WC	04	12	10	02

Initials Surname	Political Org/Prop-PR/WC	No of Council meetings planned	No of Council Meetings Actual seated	No attendance including special	Absent
Mbodiya					
44.Cllr M. Ndovela	ANC/WC	04	12	10	02
45.Cllr N. Doko	ANC/WC	04	12	08	04
46.Cllr S. Yalo	ANC/WC	04	12	08	04
47.Cllr M. Mancu	ANC/WC	04	12	10	02
48.Cllr N. Madikizela	ANC/WC	04	12	11	01
49.Cllr B. Qalaba	ANC/WC	04	12	12	00
50.Cllr S.W Jayiya	ANC/WC	04	12	08	04
51.Cllr I.M Sabuka	ACU/PR	04	12	03	09
52.Cllr N. Madikizela	AIC/PR	04	12	10	02
53.Cllr N.L Xhalabile	ATM/PR	04	12	09	03
54.Cllr K. Zinya	ATM/PR	04	12	08	04
55.Cllr Z. Moya	ATM/PR	04	12	07	05
56.Cllr L.V Nomaqhiza	ATM/PR	04	12	07	05
57.Cllr B.W Mangqalaza	DA/PR	04	12	07	05
58.Cllr N. Kwelemthini	SPSA/PR	04	12	11	01
59.Cllr P. Siramza	SPSA/PR	04	12	12	00
60.Cllr B. Matshoba	SRWP/PR	04	12	04	08
61.Cllr L. Silangwe	UDM/PR	04	12	07	06
62.Cllr Z.L Nelisi	EFF/PR	04	12	06	06
63.Cllr P. Nophinga	EFF/PR	04	12	06	06
64.Cllr N. Nxasana	EFF/PR	04	12	10	02

TRADITIONAL LEADERS

Initials Surname	Political Org/Prop -PR/WC	No of Council Meetings Planned	No of Council Meetings Actual seated	No attendance including special	Absent
1. Chief. L Baleni	TL	04	10	06	04
2.Chief B. Langasiki	TL	04	10	05	05

Executive Committee Meetings Attendance July 2022 - June 2023

Executive Committee Member

Initials & Surname	Political Org/Prop –PR /Ward Cllr	No. of Council Meetings Planned	No of Council Meetings Actual Seated	No. of Attended including Specials	Absent
Cllr T.D Mafumbatha	Chairperson	10	13	11	02
Cllr L. Makholosa	ANC/PR	10	13	11	02
Cllr N. Madikizela	ANC /PR	10	13	05	08
Cllr. Y. Govana	ANC/ PR	10	13	10	03

Cllr L. Mcambalala	ANC/WC	10	13	11	02
Cllr.N.E. Cengimbo	ANC/ PR	10	13	11	02
Cllr N.M. Njomi	ANC/WC	10	13	13	00
Cllr N. Dlamini	ANC/PR	10	13	13	00
Cllr S. Madikizela	EFF/PR	10	13	03	04
Cllr P.B. Majavu	ATM/PR	10	13	11	02

Engineering Services Committee

Initials & Surname	Political Org/ Prop/PR/ Ward Cllr	No. of Committee meetings planned	No. of Committee Actual seated	No. of attended including Specials	Absent
Cllr N. Dlamini	ANC/PR	10	09	08	01
Cllr N. Mgozozana	ANC/ PR	10	09	04	05
Cllr N. Bongwana	ANC/ WC	10	09	09	00
Cllr A.I Guqaza	ANC/WC	10	09	08	01
Cllr M.C Mbhodiya	ANC/WC	10	09	04	05
Cllr P.B Majavu	ATM/PR	10	09	07	02
Cllr N. Kwelemtini	SPSA/PR	10	09	07	02
Cllr N. Langasiki	EFF/ PR	10	00	00	06
Cllr N. Nxasana	EFF/PR	10	Joined the Committee on April	01	02

Development Planning & LED Committee

Initials & SURNAME	Political Org/ Prop/PR/ Ward Cllr	No. of Committee meetings planned	No. of Committee Actual seated	No. of attended including Specials	Absent
Cllr L. Makholosa	ANC/WC	10	10	10	00
Cllr F. Bewu	ANC/ PR	10	10	04	04
Cllr S. Madikizela	EFF/PR	10	10	03	00
Cllr B. Luwele	ANC/ PR	10	10	09	01
Cllr B. Qalaba	ANC/WC	10	10	08	02
Cllr T. Dlamini	ANC/WC	10	10	07	03
Cllr S.V Mfolozi	ANC/ WC	10	10	06 Joined the Committee on October	01
Cllr R.F Madikizela	ANC/ WC	10	10	06 Joined the committee on October	01
Cllr P. Siramza	SPSA/PR	10	10	10	00
Cllr V.L Nomaqhiza	ATM/PR Cllr	10	10	07	03
Cllr L. Nomazele	ANC/WC	10	10 joined the Committee on May 2023	02	00
Cllr N. Langasiki	EFF/PR	10	10 joined the Committee on May	00	02

Community Services Committee

Name & Surname	Political Org/Prop- /PR/Ward Cllr	No of Council Meeting planning	No of Council Meetings Actual Seated	Number of attended including special	Absent
Cllr N.M Njomi	Chairperson	10	09	09	00
Cllr M. Msindo	ANC/WCWhip	10	09	08	01
Cllr S. Yalo	ANC/WC Cllr	10	09	06	03
Cllr N. Nyathi	ANC/PR Cllr	10	09	09	00
Cllr Z. Ndebele	ANC/PR Cllr	10	09	07	02
Cllr S.P Madikizela	ANC/PR Cllr	10	09	07	02
Cllr Z. Moya	ATM/PR Cllr	10	09	05	04
Cllr L. Nelisi	EFF/PR Cllr	10	09	04	05
Cllr N. Kwelemthini	SPSA/PR Cllr	10	09	06	03

Corporate Services Committee

Initials & Surname	Political Org/ Prop -PR/Ward Cllr	No. of committee meetings planned	No. of committee actual seated	No. of attended including Specials	Absent
Cllr. L.G Mcambalala	ANC/WC	10	08	08	00
Cllr. L. Maqoga	ANC/PR	10	08	08	00
Cllr. E. Voko	ANC/PR	10	08	06	02
Cllr. N. Doko	ANC/WC	10	08	05	03
Cllr. M. Mancini	ANC/WC	10	08	05	03
Cllr. N. Madikizela	ANC/WC	10	08	06	02
Cllr. B. Matshoba	SRWP/PR	10	08	03	05
Cllr. P. Nophinga	EFF/PR	10	08	02	06
Cllr. I.M Sabuka	ACU/PR	10	08	00	08
Cllr. F. Siramza	ANC/PR	10	08	05	03

Budget & Treasury Office Committee

Initials & Surname	Political Org/Prop –PR /Ward Cllr	No. of Council Meetings Planned	No of Council Meetings Actual Seated	No. of Attended including Specials	Absent
Cllr.N Madikizela	ANC/PR	10	09	03	06
Cllr. A. Diya	ANC/WC	10	09	09	00
Cllr. N. Cengimbo	ANC /PR	10	09	08	01
Cllr X. Bhabhazela	ANC/WC	10	09	07	03
Cllr. S. Nomvalo	ANC/ WC	10	09	08	00
Cllr. S. Jayiya	ANC/ PR	10	09	09	00
Cllr P. Siramza	SPSA /PR	10	09	07	02
Cllr. L. Silangwe	UDM/PR	10	09	03	06

Good Governance, IGR, Public Participation & SPU Committee

Initials & Surname	Political Org/ Prop -PR/Ward Cllr	No. of committee meetings planned	No. of committee actual seated	No. of attended including Specials	Absent
Cllr. Y. Govana	ANC/PR	10	6	06	00
Cllr. L. Nomazele	ANC/WC	10	6	05	01
Cllr. W. Dlamini	ANC/WC	10	6	04	02
Cllr. N. Majova	ANC/WC	10	6	06	00
Cllr. M. Ndovela	ANC/WC	10	6	04	02
Cllr. X. Ntsethe	ANC/WC	10	6	05	01
Cllr. N. Madikizela	AIC/PR	10	6	03	03
Cllr. F. Siramza	ANC/PR	10	6	04	02
Cllr. F Bewu	ANC/PR	10	6	1 Joined the committee end May 2023	0

Municipal Committees

Name of standing committee	How many standing committees and council meetings planned in 2022-2023FY calendar	How many were convened including specials
Council	4	13
Executive committee	4	13
BTO	10	10
MPAC	04	04
Engineering Services	10	10
Spatial Planning &LED	10	09
Community Services	10	10
GG, IGR and SPU	10	07
Corporate Services	10	07

Ward Reporting

Winnie Madikizela – Mandela Local Municipality has thirty-two (32) wards and each has ward committee structure with ten members with the ward councillor being chairperson of the structure. The Municipality established all 320 ward committees, 100% of ward committees with replacement done upon receipt of resignations and death in various villages being attended by The Speaker in consultation with ward councillor. Functionality of ward committee meetings is measured by the submission of monthly reports. Monthly meetings are chaired by the Ward Councillors and assisted by councillor support assistant as administrative support attached to ward councillor. Monthly reports and attendance registers of ward committees form proof of activities that the ward committees have been engaged in. Individual ward service delivery matters raised during community meetings are consolidated and incorporated in the Speaker's report to Council. Executive committee provides intervention through prioritisation process of projects. In terms of feedback ward councillors are responsible for feedback to the ward committees and community meetings held quarterly in a ward.

PURPOSE OF COUNCIL COMMITTEES

Executive Committee

- Identify the needs of the Municipality
- Review and evaluate those needs in order of priority
- Recommend to the Municipal Councils strategies, programs and services to address priority needs through the integrated development plan and estimates of revenue and expenditure, considering any applicable national and provincial developmental plans
- Recommends or determine the best methods, including partnership and other approaches to deliver those strategies, programs and services to the maximum benefit of the Community.
- Monitor the management of the Municipality's administration in accordance with the policy direction of the Municipal Council.

Spatial Planning and LED Committee deals with

Land use planning, Town planning, Building control, Housing, Tourism, Agriculture, Manufacturing, Forestry, Culture & Heritage, Nature conservation, Development and reviewal of departmental policies

Engineering Services Committee deals with

- Roads construction and maintenance
- Construction of public infrastructure
- Electrification
- Development and reviewal of policies

Good Governance and Intergovernmental Relations Committee deals with

Integrated development planning, Organizational performance management, Legal services, Internal auditing, Council support & Public Participation, Intergovernmental relations, customer care and Communications, Sports development, Communicable Diseases, advocacy for special groups, Initiation programs, Development and reviewal of policies.

Community Services Committee deals with

Solid waste services, Verge cutting, Street cleaning, Area beautification, Beaches management, Pounds, Cemeteries, Traffic control and Motor licensing, Enforcement of by-laws, Disaster management, Public transport management, Safety and security, Development and reviewal of policies

Budget and Treasury Office Committee deals with

Budgeting and reporting, Expenditure management, Revenue collection and enhancement, Supply chain management, Assets management, Disposal management, Investments management, Development and reviewal of policies

Corporate Services Committee deals with

Labour relations, Staff recruitment services, Employment equity, Skills development, Occupational health and safety, Employee wellness services, Records management, Information communication technology, Facilities management, Fleet management, Employee performance management, Development and reviewal of policies

Municipal Public Accounts Committee deals with

Municipal Public Accounts Committee deals with the following financial aspects addressed in the Municipal Finance Management Act:

- Unforeseen and unavoidable expenditure
- Unauthorized, irregular or fruitless and wasteful expenditure
- The quarterly report of the mayor on the implementation of the budget and the state of affairs of the municipality/ SDBIP
- Monthly budget statements (Section 71)
- Mid-year budget and performance assessment
- Mid- year budget and performance assessment of municipal entities
- Issues raised by the Auditor General in audit reports
- Disclosure concerning councilors, directors and officials
- Oversight report on the Annual Report

MPAC interrogates the following aspects addressed in the Municipal Systems Act:

- Monitors that the annual budget is informed by the IDP
- Performance Management Plan
- Monitors that all declaration of interest forms that are completed on an annual basis by councillors and officials.

6.6 Audit Corrective Action Plan

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23												
No	Issues identified	Co AF No	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)
Planning												
	IIA standard 1312 requires that external Quality assurance reviews/assessments of an internal audit function by a qualified, independent reviewer or review team from outside the organisation.	Co AF 01	Medium	The cause of the finding is that the quality review assessment was re-scheduled to be performed on August 2023 by the Provincial Treasury.	The accounting officer should ensure that an external quality review assessment is performed on the internal audit functions of the municipality. The municipality can request other organisations of the state, which normally perform the external quality review of the internal audit functions of other government institutions.	An independent suitably qualified external quality review assessor will be outsourced. : In compliance with Attribute Standards 1312, the Internal Audit Unit will start the process of preparing the outsourcing of the external quality review assessor during August 2023 for assessment working session in January 2024.	No	Manager: Internal Audit	Internal Audit	31-Mar-24		

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23

No	Issues identified	Co AF No	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)
	Review of Annual Financial Statements	2	Medium	When management was preparing the AFS, there was a number of errors on the Budget vs Actuals resulting from a corrupt file. Management before submitting the AFS realised that there was a loss on disposal amount which was updated on the GL and TB but was not pulling correctly on the Budget vs Actuals when comparing to the Statement of Financial Performance	Management should ensure that for all line items per the statement of financial position and Performance are fairly presented as required per the GRAP Standards.	<p>Improve the implementation of the AFS plan to ensure sufficient time for reviews</p> <p>Make alternative arrangements for power outages between July and August 2024 to avoid losing hours to load shedding</p> <p>Allocate each component for review by different personnel</p>	No	Chief Financial Officer	Internal Audit	31-Jul-24		
General IT controls												

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23

No	Issues identified	Co AF No	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)
	IT controls - Policies not reviewed	10	Medium	The cause of the above finding is that management did not comply with the ICT policy manual by ensuring that the policies are reviewed at the prescribed dates	Management should ensure that policies are reviewed at the prescribed date's e.g. annually	In addressing this control deficiency the department has included in its Service Delivery and Budget Implementation Plan for 2023/2024 the reviewal of ICT Policies inclusive of ICT Security policy and Disaster Recovery Plan	No	Senior Manager: Corporate Services	Internal Audit	31-May-24		
Immovable assets												
	Issue 06 : WIP: 5MVA & 8MVA BACKBONE LINE - Inaccurate Cost per completion certificate	11	Medium	The completion certificate certified signed for by the Senior Manager: Engineering Services (The Employer Representative) do not reflect the factual total cost incurred by the municipality	The completion certificate certified signed for by the (The Employer Representative) should reflect the factual cost incurred by the municipality to complete the project	Introduction of review templates to be used by managers confirming the correctness of the amounts recorded before the senior manager signs	No	Senior Manager: Engineering Services	Internal Audit	31-Dec-23		

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23

No	Issues identified	Co AF No	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)
				pertaining to the project								
	WIP: Omission of prior period error adjustment to WIP	4	Medium	Management omitted to include and assert this prior period error adjustment relating to the project: Replacement of LV & MV Lines with the project number: WMM LM 00059 LV&MVL in note 57. Prior period errors of the financial statements.	Management should ensure that the financial statements are present fairly. All prior period error adjustment should be asserted and presented in the Prior period errors note to the financial statements	Improve the implementation of the AFS plan to ensure sufficient time for reviews Make alternative arrangements for power outages between July and August 2024 to avoid losing hours to load shedding Allocate each component for review by different personnel	No	Manager: Assets and Stores Management	Internal Audit	31-Jul-24		

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23

No	Issues identified	Co AF No	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)
	Land-fill Site: Omission of prior period error adjustment to PPE	4	Medium	National Environmental Waste Act (NEMWA) section 20 (b) state states that "No person may commence, undertake or conduct a waste management activity, except in accordance with a waste management licence issued in respect of that activity, if a licence is required." Winnie Madikizela-Mandela Local Municipality has been making use of a sites as a dumping site and has been classifying it as Landfill site. However the Local	Management should ensure that the financial statements are present fairly. All prior period error adjustment should be asserted and presented in the Prior period errors not to the financial statements	<p>Improve the implementation of the AFS plan to ensure sufficient time for reviews</p> <p>Make alternative arrangements for power outages between July and August 2024 to avoid losing hours to load shedding</p> <p>Allocate each component for review by different personnel</p>	No	Chief Financial Officer	Internal Audit	31-Jul-24		

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23

No	Issues identified	Co AF No	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)
				Municipality has not been licensed in terms of the National Environmental Waste Act (NEMWA) or the Environmental Conservation Act (ECA). Management omitted to include and assert this prior period error adjustment relating to the Land-Fill Site reclassification in the current year financial statements								

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23

No	Issues identified	Co AF No	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)
	Issue 03: WIP Register: Asset not capitalised on to the WIP Register	11	Medium	Management did not recognise the asset on the fixed asset register as it was assumed that the project would be completed before the end of the financial period.	Management should comply with Section 63(2)(a) of the MFMA as to ensure that the all the municipality's assets are recognised. Management should recognise all capital expenditures on to the WIP register	Engagements between Treasury and Municipalities to be initiated to seek clarity and direction on the INEP accounting issues brought about by the guidelines issued by the Office of the Accountant General A revision of the budget related to Electrification projects to be completed by 30 June 2024 to be done where necessary by 30 June 2024	No	Manager: Assets and Stores Management	Internal Audit	30-Jun-24		
	Issue 07: WIP: Xholobeni, Mgungudlovu Inaccurate cost per completion certificate	11	Medium	The completion certificate certified signed for by the Senior Manager: Engineering Services (The Employer	The completion certificate certified signed for by (The Employer Representative) should reflect the	Introduction of review templates to be used by managers confirming the correctness of the amounts recorded before the senior	No	Senior Manager: Engineering Services	Internal Audit	31-Dec-23		

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23

No	Issues identified	Co AF No	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)
				Representative) do not reflect the factual cost incurred by the municipality pertaining to the project.	factual cost incurred by the municipality pertaining to the project	manager signs						
	Issue 01: WIP: Differences between WIP register and AFS	11	Medium	The following cost was incurred (GL) but not capitalised the register. This project has capital expenditure of R 9 920 871 relating to 2022-2023 however there is an amount 417 321 which was included in the asset register which does not recorded in the general ledger in the current year.	Management should adequately review of PPE work in progress register against the general ledger as to ensure that all capital expenditure incurred is accurately reflected in the register. All capital expenditure which has not been incurred should not be included in the asset registers	Engagements between Treasury and Municipalities to be initiated to seek clarity and direction on the INEP accounting issues brought about by the guidelines issued by the Office of the Accountant General A revision of the budget related to Electrification projects to be completed by 30 June 2024 to be done where necessary by 30 June 2024	No	Manager: Assets and Stores Management	Internal Audit	30-Jun-24		

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23

No	Issues identified	Co AF No	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)
	Issue 08: WIP: Differences per payment schedule and cost per completion certificates	11	Medium	The completion certificate certified signed for by the Senior Manager: Engineering Services (The Employer Representative) do not reflect the factual cost incurred by the municipality pertaining to the project.	The completion certificate certified signed for by (The Employer Representative) should reflect the factual cost incurred by the municipality pertaining to the project	Introduction of review templates to be used by managers confirming the correctness of the amounts recorded before the senior manager signs	No	Senior Manager: Engineering Services	Internal Audit	31-Dec-23		
	Issue 04: Differences between WIP transfers and FAR transfers	11	Medium	The cause of the finding is lack of review of work in progress register and Immovable asset register as to ensure that all transfer out from work in progress are accurately reflected in the Immovable	Management should adequately work in progress register and Immovable asset register as to ensure that all transfers from work in progress are accurately reflected in the Immovable	The WIP register to be reviewed monthly to ensure it includes all transactions incurred during the year, The GL to be reviewed for all transactions above R10 000 to ensure they are correctly allocated and	No	Manager: Assets and Stores Management	Internal Audit	31 January 2024 31 July 2024		

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23

No	Issues identified	Co AF No	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)
				asset register.	asset register.	review against the WIP register for completeness WIP register to be reconciled with Accruals register to ensure all transactions included are updated on the WIP register as well						
	Differences between Fixed Asset Register and Annual Financial Statement	12	Medium	No constantly review of the supporting schedule against the information report in the annual financial statement.	Management should review the supporting schedules to identify any difference with information disclosed in the financial statement.	Improve the implementation of the AFS plan to ensure sufficient time for reviews Make alternative arrangements for power outages between July and August 2024 to avoid losing hours to load shedding Allocate each component for review by different	No	Manager: Assets and Stores Management	Internal Audit	31-Jul-24		

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23

No	Issues identified	Co AF No	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)
						personnel						
	Immovable assets - WIP - INEP Grant related expenditure treatment matters	16	Medium	The cause of the finding is due to management's diverse interpretation and treatment pertaining to expenditure relating to Integrated National Electrification Programme (INEP) Grant. Management not in full agreement with the National Treasury guidance on the recognition of the INEP grant, in the current year (Accounting for Integrated National Electrification Programme	Management should ensure that they apply the requirements of GRAP 11 for transactions relating to INEP grant. The expenditure incurred to date on the INEP grant must be reclassified from fixed assets to expenditure. The management should further assess the impact of the finding on the corresponding figures.	Engagements between Treasury and Municipalities to be initiated to seek clarity and direction on the INEP accounting issues brought about by the guidelines issued by the Office of the Accountant General A revision of the budget related to Electrification projects to be completed by 30 June 2024 to be done where necessary by 30 June 2024	No	Chief Financial Officer	Internal Audit	30-Jun-24		

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23

No	Issues identified	Co AF No	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)
				(INEP) Grant allocations). Therefore, resulting in incorrect application of the applicable reporting standard, GRAP.								
	Assets: Differences in useful lives used to calculate depreciation	18	Medium	The management has not reviewed the depreciation calculation and ensure that all the variables used to calculation of depreciation is constant with asset management policy.	Management should excise the oversight responsibility the work done on fixed asset register and reconcile all the variables used to calculate the value of property plant and equipment.	Review of the Infrastructure FAR register to commence before the end of the 2023/24 financial year to allow sufficient time for reviews The Infrastructure FAR useful lives to be aligned with the municipality's Asset Management Policy A report on the useful lives outside the Asset Managemet	No	Manager: Assets and Stores Management	Internal Audit	31-Jul-24		

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23

No	Issues identified	Co AF No	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)
						guidelines to be prepared and submitted to Treasury detailing reasons for such						
	Issue 02: WIP: Project Cost not capitalised	11	Medium	Management expensed the cost to Contracted Services as measure to manage municipalities' losses.	Management should consistently apply the principals of Standard of Generally Recognised Accounting Practice Property Plant and Equipment (GRAP 17) consistently	Engagements between Treasury and Municipalities to be initiated to seek clarity and direction on the INEP accounting issues brought about by the guidelines issued by the Office of the Accountant General A revision of the budget related to Electrification projects to be completed by 30 June 2024 to be done where necessary by 30 June 2024	No	Manager: Budgeting and Reporting	Internal Audit	30-Jun-24		

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23

No	Issues identified	Co AF No	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)
	Issue 05: WIP : Prior year Completed Asset not transferred out of Work-in progress	11	Medium	The above finding is due to lack of reconciliations not being performed by management to ensure that all completed projects are transferred immediately when the practical completion certificate is available	Management should ensure that there are controls that are put in place over daily and monthly processing and reconciling of work in progress and assets to ensure that all the projects that are completed are transferred after the practical completion certificate is available	<p>Review of the Infrastructure FAR register to commence before the end of the 2023/24 financial year to allow sufficient time for reviews</p> <p>The WIP register to be reviewed monthly to ensure it includes all transactions incurred during the year,</p> <p>The GL to be reviewed for all transactions above R10 000 to ensure they are correctly allocated and review against the WIP register for completeness</p> <p>WIP register to be reconciled with Accruals register to</p>	No	Manager: Assets and Stores Management	Internal Audit	31-Jul-24		

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23

No	Issues identified	Co AF No	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)
						ensure all transactions included are updated on the WIP register as well						
Investment property												
	Investment property valuation issue	17	Medium	Incorrect invoices were used as the billing for June 2023	Management should ensure that they apply the requirements of GRAP 16 for measurement of investment property. The correct rental billing for the last month should be used when following the above-mentioned method to fair value the investment properties	Review of the Infrastructure FAR register to commence before the end of the 2023/24 financial year to allow sufficient time for reviews	No	Manager: Assets and Stores Management	Internal Audit	31-Jul-24		
Provisions												

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23

No	Issues identified	Co AF No	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)
	Provision - Environmental rehabilitation	20	Medium	The dumping site has no license which has the norms and requirements that the municipality has to abide with.	Management should ensure that the environment is kept safe and avoiding unhealthy environment. The management should ensure that the municipality is compliant with laws and regulations which governs healthy landfill/dumping site of the municipality through obtaining a license.	Environmental Affairs to be approached to formalise and license the current dump site for construction and operation while the municipality finds a suitable land for the construction of a landfill site with a bigger capacity	No	Senior Manager: Community Services	Internal Audit	30-Jun-24		
	Provision - Incorrect calculations	20	Medium	Incorrect rate was used to determine the present value of the future expected cost for the provision.	Management should ensure that they apply the requirements of GRAP 19 for measurement of provisions. The correct discount rate should be	To introduce reviews on the dumping site closure report to include the discount rate relevant to the liability being recognised	No	Manager: Budgeting and Reporting	Internal Audit	31-Jul-24		

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23

No	Issues identified	Co AF No	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)
					used when determining the present value of the provision.							
	Provision - incorrect classification and disclosure	25	Medium	The management has not adequately reviewed the provision amount and ensure that all the amounts included in the provision are actually provision as defined.	As the amount is considered to be paid or be taken as a leave in the next 12 months by the related employee after the reporting date. The municipality should consider the amount to be an employee related obligation and be classified as such in the financial statements as required by the above mentioned GRAP.	Create disclosure notes for employee costs to improve on the disclosure of short-term benefits even though GRAP does not require such	No	Manager: Budgeting and Reporting	Internal Audit	31-Jul-24		
Payables												

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23

No	Issues identified	Co AF No	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)
	Payables from exchange transactions - incorrect classification of accruals	15	Medium	The cause of the above is due to a lack of controls over the maintenance of financial information and the lack of management exercising oversight to ensure that information submitted for audit is accurate and complete	Management should put controls in place to ensure that there is adequate review and oversight of information for appropriate presentation and accuracy of the figure presented in the financial statements		No	Manager: Revenue and Expenditure				
	Payables from exchange transactions - difference between AFS and GL	14	Low	The cause of the above is due to a lack of controls over the maintenance of financial information and the lack of management exercising oversight to ensure that information submitted for audit is accurate and complete.	Management should put controls in place to ensure that there is adequate review and oversight of information for appropriate presentation and accuracy of the figure presented in the financial statements	A report on the take-on balances to the mSCOA system that have not moved and do not have supporting information to be presented to council for write-off	No	Manager: Revenue and Expenditure	Internal Audit	31-May-24		

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23

No	Issues identified	Co AF No	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)
Employee costs												
	Employee related cost - overtime classification	8	Low	Errors in capturing of expenditure amount in the accounting system.	Management should ensure that the amounts included in the financial statements is included in the correct account when capturing into the system.	Overtime expenditure items to be mapped such that they are seperately disclosed on the AFS	No	Manager: Budgeting and Reporting	Internal Audit	31-Jul-24		
Operating expenditure												
	Expenditure not paid within 30 days	12	Medium	The supplier was non-tax compliance on the date invoice received by municipality as per CSD report and municipality opted not pay the supplier until such non-tax compliance status is corrected by the supplier.	Management should constantly review unpaid invoices that are about to exceed 30 days and ensure that these invoices are paid to avoid non-compliance with MFMA	Invoices for suppliers who have not complied with their tax matters for more that two payment runs not be be accepted for processing until such issues have been attended to	No	Manager: Revenue and Expenditure	Internal Audit	31-Jan-24		
Revenue												

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23

No	Issues identified	Co AF No	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)
	Rental of facilities and equipment: Leasehold fees - supporting schedules not adequately updated	6	Medium	The cause of the above finding is due to management not adequately updating the supporting registers with the transactions/journals passed in the general ledger. The submitted supporting register/schedules were not updated with the following transactions and journals that were passed in general ledger.	Management should ensure that the supporting registers to the financial statements are adequately updating with the transactions/journals passed in the general ledger.	Currently, there is no register specific for leasehold billing as this is done using the actual lease agreements and not a register. Going forward from Q2 of 2023-24 financial period, management commits to improve internal controls by performing monthly billing recons that will reconcile actual billing vs lease agreements each month for each lease to develop a register directed to leasehold billing by year end.	No	Manager: Revenue and Expenditure	Internal Audit	31-Jan-24		
	Service charges - recalculation differences	5	Medium	The cause of the above is due to a lack of controls over the maintenance	Management should put controls in place to ensure that there is	The error was due to a change in capturing of a tariff structure in our billing system which	No	Manager: Revenue and Expenditure	Internal Audit	31-Jan-24		

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23

No	Issues identified	Co AF No	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)
				of financial information and the lack of management exercising oversight to ensure that information submitted for audit is accurate and complete.	adequate review and oversight of information for appropriate presentation and accuracy of the figure presented in the financial statements	subdivided the amount from hundreds to tens. The approved tariff is R313.81 per KVA not R3.1381 (R3.14 rounding factor). A Credit note billing will be affected, a capturing checklist as an internal control will be implemented which will be reviewed.						
Disclosures												
	Additional disclosure	15	Medium	One of the pension fund amount paid was erroneously omitted on the determination of amount paid when preparing the financial statements.	Management should put controls in place to ensure that there is adequate review of information used to prepare financial statements to ensure appropriate	The difference of an amount of R1 908.09 is due to recalculation on average PAYE reconciliation performed on the payroll system at the end of tax period. These amounts were not deducted on employees	No	Manager: Budgeting and Reporting	Internal Audit	31-Jul-24		

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23

No	Issues identified	Co AF No	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)
					presentation and accuracy of the figure presented in the financial statements.	therefor the municipality is not liable to pay over to the SARS. A necessary revision will be made to the disclosure note to the annual financial statements.						
	Segment reporting - incorrect amount	22	Medium	This is due to management oversight in ensuring that the information for the segment reporting purposes agrees with the information reported on the financial statements.	Management should ensure that the amounts included in the financial statements in the segment report agrees to the amount included in the financial statement and the correct account or name is used in order to ensure faithful presentation of Municipality affairs.	Engagements with the system vendor on the possibility of: Current assets opening balances to be split per segment and movements to be processed against related segments	No	Chief Financial Officer	Internal Audit	28-Feb-24		

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23

No	Issues identified	Co AF No	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)
	Prior period error note - fruitless and wasteful expenditure	21	Medium	The narrations regarding the nature of the change in prior period was erroneously omitted when preparing the financial statements	Management should ensure that narrations are provided in order to better understand the note disclosure and/or to ensure fair presentation of the financial statements as per the above mentioned GRAP standard.	Narratives to be included even for corrections not related to figures on the annual financial statements for users to understand the change presented	No	Manager: Budgeting and Reporting	Internal Audit	31-Jul-24		
Procurement and contract management												
	SCM: Qoutations awarded exceed budgeted project costs	3	High	Management made awards to bidders which exceeded their available budget. Management did not consider the use of the municipality's resources in an economical manner	Management should comply with Section 62(1)(a) of the MFMA as to ensure that the resources of the municipality are used in an economically manner. Management should ensure that budget	Estimates for procurement processes to be supported by research by the user of the goods to be procured where possible	No	Manager: Supply Chain Management	Internal Audit	31-Jan-24		

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23

No	Issues identified	Co AF No	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)
					restrictions are adhered to by ensuring that quotation prices received and awarded do not exceed the available budget							
	Local Content: Minimum threshold not specified on advert	13	Medium	Management did not review the contents of the tender resulting in failure to comply with regulations.	Management should adequately review the content on a tender adverts before they are advertised to the general public as to ensure all compliance with the relevant legislation are adhered to.	All adverts to be reviewed to ensure they include thresholds for targeted goods	No	Manager: Supply Chain Management	Internal Audit	31-Jan-24		
Predetermined objectives												

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23

No	Issues identified	Co AF No	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)
	AOPO: Consistency issues on the APR	9	Medium	The project is under construction and has no KM that has been completed and the data was collected based on achievements made. The project is under construction and has no civic centre completed and no households considered to be connected and energised that has been completed, and the data was collected based on achievements made.	Management should ensure that reported achievements per the annual performance report are consistent with planned targets and performance indicators	Performance reported to be aligned to the unit of measure used for the annual target	No	Manager: Municipal Operations	Internal Audit	31-Jul-24		

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23

No	Issues identified	Co AF No	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)
	AOPO: Differences between listing and APR	9	Medium	The quarterly reports include quarterly targets which are not annual targets. There is no other recording of data from quarterly reports to the APR	The management should ensure that the information reported per the quarterly reports is comparable with the information reported on the APR. The information reported on the quarterly report should be the information used to prepare the APR and this information has to be comparable	Reported performance on the annual performance report to be aligned and reconciled with the quarterly targets reported	No	Manager: Municipal Operations	Internal Audit	31-Jul-24		

**21. AUDITED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2023**



Winnie Madikizela-Mandela Local Municipality
Audited Annual Financial Statements
for the year ended 30 June 2023

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

General Information

Nature of business and principal activities

Winnie Madikizela-Mandela Local Municipality provides the following services:
Electricity
Solid Waste Removal

TROIKA

Mayor

T.D Mafumbatha

Speaker

Z. Mhlwazi

Whip of Council

M.C Mpetshwa

Executive committee

N. Madikizela

L Makholosa

Y. Govana

N. Dlamini

N.E. Cengimbo

P.B. Majavu

S. Madikizela/N Langasiki

L.G. Mcambalala

N.M. Njomi

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

General Information

Councillors

N. Kwelemtini
E. Voko
B. Luwele
F.N. Sobazile
B Matshoba
N. Mgozozana
N. Sikibi
S.P. Madikizela
K Zinya
N. Madikizela
R.F. Madikizela
S. Mphoswa
M. Mbele
F.N. Nyathi
N.P Mavundla
T.Z. Noconjo
S.V. Mfolozi
L. Nomazele
M.S. Msindo
N. Majova
T. Dlamini
A. Maquthu
X. Bhabhazela
X. Ntsethe
S.M. Nomvalo
A.D. Diya
M.W. Dlamini
Z.H. Dyarvane
M.C. Mbodiya
N. Doko
S. Yalo
M. Manci
M. Ndovela
B. Qalaba
A.I Guqaza
S.W. Jayiya
F. Bewu
L.Maqoga
Z.P. Ndebele
N. Giyama-Bongwana
I.M. Sobuka
N. Madikizela
N.L. Xhalabile
Z.L Nelisi
Z. Moya
L.V. Nomaqhiza
B.W. Mangqalaza
P. Siramza
L. Silangwe
N. Langasiki/N Nxasana
F. Siramza
P. Nophinga

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

General Information

Grading of local authority	Grade 04
Accounting Officer	L. Mahlaka
Chief Finance Officer (CFO)	ZA Zukulu
Registered office	51 Winnie Madikizela-Mandela Street Bizana 4800
Business address	51 Winnie Madikizela-Mandela Street Bizana 4800
Postal address	P.O. Box 12 Bizana 4800
Bankers	First National Bank
Attorneys	NZ Mtshabe Incorporated Attorneys Dr Sugudhav - Sewpersadh Attorneys
Auditors	Auditor General of South Africa Registered Auditors

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Index

The reports and statements set out below comprise the audited annual financial statements presented to the municipal council:

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Abbreviations used:

COID	Compensation for Occupational Injuries and Diseases
DBSA	Development Bank of South Africa
GRAP	Generally Recognised Accounting Practice
HDF	Housing Development Fund
IAS	International Accounting Standards
IPSAS	International Public Sector Accounting Standards
MFMA	Municipal Finance Management Act (Act 56 of 20023)
mSCOA	Municipal Standard Chart of Accounts
MIG	Municipal Infrastructure Grant
DSRAC	Department of Sport, Recreation, Arts and Culture
INEP	Intergrated National Electrification Programme

Winnie Madikizela-Mandela Local Municipality

Audited 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 audited annual financial statements and related financial information included in this report. It is the responsibility of the accounting officer to ensure that the audited 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 audited annual financial statements and are given unrestricted access to all financial records and related data.

I am responsible for the preparation of these annual financial statements, which are set out on the pages to follow in terms of s126(1) of the MFMA and which I have signed on behalf of the municipality.

I certify that the salaries, benefits and allowances as disclosed in notes 31 and 32 of these annual financial statements are within the upper limits of the framework envisioned in section 219 of the Constitution, read with the Remuneration of Public Office Bearers Act and the Minister of Cooperative Governance & Traditional Affairs determination in accordance with this Act.

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

I acknowledge that I am 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 myself to meet these responsibilities, I set 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.

I am 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 audited annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute assurance against material misstatement or deficit.

I have 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, I am satisfied that the municipality has or has access to adequate resources to continue in operational existence for the foreseeable future.

The audited annual financial statements set out on pages 6 to 105, which have been prepared on the going concern basis, were approved by the Accounting Officer on 31 August 2023 and were signed on its behalf by:



Mr L Mahlaka
Municipal Manager

Winnie Madikizela-Mandela Local Municipality

Audited 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 Restated*
Assets			
Current Assets			
Inventories	7	1 383 544	449 850
Operating lease asset	8	15 435 571	11 731 524
Other Receivables from exchange transactions	9	1 184 466	2 373 190
Receivables from non-exchange transactions	10	2 226 890	1 727 859
Statutory receivables	11	60 288 802	50 579 522
Prepayments	12	4 720 631	12 118 629
Receivables from exchange transactions	13	22 749 772	24 881 324
Cash and cash equivalents	14	360 015 400	277 108 823
		468 005 076	380 970 721
Non-Current Assets			
Investment property	3	42 209 500	40 471 783
Property, plant and equipment	4	837 613 343	767 897 324
Intangible assets	5	631 422	43 247
Heritage assets	6	1 260 799	1 260 799
		881 715 064	809 673 153
Total Assets		1 349 720 140	1 190 643 874
Liabilities			
Current Liabilities			
Payables from exchange transactions	15	52 743 548	52 834 431
Consumer deposits	16	497 247	505 877
Unspent conditional grants and receipts	17	8 198 501	7 445 110
Provisions	18	19 918 118	21 278 518
		81 357 414	82 063 936
Non-Current Liabilities			
Provisions	18	11 484 800	22 483 946
Total Liabilities		92 842 214	104 547 882
Net Assets		1 256 877 926	1 086 095 992
Accumulated surplus		1 256 877 926	1 086 095 992
Total Net Assets		1 256 877 926	1 086 095 992



WINNIE MADIKIZELA-MANDELA
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PO BOX 12 BIZANA 4330

2023 -11- 30

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FAX: 039 251 0917

* See Note 58 & 57

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Statement of Financial Performance

Figures in Rand	Note(s)	2023	2022 Restated*
Revenue			
Revenue from exchange transactions			
Service charges	21	45 326 090	42 138 922
Rental of facilities and equipment	22	7 575 950	7 682 087
Agency services	23	1 360 653	1 202 470
Commissions received	24	164 806	144 819
Recoveries	24	78 500	364 022
Provision reduction	24	10 762 956	-
Other income	24	179 573	1 814 543
Interest received	25	28 370 870	15 385 924
Total revenue from exchange transactions		93 819 398	68 732 787
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	26	21 160 320	21 163 194
Licences and Permits	27	2 169 042	2 141 209
Transfer revenue			
Government grants & subsidies	28	437 000 999	375 834 380
Government donations	29	479 356	78 999
Fines, Penalties and Forfeits	30	1 224 575	386 474
Total revenue from non-exchange transactions		462 034 292	399 604 256
Total revenue	20	555 853 690	468 337 043
Expenditure			
Employee related costs	31	(125 614 323)	(117 626 288)
Remuneration of councillors	32	(26 320 579)	(25 009 923)
Depreciation and amortisation	33	(40 770 267)	(44 118 366)
Impairments	34	(991 512)	(8 555 816)
Interest and penalties	59	-	(50 372)
Lease rentals on operating lease	35	(4 736 656)	(3 643 567)
Debt Impairment	36	(1 404 083)	(821 631)
Bulk purchases	37	(42 241 255)	(40 211 160)
Contracted services	38	(43 804 603)	(55 610 747)
Transfers and Subsidies	39	(2 593 275)	(1 251 198)
General Expenses	40	(58 422 552)	(64 282 096)
Total expenditure		(346 899 105)	(361 181 164)
Operating Surplus (deficit)		208 954 585	107 155 879
Loss on disposal of assets and liabilities	41	(39 910 700)	(47 394 082)
Fair value adjustments	42	1 737 717	3 843 000
		(38 172 983)	(43 551 082)
Surplus for the year		170 781 602	63 604 797



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Winnie Madikizela-Mandela Local Municipality

Audited 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	1 028 872 464	1 028 872 464
Adjustments		
Prior year adjustments 58	(6 381 269)	(6 381 269)
Balance at 01 July 2021 as restated*	1 022 491 195	1 022 491 195
Surplus/(Deficit) for the year	63 604 797	63 604 797
Total changes	63 604 797	63 604 797
Opening balance as previously reported	1 086 096 324	1 086 096 324
Restated* Balance at 01 July 2022 as restated*	1 086 096 324	1 086 096 324
Surplus/(Deficit) for the year	170 781 602	170 781 602
Total changes	170 781 602	170 781 602
Balance at 30 June 2023	1 256 877 926	1 256 877 926

Note(s)



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* See Note 58 & 57

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Cash Flow Statement

Figures in Rand	Note(s)	2023	2022 Restated*
Cash flows from operating activities			
Receipts			
Sale of goods and services		78 006 301	72 120 922
Grants		437 754 390	378 221 076
Interest income		28 370 870	15 385 924
		<u>544 131 561</u>	<u>465 727 922</u>
Payments			
Employee costs		(151 934 902)	(142 636 211)
Suppliers		(160 067 659)	(144 281 601)
Interest and penalties		-	(50 372)
		<u>(312 002 561)</u>	<u>(286 968 184)</u>
Net cash flows from operating activities	44	<u>232 129 000</u>	<u>178 759 738</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	4	(148 622 423)	(159 792 150)
Proceeds from sale of property, plant and equipment	4	-	9 022
Purchase of other intangible assets	5	(600 000)	-
Purchase of heritage assets	6	-	(30 000)
Net cash flows from investing activities		<u>(149 222 423)</u>	<u>(159 813 128)</u>
Net increase/(decrease) in cash and cash equivalents		82 906 577	18 946 610
Cash and cash equivalents at the beginning of the year		277 108 823	258 162 213
Cash and cash equivalents at the end of the year	14	<u>360 015 400</u>	<u>277 108 823</u>

The accounting policies on pages 13 to 43 and the notes on pages 43 to 105 form an integral part of the audited annual financial statements.



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* See Note 58 & 57

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual 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	36 679 585	4 667 689	41 347 274	45 326 090	3 978 816	
Rental of facilities and equipment	3 893 452	605 000	4 498 452	7 575 950	3 077 498	
Agency services	1 400 874	120 000	1 520 874	1 360 653	(160 221)	
Commissions received	136 726	27 000	163 726	164 806	1 080	
Recoveries	-	-	-	78 500	78 500	
Other income 1	-	-	-	10 762 956	10 762 956	
Other income - (rollup)	383 268	321 373	704 641	179 573	(525 068)	
Interest received - investment	15 138 171	9 330 000	24 468 171	28 370 870	3 902 699	
Total revenue from exchange transactions	57 632 076	15 071 062	72 703 138	93 819 398	21 116 260	
Revenue from non-exchange transactions						
Taxation revenue						
Property rates	21 468 489	-	21 468 489	21 160 320	(308 169)	
Licences and Permits (Non-exchange)	2 403 886	-	2 403 886	2 169 042	(234 844)	
Transfer revenue						
Government grants & subsidies	338 351 500	12 572 200	350 923 700	343 329 882	(7 593 818)	
Government Donations	-	-	-	479 356	479 356	
Fines, Penalties and Forfeits	592 627	-	592 627	1 224 575	631 948	
Total revenue from non-exchange transactions	362 816 502	12 572 200	375 388 702	368 363 175	(7 025 527)	
Total revenue	420 448 578	27 643 262	448 091 840	462 182 573	14 090 733	
Expenditure						
Personnel	(124 799 443)	2 747 750	(122 051 693)	(125 614 323)	(3 562 630)	
Remuneration of councillors	(27 047 160)	-	(27 047 160)	(26 320 579)	726 581	
Depreciation and amortisation	(49 735 160)	-	(49 735 160)	(40 770 267)	8 964 893	
Impairment loss/ Reversal of impairments	-	-	-	(991 512)	(991 512)	
Finance costs	(100 000)	-	(100 000)	-	100 000	
Lease rentals on operating lease	(5 705 000)	473 000	(5 232 000)	(4 736 656)	495 344	
Debt Impairment	(9 600 000)	-	(9 600 000)	(1 404 083)	8 195 917	
Bulk purchases	(40 005 406)	-	(40 005 406)	(42 241 255)	(2 235 849)	
Contracted Services	(86 644 039)	(12 830 614)	(99 474 653)	(43 804 603)	55 670 050	
Transfers and Subsidies	(3 200 000)	(149 200)	(3 349 200)	(2 593 275)	755 925	
Loss on disposal of assets	-	(36 336 122)	(36 336 122)	(39 910 700)	(3 574 578)	
General Expenses	(84 482 031)	(4 552 492)	(89 034 523)	(58 422 552)	30 611 971	
Total expenditure	(431 318 239)	(50 647 678)	(481 965 917)	(386 809 805)	95 156 112	
Operating surplus	(10 869 661)	(23 004 416)	(33 874 077)	75 372 768	109 246 845	
Transfer recognised- capital contribution	82 287 958	24 927 408	107 215 366	93 671 117	(13 544 249)	
Fair value adjustments	-	-	-	1 737 717	1 737 717	
	82 287 958	24 927 408	107 215 366	95 408 834	(11 806 532)	
Surplus before taxation	71 418 297	1 922 992	73 341 289	170 781 602	97 440 313	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	71 418 297	1 922 992	73 341 289	170 781 602	97 440 313	

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Statement of Financial Position						
Assets						
Current Assets						
Inventories	1 878 226	(711 659)	1 166 567	1 383 544	216 977	
Operating lease asset	-	--	-	15 435 571	15 435 571	
Other Receivables from exchange transactions	-	18 084 389	-	1 184 466	1 184 466	
Receivables from non-exchange transactions	19 654 385	-	37 738 774	2 226 890	(35 511 884)	
Statutory receivables	-	-	-	60 288 802	60 288 802	
Prepayments	-	11 214 685	-	4 720 631	4 720 631	
Consumer debtors	31 799 089	(41 891 130)	43 013 774	22 749 772	(20 264 002)	
Cash and cash equivalents	385 302 529	(13 303 715)	343 411 399	360 015 400	16 604 001	
	438 634 229		425 330 514	468 005 076	42 674 562	
Non-Current Assets						
Investment property	36 654 783	2 435 400	39 090 183	42 209 500	3 119 317	
Property, plant and equipment	759 811 109	71 009 975	830 821 084	837 613 343	6 792 259	
Intangible assets	-	43 247	43 247	631 422	588 175	
Heritage assets	1 230 799	30 000	1 260 799	1 260 799	-	
	797 696 691	60 214 907	871 215 313	881 715 064	10 499 751	
Total Assets	1 236 330 920		1 296 545 827	1 349 720 140	53 174 313	
Liabilities						
Current Liabilities						
Payables from exchange transactions	44 405 869	37 711 791	82 117 660	52 743 548	(29 374 112)	
Consumer deposits	504 619	1 258	505 877	497 247	(8 630)	
Unspent conditional grants and receipts	-	-	-	8 198 501	8 198 501	
Provisions	19 990 418	317 241	20 307 659	19 918 118	(389 541)	
	64 900 906	38 030 290	102 931 196	81 357 414	(21 573 782)	
Non-Current Liabilities						
Provisions	5 246 062	17 237 884	22 483 946	11 484 800	(10 999 146)	
Total Liabilities	70 146 968	4 946 733	125 415 142	92 842 214	(32 572 928)	
Net Assets	1 166 183 952		1 171 130 685	1 256 877 926	85 747 241	
Net Assets						
Net Assets Attributable to Owners of Controlling Entity						
Reserves						
Accumulated surplus	1 166 183 952	4 946 733	1 171 130 685	1 256 877 926	85 747 241	

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual 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						
Ratepayers and other	115 975 309	30 441 065	146 416 374	78 006 301	(68 410 073)	
Grants	420 639 458	42 240 000	462 879 458	437 754 390	(25 125 068)	
Interest income	9 760 440	9 330 000	19 090 440	28 370 870	9 280 430	
	546 375 207	82 011 065	628 386 272	544 131 561	(84 254 711)	
Payments						
Employee costs	(147 211 180)	(3 455 018)	(150 666 198)	(151 934 902)	(1 268 704)	
Suppliers	(220 620 432)	(19 450 908)	(240 071 340)	(160 067 659)	80 003 681	
Interest and penalties	(100 000)	-	(100 000)	-	100 000	
	(367 931 612)	(22 905 926)	(390 837 538)	(312 002 561)	78 834 977	
Net cash flows from operating activities	178 443 595	59 105 139	237 548 734	232 129 000	(5 419 734)	
Cash flows from investing activities						
Purchase of property, plant and equipment	(129 967 956)	(41 278 173)	(171 246 129)	(148 622 423)	22 623 706	
Purchase of other intangible assets	-	-	-	(600 000)	(600 000)	
Net cash flows from investing activities	(129 967 956)	(41 278 173)	(171 246 129)	(149 222 423)	22 023 706	
Net increase/(decrease) in cash and cash equivalents	48 475 639	17 826 966	66 302 605	82 906 577	16 603 972	
Cash and cash equivalents at the beginning of the year	336 826 809	(59 717 986)	277 108 823	277 108 823	-	
Cash and cash equivalents at the end of the year	385 302 448	(41 891 020)	343 411 428	360 015 400	16 603 972	

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1. Presentation of Audited Annual Financial Statements

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

1.1 Basis of preparations

The audited 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 audited 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.

In the absence of an issued and effective Standard of GRAP, accounting policies for material transactions, events or conditions were developed in accordance with paragraphs 8, 10 and 11 of GRAP 3 as read with Directive 5.

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

1.3 Going concern assumption

These audited 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 Significant judgements and sources of estimation uncertainty

In preparing the audited annual financial statements, management made estimates and assumptions that affect the amounts represented in the audited 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 audited annual financial statements. Significant judgements include:

Fair value estimation

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the municipality is the current bid price.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The municipality uses a variety of methods and makes assumptions that are based on market conditions existing at the end of each reporting period. Quoted market prices or dealer quotes for similar instruments are used for long-term debt. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward foreign exchange contracts is determined using quoted forward exchange rates at the end of the reporting period.

The carrying value less Allowance for doubtful debts 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.

Impairment testing

The recoverable amounts of cash-generating/service 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 key assumption may change which may then impact our estimations and may then require a material adjustment to the carrying value of assets.

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

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.4 Significant judgements and sources of estimation uncertainty (continued)

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 18 - Provisions.

Allowance for doubtful debts

On debtors, an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the debtors carrying amount and the value of estimated future cash flows discounted at the rate, determined by the Council policy.

Provision for Rehabilitation of landfill site / Dumping site

The municipality has an obligation to rehabilitate its landfill sites in terms of National Environment Management Act, the Water Act and the Waste Management series as promulgated by the Department of Water and Sanitation. A provision is made for this obligation based on the size / extent of the land to be rehabilitated, site water balance, the rehabilitation cost, the monitoring and the rehabilitation period.

Provisions, contingent liabilities and contingent assets

Management's judgement is required when recognising and measuring provisions, as well as when measuring contingent liabilities and contingent assets as set out in note 19 and 47 of the financial statements. Provisions are discounted where the effect is material.

Depreciation and Amortization

Depreciation and amortization recognised on property plant and equipment and intangible assets are determined with reference to the useful lives and residual values of the underlying items. The useful lives and residual values of assets are based on management's estimation of the asset's condition, expected condition at the end of the period of use, its current use, expected future use and the municipality's expectations about the availability of finance to replace the asset at the end of its useful life.

1.5 Investment property

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

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

Owner-occupied property is property held for use in the production or supply of goods or services or for administrative purposes.

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

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

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

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

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.5 Investment property (continued)

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.

If the municipality determines that the fair value of an investment property under construction is not reliably determinable but expects the fair value of the property to be reliably measurable when construction is complete, it measures that investment property under construction at cost until either its fair value becomes reliably determinable or construction is completed (whichever is earlier). If the municipality determines that the fair value of an investment property (other than an investment property under construction) is not reliably determinable on a continuing basis, the municipality measures that investment property using the cost model (as per the accounting policy on Property, plant and equipment). The residual value of the investment property is then assumed to be zero. The municipality applies the cost model (as per the accounting policy on Property, plant and equipment) until disposal of the investment property.

Once the municipality becomes able to measure reliably the fair value of an investment property under construction that has previously been measured at cost, it measures that property at its fair value. Once construction of that property is complete, it is presumed that fair value can be measured reliably. If this is not the case, the property is accounted for using the cost model in accordance with the accounting policy on Property, plant and equipment.

Investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal.

Gains or losses arising from the retirement or disposal of investment property is the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in surplus or deficit in the period of retirement or disposal.

Compensation from third parties for investment property that was impaired, lost or given up is recognised in surplus or deficit when the compensation becomes receivable.

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.6 Property, plant and equipment

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

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

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

Property, plant and equipment is initially measured at cost.

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

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

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

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.

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.

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

Item	Depreciation method	Average useful life
Land	Straight line	Undefined
Buildings	Straight line	5 - 100 years
Furniture and fixtures	Straight line	2 - 26 years
Motor vehicles	Straight line	3 - 14 years
Office equipment	Straight line	3 - 26 years
IT equipment	Straight line	3 - 17 years
Infrastructure	Straight line	
• Roads, bridges and pavements		5 - 100 years
• Electricity, reticulation and supply		9 - 60 years
• Waste disposal facilities		7 - 30 years
• Storm water		40 - 100 years
• Traffic lights		10 years
• Landfill sites		15 - 30 years
• Metering Infrastructure credit		25 years
Community	Straight line	
• Cemeteries		10 - 30 years
• Community halls		25 - 50 years
• Housing scheme houses		15 years
• Recreational facilities		10 - 50 years
Plant and Machinery	Straight line	2 - 15 years
Other property, plant and equipment	Straight line	5 - 21 years
Park Facilities	Straight line	10 - 50 years

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.6 Property, plant and equipment (continued)

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

The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the municipality. The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate.

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.

Assets which the municipality holds for rentals to others and subsequently routinely sell as part of the ordinary course of activities, are transferred to inventories when the rentals end and the assets are available-for-sale. Proceeds from sales of these assets are recognised as revenue. All cash flows on these assets are included in cash flows from operating activities in the cash flow statement.

The municipality separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note 4).

The municipality discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note 4).

1.7 Intangible assets

An asset is identifiable if it either:

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

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

An intangible asset is recognised when:

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

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

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

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

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.

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.7 Intangible assets (continued)

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

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

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

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

Item	Depreciation method	Average useful life
Computer software, other	Straight line	3 - 10 years

The gain or loss arising from the derecognition of an intangible assets is included in surplus or deficit when the asset is derecognised.

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.8 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.

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.

A concessionary loan is a loan granted to or received by an entity on terms that are not market related.

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 municipality statement of financial position.

A derivative is a financial instrument or other contract with all three of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract (sometimes called the 'underlying').
- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.
- It is settled at a future date.

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.

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions.

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.8 Financial instruments (continued)

Loans payable are financial liabilities, other than short-term payables on normal credit terms.

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;
- 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.

Classification

The municipality 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
Receivables from non-exchange transactions	Financial asset measured at amortised cost
Trade and other receivables from exchange transactions	Financial asset measured at amortised cost
Cash and Cash equivalents	Financial asset measured at amortised cost

The municipality 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
Payables from exchange transactions	Financial liability measured at amortised cost
Unspent conditional grants	Financial liability measured at amortised cost
Consumer Deposit	Financial liability measured at amortised cost

Initial recognition

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

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.8 Financial instruments (continued)

The municipality recognises financial assets using trade date accounting.

Initial measurement of financial assets and financial liabilities

The municipality 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 municipality measures a financial asset and financial liability initially at its fair value.

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

Subsequent measurement of financial assets and financial liabilities

The municipality measures all financial assets and financial liabilities after initial recognition using the following categories (where applicable):

- 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 municipality 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, the 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.

Gains and losses

A gain or loss arising from a change in the fair value of a financial asset or financial liability measured at fair value is recognised in surplus or deficit.

For financial assets and financial liabilities measured at amortised cost or cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired, or through the amortisation process.

Impairment and uncollectibility of financial assets

The municipality assess 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 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 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.

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Accounting Policies

1.8 Financial instruments (continued)

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.

Derecognition

Financial assets

The municipality derecognises financial assets using trade date accounting.

The municipality derecognises a financial asset only when:

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

The carrying amounts of the transferred asset are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. Newly created rights and obligations are measured at their fair values at that date. Any difference between the consideration received and the amounts recognised and derecognised is recognised in surplus or deficit in the period of the transfer.

If the municipality transfers a financial asset in a transfer that qualifies for derecognition in its entirety and retains the right to service the financial asset for a fee, it recognise either a servicing asset or a servicing liability for that servicing contract. If the fee to be received is not expected to compensate the entity adequately for performing the servicing, a servicing liability for the servicing obligation is recognised at its fair value. If the fee to be received is expected to be more than adequate compensation for the servicing, a servicing asset is recognised for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

If, as a result of a transfer, a financial asset is derecognised in its entirety but the transfer results in the entity obtaining a new financial asset or assuming a new financial liability, or a servicing liability, the entity recognise the new financial asset, financial liability or servicing liability at fair value.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in surplus or deficit.

If the transferred asset is part of a larger financial asset and the part transferred qualifies for derecognition in its entirety, the previous carrying amount of the larger financial asset is allocated between the part that continues to be recognised and the part that is derecognised, based on the relative fair values of those parts, on the date of the transfer. For this purpose, a retained servicing asset is treated as a part that continues to be recognised. The difference between the carrying amount allocated to the part derecognised and the sum of the consideration received for the part derecognised is recognised in surplus or deficit.

If a transfer does not result in derecognition because the municipality has retained substantially all the risks and rewards of ownership of the transferred asset, the municipality continue to recognise the transferred asset in its entirety and recognise a financial liability for the consideration received. In subsequent periods, the municipality recognises any revenue on the transferred asset and any expense incurred on the financial liability. Neither the asset, and the associated liability nor the revenue, and the associated expenses are offset.

Financial liabilities

The municipality removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

An exchange between an existing borrower and lender of debt instruments with substantially different terms is accounted for as having extinguished the original financial liability and a new financial liability is recognised. Similarly, a substantial modification of the terms of an existing financial liability or a part of it is accounted for as having extinguished the original financial liability and having recognised a new financial liability.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another municipality by way of a non-exchange transaction are accounted for in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers).

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.8 Financial instruments (continued)

Presentation

Interest relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

Dividends or similar distributions relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

Losses and gains relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

A financial asset and a financial liability are only offset and the net amount presented in the statement of financial position when the municipality currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

In accounting for a transfer of a financial asset that does not qualify for derecognition, the municipality does not offset the transferred asset and the associated liability.

1.9 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 municipality assesses the classification of each element separately.

Operating leases - lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

The aggregate cost of incentives is recognised as a reduction of rental revenue over the lease term on a straight-line basis.

The aggregate benefit of incentives is recognised as a reduction of rental expense over the lease term on a straight-line basis.

Income for leases is disclosed under revenue in statement of financial performance.

Operating leases - lessee

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

1.10 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 replacement 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 weighted average cost formula. The same cost formula is used for all inventories having a similar nature and use to the municipality.

Winnie Madikizela-Mandela Local Municipality

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Accounting Policies

1.10 Inventories (continued)

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

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.11 Impairment of cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets used with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable amount of an asset or a cash-generating unit is the higher its fair value less costs to sell and its value in use.

Useful life is either:

- the period of time over which an asset is expected to be used by the municipality; or
- the number of production or similar units expected to be obtained from the asset by the municipality.

Identification

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the municipality also test a cash-generating intangible asset with an indefinite useful life or a cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.11 Impairment of cash-generating assets (continued)

Value in use

Value in use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life.

When estimating the value in use of an asset, the municipality estimates the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal and the municipality applies the appropriate discount rate to those future cash flows.

Basis for estimates of future cash flows

In measuring value in use the municipality:

- base cash flow projections on reasonable and supportable assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the asset. Greater weight is given to external evidence;
- base cash flow projections on the most recent approved financial budgets/forecasts, but excludes any estimated future cash inflows or outflows expected to arise from future restructuring's or from improving or enhancing the asset's performance. Projections based on these budgets/forecasts covers a maximum period of five years, unless a longer period can be justified; and
- estimate cash flow projections beyond the period covered by the most recent budgets/forecasts by extrapolating the projections based on the budgets/forecasts using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. This growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used, unless a higher rate can be justified.

Composition of estimates of future cash flows

Estimates of future cash flows include:

- projections of cash inflows from the continuing use of the asset;
- projections of cash outflows that are necessarily incurred to generate the cash inflows from continuing use of the asset (including cash outflows to prepare the asset for use) and can be directly attributed, or allocated on a reasonable and consistent basis, to the asset; and
- net cash flows, if any, to be received (or paid) for the disposal of the asset at the end of its useful life.

Estimates of future cash flows exclude:

- cash inflows or outflows from financing activities; and
- income tax receipts or payments.

The estimate of net cash flows to be received (or paid) for the disposal of an asset at the end of its useful life is the amount that the municipality expects to obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the estimated costs of disposal.

Discount rate

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money, represented by the current risk-free rate of interest and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

Recognition and measurement (individual asset)

If the recoverable amount of a cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

Any impairment loss of a revalued cash-generating asset is treated as a revaluation decrease.

When the amount estimated for an impairment loss is greater than the carrying amount of the cash-generating asset to which it relates, the municipality recognises a liability only to the extent that is a requirement in the Standard of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Cash-generating units

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the municipality determines the recoverable amount of the cash-generating unit to which the asset belongs (the asset's cash-generating unit).

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.11 Impairment of cash-generating assets (continued)

If an active market exists for the output produced by an asset or group of assets, that asset or group of assets is identified as a cash-generating unit, even if some or all of the output is used internally. If the cash inflows generated by any asset or cash-generating unit are affected by internal transfer pricing, the municipality use management's best estimate of future price(s) that could be achieved in arm's length transactions in estimating:

- the future cash inflows used to determine the asset's or cash-generating unit's value in use; and
- the future cash outflows used to determine the value in use of any other assets or cash-generating units that are affected by the internal transfer pricing.

Cash-generating units are identified consistently from period to period for the same asset or types of assets, unless a change is justified.

The carrying amount of a cash-generating unit is determined on a basis consistent with the way the recoverable amount of the cash-generating unit is determined.

An impairment loss is recognised for a cash-generating unit if the recoverable amount of the unit is less than the carrying amount of the unit. The impairment is allocated to reduce the carrying amount of the cash-generating assets of the unit on a pro rata basis, based on the carrying amount of each asset in the unit. These reductions in carrying amounts are treated as impairment losses on individual assets.

In allocating an impairment loss, the municipality does not reduce the carrying amount of an asset below the highest of:

- its fair value less costs to sell (if determinable);
- its value in use (if determinable); and
- zero.

The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other cash-generating assets of the unit.

Where a non-cash-generating asset contributes to a cash-generating unit, a proportion of the carrying amount of that non-cash-generating asset is allocated to the carrying amount of the cash-generating unit prior to estimation of the recoverable amount of the cash-generating unit.

Reversal of impairment loss

The municipality assess at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a cash-generating asset may no longer exist or may have decreased. If any such indication exists, the entity estimates the recoverable amount of that asset.

An impairment loss recognised in prior periods for a cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a cash-generating asset is recognised immediately in surplus or deficit.

Any reversal of an impairment loss of a revalued cash-generating asset is treated as a revaluation increase.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

A reversal of an impairment loss for a cash-generating unit is allocated to the cash-generating assets of the unit pro rata with the carrying amounts of those assets. These increases in carrying amounts are treated as reversals of impairment losses for individual assets. No part of the amount of such a reversal is allocated to a non-cash-generating asset contributing service potential to a cash-generating unit.

In allocating a reversal of an impairment loss for a cash-generating unit, the carrying amount of an asset is not increased above the lower of:

- its recoverable amount (if determinable); and
- the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior periods.

The amount of the reversal of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit.

1.12 Impairment of non-cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Non-cash-generating assets are assets other than cash-generating assets.

Winnie Madikizela-Mandela Local Municipality

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Accounting Policies

1.12 Impairment of non-cash-generating assets (continued)

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

Useful life is either:

- the period of time over which an asset is expected to be used by the municipality; or
- the number of production or similar units expected to be obtained from the asset by the municipality.

Identification

When the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a non-cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable service amount of the asset.

Irrespective of whether there is any indication of impairment, the municipality also test a non-cash-generating intangible asset with an indefinite useful life or a non-cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable service amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

Value in use

Value in use of non-cash-generating assets is the present value of the non-cash-generating assets remaining service potential.

The present value of the remaining service potential of a non-cash-generating assets is determined using the following approach:

Depreciated replacement cost approach

The present value of the remaining service potential of a non-cash-generating asset is determined as the depreciated replacement cost of the asset. The replacement cost of an asset is the cost to replace the asset's gross service potential. This cost is depreciated to reflect the asset in its used condition. An asset may be replaced either through reproduction (replication) of the existing asset or through replacement of its gross service potential. The depreciated replacement cost is measured as the current reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.

The replacement cost and reproduction cost of an asset is determined on an "optimised" basis. The rationale is that the municipality would not replace or reproduce the asset with a like asset if the asset to be replaced or reproduced is an overdesigned or overcapacity asset. Overdesigned assets contain features which are unnecessary for the goods or services the asset provides. Overcapacity assets are assets that have a greater capacity than is necessary to meet the demand for goods or services the asset provides. The determination of the replacement cost or reproduction cost of an asset on an optimised basis thus reflects the service potential required of the asset.

Restoration cost approach

Restoration cost is the cost of restoring the service potential of an asset to its pre-impaired level. The present value of the remaining service potential of the asset is determined by subtracting the estimated restoration cost of the asset from the current cost of replacing the remaining service potential of the asset before impairment. The latter cost is determined as the depreciated reproduction or replacement cost of the asset, whichever is lower.

Service units approach

The present value of the remaining service potential of the asset is determined by reducing the current cost of the remaining service potential of the asset before impairment, to conform to the reduced number of service units expected from the asset in its impaired state. The current cost of replacing the remaining service potential of the asset before impairment is determined as the depreciated reproduction or replacement cost of the asset before impairment, whichever is lower.

Winnie Madikizela-Mandela Local Municipality

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Accounting Policies

1.12 Impairment of non-cash-generating assets (continued)

Recognition and measurement

If the recoverable service amount of a non-cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

Any impairment loss of a revalued non-cash-generating asset is treated as a revaluation decrease.

When the amount estimated for an impairment loss is greater than the carrying amount of the non-cash-generating asset to which it relates, the municipality recognises a liability only to the extent that is a requirement in the Standards of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Reversal of an impairment loss

The municipality assess at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a non-cash-generating asset may no longer exist or may have decreased. If any such indication exists, the municipality estimates the recoverable service amount of that asset.

An impairment loss recognised in prior periods for a non-cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable service amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a non-cash-generating asset is recognised immediately in surplus or deficit.

Any reversal of an impairment loss of a revalued non-cash-generating asset is treated as a revaluation increase.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Winnie Madikizela-Mandela Local Municipality

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Accounting Policies

1.13 Employee benefits

Employee benefits are all forms of consideration given by the municipality in exchange for service rendered by employees.

A qualifying insurance policy is an insurance policy issued by an insurer that is not a related party (as defined in the Standard of GRAP on Related Party Disclosures) of the municipality, if the proceeds of the policy can be used only to pay or fund employee benefits under a defined benefit plan and are not available to the municipality's own creditors (even in liquidation) and cannot be paid to the municipality, unless either:

- the proceeds represent surplus assets that are not needed for the policy to meet all the related employee benefit obligations; or
- the proceeds are returned to the municipality to reimburse it for employee benefits already paid.

Termination benefits are employee benefits payable as a result of either:

- the municipality's decision to terminate an employee's employment before the normal retirement date; or
- an employee's decision to accept voluntary redundancy in exchange for those benefits.

Other long-term employee benefits are employee benefits (other than post-employment benefits and termination benefits) that are not due to be settled within twelve months after the end of the period in which the employees render the related service.

Vested employee benefits are employee benefits that are not conditional on future employment.

Composite social security programmes are established by legislation and operate as multi-employer plans to provide post-employment benefits as well as to provide benefits that are not consideration in exchange for service rendered by employees.

A constructive obligation is an obligation that derives from the municipality's actions where by an established pattern of past practice, published policies or a sufficiently specific current statement, the municipality has indicated to other parties that it will accept certain responsibilities and as a result, the municipality has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

When an employee has rendered service to the municipality during a reporting period, the municipality recognise the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the municipality recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The municipality measure the expected cost of accumulating compensated absences as the additional amount that the municipality expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The municipality recognise the expected cost of bonus, incentive and performance related payments when the municipality has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the municipality has no realistic alternative but to make the payments.

Leave pay

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 municipality measures the expected cost of accumulating compensated absences as the additional amount that the municipality expects to pay as result of the unused entitlement that has accumulated at the reporting date.

The liability is based on the total amount of leave days due to employees at reporting date and on basic salary of the employees.

Winnie Madikizela-Mandela Local Municipality

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Accounting Policies

1.13 Employee benefits (continued)

Long service awards

The municipality provides long service awards to eligible employees, payable on completion of a certain number of years of employment. A provision is raised to account for the expected long service awards due to be paid in the preceding year.

An employee shall qualify for the following additional leave together with the following monetary awards as recognition for continuous service at the completion of the following:

- 1) 5 years' service: 5 days accumulative leave plus a once off payment equal to 2% of the employee's annual salary.
- 2) 10 year's service: 10 days accumulative leave plus a once off payment equal to 3% of the employee's annual salary.
- 3) 15 year's service: 15 days accumulative leave plus a once off payment equal to 4% of the employee's annual salary.
- 4) 20 year's service: 15 days accumulative leave plus a once off payment equal to 5% of the employee's annual salary.
- 5) 25 year's service: 15 days accumulative leave plus a once off payment equal to 6% of the employee's annual salary.
- 6) 30, 35, 40, 45(or more years service): 15 days accumulative leave plus a once off payment equal to 6% of the employee's annual salary.

Annual Bonuses

The municipality recognise the expected cost of bonus, incentive and performance related payments only when the municipality has a present legal or constructive obligation to make such payments as a result of past events and if a reliable estimate of the obligation can be made. A present obligation exists when the municipality has no realistic alternative but to make payments.

The municipality pays out an annual bonus to its employees during the month of their birthday or annually from date of employment. A liability relating to the anticipated bonuses payable is raised and is based on the monthly basic salary of the individual.

Performance Bonuses

The municipality provides performance bonuses for rewarding an outstanding performance of senior managers. A performance bonus ranging from 5% to 14% of all inclusive remuneration package may be paid to a senior manager in recognition of such outstanding performance.

In determining the performance bonus the relevant percentage is based on the overall rating, calculated by using the applicable assessment-relating calculator provided that:

- a score of 130% to 149% is awarded a performance bonus ranging from 5% to 9% and
- a score of 150% and above is awarded a performance bonus ranging from 10% to 14%

1.14 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.

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.

Winnie Madikizela-Mandela Local Municipality

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Accounting Policies

1.14 Provisions and contingencies (continued)

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating surplus (deficit).

If the municipality 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 the municipality:

- has a detailed formal plan for the restructuring, identifying at least:
 - the activity/operating unit or part of a activity/operating unit concerned;
 - the principal locations affected;
 - the location, function, and approximate number of employees who will be compensated for services being terminated;
 - the expenditures that will be undertaken; and
 - when the plan will be implemented; and
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

A restructuring provision includes only the direct expenditures arising from the restructuring, which are those that are both:

- necessarily entailed by the restructuring; and
- not associated with the ongoing activities of the municipality

No obligation arises as a consequence of the sale or transfer of an operation until the municipality is committed to the sale or transfer, that is, there is a binding arrangement.

After their initial recognition contingent liabilities recognised in municipality 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 46.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions.

The municipality recognises a provision for financial guarantees and loan commitments when it is probable that an outflow of resources embodying economic benefits and service potential will be required to settle the obligation and a reliable estimate of the obligation can be made.

Determining whether an outflow of resources is probable in relation to financial guarantees requires judgement. Indications that an outflow of resources may be probable are:

- financial difficulty of the debtor;
- defaults or delinquencies in interest and capital repayments by the debtor;
- breaches of the terms of the debt instrument that result in it being payable earlier than the agreed term and the ability of the debtor to settle its obligation on the amended terms; and
- a decline in prevailing economic circumstances (e.g. high interest rates, inflation and unemployment) that impact on the ability of entities to repay their obligations.

Where a fee is received by the municipality for issuing a financial guarantee and/or where a fee is charged on loan commitments, it is the breache 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 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, a 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.

Provision for rehabilitation of Landfill / Dumping site

The provision for rehabilitation of landfill / dumping site relates to the legal obligation to rehabilitate the landfill / dumping site used for waste disposal. It is calculated as the Present Value of the future obligation, discounted over an average period as determined by valuers.

Winnie Madikizela-Mandela Local Municipality

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Accounting Policies

1.15 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.

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 the proportion that costs incurred to date bear to the total estimated costs of the transaction.

Service Charges-Electricity

Service charges relating to electricity are based on consumption. Meters are read on a monthly basis and are recognised as revenue when invoiced. Provisional estimates of consumption are made monthly when meter readings have not been performed. The provisional estimates of consumption are recognised as revenue when invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read. These adjustments are recognised as revenue in the invoicing period. The estimates of consumption between meter readings are based on a three months average consumption. Revenue arising from consumption of electricity in the month of June is fully accounted for whether invoiced or not.

Prepaid electricity

Revenue from the sale of electricity prepaid meter cards and other services provided on pre-payment basis are recognised at the point of sale.

Refuse removal

Revenue relating to refuse removal is recognised on a monthly basis in arrears by applying the approved tariff to each property that qualifies to be rendered a service. Tariffs are determined per category of property usage, and are levied monthly based on the approved (determined) number of refuse collection per property.

Rental income

Revenue from the rental of facilities and equipment is recognised on a straight line basis over the term of the lease agreement.

Tariff charges

Revenue arising from the application of the approved tariff charges is recognised when the relevant service is rendered by applying the relevant gazetted tariff. This includes the issuing of licenses and permits.

Income from agency fees

Winnie Madikizela-Mandela Local Municipality

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Accounting Policies

1.15 Revenue from exchange transactions (continued)

Revenue arising out of situations where the municipality acts as an agent on behalf of another municipality (the principal) is limited to the amount of any fee or commission payable to the municipality as compensation for executing the agreed services.

Investment income

Revenue arising from the use by others of municipal assets yielding interest, 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 received is recognised, in surplus or deficit using the effective interest rate method.

Interest, royalties and dividends

Revenue arising from the use by others of municipal assets yielding interest, royalties and dividends or similar distributions is recognised when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality, and
- The amount of the revenue can be measured reliably.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

Service fees included in the price of the product are recognised as revenue over the period during which the service is performed.

1.16 Revenue from non-exchange transactions

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

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Accounting Policies

1.16 Revenue from non-exchange transactions (continued)

Taxes

The municipality recognises an asset in respect of taxes when the taxable event occurs and the asset recognition criteria are met.

Resources arising from taxes satisfy the definition of an asset when the municipality controls the resources as a result of a past event (the taxable event) and expects to receive future economic benefits or service potential from those resources. Resources arising from taxes satisfy the criteria for recognition as an asset when it is probable that the inflow of resources will occur and their fair value can be reliably measured. The degree of probability attached to the inflow of resources is determined on the basis of evidence available at the time of initial recognition, which includes, but is not limited to, disclosure of the taxable event by the taxpayer.

The municipality analyses the taxation laws to determine what the taxable events are for the various taxes levied.

The taxable event for income tax is the earning of assessable income during the taxation period by the taxpayer.

The taxable event for value added tax is the undertaking of taxable activity during the taxation period by the taxpayer.

The taxable event for customs duty is the movement of dutiable goods or services across the customs boundary.

The taxable event for estate duty is the death of a person owning taxable property.

The taxable event for property tax is the passing of the date on which the tax is levied, or the period for which the tax is levied, if the tax is levied on a periodic basis.

Taxation revenue is determined at a gross amount. It is not reduced for expenses paid through the tax system.

Taxation revenue are not grossed up for the amount of tax expenditures.

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.

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.

Concessionary loans received

A concessionary loan is a loan granted to or received by a property, plant and equipment on terms that are not market related.

The portion of the loan that is repayable, along with any interest payments, is an exchange transaction and is accounted for in accordance with the Standard of GRAP on Financial Instruments. The off-market portion of the loan is a non-exchange transaction. The off-market portion of the loan that is recognised as non-exchange revenue is calculated as the difference between the proceeds received from the loan, and the present value of the contractual cash flows of the loan, discounted using a market related rate of interest.

The recognition of revenue is determined by the nature of any conditions that exist in the loan agreement that may give rise to a liability. Where a liability exists the cash flow statement recognises revenue as and when it satisfies the conditions of the loan agreement.

1.17 Investment income

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

1.18 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.

1.19 Comparative figures

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

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Audited Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.19 Comparative figures (continued)

When the presentation or classification of items in the annual financial statements is amended prior period comparative amounts are also reclassified and restated unless such comparative reclassification and/or restatement is not required by a standard of GRAP. The nature and reason for such reclassifications and restatements are also disclosed.

Where material accounting errors which relate to prior periods have been identified in the current year, the correction is made retrospectively as far as practicable and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year the adjustment is made retrospectively as far as is practicable and the prior year comparatives are restated accordingly.

The presentation and classification of items in the current year is consistent with the prior periods. Where there has been a reclassification or restatement the nature and reasons for the reclassification and restatement are disclosed in **note 58** 'Prior Period Errors' to the financial statements.

1.20 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 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.

1.21 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.

1.22 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 municipality'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 -

- (a) expenditure incurred by a municipality in contravention of, or that is not in accordance with, a requirement of this Act, and which has not been condoned in terms of section 170;
- (b) expenditure incurred by a municipality in contravention of, or that is not in accordance with, a requirement of the Municipal Systems Act, and which has not been condoned in terms of this Act;
- (c) expenditure incurred by a municipality in contravention of, or that is not in accordance with, a requirement of the Public Office-Bearers Act, 1998, (Act 20 of 1998);
- (d) Expenditure incurred by a municipality in contravention of, or that is not in accordance with, a requirement of the supply chain management policy of Winnie Madikizela-Mandela LM or any of the municipality's by-laws giving effect to such policy, and which has not been condoned in terms of such policy or by-law; or
- (e) excludes expenditure by a municipality which falls within the definition of unauthorised expenditure.

Irregular expenditure that was incurred and identified during the current financial and which was written-off before year end and/or before finalisation of the annual 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 annual financial statements.

Irregular expenditure that was incurred and identified during the current financial year and for which is still being investigated 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.

Winnie Madikizela-Mandela Local Municipality

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Accounting Policies

1.22 Irregular expenditure (continued)

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

Irregular expenditure that was incurred and identified during the current financial year and which was not condoned/written-off by the National Treasury or council 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 municipal council 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/written-off 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 municipality's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance or movements in the Statement of Financial Position and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.23 Conditional Grants and Receipts

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. To the extent that the criteria, conditions or obligations have not been met a liability is recognised.

1.24 Segment information

A segment is an activity of the municipality:

- 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.

Segment information is prepared in conformity with the accounting policies applied for preparing and presenting the financial statements.

1.25 Change in accounting policy, estimate and errors

Changes in accounting policy that are affected by management have been applied retrospectively in accordance with GRAP 3 except to the extent that it is impracticable to determine the period specific effects or the accumulative effect of the change in policy. In such cases the municipality restates the opening balances of assets and liabilities and net assets for the earliest period for which retrospective restatement is practicable. Details of the changes in accounting policy are disclosed in the notes to the annual financial statements where applicable.

Changes in accounting estimates are applied prospectively in accordance with GRAP 3 requirements. Details of changes in estimates are disclosed in the notes to the annual financial statements where applicable.

Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with GRAP 3 except to the extent that it is impracticable to determine the period specific effects or the cumulative effects of the error. In such cases the municipality restates the opening balances of assets and liabilities and net assets for the earliest period for which retrospective treatment is practicable. Details of prior period errors are disclosed in note 58 of the financial statements where applicable.

1.26 Budget information

Municipalities are typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, council processes, appropriation or similar.

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

The approved budget is prepared on an accrual basis and presented by functional classification linked to performance outcome objectives.

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

Winnie Madikizela-Mandela Local Municipality

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Accounting Policies

1.26 Budget information (continued)

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

1.27 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 considered to be those family members who may be expected to influence, or be influenced by, that management 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 audited annual financial statements.

1.28 Equity Instruments

Gains and losses arising from fair value adjustments on investments, loans and disposal of assets are presented separately from other revenue in the Statement of Financial Performance. Income, expenditure, gains and losses are recognised in surplus or deficit except for the exceptional cases where recognition directly in net assets is specifically allowed or required by a standard of GRAP.

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).

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 Commitments

Items are classified as commitments when the municipality has committed itself to future transactions that will normally result in an outflow of resources embodying economic benefits or service potential. Commitments are not recorded in the statement of financial position as a liability, but are included in the disclosure notes in the following cases:

- Approved and contracted commitments
- where the expenditure has been approved and the contract has been awarded at the reporting date
- where disclosure is required by a specific standard of GRAP

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Accounting Policies

1.31 Prepayments

Prepayments are future payments made in advance for services or goods to be delivered in a future period that are recorded in the municipality's statement of financial position as assets at year end, and also when the municipality will benefit from early settlement discounts from subscriptions.

The municipality only limits prepayments to capital expenditure where the municipality is still contracted with the service providers for acquisition or construction of municipal assets.

The municipality also permits prepayments to take advantage of early settlement discounts on subscription fees for professional bodies as well as membership fees and also to avoid penalties on such when these are required to be settled before the start of the subscription period. Examples of these include subscriptions such as SALGA levies.

Prepayments on capital programs are made as part of the municipality's attempt to assist small business to speed up delivery, where materials are required to complete works from distributors that normally require payment upfront to supply the materials required. Examples of these include electricity meters from Eskom, building material, concrete materials and other types of materials that contractors do not necessarily produce. Prepayments are made either at the request of the contractors or at the recommendation of the municipality, these requests may either be in writing or verbal during project management engagements.

For infrastructure projects the municipality only makes prepayments where the amount will not result in the whole contract value being paid, this means that the municipality may still have mechanisms to recover the amount in terms of future work delivered.

Sometimes prepayments are made to lock the prices for the goods and services that may change and benefit from the discounts that are being offered

Recognition

Prepayments are considered current assets because they are amounts paid in advance by the municipality in exchange for goods or services to be delivered in the future. Prepayments relate to purchase of something that provides value to the municipality over several accounting periods or as part of the agreements entered into between a service provider and the municipality. The municipality records a prepayment as an asset on the statement of financial position because it represents a future benefit due to the municipality. As the benefit of the goods or service are realised, the asset's value is decreased or cleared and the amount is added to the respective asset being acquired or expensed as may be necessary. At the end of each reporting date the municipality confirms whether delivery has taken place or not.

Disclosure

The municipality discloses the following information at each reporting date relating prepayments

- Amounts paid
- Name of company paid
- Reasons for payment

Derecognition

Prepayments are derecognised in the municipality's books when the goods or services have been received and transferred to the corresponding asset being acquired or constructed or expensed in the municipality's statement of financial performance as may be necessary.

1.32 Heritage assets

Assets are resources controlled by a municipality as a result of past events and from which future economic benefits or service potential are expected to flow to the municipality.

Carrying amount is the amount at which an asset is recognised after deducting accumulated impairment losses.

Class of heritage assets means a grouping of heritage assets of a similar nature or function in a municipality's operations that is shown as a single item for the purpose of disclosure in the audited annual financial statements.

Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire an asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other Standards of GRAP.

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life.

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.

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations.

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Accounting Policies

1.32 Heritage assets (continued)

An impairment loss of a cash-generating asset is the amount by which the carrying amount of an asset exceeds its recoverable amount.

An impairment loss of a non-cash-generating asset is the amount by which the carrying amount of an asset exceeds its recoverable service amount.

An inalienable item is an asset that a municipality is required by law or otherwise to retain indefinitely and cannot be disposed of without consent.

Recoverable amount is the higher of a cash-generating asset's net selling price and its value in use.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

Value in use of a cash-generating asset is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Value in use of a non-cash-generating asset is the present value of the asset's remaining service potential.

The municipality separately discloses expenditure to repair and maintain heritage assets in the notes to the financial statements (see note 6).

The municipality discloses relevant information relating to heritage assets under construction or development, in the notes to the financial statements (see note 6).

Recognition

The municipality recognises a heritage asset as an asset if it is probable that future economic benefits or service potential associated with the asset will flow to the municipality, and the cost or fair value of the asset can be measured reliably.

Initial measurement

Heritage assets are measured at cost.

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

Subsequent measurement

After recognition as an asset, a class of heritage assets is carried at its cost less any accumulated impairment losses.

After recognition as an asset, a class of heritage assets, whose fair value can be measured reliably, is carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent impairment losses.

If a heritage asset's carrying amount is increased as a result of a revaluation, the increase is credited directly to a revaluation surplus. However, the increase is recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same heritage asset previously recognised in surplus or deficit.

If a heritage asset's carrying amount is decreased as a result of a revaluation, the decrease is recognised in surplus or deficit. However, the decrease is debited directly to a revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that heritage asset.

Impairment

The municipality assess at each reporting date whether there is an indication that it may be impaired. If any such indication exists, the municipality estimates the recoverable amount or the recoverable service amount of the heritage asset.

Transfers

Transfers from heritage assets are only made when the particular asset no longer meets the definition of a heritage asset.

Transfers to heritage assets are only made when the asset meets the definition of a heritage asset.

Derecognition

The municipality derecognises heritage asset on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

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

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.33 Statutory receivables

Identification

Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means, and require settlement by another entity in cash or another financial asset.

Carrying amount is the amount at which an asset is recognised in the statement of financial position.

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

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

The transaction amount (for purposes of this Standard) for a statutory receivable means the amount specified in, or calculated, levied or charged in accordance with, legislation, supporting regulations, or similar means.

Recognition

The municipality recognises statutory receivables as follows:

- if the transaction is an exchange transaction, using the policy on Revenue from exchange transactions;
- if the transaction is a non-exchange transaction, using the policy on Revenue from non-exchange transactions (Taxes and transfers); or
- if the transaction is not within the scope of the policies listed in the above or another Standard of GRAP, the receivable is recognised when the definition of an asset is met and, when it is probable that the future economic benefits or service potential associated with the asset will flow to the municipality and the transaction amount can be measured reliably.

Initial measurement

The municipality initially measures statutory receivables at their transaction amount.

Subsequent measurement

The municipality measures statutory receivables after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is changed subsequent to initial recognition to reflect any:

- 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 prime+1.

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 municipality 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).
- 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.

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.33 Statutory receivables (continued)

If there is an indication that a statutory receivable, or a group of statutory receivables, may be impaired, the municipality measures the impairment loss as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable, or group of statutory receivables, is reduced, either directly or through the use of an allowance account. The amount of the losses are recognised in surplus or deficit.

In estimating the future cash flows, the 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 municipality 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 municipality considers whether any newly created rights and obligations are within the scope of the Standard of GRAP on Financial Instruments or another Standard of GRAP. Any difference between the consideration received and the amounts derecognised and, those amounts recognised, are recognised in surplus or deficit in the period of the transfer.

1.34 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 an 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.

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.34 Accounting by principals and agents (continued)

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 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 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.

1.35 Contingent assets and contingent liabilities

The municipality does not recognise contingent liabilities or contingent assets but discloses them.

A contingent liability is a possible outflow of resources embodying economic benefits or service potential that is subject to a future event.

A contingent asset is a possible inflow of resources embodying economic benefits or service potential that is subject to one or more uncertain future events beyond the control of the municipality.

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">• Guideline: Guideline on the Application of Materiality to Financial Statements	01 April 2019	Unlikely there will be a material impact
<ul style="list-style-type: none">• GRAP 104 (as revised): Financial Instruments	01 April 2025	Unlikely there will be a material impact

2.2 Standards and interpretations not yet effective or relevant

The following standards and interpretations have been published and are mandatory for the municipality's accounting periods beginning on or after 01 July 2023 or later periods but are not relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
<ul style="list-style-type: none">• Guideline: Guideline on Accounting for Landfill Sites	01 April 2019	Not expected to impact results but may result in additional disclosure
<ul style="list-style-type: none">• GRAP 25 (as revised): Employee Benefits	01 April 2019	Not expected to impact results but may result in additional disclosure
<ul style="list-style-type: none">• iGRAP 7 (as revised): Limit on defined benefit asset, minimum funding requirements and their interaction	01 April 2019	Not expected to impact results but may result in additional disclosure

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

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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	42 209 500	-	42 209 500	40 471 783	-	40 471 783

Reconciliation of investment property - 2023

	Opening balance	Fair value adjustments	Total
Investment property	40 471 783	1 737 717	42 209 500

Reconciliation of investment property - 2022

	Opening balance	Transfers	Fair value adjustments	Total
Investment property	36 654 783	1 381 500	2 435 500	40 471 783

Pledged as security

There are no Investment Properties 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.

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

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2023

2022

3. Investment property (continued)

Details of valuation

The effective date of the revaluations was 30 June 2023. Revaluations were performed by an independent valuer, PJ Lindstrom a Professional Valuer - Reg.No 935/7.of Penny Lindstrom Valuations. PJ Lindstrom is not connected to the municipality and have recent experience in location and category of the investment property being valued.

The valuation was based on discounted cash flows.

For investment property, totalling 42 209 500 (2022: 40 471 783), where there was a lack of comparable market data, the valuation was based on discounted cash flows. The following assumptions were used:

Discount rate

Amounts recognised in surplus and deficit for the year.

Maintenance of investment property

There were no maintenance cost incurred by the municipality on investment Property .

Amounts recognised in surplus or deficit

Rental revenue from Investment property	7 575 950	7 682 087
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Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

Figures in Rand

4. Property, plant and equipment

	2023			2022		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	3 128 628	-	3 128 628	3 148 628	-	3 148 628
Buildings	30 210 085	(7 012 400)	23 197 685	29 461 646	(6 337 119)	23 124 527
Plant and machinery	25 049 766	(16 985 199)	8 064 567	24 881 652	(15 403 143)	9 478 509
Furniture and fixtures	28 336 609	(21 399 229)	6 937 380	26 286 731	(19 879 588)	6 407 143
Motor vehicles	16 888 020	(7 510 560)	9 377 460	12 850 691	(6 600 807)	6 249 884
Infrastructure	728 181 241	(295 749 970)	432 431 271	664 638 294	(265 997 952)	398 640 342
Community	210 167 147	(28 987 451)	181 179 696	127 008 101	(24 455 300)	102 552 801
Work in progress	173 296 656	-	173 296 656	218 295 490	-	218 295 490
Total	1 215 258 152	(377 644 809)	837 613 343	1 106 571 233	(338 673 909)	767 897 324

Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Disposals	Transfers received	Transfers	Depreciation	Impairment loss	Impairment reversal	Total
Land	3 148 628	-	(20 000)	-	-	-	-	-	3 128 628
Buildings	23 124 527	748 440	--	-	-	(675 282)	-	-	23 197 685
Plant and machinery	9 478 509	168 114	(91 736)	-	-	(1 563 937)	(18 119)	-	8 064 567
Furniture and fixtures	6 407 143	3 120 966	(775 328)	79 700	-	(2 408 245)	(170 448)	-	6 937 380
Motor vehicles	6 249 884	4 457 473	(2 239 026)	399 656	-	(954 225)	-	-	9 377 460
Infrastructure	398 640 342	64 621 999	-	-	2 835 504	(30 624 603)	(1 732 429)	929 484	432 431 271
Community	102 552 801	7 069 812	(34 510 049)	-	76 089 234	-	(4 532 151)	-	181 179 696
Work in progress	218 295 490	70 273 097	-	-	(80 761 882)	--	-	-	173 296 656
	767 897 324	150 459 901	(37 636 139)	479 356	(1 837 144)	(40 758 443)	(1 920 996)	929 484	837 613 343

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

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4. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2022

	Opening balance	Additions	Disposals	Transfers received	Transfers	Depreciation	Impairment loss	Total
Land	3 148 628	-	-	-	-	-	-	3 148 628
Buildings	23 755 900	-	(20 129)	-	63 000	(674 244)	-	23 124 527
Plant and machinery	12 529 546	119 400	(276 652)	-	-	(2 893 785)	-(4)	9 478 509
Furniture and fixtures	8 957 466	1 838 653	(15 901)	78 999	-	452 074)	-(2)	6 407 143
Motor vehicles	10 133 337	-	(1 696 740)	-	-	186 713)	-(31)	6 249 884
Infrastructure	392 127 020	49 246 343	(16 256 037)	1 432 000	7 210 136	004 067)	(4 115 053) (2)	398 640 342
Community	83 755 070	13 130 028	(139 656)	-	13 129 537	881 415)	(4 440 763)	102 552 801
Work in progress	165 166 168	102 414 244	(28 882 249)	-	(20 402 673)	-	-	218 295 490
	699 573 135	166 748 668	(47 287 364)	1 510 999	-	(44 092 298)	(8 555 816)	767 897 324

Pledged as security

There are no Property, Plant and Equipment pledged as security:

Depreciation rates

Land		Indefinite
Buildings	Straight-line	5 - 100 years
Plant and machinery	Straight-line	2 - 15 years
Furniture and fixtures	Straight-line	2 - 26 years
Motor vehicles	Straight-line	3 - 14 years
Office equipment	Straight-line	3 - 26 years
IT equipment	Straight-line	3 - 17 years
Infrastructure	Straight-line	5 - 100 years
Community	Straight-line	10 - 50 years
Other property, plant and equipment	Straight-line	5 - 21 years
Park facilities	Straight-line	10 - 50 years
Waste disposal site	Straight-line	15-30 years

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

Figures in Rand 2023 2022

4. Property, plant and equipment (continued)

Capitalised expenditure (excluding borrowing costs)

Buildings	748 440	-
Plant and machinery	168 114	119 400
Furniture and fixtures	3 120 966	1 838 653
Motor vehicles	4 457 473	-
Infrastructure	64 621 999	49 246 343
Community	7 069 812	13 130 028
Work in progress	70 273 097	102 414 244
	150 459 901	166 748 668

Compensation received for losses on property, plant and equipment

IT equipment	25 550	9 022
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Property, plant and equipment in the process of being constructed or developed

Cumulative expenditure recognised in the carrying value of property, plant and equipment

Other property, plant and equipment	6 301 365	4 809 316
Infrastructure	79 941 918	63 436 528
Community	87 053 373	150 049 646
	173 296 656	218 295 490

Carrying value of property, plant and equipment that is taking a significantly longer period of time to complete than expected

Community Assets	58 470 995	58 470 995
Bizana Sport field was previously delayed due to lack of funding, however the municipality has agreed to fund the construction as a multi year project that is scheduled to be completed in 2023		
Road Infrastructure	25 285 121	6 343 328
Sidanga Access Road delayed due to the fine municipality received from DEDEA for working without the ORD.		
Electricity Projects	8 945 333	8 945 333
8 MVA Backbone line that has been delayed by approvals required from Eskom that took longer than expected.		
	92 701 449	73 759 656

Reconciliation of Work-in-Progress 2023

	Included within Infrastructure	Included within Community	Included within Other PPE	Total
Opening balance	63 436 528	150 049 646	4 809 316	218 295 490
Additions/capital expenditure	53 850 926	14 930 104	1 492 049	70 273 079
Disposal (Transfer to ESKOM)	(34 510 050)	-	-	(34 510 050)
Transferred to completed items	(2 835 486)	(77 926 377)	-	(80 761 863)
	79 941 918	87 053 373	6 301 365	173 296 656

Reconciliation of Work-in-Progress 2022

	Included within Infrastructure	Included within Community	Included within Other PPE	Total
Opening balance	60 885 921	100 004 458	4 275 789	165 166 168
Additions/capital expenditure	38 642 992	63 174 724	596 527	102 414 243
Disposals(Transfer to ESKOM)	(28 882 249)	-	-	(28 882 249)
Transferred to completed items	(7 210 136)	(13 129 536)	(63 000)	(20 402 672)
	63 436 528	150 049 646	4 809 316	218 295 490

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022	
4. Property, plant and equipment (continued)			
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			
Employee related costs	5 782 340	5 143 301	
Contracted services	11 478 859	12 443 946	
General expenses	6 817	983 249	
	17 268 016	18 570 496	
Funding of property, plant and equipment acquisitions			
	Funding type		
Additions to property, plant and equipment was funded from the following sources:			
Plant and Machinery			
Internally generated funds	Own revenue	168 114	119 400
Infrastructure Assets			
Municipal Infrastructure Grant	Government Grant	14 167 227	20 609 587
Internally generated funds	Own revenue	22 479 507	28 636 756
Disaster Recovery Grant	Type 1	27 975 265	-
Community Assets			
Internally generated funds	Own revenue	7 069 812	6 962 495
Municipal Infrastructure Grant	Government Grant	-	6 167 533
Furniture and fixtures			
Internally generated funds	Own revenue	3 120 966	1 838 653
Transport Assets			
Internally generated funds	Own revenue	4 457 473	-
Work in progress			
Municipal Infrastructure Grant	Government grant	20 730 658	21 507 015
Integrated National Electrification Grant	Government Grant	14 432 317	15 591 909
Internally generated funds	Own revenue	25 991 049	64 718 794
General Budget Support Grant(GBS)	Government grant	996 995	596 527
Disaster Recovery Grant	Government Grant	8 122 068	-
Buildings			
Internally generated funds	Own revenue	748 440	-
	150 459 901	166 748 668	

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.

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

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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	2 740 673	(2 109 251)	631 422	2 230 573	(2 187 326)	43 247

Reconciliation of intangible assets - 2023

Computer software, other	Opening balance	Additions	Amortisation	Total
	43 247	600 000	(11 825)	631 422

Reconciliation of intangible assets - 2022

Computer software, other	Opening balance	Amortisation	Total
	69 315	(26 068)	43 247

Pledged as security

There are no intangible assets pledged as security:

Winnie Madikizela-Mandela Local Municipality

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Notes to the Audited Annual Financial Statements

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6. Heritage assets

	2023			2022		
	Cost / Valuation	Accumulated impairment losses	Carrying value	Cost / Valuation	Accumulated impairment losses	Carrying value
Art Collections, antiquities and exhibits	30 000	-	30 000	30 000	-	30 000
Historical monuments	1 230 799	-	1 230 799	1 230 799	-	1 230 799
Total	1 260 799	-	1 260 799	1 260 799	-	1 260 799

Reconciliation of heritage assets 2023

Art Collections, antiquities and exhibits	Opening balance	Total
Historical monuments	30 000	30 000
	1 230 799	1 230 799
	1 260 799	1 260 799

Reconciliation of heritage assets 2022

Art Collections, antiquities and exhibits	Opening balance	Additions	Total
Historical monuments	-	30 000	30 000
	1 230 799	-	1 230 799
	1 230 799	30 000	1 260 799

Restrictions on heritage assets

There are no restrictions on heritage assets:

Pledged as security

There are no heritage assets pledged as security:

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

Figures in Rand

	2023	2022
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7. Inventories

Inventories	1 401 273	449 850
Inventories (write-downs)	1 401 273 (17 729)	449 850 -
	1 383 544	449 850

Inventory pledged as security

There is no Inventory pledged as security.

8. Operating lease asset

Current assets	15 435 571	11 731 524
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Certain of the municipality's property is held to generate rental income. Lease agreements are renewable and have varying terms of between 6-26 years. There are no contingent rentals receivables. The operating lease asset arose as result of straight lining the lease rentals per requirement of GRAP 13.

9. Other receivables from exchange transactions

Trade debtors	829 225	2 014 706
Consumer debtors - Electricity	355 241	358 484
	1 184 466	2 373 190

Details of other receivables from exchange transactions

Trade Debtors	829 225	2 014 706
Consumer debtors - Land Sales	210 030	210 030
Allowance for doubtful debts consumer debtors - Land sales	(210 030)	(210 030)
Consumer debtors - Electricity	956 457	956 457
Allowance for doubtful debts consumer debtors - Electricity	(601 216)	(597 973)
	1 184 466	2 373 190

Financial asset receivables included in receivables from exchange transactions above

	-	-
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Total receivables from exchange transactions

There are no other receivables from exchange transaction that were pledged as security

Fair value of trade and other receivables

Other receivables from exchange transactions	1 184 466	2 373 190
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Other receivables from exchange transactions past due but not impaired

Other trade and other receivables from exchange transactions which are less than 3 months past due are not considered to be impaired. There were no trade and other receivables less than 3 months past due and not considered to be impaired at 30 June 2023 and 30 June 2022.

Other receivables from exchange transactions impaired

As of 30 June 2023, trade and other receivables of 1 166 487 (2022: 1 166 487) were impaired and provided for.

The amount of the provision was 811 246 as of 30 June 2023 (2022: 808 003).

The ageing of these loans is as follows:

Over 6 months	1 166 487	1 166 487
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Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022
10. Receivables from non-exchange transactions		
Contractor receivables	1 083 620	418 046
Recoveries	375 856	535 000
Staff debts	99 044	105 845
Payroll debtors	182 839	182 839
Overpayment - Councillors remuneration	485 531	486 129
	2 226 890	1 727 859

Receivables from non-exchange transactions pledged as security

No receivables from non-exchange transactions were pledged as security.

Fair value of receivables from non-exchange transactions

Other receivables from non-exchange transactions	2 226 890	1 727 859
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The net balance of receivables from non-exchange transactions approximate the fair value of these receivables.

Winnie Madikizela-Mandela Local Municipality

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Notes to the Audited Annual Financial Statements

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11. Statutory receivables		
The municipality had the following statutory receivables where the Framework for the Preparation and Presentation of Financial Statements have been applied, for the initial recognition and subsequent measurement:		
Fines	2 637 434	1 502 694
These are receivables as a result of transgressions of laws and by-laws		
Fines impairment	(1 122 440)	(1 063 893)
This is impairment based on past experience and assessment of the category of debtors terms of the policy on debt impairment		
Property Rates	46 577 165	42 102 614
These are receivables arising from the Municipal Property Rates Act		
Property Rates Impairment	(5 424 491)	(4 814 712)
This is impairment based on past experience and assessment of the individual debtors performance in terms of the policy on debt impairment		
VAT Receivables	17 621 134	12 852 819
These are receivables arising from the VAT Act 89 of 1991		
	60 288 802	50 579 522
Current assets	60 288 802	50 579 522

Statutory receivables general information

Transaction(s) arising from statute

The Local Government: Municipal Property Rates Amendment Act, No. 19 of 2009 gives powers to a metropolitan or local municipality to levy a rate on property in its area. This also requires councils of municipalities to adopt a policy consistent with the Act on levying of rates on rateable property in the municipality.

Traffic fines are administered based on the National Road Traffic Act 93 of 1996 which intends to promote road traffic quality by providing for a scheme to discourage road traffic contraventions, to facilitate the adjudication of road traffic infringements, to support the prosecution of offences in terms of the national and provincial laws relating to road traffic, and implement a points demerit system; to provide for the establishment of an agency to administer the scheme; to provide for the establishment of a board to represent the agency; and to provide for matters connected therewith

Traffic fines are issued by law enforcement officials to motorists or other road users indicating that they violated traffic laws. These come in two forms, citing a moving violation, such as exceeding the speed limit or a non-moving violation, such as a parking violation.

Electricity fines are administered in terms of Electricity Act 41 of 1987 section 27(2) which states that any person who without legal right (the proof of which shall be upon him) abstracts, branches off or diverts or causes to be abstracted, branched off or diverted any electric current, or consumes or uses any such current which has been wrongfully or unlawfully abstracted, branched off or diverted, knowing it to have been wrongfully or unlawfully abstracted, branched off or diverted, shall be guilty of an offence and liable on conviction to 55 the penalties which may be imposed for theft

In terms of the VAT ACT 89 of 1991 and its amendments municipalities must be VAT registered and must declare Output tax on the taxable supply of goods and services and claim Input tax credits on expenses incurred in the course or furtherance of the enterprise (the taxable supplies). The output tax is declared and the input tax is claimed by completing a VAT 201 return.

Determination of transaction amount

The Local Government: Municipal Property Rates Amendment Act, No. 19 of 2009 requires municipalities intending to levy a rate on property in accordance with the Act to cause:

- a general valuation to be made of all properties in the municipality
- a valuation roll to be prepared of all properties determined

A tariff structure is then setup in terms of the council approved tariff policy. The tariffs are then applied to different categories of rateable properties to determine the amount payable for each qualifying property. A statement of account is then sent to the owner of each property to notify them of the amount payable and payment timeframes.

Both the Tariff and rates policy of the municipality are reviewed annually in compliance with the Act. During this review tariffs are also revised to ensure accuracy and correctness.

The general valuation in terms of the Act is valid for five years but is also reviewed annually through a supplementary valuation.

Calculations of Traffic fines

The penalties on the Traffic fine list book are prescribed under section 29(b) for each infringement and must be imposed administratively in terms of Chapter III, subject to the discount contemplated in section 17(1)(d).

Calculations of Electricity fines

The penalties on the Electricity fine are prescribed in the municipal tariffs policy as adopted by municipal council.

Winnie Madikizela-Mandela Local Municipality

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11. Statutory receivables (continued)

VAT Receivablest

The VAT 201 is a monthly VAT declaration that must be submitted by all VAT registered vendors as per the registered tax period. The return reflects the VAT for which the entity is liable to declare output tax and the amounts that can be deducted as input tax.

Winnie Madikizela-Mandela Local Municipality

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11. Statutory receivables (continued)

Interest or other charges levied/charged

Interest accrues after due date as indicated in the account statement which is 30 days, if the account remains unpaid at a rate of prime +1.

Basis used to assess and test whether a statutory receivable is impaired

The impairment is based on the impairment type risk scoring and payment risk scoring determined as follows:

Allocating a SCORE based on the account's ageing, account status, account type and whether it's an owner or occupier – 2 being the max score on each

If the account is inactive the status score gets a 2 and if the account is active (which means the possibility of retrieving the debt is better than the inactive account) it gets a zero score0.

If the account is an occupier it gets a high score of 2 and if it's an owner its gets a zero because when the owner wants to sell he needs a clearance certificate and you will be able to retrieve the debt.

The last score is based on your Active Account Type Category – Government and Provincial accounts get a zero score because the municipality should be able settle the government accounts debt. Business score is 0.4 and household score is 1.25. In-Active account type the score is 2.

Allocate a score depending on whether the account has outstanding balances in 30days, 60days, 90days, 120days etc. and the older the debt the higher the score. Refer to the payment risk table below

The Total Type Risk = Status Risk Score + Account Type Risk Score + Owner/Occupier Type Risk Score

Total Payment Risk = the payment risk scoring added together

The Allowance factor is then the two risks multiplied together to get the numeric factor, the factor is then converted into a percentage which is applied to the outstanding balance. Any converted percentage from 100% and above is impaired fully (100%).

Statutory receivables past due but not impaired

Statutory receivables which are less than 1 month (Property rates and electricity fines) and Traffic fines which are less than 12 months past due are not considered to be impaired. At 30 June 2023, 1 680 428 (2022: 905 581) were past due but not impaired.

The ageing of amounts past due but not impaired is as follows:

1 month past due	982 642	593 581
2 months past due	352 007	32 200
3 months past due	345 779	279 800

Factors the entity considered in assessing statutory receivables past due but not impaired

Property rates that bare past due but not impaired are Governments and Provincial accounts that the municipality should be able to settle

Fines that are past due but not impaired are fines that were raised within 12 months of the financial year, and are outside the bracket of the traffic fines Impairment policy.

Statutory receivables impaired

As of 30 June 2023, Statutory receivables of 47 193 250 (2022: 42 742 783) were impaired and provided for.

The amount of the Allowance for doubtful debts was 6 678 471 as of 30 June 2023 (2022: 5 878 605).

The ageing of these receivables is as follows:

1 to 6 months	3 645 456	3 408 280
Over 6 months	43 547 794	39 334 503

Factors the entity considered in assessing statutory receivables impaired

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11. Statutory receivables (continued)

Allowance for doubtful debts is determined according to the past payment patterns of the different consumers within the various categories.

An impairment calculation is forward-looking and one must therefore use the number of days that the particular financial asset is still expected to be outstanding based on the best information available at year-end. For this estimation it will be best to use a combination of key indicators that will provide a list of debtors that are most likely to be impairment.

Debtors are evaluated at each reporting date and impaired as per the impairment of debtors and write-off policy in line with National Treasury guidelines.

Reconciliation of allowance for doubtful debts for statutory receivables

Opening balance	5 878 605	12 183 171
Allowance for doubtful debts	917 467	246 904
Amounts written off as uncollectible	-	(6 551 470)
Allowance for doubtful debt reversal	(117 601)	-
	6 678 471	5 878 605

During the current year, the municipality started utilising the services of a debt collector as part of its implementation of the debt collection and credit control policy which has contributed to a reduction in the year to year debt impairment movement.

The Council took a resolution to write-off all outstanding traffic fines that are older than two years at reporting date as uncollectible.

12. Prepayments

Prepayments

Prepayments	4 720 631	12 118 629
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Prepaid expenses are those expenses that are paid for in one accounting period, but for which the underlying services or goods will be received in a future period.

During the year under review the municipality paid for services and goods that will be received or rendered in the following accounting period.

These were the supplier's requirements as they require payment before services or goods can be rendered or delivered. The suppliers are:

Suppliers

Belgotex Floor Covering	2 869 864	6 157 483
ESKOM Holdings for electricity projects	117 475	3 582 228
Salga levies	1 542 082	-
SAGE VIP	190 875	175 115
Zamadunga Business Enterprise	-	2 202 803
Institute of Local Government	-	1 000
Post Office	335	-
	4 720 631	12 118 629

ESKOM Holdings prepayments is for Electricity Project that will be constructed. The municipality pays 5% to ESKOM after appointing the service provider for a particular project. This 5% is paid for the meter and documentation that ESKOM provide to the municipality.

Belgotex Floor Covering prepayment is for the material that is needed for the Mputhumi Mafumbatha Stadium, that is currently being constructed.

South African Post Office for the annual fee 2023.

SAGE VIP for annual licence fee from March to Feb 2024.

SALGA Levies for period 2023/24 was paid in advance in order for the municipality to benefit from the discount being offered of 5%

Winnie Madikizela-Mandela Local Municipality

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13. Receivables from exchange transactions		
Gross balances		
Receivables-service charges	40 203 032	42 783 692
Less: Allowance for doubtful debts		
Allowance for doubtful debts	(17 453 260)	(17 902 368)
Net balance		
Receivables-service charges	22 749 772	24 881 324
Gross Services Charges		
Current (0- 30 days)	4 194 437	6 036 357
31 - 60 days	2 692 410	2 162 681
61 -90 days	2 392 680	2 036 004
91 -120 days	1 889 520	1 919 048
121 - 365 days	13 003 786	10 137 916
> 365 days	16 030 200	20 491 687
	40 203 033	42 783 693
Gross balance		
	40 203 033	42 783 693
Net balance - Service charges		
Current (0 -30 days)	4 194 436	6 036 357
31 - 60 days	1 750 983	1 239 090
61 - 90 days	1 484 888	1 106 771
91 - 120 days	920 793	1 102 608
121 - 365 days	6 895 382	5 785 444
> 365 days	6 915 955	9 611 054
Allowance for doubtful debts reversal	587 335	-
	22 749 772	24 881 324
Summary of debtors by customer classification		
Consumers		
Current (0 -30 days)	213 768	404 911
31 - 60 days	195 829	193 274
61 - 90 days	185 863	176 773
91 - 120 days	183 404	150 330
121 - 365 days	1 406 741	1 000 252
> 365 days	7 495 320	6 889 295
	9 680 925	8 814 835
Less: Allowance for doubtful debts	(6 504 498)	(6 277 162)
	3 176 427	2 537 673
Industrial/ commercial		
Current (0 -30 days)	3 263 910	4 146 905
31 - 60 days	1 903 154	1 290 823
61 - 90 days	1 169 456	1 222 897
91 - 120 days	1 204 296	1 218 214
121 - 365 days	8 020 044	4 618 866
> 365 days	6 396 365	8 555 826
	21 957 225	21 053 531
Less: Allowance for doubtful debts	(11 536 095)	(11 625 204)
	10 421 130	9 428 327
National and provincial government		
Current (0 -30 days)	716 759	1 484 540
31 - 60 days	593 428	678 585
61 - 90 days	1 037 362	636 333

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Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022
13. Receivables from exchange transactions (continued)		
91 - 120 days	501 820	550 503
121-365 days	3 577 002	4 518 801
> 365 days	2 138 515	5 046 564
	8 564 886	12 915 326
Total		
Current (0 -30 days)	4 194 436	6 036 357
31 - 60 days	2 692 410	2 162 681
61 - 90 days	2 392 680	2 036 004
91 - 120 days	1 889 520	1 919 045
121 - 365 days	13 003 786	10 137 916
> 365 days	16 030 200	20 491 687
	40 203 032	42 783 690
Less: Allowance for doubtful debts	(18 040 594)	(17 902 366)
Allowance for doubtful debts reversal	587 334	-
	22 749 772	24 881 324
Less: Allowance for doubtful debts		
Current (0 -30 days)	-	-
31 - 60 days	(941 427)	(923 591)
61 - 90 days	(907 792)	(929 233)
91 - 120 days	(968 727)	(816 440)
121 - 365 days	(6 108 404)	(4 352 472)
> 365 days	(9 114 244)	(10 880 632)
Allowance for doubtful debts reversal	587 334	-
	(17 453 260)	(17 902 368)
Reconciliation of allowance for doubtful debts		
Balance at beginning of the year	(17 902 368)	(17 317 714)
Contributions to allowance	(138 226)	(584 654)
Reversal of allowance	587 334	-
	(17 453 260)	(17 902 368)

Consumer debtors pledged as security

There were no consumer debtors that were pledged as security in the 2022/2023 financial year.

Credit quality of consumer debtors

In determining the recoverability of consumer debt the municipality considers any changes in the credit quality of the consumer debtor from the date credit was initially granted up to the reporting date. The concentration of credit risk is limited due to the consumer base being large and unrelated. Accordingly, the allowance for doubtful debts is determined according to the past payment patterns of each consumers within the various categories. The calculation of the allowance for doubtful debts is automated in the system which is configured according to the national treasury scoring method.

Fair value of receivables- service charges

Consumer debtors	22 749 772	24 881 324
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The value of receivables from service charges is determined by taking the gross amount less the allowance for doubtful debts.

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022
13. Receivables from exchange transactions (continued)		
Consumer debtors past due but not impaired		
Consumer debtors which are less than 3 months past due are not considered to be impaired. At 30 June 2023, 6 327 046 (2022: 3 569 276) were past due but not impaired.		
The ageing of amounts past due but not impaired is as follows:		
1 month past due	4 787 864	2 254 358
2 months past due	1 037 362	678 585
3 months past due	501 820	636 333
Consumer debtors impaired		
As of 30 June 2023, consumer debtors of 24 706 170 (2022: 22 357 996) were impaired and allowed for.		
The amount of the allowance for doubtful debts was 19 080 052 as of 30 June 2023 (2022: 17 902 368).		
The ageing of these receivables are as follows:		
3 to 6 months	5 499 397	4 138 901
Over 6 months	19 206 773	18 219 095
Reconciliation of allowance for doubtful debts of consumer debtor		
Opening balance	(17 902 368)	(17 317 714)
Allowance for doubtful debts	(138 226)	(584 654)
	(18 040 594)	(17 902 368)

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14. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand		4	4
Bank balances		956 930	2 951 488
Short-term deposits		359 058 466	274 157 331
		360 015 400	277 108 823

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
FNB BANK - Public Sector-Cheque account -51704922107	902 583	2 940 039	9 323 582	956 929	2 951 487	9 353 192
FNB BANK - Business Call Account - 62459758078	-	-	1 163	-	-	1 164
FNB BANK - Business Call Account - 62852108531	4 824 046	206	67 458	4 824 047	-	67 459
FNB BANK - Business Call Account - 62816773073	33	19	2 387	33	19	2 387
FNB BANK - Business Call Account - 62816769220	348 619	357 312	393 618	348 618	357 312	393 618
FNB BANK - Business Call Account - 62028477992	351 690 116	267 495 116	244 068 379	351 690 116	267 495 116	244 068 379
FNB BANK - Business Call Account - 62896110170	2 195 648	6 304 880	4 276 010	2 195 571	6 304 880	4 276 010
Total	359 961 045	277 097 572	258 132 597	360 015 314	277 108 814	258 162 209

15. Payables from exchange transactions

Trade payables	3 157 244	9 994 503
Payments received in advanced - contract in process	1 420 839	1 471 445
Retention and surety	25 026 021	22 888 724
Accruals	20 884 624	16 366 202
Workmen's Compensation	265 724	233 834
Unallocated receipts	1 517 870	1 629 070
Payroll Creditors	471 226	250 653
	52 743 548	52 834 431

Fair value of trade and other payables

Trade payables	52 743 548	52 834 431
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16. Consumer deposits

Electricity	114 597	132 596
Hall Hire	382 650	373 281
	497 247	505 877

Consumer deposits for electricity are paid by consumers on application for new electricity connections. The deposits are repaid when the electricity connections are terminated. In cases where consumers default on their accounts council can utilise the deposits as payment for the outstanding amount.

Hall hire deposits are paid by consumers on hiring any of the municipal community halls. The deposit is a damage deposit and is paid back to the consumer after the event and if no damages occurred.

Consumer deposits collected do not accrue any interest

The carrying value of consumer deposits approximates their fair value.

Winnie Madikizela-Mandela Local Municipality

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17. Unspent conditional grants and receipts

The conditions relating to full expenditure were not met for the grants disclosed as unspent conditional grants and receipts. These amounts are accounted for as a current liability until a roll-over is granted by National Treasury and the spending condition is met.

Unspent conditional grants and receipts comprises of:

Unspent conditional grants and receipts

DSRAC: Library Grant	-	1 048 203
EPWP Grant	4	4
Disaster Recovery Grant	6 071 429	-
GIS Grant - Alfred Nzo	100 000	100 000
Municipal Infrastructure Grant	(2)	-
General Budget Support Grant	2 015 384	6 285 217
Waste Management Grant	11 686	11 686
	8 198 501	7 445 110

Movement during the year

Balance at the beginning of the year	7 445 110	5 058 414
Additions during the year	120 375 879	92 855 764
Income recognition	(116 905 998)	(86 214 381)
Surrendered to National Revenue fund during the year	(2 716 490)	(4 254 687)
	8 198 501	7 445 110

Winnie Madikizela-Mandela Local Municipality

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18. Provisions

Reconciliation of provisions - 2023

	Opening Balance	Additions	Utilised during the year	Reversed during the year	Reduction due to re-measurement	Closing Balance
Environmental rehabilitation	24 785 204	-	(391 976)	-	(10 762 956)	13 630 272
Provision for long service bonuses	610 802	764 957	(286 690)	(324 111)	-	764 958
Bonus provision	3 282 309	3 591 689	(3 282 309)	-	-	3 591 689
Staff leave provision	15 084 149	13 415 999	(1 982 704)	(13 101 445)	-	13 415 999
	43 762 464	17 772 645	(5 943 679)	(13 425 556)	(10 762 956)	31 402 918

Reconciliation of provisions - 2022

	Opening Balance	Additions	Utilised during the year	Reversed during the year	Closing Balance
Environmental rehabilitation	7 627 683	24 785 204	-	(7 627 683)	24 785 204
Provision for long service bonuses	461 614	610 802	(212 503)	(249 111)	610 802
Bonus provision	2 058 138	3 282 309	(2 058 138)	-	3 282 309
Staff leave provision	15 784 450	15 084 150	(1 065 009)	(14 719 442)	15 084 149
	25 931 885	43 762 465	(3 335 650)	(22 596 236)	43 762 464

Non-current liabilities
Current liabilities

11 484 800	22 483 946
19 918 118	21 278 518
31 402 918	43 762 464

Environmental rehabilitation provision

The municipality operates a refuse disposal site. In accordance with legislation and to comply with the Department of Water Affairs (DWA) and Department of Economic Development and Environmental Affairs (DEDEAT) on the landfill waste sites, the municipality raises a provision every year for the estimated cost of rehabilitating the land over which the site is situated.

The provision has been made for this cost based on the construction budget to rehabilitate the landfill site at 30 June 2023 taking into account price escalation of 6% relating to inflation.

A valuation of the rehabilitation was conducted by an independent valuer (Episteme Research and development) and a liability has been raised. Movements in the provision are recognised in the Statement of Financial Performance. The Provision has been determined on the basis of a recent independent financial requirement and viability.

Bonus provision

All permanent employees are entitled to receive a bonus equal to one month basic salary on their birth month therefore an accrual of the proportionate bonus is accrued from year end till the next birth date for each employee.

Staff leave provision

The municipality offers employees 2 days for every month completed and is therefore liable to pay employee the amount equivalent to the leave days not taken at year end upon resignation or retirement. This is calculated based on the cost to the company rate per day.

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19. Financial instruments disclosure		
Categories of financial instruments		
2023		
Financial assets		
	At amortised cost	Total
Trade and other receivables from exchange transactions	22 309 942	22 309 942
Receivables from non-exchange transactions	2 226 890	2 226 890
Cash and cash equivalents	360 015 400	360 015 400
	384 552 232	384 552 232
Financial liabilities		
	At amortised cost	Total
Payables from exchange transactions	52 743 548	52 743 548
Unspent conditional grants and receipts	9 271 366	9 271 366
Consumer deposits	497 247	497 247
	62 512 161	62 512 161
2022		
Financial assets		
	At amortised cost	Total
Trade and other receivables from exchange transactions	28 224 836	28 224 836
Receivables from non-exchange transactions	1 727 859	1 727 859
Cash and cash equivalents	277 108 823	277 108 823
	307 061 518	307 061 518
Financial liabilities		
	At amortised cost	Total
Payables from exchange transactions	52 834 431	52 834 431
Unspent conditional grants	7 445 110	7 445 110
Consumer deposit	505 877	505 877
	60 785 418	60 785 418
Financial instruments in Statement of financial performance		
2023		
	At amortised cost	Total
Interest income for financial instruments at amortised cost	17 949 370	17 949 370
2022		
	At amortised cost	Total
Interest income for financial instruments at amortised cost	11 498 318	11 498 318

Winnie Madikizela-Mandela Local Municipality

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Figures in Rand	2023	2022
20. Revenue		
Service charges	45 326 090	42 138 922
Rental of facilities and equipment	7 575 950	7 682 087
Agency services	1 360 653	1 202 470
Licences and Permits (Non-exchange)	2 169 042	2 141 209
Commissions received	164 806	144 819
Recoveries	78 500	364 022
Other income	10 762 956	-
Other income - (rollup)	179 573	1 814 543
Interest received	28 370 870	15 385 924
Property rates	21 160 320	21 163 194
Government grants & subsidies	437 000 999	375 834 380
Public contributions and donations	479 356	78 999
Fines, Penalties and Forfeits	1 224 575	386 474
	555 853 690	468 337 043

The amount included in revenue arising from exchanges of goods or services are as follows:

Service charges	45 326 090	42 138 922
Rental of facilities and equipment	7 575 950	7 682 087
Agency services	1 360 653	1 202 470
Commissions received	164 806	144 819
Recoveries	78 500	364 022
Other income	10 762 956	-
Other income - (rollup)	179 573	1 814 543
Interest received	28 370 870	15 385 924
	93 819 398	68 732 787

The amount included in revenue arising from non-exchange transactions is as follows:

Taxation revenue		
Property rates	21 160 320	21 163 194
Licences or permits	2 169 042	2 141 209
Transfer revenue		
Government grants & subsidies	437 000 999	375 834 380
Public contributions and donations	479 356	78 999
Fines, Penalties and Forfeits	1 224 575	386 474
	462 034 292	399 604 256

21. Service charges

Sale of electricity	40 847 763	37 936 997
Solid waste	4 478 327	4 201 925
	45 326 090	42 138 922

22. Rental of facilities and equipment

Facilities and equipment		
Leasehold fees	7 540 862	7 637 800
Hall hire	35 088	44 287
	7 575 950	7 682 087

Included in the above rentals are operating lease rentals at straight-lined amounts of 3 704 047 (2022: 4 048 568) .

Winnie Madikizela-Mandela Local Municipality

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22. Rental of facilities and equipment (continued)

Minimum lease payments receivables

-within one year	953 422	896 046
-in second to fifth year inclusive	4 357 094	4 298 168
-over five years	3 449 606	5 164 544
	8 760 122	10 358 758

The municipality is leasing out certain property to Collins Property Investment (Browns Cash and Carry). The lease agreement has a term of 10 years and rentals escalate by CPI every anniversary. No contingent rents are receivable

Minimum lease payments receivables

-within one year	743 937	688 831
-in second to fifth year inclusive	3 620 446	3 352 265
-over five years	22 531 062	23 543 180
	26 895 445	27 584 276

The municipality is leasing out certain property to Blue Raindrops Trading CC. The lease agreement has a term of 20 years and rentals escalates by 8% every anniversary. No contingent rents are receivable

Minimum lease payments receivable

-within one year	30 140	178 609
-in second to fifth year inclusive	-	30 140
	30 140	208 749

The municipality is leasing out certain property to Africa Best 350. The lease agreement has a term of 06 years and rentals escalates by 8% every anniversary. No contingent rents are receivable.

Minimum lease payments receivables

-within one year	2 414 486	2 256 529
-in second to fifth year inclusive	11 470 594	10 720 181
-over five years	91 184 813	94 349 712
	105 069 893	107 326 422

The municipality is leasing out certain property to Slip Knot Investment 11 (Proprietary) Limited (Enyuka Prop Holding Limited). The lease agreement has a term of 26 years and rentals escalates by 7% each anniversary date. No contingent rents are receivable.

Minimum lease payments receivables

-within one year	139 990	-
-in second to fifth year inclusive	681 277	-
-over five years	625 141	-
	1 446 408	-

The municipality is leasing out certain property to Cybromax. The lease agreement has a term of 10 years and rentals escalates by 8% each anniversary date. No contingent rents are receivable.

Minimum lease payments receivables

-within one year	13 991	82 908
-in second to fifth year inclusive	-	13 991
	13 991	96 899

The municipality is leasing out certain property to Jake Parkers(PTY)LTD. The lease agreement has a term of 5 years and rentals escalates by 8% each anniversary date. No contingent rents are receivable.

23. Agency services

Driver's Licenses	1 360 653	1 202 470
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Winnie Madikizela-Mandela Local Municipality

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Figures in Rand	2023	2022
24. Other income		
Commissions received	164 806	144 819
Losses recovered	25 550	9 022
Recovery of unauthorised, irregular, fruitless and wasteful expenditure	52 950	355 000
Provision reduction	10 762 956	-
Other income - (rollup)	179 573	1 814 543
	11 185 835	2 323 384
The amount included in other revenue arising from exchanges of goods or services are as follows:		
Sundry income	33 498	143 482
Building plans	62 458	86 823
Advertising	70 260	24 249
Funeral fees	13 357	4 424
Impairment Reversal	-	123 565
Revenue in-kind	-	1 432 000
	179 573	1 814 543
25. Interest received		
Interest revenue		
Bank	21 920 440	10 783 545
Interest charged on trade and other receivables	6 450 430	4 602 379
	28 370 870	15 385 924
Interest charged on Trade and other receivables		
Exchange transaction	2 489 348	3 773 232
Non- exchange transactions(Statutory)	3 961 082	917 533
	6 450 430	4 690 765

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022
26. Property rates		
Rates income		
Rates levied	21 160 320	21 163 194
Valuations		
Residential	211 456 500	211 456 500
Commercial	830 740 500	830 740 500
State	1 182 448 500	1 182 448 500
Municipal	91 341 000	91 341 000
	2 315 986 500	2 315 986 500

Valuations on land and buildings are performed every 5 years by an independent valuer (currently being Sizanane Consulting). The last general valuation came into effect on 1 July 2019. Interim valuations are processed on an annual basis to take into account changes in individual property values due to alterations and subdivisions.

A general rate of R0.0144 (business), R0.0070 (Residential), R0.0130 (State) is applied to property valuations to determine assessment rates. Rebates of R55 000 are granted to residential and state property owners.

Rates are levied on an annual basis with the final date for payment being 30 September 2022 for annual payment. Interest at prime plus 1% per annum (2022: 1%) is levied on rates outstanding 30 days after due.

The municipality revaluated municipal properties that have lease agreement, for the purpose of renewing lease agreement.

27. Licences and permits (non-exchange)

Trading	7 382	-
Road and Transport	2 161 660	2 141 209
	2 169 042	2 141 209

28. Government grants & subsidies

Operating grants

Equitable share	320 095 000	289 620 000
MIG Operational	2 534 100	2 551 150
Financial Management Grant	2 100 000	2 000 000
Expanded Public Works Programme Grant	3 687 000	3 570 000
LGSET / Skills Development Grant	410 879	338 564
Dept Sport & Culture - Library	1 548 203	143 810
Disaster Relief Grant	12 790 000	-
	343 165 182	298 223 524

Capital grants

Municipal Infrastructure Grant	48 147 902	48 471 850
Integrated National Electrification Programme	16 400 000	28 453 000
Disaster Recovery Grant	27 734 571	-
General Budget Support Grant	1 553 344	686 006
	93 835 817	77 610 856
	437 000 999	375 834 380

Conditional and Unconditional

Included in above are the following grants and subsidies received:

Conditional grants received	120 375 879	92 855 764
Unconditional grants received	320 095 000	289 620 000
	440 470 879	382 475 764

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

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28. Government grants & subsidies (continued)

Equitable Share

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

All registered indigents receive a monthly subsidy of 5 567 256 (2022: 4 994 210), which is funded from the grant.

Equitable Share

Current-year receipts	320 095 000	289 620 000
Transferred to revenue	(320 095 000)	(289 620 000)
	-	-

DSRAC Library Grant

Balance unspent at beginning of year	1 048 203	692 013
Current-year receipts	500 000	500 004
Conditions met - transferred to revenue	(1 548 203)	(143 814)
	-	1 048 203

The municipality fully met the spending conditions and the whole allocation was transferred to revenue.

LGSETA/ Skills Development Grant

Current-year receipts	410 879	338 564
Conditions met - transferred to revenue	(410 879)	(338 564)
	-	-

The municipality fully met the spending conditions and the whole allocation was transferred to revenue.

EPWP Grant

Balance unspent at beginning of year	4	4
Current-year receipts	3 687 000	3 570 000
Conditions met - transferred to revenue	(3 687 000)	(3 570 000)
	4	4

The municipality fully met the spending conditions and the whole allocation was then transferred to revenue.

Integrated National Electrification Grant

Current-year receipts	16 400 000	28 453 000
Conditions met - transferred to revenue	(16 400 000)	(28 453 000)
	-	-

The municipality fully met the spending conditions and the whole allocation was then transferred to revenue.

Financial Management Grant

Current-year receipts	2 100 000	2 000 000
Conditions met - transferred to revenue	(2 100 000)	(2 000 000)
	-	-

The municipality fully met the spending conditions and the whole allocation was then transferred to revenue.

Winnie Madikizela-Mandela Local Municipality

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Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022
28. Government grants & subsidies (continued)		
Disaster Recovery Grant		
Current-year receipts	33 806 000	-
Conditions met - transferred to revenue		(27 734 571)
		-
	6 071 429	-

The spending conditions in relation to the grant received was not met fully, therefore the grant remains a liability as disclosed in the statement of financial position in unspent conditional grants. (see note 17).

GIS Grant - Alfred Nzo

Balance unspent at beginning of year	100 000	100 000
--------------------------------------	---------	---------

The spending conditions in relation to the grant received was not met fully, therefore the grant remains a liability as disclosed in the statement of financial position in unspent conditional grants(see note 17).

Municipal Infrastructure Grant

Current-year receipts	50 682 000	51 023 000
Conditions met - transferred to revenue	(50 682 002)	(51 023 000)
	(2)	-

The municipality fully met the spending conditions and the whole allocation was then transferred to revenue.

General Budget Support Grant

Balance unspent at beginning of year	6 285 217	4 254 711
Current-year receipts	-	6 971 200
Conditions met - transferred to revenue	(1 553 344)	(686 007)
Surrendered to the National Revenue Fund	(2 716 489)	(4 254 687)
	2 015 384	6 285 217

The spending conditions in relation to the grant received was not met fully, therefore the grant remains a liability as disclosed in the statement of financial position in unspent conditional grants (see note 17).

Disaster Relief Grant

Balance unspent at beginning of year	-	5 474
Current-year receipts	12 790 000	-
Conditions met - transferred to revenue	(12 790 000)	(5 474)
		-

The municipality fully met the spending conditions and the whole allocation was then transferred to revenue

Waste Management Grant

Balance unspent at beginning of year	11 686	413 515
Conditions met - transferred to revenue	-	(401 829)
	11 686	11 686

The spending conditions in relation to the grant received was not met fully, therefore the grant remains a liability as disclosed in the statement of financial position in unspent conditional grants (see note 17).

Changes in level of government grants

Based on the allocations set out in the Division of Revenue Act, (B6 of 2022), an average increase of about 6% in the level of government grant funding are expected over the forthcoming 3 financial years.

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

Figures in Rand

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29. Government donations

SALGA Donations	-	78 999
District Donations	479 356	-
	479 356	78 999

30. Fines, Penalties and Forfeits

Illegal connections fines	18 500	20 250
Vending and hawking fines	-	1 800
Pound Fees Fines	29 675	24 524
Municipal traffic fines	1 176 400	339 900
	1 224 575	386 474

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022
31. Employee related costs		
Basic	81 326 087	76 022 357
Bonus	6 930 745	6 629 875
Medical aid - company contributions	5 698 857	5 317 118
UIF	544 570	542 206
SDL	1 197 723	1 137 455
Provision for leave	314 554	364 708
Cellphone allowance	728 804	739 317
Pension fund contribution	10 897 136	9 789 795
Bargaining council contribution	33 340	29 163
Overtime payments	1 387 298	1 714 813
Long-service awards	440 849	361 692
Car allowance	9 102 094	8 563 646
Housing benefits and allowances	4 153 768	3 829 466
Other allowances	1 597 397	1 489 258
Standby and Uniform Allowance	1 261 101	1 095 419
	125 614 323	117 626 288
Remuneration of Municipal Manager		
Annual Remuneration	1 180 333	1 178 173
Car Allowance	388 854	388 854
Other	142 113	142 113
	1 711 300	1 709 140
Remuneration of Chief Finance Officer		
Annual Remuneration	905 872	887 874
Car Allowance	308 359	301 328
Other	214 204	209 368
	1 428 435	1 398 570
Remuneration of Senior Manager: Corporate Services		
Annual Remuneration	964 446	952 278
Car Allowance	216 270	216 270
Other	188 517	188 517
	1 369 233	1 357 065
Remuneration of Senior Manager: Community Services		
Annual Remuneration	530 368	829 252
Car Allowance	92 762	199 079
Other	132 342	173 701
	755 472	1 202 032
Remuneration of Senior Manager: Engineering Services		
Annual Remuneration	888 630	884 846
Car Allowance	254 285	254 285
Other	192 839	192 839
	1 335 754	1 331 970
Remuneration of Senior Manager: Planning and Development		
Annual Remuneration	930 211	938 617
Car Allowance	216 270	216 270
Other	188 517	188 517
	1 334 998	1 343 404

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022
32. Remuneration of councillors		
Cellphone Allowance	2 971 120	2 808 997
Public Office Allowance	1 167 453	1 110 046
Car Allowance	5 762 061	5 513 482
Annual remuneration	16 419 945	15 577 398
	26 320 579	25 009 923
33. Depreciation and amortisation		
Property, plant and equipment	40 758 443	44 092 298
Intangible assets	11 824	26 068
	40 770 267	44 118 366
34. Impairment loss		
Impairments		
Property, plant and equipment	991 512	8 555 816
<p>Following the severe weather events and the consequent damage caused in various provinces, a national disaster was declared in terms section 27(1) of the Disaster Management Act, 2002. The response, as announced by the President in his address to the nation on 18 April 2022, will be undertaken in a phased approach; the first being immediate humanitarian relief, second phase relates to stabilisation and recovery which includes rehousing people who have lost homes and restoring provision of services; and the third phase will focus on reconstruction and rehabilitation.++</p> <p>The municipality was also not spared as most of the infrastructure along the coast was severely damaged resulting in a need for an impairment assessment which resulted in the impairment reported above.</p> <p>The following classes of assets were affected as indicated</p> <p>Infrastructure Assets R4 115 053;</p> <p>Community Assets R4 440 762</p> <p>During the impairment assessment, the municipality identify assets that needs to impaired due to their condition The following class of assets were impaired in the current year:</p> <ul style="list-style-type: none"> • Furniture and fixtures R170 448 Plant and Machinery R18 119 		
35. Lease rentals on operating lease		
Equipment		
Contractual amounts	4 736 656	3 643 567
<p>Operating lease payments represents rentals payable by the municipality for certain of its office equipment. Leases are negotiated for an average term of three years and rentals are fixed for an average of three years. No contingent rent is payable.</p>		
36. Debt impairment		
Movement-allowance for doubtful debts	1 058 936	821 631
Bad debts written off	345 147	-
	-	-
	1 404 083	821 631

During the month of March 2020 a state of national disaster was declared due to the outbreak of the Covid-19 global pandemic which was then followed by the enforcement of the national lockdown. The state of national disaster was then lifted in April 2022. The state of the economy in the country had been impacted negatively and therefore affected the people's affordability to pay for municipal levies and services as they were unable to earn an income.

This has resulted in the municipality's assessment indicating that more debt may not be collectible resulting in a increase in the allowance for doubtful debts for the period as indicated above.

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

Figures in Rand			2023	2022
37. Bulk purchases				
Electricity - Eskom			42 241 255	40 211 160
Electricity losses				
	Number 2023	Number 2022		
Units purchased	20 437 150	22 001 357	42 241 255	40 211 160
Units sold	(18 801 839)	(19 995 580)	(38 688 852)	(38 609 839)
Total loss	1 635 311	2 005 777	3 552 403	1 601 321
Comprising of:				
Non-technical losses	1 635 311	2 005 777	3 083 167	3 822 670
Percentage Loss:				
Non-technical losses	8 %	9 %	8 %	9 %

According to the NERSA cost of supply framework the tolerable range for energy losses is 5% to 12%.

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022
38. Contracted services		
Other Contracted Services		
Other Contractors	448 593	471 976
Outsourced Services		
Business and Advisory	2 837 505	4 700 922
Catering Services	83 250	15 300
Cleaning Services	-	18 488
Internal Auditors	765 704	508 511
Meter Management	1 048 481	1 546 826
Personnel and Labour	2 755 148	2 638 010
Refuse Removal	230 000	1 456 800
Transport Services	558 673	334 495
Consultants and Professional Services		
Business and Advisory	671 674	1 258 558
Legal Cost	9 206 234	7 479 072
Contractors		
Catering Services	3 043 306	3 496 354
Electrical	1 058 558	11 040 022
Event Promoters	374 384	288 894
Maintenance of Buildings and Facilities	3 965 138	3 487 752
Maintenance of Equipment	119 441	397 727
Maintenance of Assets	7 153 114	8 558 467
Safeguard and Security	9 458 000	7 834 973
Stage and Sound Crew	27 400	77 600
	43 804 603	55 610 747
39. Transfer and subsidies		
Other subsidies		
SMME Support	2 593 275	1 251 198

The municipality through its LED section supports qualifying small businesses and farmers with necessary equipment and tools to make their operations sustainable. The projects are selected through council processes and supported as per the required assistance which is only in the forms of tools and equipment.

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022
40. General expenses		
Advertising	552 288	474 352
Auditors remuneration	4 116 112	3 228 513
Bank charges	162 042	138 424
Commission paid	508 661	682 830
Consumables	4 759 452	5 007 773
Promotional material and gifts	2 642 169	1 361 769
Hire	3 713 748	3 834 020
Insurance	2 576 217	2 302 399
IT expenses	2 654 065	1 159 401
Magazines, books and periodicals	466 089	711 845
Motor vehicle expenses	-	5 200
Fuel and oil	4 094 035	2 678 629
Placement fees	84 214	-
Postage and courier	771	3 295
Printing and stationery	636 697	464 871
Protective clothing	2 289 417	852 975
Subscriptions and membership fees	90 351	58 109
Telephone and fax	3 395 973	2 980 884
Training	576 467	520 963
Travel - local	10 149 378	7 866 954
Travel - overseas	92 110	-
Free basic services	5 567 256	4 994 211
License fees	347 113	318 256
Ward committee fees	6 721 339	4 977 905
Other expenses	2 226 588	1 703 263
Landfill site rehabilitation	-	17 955 255
	58 422 552	64 282 096
41. Loss on disposal of assets		
Gain or loss on disposal of assets and liabilities	(39 910 700)	(47 394 082)
42. Fair value adjustments		
Investment property (Fair value model)	1 737 717	3 843 000
43. Auditors' remuneration		
Fees	4 116 112	3 228 513

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022
44. Cash generated from operations		
Surplus	170 781 602	63 604 797
Adjustments for:		
Depreciation and amortisation	40 770 267	44 118 366
Gains or loss on sale of assets and liabilities	39 910 700	47 394 082
Fair value adjustments	(1 737 717)	(3 843 000)
Impairment deficit	991 512	8 555 816
Debt impairment	1 404 083	821 631
Movements in operating lease assets and accruals	(3 704 047)	(4 118 047)
Movements in provisions	(12 359 546)	17 830 579
Transfers and non-cash disposals	-	(8 644 167)
Movement in retention and accruals on PPE	(2 753 918)	(5 399 779)
Changes in working capital:		
Inventories	(933 694)	1 596 623
Other Receivables from exchange transactions	1 188 724	7 047 944
Receivables from exchange transactions	727 469	(6 159 259)
Receivables from non-exchange transactions	(499 031)	(484 720)
Statutory receivables	(9 709 280)	492 588
Prepayments	7 397 998	5 058 347
Payables from exchange transactions	(90 883)	8 499 983
Unspent conditional grants and receipts	753 391	2 386 696
Consumer deposits	(8 630)	1 258
	232 129 000	178 759 738

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022
45. Commitments		
Authorised capital expenditure		
Already contracted for but not provided for		
• Infrastructure Assets	16 891 777	9 950 640
• Integrated Electrification	12 670 300	1 891 591
• Community Assets	9 128 295	7 032 997
• Other Assets	3 730 667	1 379 822
	42 421 039	20 255 050
Total capital commitments		
Already contracted for but not provided for	42 421 039	20 255 050
Authorised operational expenditure		
Already contracted for but not provided for		
• Operational expenditure	24 321 886	36 667 624
Total operational commitments		
Already contracted for but not provided for	24 321 886	36 667 624
Total commitments		
Total commitments		
Authorised capital expenditure	42 421 039	20 255 050
Authorised operational expenditure	24 321 886	36 667 624
	66 742 925	56 922 674

This committed expenditure relates to expenditure that will be financed by available bank facilities, retained surpluses, existing cash resources, funds internally generated, future grants allocations etc.

Operating leases - as lessee (expense)

Munsoft Minimum Lease payments due

-within one year	4 313 661	-
Contingent rents	4 745 027	-
	9 058 688	-

Techseeds Minimum Lease payments due

-within one year	1 352 222	1 352 222
- in second to fifth year inclusive	1 352 222	2 704 447
	2 704 444	4 056 669

Operating lease payments represent rentals payable by the municipality for certain of its office equipment and financial system. No contingent rent is payable.

Winnie Madikizela-Mandela Local Municipality

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Notes to the Audited Annual Financial Statements

Figures in Rand 2023 2022

46. Contingencies

At year end the municipality had the following contingent liabilities.

Cases against the municipality.

Case 1 Vuyokazi Tobo vs Winnie Madikizela-Mandela Local Municipality		
Claim for payments of R2 500 000 iro damages for injuries allegedly caused as a result of being shot by an employee.	500 000	1 500 000
Case 2 Hlongwe vs Winnie Madikizela-Mandela Local Municipality		
Claim for payment of R19 637 500 iro damages for injuries allegedly caused as a result of being shot by a municipal employee.	5 000 000	19 637 500
Mohamed Randareen vs Winnie Madikizela-Mandela Local Municipality		
Claim of electricity costs after meter tampering and /or incorrect billing	148 000	148 000
Arbitration amounting to R665 573.70 for termination of contract MBIZLM 1212017		
Iqhayiya Design and workshop vs Winnie Madikizela Mandela LM	665 574	-
Lucky Shusha vs Winnie Madikizela Mandela LM and Municipal Manare		
Matter involving request of access to information on various projects done by the municipality	50 000	-
	6 363 574	21 285 500

Winnie Madikizela Mandela Local Municipality vs Public Protector

The matter is as a result of the Public Protectors Report on an investigation into allegations of corruption, maladministration/ misuse of public funds by Senior and Executive government officials from the Municipality, wherein the Public Protector found that the Municipality has spent an amount of R1,1 million in respect of the memorial service of the late mama Winnie-Madikizela Mandela for transportation services improperly benefited certain government officials.

The municipality has spent a sum of R2 364 239.93 in legal fees.

On the 14 February 2023 the judgement was handed down. The report was set aside and declared invalid.

Contingent assets

At year end the municipality had no contingent assets.

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

Figures in Rand 2023 2022

47. Related parties

Executive Council members- part time	5 part time
Relationships	
Mayor	Ms TD Mafumbatha
Speaker	Mr Z Mhlwazi
Whip of Council	Mr M Mpetshwa
Executive Council members- full time	4 members
Executive Council members- part time	5 part time
Council members	52 members
Section 57 Managers	6 members

Related party balances

Loan accounts - Owing (to) by related parties

Councillor overpayment	485 531	486 129
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In 2012/13 and 2013/14 financial years, councillors were paid a remuneration that was above the gazetted limits

The amounts were recorded as irregular expenditure and debtors were raised to account for the amounts owed.

Compensation to Accounting Officer and key management

Municipal Manager	1 711 300	1 709 140
Chief Financial Officer	1 428 435	1 398 570
Senior Manager: Corporate Services	1 369 233	1 357 065
Senior Manager: Community Services	755 472	1 202 032
Senior Manager: Engineering Services	1 335 754	1 331 970
Senior Manager: Development Planning	1 334 999	1 343 404
Mayor	1 002 654	928 347
Speaker	804 134	759 908
Councillors	24 513 791	23 321 668

The Mayor, Speaker and Whip of Council are full time. Each is provided with an office and secretarial support at the cost of the council.

The Mayor and Speaker have the use of council owned vehicles for official duties.

The Mayor has one full-time bodyguard and driver.

The Speaker has one full-time bodyguard and driver

Key management information

Class	Description	Number
Senior Manager: Development Planning	Senior Manager	1
Speaker	Councillor	1
Whip of Council	Councillor	1
Executive committee	Councillors	9
Councillors	Councillors	52
Municipal Manager	Accounting Officer	1
Chief Financial Officer	Senior Manager	1
Senior Manager: Development Planning	Senior Manager	1
Senior Manager: Corporate Services	Senior Manager	1
Senior Manager: Community Services	Senior Manager	1
Senior Manager: Engineering Services	Senior Manager	1

Winnie Madikizela-Mandela Local Municipality

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Notes to the Audited Annual Financial Statements

Figures in Rand

47. Related parties (continued)

Remuneration of management

Management class: Councillors

2023

	Basic salary	Travel/ Car allowance	Cellphone Allowance	Public Office	Total
Councillors					
Mayor	668 955	238 912	47 004	47 783	1 002 654
Speaker	529 990	189 282	47 004	37 858	804 134
Whip of Council	501 716	179 184	47 004	35 837	763 741
MPAC Chairperson	486 998	173 928	47 004	34 911	742 841
Executive Committee members	3 911 698	1 397 438	509 621	279 280	6 098 037
Councillors	10 320 590	3 583 315	2 273 483	731 784	16 909 172
	16 419 947	5 762 059	2 971 120	1 167 453	26 320 579

2022

	Basic salary July- Nov	Travel/Car Allowance July- Nov	Cellphone Allowance July - Nov	Public Office July - Nov	Basic Salary Dec- June	Travel/Car Allowance Dec- June	Cellphone Allowance Dec- June	Public Office Dec-June	Total
Councillors									
Mayor	221 980	79 279	15 553	15 856	396 783	141 708	28 847	28 341	928 347
Speaker	177 586	63 423	15 553	12 685	323 270	115 454	28 847	23 090	759 908
Whip of Council	166 561	59 486	15 553	11 897	300 693	107 390	28 847	21 478	711 905
MPAC Chairperson	161 603	57 715	15 293	11 543	289 030	104 320	29 107	20 864	689 475
Executive Committee members	1 032 834	384 078	113 667	74 126	2 093 432	744 801	246 583	148 960	4 838 481
Councillors	3 519 609	1 257 003	778 195	251 401	6 894 018	2 412 275	1 479 502	489 804	17 081 807
	5 280 173	1 900 984	953 814	377 508	10 297 226	3 625 948	1 841 733	732 537	25 009 923

Change of political leadership

During the month of November 2021 there were local government elections that affect the composition and amounts paid to councillors for the year. The outcome of the elections resulted in a change of councillors in the municipality which also affected the position of the Speaker of Council while the Mayor and the Whip of Council (formerly the Chief Whip) remained unchanged.

Winnie Madikizela-Mandela Local Municipality

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47. Related parties (continued)

Management class: Executive management

2023

	Basic salary	Travel/Car Allowance	Other Benefits	Total
Senior Management				
Municipal Manager	1 180 333	388 854	142 113	1 711 300
Chief Financial Officer	905 872	308 359	214 204	1 428 435
Senior Manager: Engineering Services	888 630	254 285	192 839	1 335 754
Senior Manager: Corporate Services	964 446	216 270	188 517	1 369 233
Senior Manager: Community Services	530 368	92 762	132 342	755 472
Senior Manager: Development Planning	930 212	216 270	188 517	1 334 999
	5 399 861	1 476 800	1 058 532	7 935 193

2022

	Basic salary	Travel/Car Allowance	Other Benefits	Total
Senior Management				
Municipal Manager	1 178 173	388 854	142 113	1 709 140
Chief Financial Officer	887 874	301 328	209 368	1 398 570
Senior Manager: Engineering Services	884 846	254 285	192 839	1 331 970
Senior Manager: Corporate Services	952 278	216 270	188 517	1 357 065
Senior Manager: Community Services	829 252	199 079	173 701	1 202 032
Senior Manager: Development Planning	938 617	216 270	188 517	1 343 404
	5 671 040	1 576 086	1 095 055	8 342 181

Management class: Key advisors/Sub committees

2023

	Fees for services as a member of management	Travel Claims	Total
Internal Audit Committee			
Chairperson of the audit committee	118 889	8 825	127 714
Audit committee members	80 983	14 299	95 282
	199 872	23 124	222 996

2022

	Fees for services as a member of management	Travel Claims	Total
Internal Audit Committee			
Chairperson of the audit committee	93 921	4 482	98 403
Audit committee members	82 704	12 674	95 378
	176 625	17 156	193 781

Winnie Madikizela-Mandela Local Municipality

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48. Risk management

Financial risk management

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.

The municipality's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the municipality's financial performance. Risk management is carried out by a central treasury department (entity treasury) under policies approved by the accounting officer. Municipality treasury identifies, evaluates and hedges financial risks in close co-operation with the municipality's operating units. The accounting officer provide written principles for overall risk management, as well as written policies covering specific areas.

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.

Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

The table below analyses the municipality's financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

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	52 743 548	-	-	-
Consumer Deposits	2 986	168 618	17 953	304 693
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	52 834 431	-	-	-
Consumer Deposits	2 986	173 671	25 269	303 951

Liquidity risk is mainly concentrated on the trade and other payables balance. The municipality does not have any collateral and /or credit enhancements that aid in the mitigation of the liquidity risk.

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.

The financial assets carried at amortized cost exposed the municipality to credit risk. The value of the maximum exposure to credit risk are as follows for each class of financial assets at amortized cost.

Financial instrument	2023	2022
Cash and Cash equivalents	360 015 400	277 108 823
Other receivables from exchange transactions	1 184 466	2 373 190
Receivables from non-exchange transactions	2 226 890	1 727 859
Receivables from exchange transactions	22 749 772	24 881 324

Market risk

Interest rate risk

The municipality limits its interest risk exposure by only conducting business with financial institutions registered in terms of Bank Act 94 of 1990.

49. Going concern

We draw attention to the fact that at 30 June 2023, the municipality had an accumulated surplus (deficit) of 1 256 877 926 and that the municipality's total assets exceed its liabilities by 1 256 877 926.

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49. Going concern (continued)

The audited 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 other factors. The most significant of these is that the accounting officer continue to source and explore more funding for the ongoing operations for the municipality

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50. Fruitless and wasteful expenditure		
Opening balance as previously reported	5 032 648	376 912
Add: Fruitless and wasteful expenditure identified - current	20 400	50 372
Add: Prior period correction	-	4 982 276
Less: Amount written off - current	(5 032 648)	(21 912)
Less: Transferred to receivables for recovery	-	(355 000)
Closing balance	20 400	5 032 648

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50. Fruitless and wasteful expenditure (continued)

Details of fruitless and wasteful expenditure

	Disciplinary steps taken/criminal proceedings		
Damages on hired vehicle	Amounts under investigation	20 400	-
SARS fines and penalties	SARS	-	5 032 648
		20 400	5 032 648

Amount written-off

During the year after the council committee investigations, council adopted council committee recommendation to write off an amount of R20 439 relating to 2019/20 and R1 473 that was incurred in 2020/21 from the fruitless and wasteful expenditure amount as it was proven without reasonable doubt that the amount was not recoverable.

51. Irregular expenditure

Add: Irregular expenditure - current	1 842 061	15 795
Less: Transferred to receivables for recovery	-	(15 795)
Closing balance	1 842 061	-

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51. Irregular expenditure (continued)

Incidents/cases identified/reported in the current year include those listed below:

	Disciplinary steps taken/criminal proceedings		
Non compliance with SCM regulations	Masinyane and sons- bidder not disqualified for reasons other bidders were disqualified for and other bidders disqualified for the reasons no longer apply after the SCM regulations were revised.	453 510	-
Non compliance with SCM regulations	Laz investments- The bidder's quotation had calculations errors which were not picked up while other bidders were eliminated for the same reasons.	28 116	-
Non compliance with tax matters	Ingcali Agricultural Solutions- The bidder submitted an expired Tax pin while the requirements required a valid Tax pin	165 750	-
Non compliance with SCM regulations	Masinyane and sons- bidder not disqualified for reasons other bidders were disqualified for and other bidders disqualified for the reasons no longer apply after the ascm regulations were revised.	1 194 685	-
		1 842 061	-

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51. Irregular expenditure (continued)

Amount recovered

Of the 15 795 transferred to debtors from the prior year an amount of R6 581.15 has since been recovered and the remaining balance from the debt is R9 213.70.

Amount written-off

Winnie Madikizela-Mandela Local Municipality

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52. Additional disclosure in terms of Municipal Finance Management Act		
Contributions to organised local government		
Opening balance	191	191
Current year subscription / fee	987 751	661 553
Amount paid - current year	(987 751)	(661 553)
	191	191
Audit fees		
Current year subscription / fee	4 116 112	3 228 513
Amount paid - current year	(4 116 112)	(3 228 513)
	-	-
PAYE and UIF		
Opening balance	2 994	2 994
Current year subscription / fee	22 437 190	20 350 567
Amount paid - current year	(22 437 190)	(20 350 567)
	2 994	2 994
Pension and Medical Aid Deductions		
Opening balance	(43 308)	(43 308)
Current year subscription / fee	23 092 449	23 759 343
Amount paid - current year	(23 092 449)	(23 759 343)
	(43 308)	(43 308)
Skills Development Levy		
Opening balance	(90)	(90)
Current year subscription/fee	1 319 918	1 232 867
Amount paid - current year	(1 319 918)	(1 232 867)
	(90)	(90)
VAT		

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

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53. Deviation from supply chain management regulations

Paragraph 12(1)(d)(i) of Government gazette No. 27636 issued on 30 May 2005 states that a supply chain management policy must provide for the procurement of goods and services by way of a competitive bidding process.

Paragraph 36 of the same gazette states that the accounting officer may dispense with the official procurement process in certain circumstances, provided that he records the reasons for any deviations and reports them to the next meeting of the council and includes a note to the audited annual financial statements.

Winnie Madikizela-Mandela LM have incurred expenditure by not following the Supply Chain Management policy during the year. There were no three quotes obtained as per the SCM policy for vehicle maintenance, laptop repairs, fraud risk awareness and insurance shortfall, procurement of firearms and rehabilitation of dumping site. These procurements resulted to Deviations totalling to R1 128 412.00.

Supply Chain Management Regulations

In terms of section 36 of the Municipal Supply Chain Management Regulations any deviation from the Supply Chain Management Policy needs to be approved by the Municipal Manager and noted by Council. The expenses incurred as listed hereunder have been approved.

Emergency Procurement

Supply and delivery of Groceries for Mass Funeral	-	5 580
Hiring of Crane Truck	-	15 000
Staff car repair damaged during community unrest	-	43 819
Maintenance of Toyota Hilux HLW 365 EC for electricity section		193 716
Repair of Refuse Truck DTH 289 EC		-157 029
Fraud awareness workshop to newly appointed councillors		-198 500
Procurement of municipal firearms Glock 19		-163 000
Repairs of Budget and Reporting Managers crashed Laptop HP ENVY x360 Convertible	-11 869	-
Laptop PC 15-ed 1000		
Repairs of engineering bakkie: HLN 081 EC	76 778	-
Shortfall on the replacement vehicle for the mayors Office	139 370	-
Rehabilitation of ext 3 dumping site for three months	188 150	-
	1 128 412	64 399

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54. Accounting by principals and agents

The municipality is a party to a principal-agent arrangement(s).

Details of the arrangement(s) are as follows:

The Municipality has been registered as a registering authority in accordance with section 3(1) of the Road Traffic Act, 1996 (Act No. 93 of 1996), subject to the conditions imposed by the Member of the Executive Council (MEC) responsible for Transport. As such the Municipality performs the functions of a registering authority as contemplated by section 3(1) of the Road Traffic Act, read with the National Road Traffic Regulation

The revenue that is derived from the registration and licensing of motor vehicles is paid into the Provincial Revenue Fund as required by section 41 of the Eastern Cape Road Traffic Act, 1998 (Act No.3 of 1999), while the Municipality, in order to perform its functions as a registering authority, and in the spirit of co-operative governance as enshrined in Chapter 3 of the Constitution, is entitled to receive a portion of the revenue generated, subject to the terms and conditions as set out in the Agreement, with particular reference to clause 6 of the Agreement.

Municipality is entitled to a fee equal to the collection fee of 19% (nineteen percent), including VAT for all fees collected in terms of clause 6.2 for motor vehicle registration and licensing fees.

Municipality shall, in terms of applicable national and provincial road traffic legislation and the Agreement, be responsible for the following motor vehicle registration and licensing functions: registration of vehicles, vehicle search, issue of duplicate registration certificate, deregistration of a motor vehicle, change of particulars of an owner or a titleholder with respect to registration and licensing, change of particulars of a motor vehicle, issue of a temporary or special permit; licensing of a vehicle in a private person's or legally recognised entity's name; licensing of a financed vehicle, in a private person's or legally recognised entity's name; licensing and allocating of a personalised licence number; retention of a vehicle licence number; notification of change of titleholder and or ownership of a vehicle; processing address changes as required; application for refund, if due, to be issued by the Department of Transport, Head office in King William's Town Eastern Cape Province; application for special classification of a vehicle; application for Traffic Register Number; application for Motor Trade Number; referral of all motor vehicle registration and licensing queries, complaints and disputes to the Departmental employee specified by the Transport Regulation contact person within 2 (two) working days of a query or lodging of a complaint or dispute; and any other transaction reasonably requested by the Department.

The municipality is licenced to distribute electricity in town for which the municipality has a vending contract with Conlog for the utilisation of their system to distribute or to sell electricity tokens.

As part of the distribution of electricity tokens Conlog also sells electricity tokens on behalf of the municipality for which the municipality compensate Conlog for this service.

Entity as agent

Resources held on behalf of the principal(s), but recognised in the entity's own financial statements

The municipality has resources held on behalf of the principal(s) that are not recognised in municipality's financial statements, but are recognised in the principal financial statements

Revenue recognised

The aggregate amount of revenue that the entity recognised as compensation for the transactions carried out on behalf of the principal is (1 360 653) (2022: 1 202 570).

Liabilities and corresponding rights of reimbursement recognised as assets

The municipality does not have liabilities incurred on behalf of the principal that have been recognised by the municipality.

The municipality does not have corresponding rights of reimbursement that have been recognised as assets.

Additional information

Receivables and/or payables recognised based on the rights and obligations established in the binding arrangement(s)

Entity as principal

Resources (including assets and liabilities) of the entity under the custodianship of the agent

The municipality has no resources held on behalf of the municipality by the agent that are recognised either in the municipality's financial statements or the agent's financial statements.

Fee paid

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54. Accounting by principals and agents (continued)

Fee paid as compensation to the agent	508 661	682 830
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Resource and/or cost implications for the entity if the principal-agent arrangement is terminated

The termination of the agreement will not result in any costs for both the principal and the agent, however, the municipality will need to extend operating hours, increase number of staff, increase service points.

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55. Segment information

General information

Identification of segments

The municipality is organised and reports to council on the basis of five functional areas: Electricity, Waste Management, Community and Public Safety, Infrastructure Services and Development Planning. The segments were organised around the type of service delivered. Council uses these same segments for determining strategic objectives. All administrative services have been aggregated as unallocated services.

Information reported about these segments is used by council as a basis for evaluating the segments' performances and for making decisions about the allocation of resources. The disclosure of information about these segments is also considered appropriate for external reporting purposes.

Aggregated segments

The municipality operates throughout the Mbizana area with certain functions providing an administrative and support role. Segments were aggregated on the basis of the services delivered as management considered that the characteristics of the segments were sufficiently similar to warrant aggregation. These have been aggregated to form the unallocated services.

Types of goods and/or services by segment

These reportable segments as well as the goods and/or services for each segment are set out below:

Reportable segment	Goods and/or services
Electricity	Electricity distribution
Waste Management	Refuse removal services
Community and Public Safety	Library Services, Police force, Cemeteries, Environmental Protection, Recreational facilities, Social Services
Infrastructure Services	Provision of infrastructure and Maintenance, Provision of community facilities
Development Planning	Local Economic Development, Supporting SMMEs, Property Services and Spatial Planning
Unallocated services	Administrative and support services

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55. Segment information (continued)

Segment surplus or deficit, assets and liabilities

2023

	Electricity	Waste Management	Infrastructure Services	Community & Public Safety	Development Planning	Unallocated services	Total
Revenue							
Revenue from non-exchange transactions	16 418 500	3 687 000	78 416 573	4 915 938	22 721 046	335 875 235	462 034 292
Revenue from exchange transactions	40 869 525	15 477 473	-	1 409 098	74 194	35 989 108	93 819 398
Fair value adjustments	-	-	-	-	-	1 737 717	1 737 717
Total segment revenue	57 288 025	19 164 473	78 416 573	6 325 036	22 795 240	373 602 060	557 591 407
Entity's revenue							557 591 407
Expenditure							
Employee cost	5 002 416	9 356 356	12 432 103	21 891 291	11 202 401	65 729 756	125 614 323
Remuneration of councillors	-	-	-	-	-	26 320 579	26 320 579
Other expenses	6 448 418	3 710 604	1 558 651	3 697 395	4 752 821	88 936 399	109 104 288
Bulk Purchases	42 241 255	-	-	-	-	-	42 241 255
Depreciation	637 916	35 419	30 322 143	(196 739)	4 427 897	5 543 631	40 770 267
Contracted services	2 344 514	10 481 054	7 244 654	12 868 234	1 444 454	9 421 693	43 804 603
Total segment expenditure	56 674 519	23 583 433	51 557 551	38 260 181	21 827 573	195 952 058	387 855 315
Total segmental surplus/(deficit)	613 506	(4 418 960)	26 859 022	(31 935 145)	967 667	177 650 002	169 736 092

Balance sheet items with opening balance that are from previous years which are currently allocated under different functions due to changes that are being made to the mSCOA Chart from pre-mSCOA era to the mSCOA era do not have sufficient information to break down the information per segment and therefore rendering the reporting impossible. The mSCOA changes effected on the chart are applied prospectively which leaves other balances still allocated under the previously used functions. Therefore, balances from the old systems before the implementation of mSCOA and from older versions of mSCOA may not have information today to provide a breakdown of the balances.

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55. Segment information (continued)

2022

	Electricity	Waste Management	Infrastructure Services	Community & Public Safety	Development Planning	Unallocated Services	Total
Revenue							
Revenue from non-exchange transactions	28 473 250	3 570 000	51 023 000	2 649 443	21 851 000	292 037 641	399 604 334
Revenue from exchange transactions	37 957 696	4 201 925	-	1 310 643	150 144	25 112 379	68 732 787
Fair value adjustment	-	-	-	-	-	3 843 000	3 843 000
Total segment revenue	66 430 946	7 771 925	51 023 000	3 960 086	22 001 144	320 993 020	472 180 121
Entity's revenue							472 180 121
Expenditure							
Employee Costs	4 459 384	15 903 050	10 855 688	23 224 629	10 395 790	52 787 747	117 626 288
Remuneration of councillors	-	-	-	-	-	25 009 923	25 009 923
Other expense	6 170 252	20 709 807	9 762 438	4 655 683	2 651 641	34 654 859	78 604 680
Bulk purchases- Electricity	40 211 160	-	-	-	-	-	40 211 160
Depreciation and amortisation	637 916	-	29 656 095	6 065 194	2 810 578	4 948 583	44 118 366
Contracted Services	14 869 789	2 745 297	8 661 913	12 270 405	1 149 793	15 913 550	55 610 747
Loss on disposal	30 468 839	-	15 117 118	-	-	1 808 125	47 394 082
Total segment expenditure	96 817 340	39 358 154	74 053 252	46 215 911	17 007 802	135 122 787	408 575 246
Total segmental surplus/(deficit)	(30 386 394)	(31 586 229)	(23 030 252)	(42 255 825)	4 993 342	185 870 233	63 604 875
Assets							
Current assets	139 097 720	129 456	258 909 921	20 544 580	140 797	(37 851 753)	380 970 721
Non-current assets	27 321 808	7 653 729	233 379 413	8 503 109	2 043 870	530 771 224	809 673 153
Total segment assets	166 419 528	7 783 185	492 289 334	29 047 689	2 184 667	492 919 471	1 190 643 874
Total assets as per Statement of financial Position							1 190 643 874
Liabilities							
Current liabilities	284 713 178	1 740 937	715 381 815	71 478 703	10 516 484	(1 001 767 181)	82 063 936
Non-current liabilities	-	-	-	-	-	22 483 945	22 483 945
Total segment liabilities	284 713 178	1 740 937	715 381 815	71 478 703	10 516 484	(979 283 236)	104 547 881
Total liabilities as per Statement of financial Position							104 547 881

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55. Segment information (continued)

The assets that have a negative balance per segment have been reclassified to liabilities and liabilities with a positive balance been reclassified to assets

Measurement of segment surplus or deficit, assets and liabilities

Basis of accounting for transactions between reportable segments

The accounting policies of the segments are the same as those described in the summary of significant accounting policies.

Information about geographical areas

The municipality does not have economic activities anywhere else other than the Mbizana area and there has not been any changes on the geographic area and economic activities during any of the reporting periods.

2023

	External revenues from non-exchange transactions	External revenues from exchange transactions	Total expenditure
Ward 1 to 10	(19 198 177)	(48 676 713)	19 524 024
Ward 11 to 20	(45 457 760)	-	2 980 000
Ward 21 to 32	(16 400 000)	-	20 955 877
Whole of municipality	(383 229 270)	(31 064 397)	354 792 546
Total	(464 285 207)	(79 741 110)	398 252 447

2022

	External revenues from non-exchange transactions	External revenues from exchange transactions	Total expenditure	Non-current assets*
Ward 1 to 10	(40 314 883)	(40 935 382)	(36 806 757)	245 846 385
Ward 11 to 20	(14 538 156)	-	(7 235 565)	71 887 977
Ward 21 to 32	(24 157 386)	-	(4 217 790)	123 495 529
Whole of municipality	(323 343 751)	(23 532 292)	(357 616 761)	365 232 991
Total	(402 354 176)	(64 467 674)	(405 876 873)	806 462 882

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56. Events after the reporting date

The Whip of Council tendered a resignation as a Whip of Council on the 10th July 2023. The Council has subsequently appointed a replacement for the Whip of Council as Cllr M Mbhele.

- Non-adjusting

The running track that was purchased from Belgotex which was delivered between 29 May 2023 and 5 June 2023 was subsequently installed on the Mphuthumi Mafumbatha sport field during the month of July 2023. This installation paved the way for a official opening of the stadium which was on the 11 August 2023.

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57. Prior period errors

The following adjustments were made to the prior year financial statements due to errors which were identified during the current year reviews relating to prior periods financial statements:

Receivables from exchange transactions

During the year it was discovered that there was an overbilling in certain lease accounts account for 2017/18 financial year. The overbilling was identified in 2017/18 financial and was then reversed by the journals and credit note. The correction of the overbilling further resulted to a duplication on lease accounts. During the year it was discovered to correction that was done in 2017/18 did not rectify the overbilling but understated the lease accounts. The impact of this error resulted to an overstatement of R218 205 on receivable from exchanged transaction.

During the year the municipality entered in to a lease agreement with Cybromax. The terms of the contract was that the agreement will be effective when its registered. The registration took place in April 2021. Therefore the municipality was entitled to lease rental as from the date of registration. The receivables from exchange transactions were understated by R139 759.

During the year it was discovered that the municipality billed Acc no 6346 incorrectly in October 2015. The account was incorrect billed by R1 030 086.45. The incorrect billed was only done on electricity . During the year the municipality processed a credit note to correct an error for electricity that was billed incorrectly in October 2015.. The impact of this error resulted to an overstatement of receivable from exchange transaction of R1 030 086.45

The correction of this error resulted in a decrease in receivables from exchanges transactions of R1 048 768.

VAT Receivable

The municipality adopted and implemented GRAP 108 that became effective in 2019/20 financial year. The implementation of GRAP 108 resulted in receivables emanating from law or legislation being reclassified from VAT receivables to be disclosed separately as statutory receivables. The VAT receivables is reclassified to be statutory receivable of R12 783 5500

During the year it was discovered that the municipality billed Acc no 6346 incorrectly in October 2015. The incorrect billed was done on electricity . During the year the municipality processed a credit note to correct an error for electricity that was billed incorrectly in October 2015.. The impact of this error resulted to an overstatement of VAT receivable

The correction of this error resulted in a decrease in VAT receivables of R12 783 550.00.

Statutory Receivables

During the year it was also discovered that there was an invoice paid in the current year that relate to 2021/22 financial year. This was for the workshop held in June but the department responsible did not submit invoice for payment. The vat on invoice that was not paid was R6 490 which resulted to an understatement of VAT receivables.

The municipality adopted and implemented GRAP 108 that became effective in 2019/20 financial year. The implementation of GRAP 108 resulted in receivables emanating from law or legislation being reclassified from VAT receivables to be disclosed separately as statutory receivables. The VAT receivables is reclassified to be statutory receivable of R12 783 550.

The correction of this error resulted in a decrease in Statutory receivables of R12 783 550.

Operating lease asset

During the year the municipality entered in to a lease agreement with Cybromax. The terms of the contract was that the agreement will be effective when its registered. The registration took place in April 2021. Therefore the municipality was entitled to lease rental as from the date of registration. The operating lease asset was understated by R69 269.00

This correction resulted in a decrease on Work in Progress of R69 269.00

Investment Property

During the year it was discovered the municipality entered in to a lease agreement with Cybromax. The terms of the contract was that the agreement will be effective when its registered. The registration of the lease took place in April 2021. The investmnet property was not recognised previously . The impact of the error was an understatement of Investment Properties by R 1 381 600.

Provisions

During the year it was discovered that the Leave Report used in June 2022 to calculate Provision for leave did not include number of leave days as at 30 June for Secretary to SM Community Services. The secretary contract was terminated on the system and the leves were supposed to be paid out but the Accounting Officer extended the contract, the leave days due to the secretaty were never paid out. The impact of this error resulted in an understatement of the Leave Provision by R41 100.93.

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57. Prior period errors (continued)

During the year the 2021/22 performance for senior managers was assessed in line with their performance contracts and the local government municipal performance regulations for Municipal managers and managers directly accountable to the municipal manager, 2006. Regulation 32 of these makes a provision for a performance bonus ranging from 5% to 14% of the all inclusive remuneration package to be paid to the an employee in recognition of outstanding performance. A report on the assessments outcome was presented on council and the council resolved to pay performance bonuses to senior managers for their outstanding performance for the 2021/2022 financial year. The impact of this error resulted in an understatement of Bonus provision by R929 757.57

The correction of these error resulted to an increase of R970 859 in Provisions.

Payables from exchange transactions

During the year it was discovered that there were invoices relating to Genbiz Trading 1001 contract for the supply of printers and copiers of that were not debited in period 2019/20 financial year. This was due to delayed signing of the debit order authorisation form. The invoices totalled to R107 114.56. The impact of these transactions resulted to an understatement of Payables from exchange transactions.

During the year the municipality received a Gazette from COGTA with upper limits of public office bearers for 2021/22 financial year. The Gazette excluded the data allowance for public office bearers. COGTA issued an amended Gazete in Novemebr 2022 relating to 2021/22 upper limits which included the data allowance for public office beraers. The data allowance for public office bearers total to R227 700. The accruals for 2021/22 were understated by R227 700.

During the year it was also discovered that there was an invoice paid in the current year that relate to 2021/22 financial year. This was for the workshop held in June but the deptmt responsible did not submit the invoice for payment. The invoice that was not paid was R210 216.75 which resulted to an understatement of Payables from exchange transactions.

During the year SARS conducted VAT Audit for prior years starting from 2017/07 to 2021/09. SARS was auditing compliance as per s17(2) of the Vat act which provides that inputs is denied on certain expenses even if they are incurred in the course of conducting an enterprise. Also, s16(2),16(3),17(1) and 20 input tx allowed. SARS had findings regarding VAT as the municipality was in contravention of s16(2),16(3),17(1) and 20, therefore SARS imposed an understatement penalty of 25% and interests in terms of s223(1) of the Tax administration Act. The payables from exchange transactions were understated by R5 032 611.6t of which an amount of R4 982 239.71 relates to periods before 2021/22 financial year and R50 371.97 relating to 2021/22 financial year.

The correction of these errors resulted in a increase in Payables from exchange transactions of R5 577 642

Interest expense

During the year SARS conducted VAT Audit for prior years starting from 2017/07 to 2021/09. SARS was auditing compliance as per s17(2) of the Vat act which provides that inputs is denied on certain expenses even if they are incurred in the course of conducting an enterprise. Also, s16(2),16(3),17(1) and 20 input tx allowed. SARS had findings regarding VAT as the municipality was in contravention of s16(2),16(3),17(1) and 20, therefore SARS imposed an understatement penalty of 25% and interests in terms of s223(1) of the Tax administration Act. The interest expense was undestated by R50 372.00

The correction of this error resulted to an increase of R50 372.00.

Employee Related Cost

During the year it was discovered that the Leave Report used in June 2022 to calculate Provision for leave did not include number of leave days as at 30 June for Secretary to SM Community Services. The secretary contract was terminated on the system and the leaves due were supposed to be paid out but the Accounting Officer extended the contract, the leave days due to the secretaty were never paid out. The impact of this error resulted in an understatement of the employee related cost by R41 100.93.

During the year the 2021/22 performance for senior managers was assessed in line with their performance contracts and the local government municipal performance regulations for Municipal managers and managers directly accountable to the municipal manager, 2006. Regulation 32 of these makes a provision for a performance bonus ranging from 5% to 14% of the all inclusive remuneration package to be paid to the an employee in recognition of outstanding performance. A report on the assessments outcome was presented on council and the council resolved to pay performance bonuses to senior managers for their outstanding performance for the 2021/2022 financial year. The impact of this error resulted in an understatement of the employee related cost by R929 757.57.

The correction of this error resulted in a net increase of R970 859

Remuneration of councillors

During the year the municipality received a Gazette from COGTA with upper limits of public office bearers for 2021/22 financial year. The Gazette excluded the data allowance for public office bearers. COGTA issued an amended Gazete in Novemebr 2022 relating to 2021/22 upper limits which included the data allowance for public office beraers. The data allowance for public office bearers total to R227 700. The remuneration of councillors were understated by R227 700.00.

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

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57. Prior period errors (continued)

Contracted Services

During the year it was also discovered that there was an invoice paid in the current year that relate to 2021/22 financial year. This was for the workshop held in June but the department responsible did not submit the invoice for payment. The invoice that was not paid included contracted services amount of R96 000. The impact of this error resulted in an understatement of contracted services.

The correction of this error resulted in an increase of R1 460 739 on Contracted Services

General expenses

During the year it was also discovered that there was an invoice paid in the current year that relate to 2021/22 financial year. This was for the workshop held in June but the responsible department did not submit the invoice for payment. The invoice that was not paid included general expenses amounting to R111 645.00. The impact of this error resulted in an understatement of general expenses.

The correction of this error resulted in an increase of R111 645.00

Fines and penalties

During the year it was discovered the municipality entered in to a lease agreement with Cybromax. The terms of the contract was that the agreement will be effective when its registered. The registration of the lease took place in April 2021. The investment property was not recognised previously. The impact of the error was an understatement of Fair value adjustments by R 1 381 500.

The correction of this error resulted in an increase of R1 381 500.

Rental of facilities and equipment

During the year the municipality entered in to a lease agreement with Cybromax. The terms of the contract was that the agreement will be effective when its registered. The registration took place in April 2021. Therefore the municipality was entitled to lease rental as from the date of registration. The rental of facilities were understated by R171 579

The correction of this error resulted in an increase of R 171 579.00

Accumulated Surplus

During the preparation of annual financial statement various journals were processed in order to correct prior year figures.

An increase in Provision of R970 859 resulted to a decrease on Accumulated Surplus of R970 859.

The increase in Payables from exchange transactions resulted to a decrease in Accumulated Surplus of R427 814.56

The prior period error of penalties resulted to a decrease in Accumulated Surplus of R 5 032 611

The increase in Payables from exchange transactions, VAT receivables resulted to a decrease in Accumulated Surplus of R111 644

The increase in receivable from exchange transactions resulted to a decrease in accumulated surplus of R218 205.

The cumulative effect of all changes that have occurred resulted in a net decrease of R5 182 358 on Accumulated Surplus.

Commitments

As previously reported	-	68 402 449
Prior year corrections	-	(3 187 669)
Restated balance	-	65 214 779

Commitments categories as previously reported

Authorised capital expenditure

Already contracted for but not provided for

Infrastructure assets	-	4 296 993
Integrated electrification	-	6 992 641
Community assets	-	37 061 462
Other commitments	-	16 863 683
	-	65 214 779

Winnie Madikizela-Mandela Local Municipality

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Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022
57. Prior period errors (continued)		
Revised commitments categories		
Authorised capital expenditure		
Already contracted for but not provided for		
Infrastructure assets	-	4 296 993
Integrated electrification	-	6 992 641
Community assets	-	37 061 462
Other assets	-	6 006 047
Authorised operational expenditure		
Already contracted for but not provided for		
Operational expenditure	-	10 857 636
	-	65 214 779

58. Prior-year adjustments

Presented below are those items contained in the statement of financial position, statement of financial performance and cash flow statement that have been affected by prior-year adjustments:

Statement of financial position

2022

	Note	As previously reported	Correction of error	Re-classification	Restated
Receivables from exchange transactions		25 930 092	(1 048 768)	-	24 881 324
Statutory Receivables		37 726 703	69 269	12 783 550	50 579 522
VAT Receivables		12 783 550	-	(12 783 550)	-
Operating lease		11 662 045	69 479	-	11 731 524
Investment properties		39 090 183	1 381 600	-	40 471 783
Property, plant and equipment		766 068 656	1 828 668	-	767 897 324
Provisions		(20 307 659)	(970 859)	-	(21 278 518)
Payables from exchange transaction		(47 256 789)	(5 577 642)	-	(52 834 431)
Accumulated Surplus		(1 090 344 245)	4 248 253	-	(1 086 095 992)
		(264 647 464)	-	-	(264 647 464)

Statement of financial performance

2022

	Note	As previously reported	Correction of error	Restated
Employee related Cost		(116 655 429)	(970 859)	(117 626 288)
Depreciation		(44 097 214)	(21 152)	(44 118 366)
Contracted Services		(57 071 486)	1 460 739	(55 610 747)
Remuneration of councillors		(24 782 223)	(227 700)	(25 009 923)
General expenses		(64 170 451)	(111 645)	(64 282 096)
Interest and penalties		-	(50 372)	(50 372)
Loss on disposal		(46 551 292)	(842 790)	(47 394 082)
Fair value adjustments		2 461 400	1 381 600	3 843 000
Rental of facilities		7 510 508	171 579	7 682 087
Interest received		15 474 310	(88 386)	15 385 924
Other income		382 022	1 432 000	1 814 022
Surplus for the year		(327 499 855)	2 133 014	(325 366 841)

Cash flow statement

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

Figures in Rand 2023 2022

58. Prior-year adjustments (continued)

2022

	Note	As previously reported	Correction of error	Restated
Cash flow from operating activities				
Sale of goods and services		72 096 778	24 144	72 120 922
Employee Cost		(141 437 652)	(1 198 559)	(142 636 211)
Suppliers		(145 594 774)	1 224 787	(144 369 987)
Finance cost		-	(50 373)	(50 373)
		(214 935 648)	(1)	(214 935 649)

59. Interest and penalties

Penalties		-	23 971
Interest paid		-	26 401
		-	50 372

During the year SARS conducted VAT Audit for prior years starting from 2017/07 to 2021/09. SARS was auditing compliance as per s17(2) of the Vat act which provides that inputs is denied on certain expenses even if they are incurred in the course of conducting an enterprise.

Also, s16(2),16(3),17(1) and 20 input tax allowed. SARS had findings regarding VAT as the municipality was in contravention of s16(2),16(3),17(1) and 20, therefore SARS imposed an understatement penalty of R23 971.19 and interests pf R26 400.78 in terms of s223(1) of the Tax administration Act.

60. Change in estimate

Property, plant and equipment

The full useful lives of certain Property, Plant and Equipment was revised in the current year pertaining to intangibles, movable and immovable assets with extensions to useful lives ranging between 1-24 years. The overall effect of this revision has been an increase in depreciation charges for the current year of R 4 624 657) and an increase in future depreciation charges of R 4 624 656.84

This has resulted in a decrease in current year's carrying amounts of certain property, plant and equipment by R4 624 656.84 and a future increase in carrying amounts of certain property, plant and equipment of R4 624 656.84.

61. Budget differences

Material differences between budget and actual amounts

The municipality give an explanation on material variances that are more than 5% as per the MFMA Circular 71.

Statement of Financial Performance

Service charges

The excess actual revenue is due to an increase in customer base which resulted to an increase in electricity consumption

Rental of facilities and equipment

The excess actual revenue more than budget is due to smoothing of leased asset that was raised at year end.

Agency services

The actual revenue being less than the budget is due to decline in numbers of customers utilising the DLTC services .

Recoveries

These are insurance recoveries which the municipality does not budget for. These recoveries were as a result of municipal assets that were written off /stolen during the year and raising of new staff debts.

Provision reduction

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

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61. Budget differences (continued)

The provision reduction was not budgeted for under Revenue. The budget was allocated under liabilities.

Other income

The actual revenue being less than the budget is due to a decline on adhoc advertising fees, vending hawking, building plans and funeral fees as more people prefer to use rural homestead burials than the grave yard in town.

Interest received

The excess actual revenue more than the budget is due to interest increase in the current year.

Licence and permit

The actual revenue being less than budget is due to a decrease on number of customer utilising the DLTC services.

Fines, penalties and forfeits

The fines were only recognised at year end due to reconciliation that needed to be done by the department responsible which resulted to the budget not being adjusted as there were no fines recorded during the year.

Fairvalue adjustment

The increase in investment property is due to fair value adjustments performed by the independent valuer at year end.

Government donations

The asset donations were not budgeted for as the municipality was not expecting any donation of an asset.

Remuneration of councillors

The actual expenditure is less than the budget due to the governeemnt gazzete of upper limits that is not yet been issued. The municipality budgeted for the councillor upper limits.

Finance Cost

During the financial year the municipality improved its internal controls on managing finance cost.

Lease rentals on operating lease

The actual expenditure being less than the budget is savings as a result of implementation of cost containment measures.

Depreciation

The depreciation budgeted for was based on old and new assets that were going to be procured and constructed. Most of the construction assets were not completed during the year, which resulted to underspending on depreciation.

Impairment losses

The actual expenditure being less than the budget is the result of the impairment assessment that was done at financial year end. The municipality did not budget for impairment losses separately but as part pf depreciation.

Debt Impairment

The actual exepnditure being less than the budget is due the implementation of credit control.

Bad debts written off

The municipality do not budget for bad debt written off as we anticipate to collect revenue.

Bulk purchases

The budget being less than the actual expenditure is due to an increase in customer base which resulted to an increase in electricity purchases.

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

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61. Budget differences (continued)

Contracted services

The actuals expenditure being less than the budget is savings due to implementation of cost containment measures. This is as a result of slow spending during the first months of each financial year which is always experienced and the municipality finds it difficult to recover from.

Transfers and subsidies

The actual expenditure being less than budget is savings to the municipality is due to late procurement.

Loss on disposal of assets

The variance on loss on disposal is as the result of the municipality budgeting for certain Electrification projects that were going to be completed during the financial year and the roads that were disposed as they were badly damaged by the floods.

General expense

The actuals expenditure being less than the budget is savings due to implementation of cost containment measures. This might be as a result of the slow spending during the first months of each financial year which is always experienced.

Transfers recognised- capital expenditure

The actual expenditure being less than budget is due to the GBS grants that was budget for but was never received by the municipality.

Statement of Financial Position

Inventories

The actual expenditure being less than the budget is savings. The inventory that was issued out but available at year end, an adjustment was done accordingly during stock count.

Other receivables from exchange

The budget for operating lease, vat, prepayments and receivables from exchange transactions is budgeted under the other receivables from exchange transactions. The actual performance compared to the budget is as the result of increase on lease rentals, accrued income not received from service provider and increase on receivables from exchange transactions. The budget format has group these items together and are reported on budget formats as part of receivables from exchange transaction not as a separate line item.

Receivables from non exchange

The statutory receivables and receivables from non exchange transactions are reported as part of receivables from non exchange transactions on budget formats. The budget was based on audited figures from prior year.

Cash and Cash equivalent

The actual cash on hand as at 30 June 2023 was due to savings realised on increase on interest received, rental of facilities and equipment more than budget. Furthermore, the reduced spending on general expenditure, contracted services.

Investment Property

The increase in investment property is due to fair value adjustments performed by the independent valuer at year end.

Unspent conditional grants and receipts

The municipality does not budget for unspent grants as these are meant to be fully spent by the end of the year. The difference is the Library grant, GBS Grant and disaster recovery that was not fully spent during the year.

Payables from exchange transactions

The budget less than the actual payables is due to retention and accrual that were budgeted for relating to Disaster recovery grant that was received late in the financial year.

Provisions

The budget for provisions is based on the audited figures of 2022/23. The landfill provision is performed by an independent expert.

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

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61. Budget differences (continued)

Cash flow statement

Rate payers and others

The difference is caused by an increase on property rates billing that has not been settled for the year on certain government and household accounts.

Interest income

The difference is caused by an unexpected interest rate hikes by the reserve bank which has resulted in more interest generated on investments as well an increase in the prime lending rate which has affected interest charged on debtors

Suppliers

The difference is due to savings on expenses.

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Appropriation Statement

Figures in Rand

	Original budget	Budget adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. council approved policy)	Final budget	Actual outcome	Unauthorised expenditure	Variance	Actual outcome as % of final budget	Actual outcome as % of original budget
2023											
Financial Performance											
Property rates	21 468 489	-	21 468 489	-	-	21 468 489	21 160 320	-	(308 169)	99 %	99 %
Service charges	36 679 585	4 667 689	41 347 274	-	-	41 347 274	45 326 090	-	3 978 816	110 %	124 %
Investment revenue	15 138 171	9 330 000	24 468 171	-	-	24 468 171	28 370 870	-	3 902 699	116 %	187 %
Transfers recognised - operational	-	338 351 500	12 572 200	350 923 700	-	350 923 700	345 067 599	-	(5 856 101)	98 %	102 %
Other own revenue	-	-	-	-	-	9 884 206	23 516 055	-	13 631 849	238 %	267 %
Total revenue (excluding capital transfers and contributions)	420 448 578	27 643 262	448 091 840	-	-	448 091 840	463 440 934	-	15 349 094	103 %	110 %
Employee costs	(124 799 443)	2 747 750	(122 051 693)	-	-	(122 051 693)	(125 614 323)	-	(3 562 630)	103 %	101 %
Remuneration of councillors	(27 047 160)	-	(27 047 160)	-	-	(27 047 160)	(26 320 579)	-	726 581	97 %	97 %
Depreciation and asset impairment	(49 735 160)	-	(49 735 160)	-	-	(49 735 160)	(41 761 779)	-	7 973 381	84 %	84 %
Finance charges	(100 000)	-	(100 000)	-	-	(100 000)	-	-	100 000	- %	- %
Bulk purchases	(40 005 406)	-	(40 005 406)	-	-	(40 005 406)	(42 241 255)	-	(2 235 849)	106 %	106 %
Transfers and grants	(3 200 000)	(149 200)	(3 349 200)	-	-	(3 349 200)	(2 593 275)	-	755 925	77 %	81 %
Other expenditure	(186 431 070)	(53 246 228)	(239 677 298)	-	-	(239 677 298)	(148 278 594)	-	91 398 704	62 %	80 %
Total expenditure	(431 318 239)	(50 647 678)	(481 965 917)	-	-	(481 965 917)	(386 809 805)	-	95 156 112	80 %	90 %
Surplus/(Deficit)	(10 869 661)	(23 004 416)	(33 874 077)	-	-	(33 874 077)	76 631 129	-	110 505 206	(226)%	(705)%

Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Appropriation Statement

Figures in Rand

	Original budget	Budget adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. council approved policy)	Final budget	Actual outcome	Unauthorised expenditure	Variance	Actual outcome as % of final budget	Actual outcome as % of original budget
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	82 287 958	24 927 408	107 215 366	-		107 215 366	93 671 117		(13 544 249)	87 %	114 %
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	-	-	-	-		-	479 356		479 356	DIV/0 %	DIV/0 %
Surplus (Deficit) after capital transfers and contributions	71 418 297	1 922 992	73 341 289	-		73 341 289	170 781 602		97 440 313	233 %	239 %
Surplus/(Deficit) for the year	71 418 297	1 922 992	73 341 289	-		73 341 289	170 781 602		97 440 313	233 %	239 %
Capital expenditure and funds sources											
Total capital expenditure	108 048 252	42 775 461	150 823 713	-		150 823 713	119 070 711		(31 753 002)	79 %	110 %
Sources of capital funds											
Transfers recognised - capital	69 944 764	23 110 421	93 055 185	-		93 055 185	81 554 684		(11 500 501)	88 %	117 %
Internally generated funds	38 103 488	19 665 040	57 768 528	-		57 768 528	37 516 026		(20 252 502)	65 %	98 %
Total sources of capital funds	108 048 252	42 775 461	150 823 713	-		150 823 713	119 070 710		(31 753 003)	79 %	110 %

Winnie Madikizela-Mandela Local Municipality

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Appropriation Statement

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	Original budget	Budget adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. council approved policy)	Final budget	Actual outcome	Unauthorised expenditure	Variance	Actual outcome as % of final budget	Actual outcome as % of original budget
Cash flows											
Net cash from (used) operating	178 443 595	59 105 139	237 548 734	-		237 548 734	201 837 487		(35 711 247)	85 %	113 %
Net cash from (used) investing	(129 967 956)	(41 278 173)	(171 246 129)	-		(171 246 129)	(118 932 914)		52 313 215	69 %	92 %
Net increase/(decrease) in cash and cash equivalents	48 475 639	17 826 966	66 302 605	-		66 302 605	82 904 573		16 601 968	125 %	171 %
Cash and cash equivalents at the beginning of the year	336 826 809	(59 717 986)	277 108 823	-		277 108 823	277 108 823		-	100 %	82 %
Cash and cash equivalents at year end	385 302 448	(41 891 020)	343 411 428	-		343 411 428	360 013 396		(16 601 968)	105 %	93 %

Segmental Statement of Financial Performance for the year ended
Prior Year **Current Year**

Actual Income	Actual Expenditure	Surplus /(Deficit)		Actual Income	Actual Expenditure	Surplus /(Deficit)
Rand	Rand	Rand		Rand	Rand	Rand
Municipality						
822 012	58 579 678	(57 757 666)	Executive & Council/Mayor and Council	-	63 333 350	(63 333 350)
339 902 123	93 262 025	246 640 098	Finance & Admin/Finance	394 998 569	102 238 452	292 760 117
837 950	24 878 584	(24 040 634)	Planning and Development/Economic Development/Plan	6 859 161	24 385 367	(17 526 206)
192 521	9 955 337	(9 762 816)	Comm. & Social/Libraries and archives	1 596 647	8 067 419	(6 470 772)
-	818 071	(818 071)	Housing	-	1 055 800	(1 055 800)
3 767 566	13 617 467	(9 849 901)	Public Safety/Police	4 728 388	14 133 202	(9 404 814)
-	2 404 187	(2 404 187)	Sport and Recreation	-	1 976 525	(1 976 525)
-	2 158 644	(2 158 644)	Environmental Protection/Pollution Control	-	2 236 425	(2 236 425)
7 771 924	14 572 952	(6 801 028)	Waste Water Management/Sewerage	19 164 472	26 409 210	(7 244 738)
51 022 999	89 182 625	(38 159 626)	Road Transport/Roads	73 192 331	46 519 453	26 672 878
67 862 946	96 124 543	(28 261 597)	Electricity /Electricity Distribution	57 288 025	94 197 397	(36 909 372)
-	3 021 131	(3 021 131)	Other/Air Transport	-	3 302 706	(3 302 706)
472 180 041	408 575 244	63 604 797		557 827 593	387 855 306	169 972 287

Winnie Madikizela-Mandela Local Municipality

Appendix E(1)

June 2023

Actual versus Budget (Revenue and Expenditure) for the year ended 30 June 2023

	Current year 2022 Act. Bal.	Current year 2022 Adjusted budget Rand	Variance Rand	Explanation of Significant Variances greater than 10% versus Budget Var
Revenue				
Service charges	45 326 090	41 347 274	3 978 816	9.6
Rental of facilities and equipment	7 575 950	4 498 452	3 077 498	68.4
Agency services	1 360 653	1 520 874	(160 221)	(10.5)
Commissions received	164 806	163 726	1 080	0.7
Recoveries	78 500	-	78 500	-
Other income - (rollup)	10 942 529	704 641	10 237 888	452.9
Interest received - investment	28 370 870	24 468 171	3 902 699	16.0
	93 819 398	72 703 138	21 116 260	29.0
Expenses				
Personnel	(125 614 323)	(122 051 693)	(3 562 630)	2.9
Remuneration of councillors	(26 320 579)	(27 047 160)	726 581	(2.7)
Depreciation	(41 815 777)	(49 735 160)	7 919 383	(15.9)
Impairment	(991 512)	-	(991 512)	-
Finance costs	-	(100 000)	100 000	(100.0)
Debt Impairment	(1 404 083)	(9 600 000)	8 195 917	(85.4)
Bulk purchases	(42 241 255)	(40 005 406)	(2 235 849)	5.6
Contracted Services	(43 804 603)	(99 474 653)	55 670 050	(56.0)
Transfers and Subsidies	(2 593 275)	(3 349 200)	755 925	(22.6)
General Expenses	(100 810 882)	(130 602 645)	29 791 763	(22.8)
	(385 596 289)	(481 965 917)	96 369 628	(20.0)
Other revenue and costs				
Net surplus/ (deficit) for the year	(291 776 891)	(409 262 779)	117 485 888	(28.7)

Budget Analysis of Capital Expenditure as at 30 June 2022

	Additions	Revised Budget	Variance	Variance	Explanation of significant variances from budget
	Rand	Rand	Rand	%	
Municipality					
Finance & Admin/Finance	6 593 735	9 777 917	3 184 182	33	Savings on procurement or construction of landfill
Planning and Development/Economic Development/Plan	19 777 054	42 703 332	22 926 278	54	Savings due to delays on construction of Manufacturing Hubs
Comm. & Social/Libraries and archives	1 472 724	1 710 000	237 276	14	savings on fencing of recreational facilities
Sport and Recreation	134 200	185 435	51 235	28	Savings on grass cutting machines
Waste Management	2 454 064	2 991 305	537 241	18	Savings due to non construction of landfill.
Road Transport/Roads	75 748 647	77 190 506	1 441 859	2	ts
Electricity /Electricity Distribution	15 520 984	16 265 218	744 234	5	
	121 701 408	150 823 713	29 122 305	19	

Winnie Madikizela-Mandela Local Municipality

Appendix G1

Budgeted Financial Performance (revenue and expenditure by functional classification) for the year ended 30 June 2023

	2023/2022							2022/2021							
	Original Budget	Budget Adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. Council approved policy)	Final Budget	Actual Outcome	Unauthorised expenditure	Variance of Actual Outcome against Budget	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand
Revenue - Functional															
Municipal governance and administration	362 794 086	23 123 373	385 917 459	-		385 917 459	394 998 569		9 081 110	102 %	109 %				336 797 942
Finance and administration	362 794 086	23 123 373	385 917 459	-		385 917 459	394 998 569		9 081 110	102 %	109 %				335 975 930
Community and public safety	4 966 389	120 000	5 086 389	-		5 086 389	6 325 035		1 238 646	124 %	127 %				3 960 087
Community and social services	622 888	-	622 888	-		622 888	1 596 647		973 759	256 %	256 %				192 521
Public safety	4 343 501	120 000	4 463 501	-		4 463 501	4 728 388		264 887	106 %	109 %				3 767 566
Economic and environmental services	78 100 460	24 659 608	102 760 068	-		102 760 068	80 051 493		(22 708 575)	78 %	102 %				51 860 949
Planning and development	23 062 460	(50 000)	23 012 460	-		23 012 460	6 859 162		(16 153 298)	30 %	30 %				837 950
Road transport	55 038 000	24 709 608	79 747 608	-		79 747 608	73 192 331		(6 555 277)	92 %	133 %				51 022 999
Trading services	56 875 601	4 667 689	61 543 290	-		61 543 290	76 216 310		14 673 020	124 %	134 %				75 634 870
Energy sources	47 325 308	6 000 000	53 325 308	-		53 325 308	57 288 026		3 962 718	107 %	121 %				67 862 946
Waste management	9 550 293	(1 332 311)	8 217 982	-		8 217 982	18 928 284		10 710 302	230 %	198 %				7 771 924
Total Revenue - Functional	502 736 536	52 570 670	555 307 206	-		555 307 206	557 591 407		2 284 201	100 %	111 %				468 253 848

Winnie Madikizela-Mandela Local Municipality

Appendix G1

Budgeted Financial Performance (revenue and expenditure by functional classification)

for the year ended 30 June 2023

2023/2022

2022/2021

	Original Budget	Budget Adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. Council approved policy)	Final Budget	Actual Outcome	Unauthorised expenditure	Variance of Actual Outcome against Budget	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand
Expenditure - Functional															
Governance and administration	201 619 897	1 324 789	202 944 686	-	-	202 944 686	165 571 801	-	(37 372 885)	82 %	82 %	-	-	-	149 218 286
Executive and council	64 094 421	544 994	64 639 415	-	-	64 639 415	59 349 828	-	(5 289 587)	92 %	93 %	-	-	-	54 785 378
Finance and administration	132 843 856	1 279 795	134 123 651	-	-	134 123 651	102 238 452	-	(31 885 199)	76 %	77 %	-	-	-	90 856 366
Internal audit	4 681 620	(500 000)	4 181 620	-	-	4 181 620	3 983 521	-	(198 099)	95 %	85 %	-	-	-	3 576 542
Community and public safety	32 667 442	(889 606)	31 777 836	-	-	31 777 836	25 232 946	-	(6 544 890)	79 %	77 %	-	-	-	26 332 963
Community and social services	12 936 046	(110 000)	12 826 046	-	-	12 826 046	8 067 418	-	(4 758 628)	63 %	62 %	-	-	-	9 955 337
Sport and recreation	2 728 743	(460 000)	2 268 743	-	-	2 268 743	1 976 525	-	(292 218)	87 %	72 %	-	-	-	2 404 187
Public safety	15 956 496	(337 606)	15 618 890	-	-	15 618 890	14 133 203	-	(1 485 687)	90 %	89 %	-	-	-	13 155 368
Housing	1 046 157	18 000	1 064 157	-	-	1 064 157	1 055 800	-	(8 357)	99 %	101 %	-	-	-	818 071
Economic and environmental services	102 587 806	26 925 099	129 512 905	-	-	129 512 905	74 234 603	-	(55 278 302)	57 %	72 %	-	-	-	115 863 853
Planning and development	37 697 052	64 477	37 761 529	-	-	37 761 529	24 385 367	-	(13 376 162)	65 %	65 %	-	-	-	24 700 585
Road transport	62 239 554	27 093 623	89 333 177	-	-	89 333 177	47 612 811	-	(41 720 366)	53 %	76 %	-	-	-	89 004 624
Environmental protection	2 651 200	(233 001)	2 418 199	-23	-	2 418 199	2 236 425	-	(181 774)	92 %	84 %	-	-	-	2 158 644
Trading services	90 304 496	299 984	113 604 480	-24	-	113 604 480	119 513 259	-	5 908 779	105 %	132 %	-	-	-	111 390 291
Energy sources	63 408 354	024 984	87 433 338	-	-	87 433 338	94 197 397	-	6 764 059	108 %	149 %	-	-	-	96 817 339
Waste management	26 896 142	(725 000)	26 171 142	-	-	26 171 142	25 315 862	-	(855 280)	97 %	94 %	-	-	-	14 572 952
Other	4 138 598	(12 600)	4 125 998	-	-	4 125 998	3 302 706	-	(823 292)	80 %	80 %	-	-	-	-
Other	4 138 598	(12 600)	4 125 998	-	-	4 125 998	3 302 706	-	(823 292)	80 %	80 %	-	-	-	3 021 118
Total Expenditure - Functional	431 318 239	50 647 666	481 965 905	-	-	481 965 905	387 855 315	-	(94 110 590)	80 %	90 %	-	-	-	405 826 511
Surplus/(Deficit) for the year	71 418 297	1 923 004	73 341 301	-	-	73 341 301	169 736 092	-	96 394 791	231 %	238 %	-	-	-	62 427 337

Winnie Madikizela-Mandela Local Municipality

Appendix G2

Budgeted Financial Performance (revenue and expenditure by municipal vote) for the year ended 30 June 2023

	2023/2022							2022/2021						
	Original Budget	Budget Adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. Council approved policy)	Final Budget	Actual Outcome	Variance of Actual Outcome against Adjustments Budget	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand
Revenue by Vote														
Budget and Treasury	341 188 871	22 751 000	363 939 871	-	-	363 939 871	373 244 835	9 304 964	103 %	109 %	-	-	-	315 151 365
Corporate Services	136 726	372 373	509 099	-	-	509 099	575 685	66 586	113 %	421 %	-	-	-	483 383
Development and Planning	44 530 949	(50 000)	44 480 949	-	-	44 480 949	22 795 240	(21 685 709)	51 %	51 %	-	-	-	22 001 144
Community and Social Services	14 516 682	(1 212 311)	13 304 371	-	-	13 304 371	25 271 049	11 966 678	190 %	174 %	-	-	-	11 732 010
Engineering services	102 366 308	30 709 308	133 075 616	-	-	133 075 616	135 704 598	2 628 982	102 %	133 %	-	-	-	56 381 194
Total Revenue by Vote	502 739 536	52 570 370	555 309 906	-	-	555 309 906	557 591 407	2 281 501	100 %	111 %	-	-	-	472 180 043
Expenditure by Vote to be appropriated														
Mayor and Council	45 758 416	618 994	46 377 410	-	-	46 377 410	42 992 017	(3 385 393)	93 %	94 %	-	-	-	40 423 976
Municipal Manager	38 632 660	(824 000)	37 808 660	-2	-	37 808 660	35 553 108	(2 255 552)	94 %	92 %	-	-	-	31 242 880
Budget and Treasury	41 521 121	250 000	43 771 121	-	-	43 771 121	29 088 177	(14 682 944)	66 %	70 %	-	-	-	21 789 248
Corporate Services	59 772 313	(1 786 005)	57 986 308	-	-	57 986 308	40 570 094	(17 416 214)	70 %	68 %	-	-	-	38 758 339
Development and Planning	36 131 249	401 277	36 532 526	-	-	36 532 526	21 916 367	(14 616 159)	60 %	61 %	-	-	-	17 007 805
Community and Social Services	79 011 590	(913 605)	78 097 985	-50	-	78 097 985	71 980 605	(6 117 380)	92 %	91 %	-	-	-	60 969 621
Engineering services	130 490 890	901 007	181 391 897	-	-	181 391 897	145 754 947	(35 636 950)	80 %	112 %	-	-	-	101 566 038
Total Expenditure by Vote	431 318 239	50 647 668	481 965 907	-	-	481 965 907	387 855 315	(94 110 592)	80 %	90 %	-	-	-	408 575 246
Surplus/(Deficit) for the year	71 421 297	1 922 702	73 343 999	-	-	73 343 999	169 736 092	96 392 093	231 %	238 %	-	-	-	63 604 797

22. CoGTA EC Standardised Performance Indicators

Chapter: Organisational Transformation and Institutional Development –KPA 1

Annual performance as per key performance indicators in municipal transformation and organizational development

	Indicator name	Total number of people (planned for) during the year under review	Achievement level during the year under review	Achievement percentage during the year	Comments on the gap
1	Vacancy rate for all approved and budgeted posts;	40	25	63%	N/A
2	Percentage of appointment in strategic positions (Municipal Manager and Section 57 Managers)	6	6	100%	N/A
3	Percentage of Section 57 Managers including Municipal Managers who attended at least 1 skill development training course within the FY	6	6	100%	N/A
4	Percentage of Managers in Technical Services with a professional qualification	0	0	0	N/A
5	Level of PMS effectiveness in the DM – (DM to report)	THE INFORMATION SHOULD BE REFLECTED IN A NARRATIVE FORM PMS has been cascaded to from Task grade 12 in the 2018/19 FY. It has further been cascaded down to task grade 10 positions (especially with the administrative positions). Performance agreements and work plans are signed annually and mid-yearly and annual assessments are conducted at all the levels mentioned above that are below senior management.			
6	Level of effectiveness of PMS in the LM – (LM to report)				
7	Percentage of staff that have undergone a skills audit (including competency profiles) within the current 5 year term	100	100	100%	N/A
8	Percentage of councillors who attended a skill development training within the current 5 year term	64	64	100%	N/A
9	Percentage of staff complement with disability	4	4	100%	N/A
10	Percentage of female employees	153	153	100%	N/A
11	Percentage of employees that are aged 35 or younger	72	72	100%	N/A
12	Adoption and implementation of a HRD including Workplace Skills Plan				Municipality has its performance management policy that was reviewed and adopted by council in 2022/23 financial year and is being implemented.

Chapter: Basic Service delivery performance highlights (KPA 2)

Annual performance as per key performance indicators in water services

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the FY under review (actual numbers)	Number of HH/customer reached during the FY	Percentage of achievement during the year
1	Percentage of households with access to potable water	ANDM				
2	Percentage of indigent households with access to free basic potable water	ANDM				

Annual performance as per key performance indicators in Electricity services

	Indicator name	Total number of household/customers expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review (actual numbers)	Number of HH/customer reached during the FY	Percentage of achievement during the year
1	Percentage of households with access to electricity services	1 073 Total number of households anticipated to be energised in the current FY including 2022/23 projects.	6 175 This is based on the recent submissions from all 31 Wards.	1073	0	2.3% (25 households energised in Nomlacu)
2	Percentage of indigent households with access to basic electricity services	19834	1770	19834	18064	91%
3	Percentage of indigent households with access to free alternative energy sources	19834	0	2646	2646	100%

Annual performance as per key performance indicators in sanitation services

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review	Number of HH/customer reached	Percentage of achievement during the year
1	Percentage of households with access to sanitation services	ANDM				
2	Percentage of indigent households with access to free basic sanitation services	ANDM				

Annual performance as per key performance indicators in road maintenance services

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review (Actual KMs)	Kms achieved during the FY	Percentage of achievement during the year
1	Percentage of households without access to gravel or graded roads		918km	85km	105,1km	124%
2	Percentage of road infrastructure requiring upgrade		121km	4	4	100%
3	Percentage of planned new road infrastructure actually constructed		121	17,1	12,6	73,6%
4	Percentage of capital budget reserved for road upgrading and maintenance effectively used.			R103 187 117,30	69 380 374,61	67%

Annual performance as per key performance indicators in waste management services

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review	Number of HH/customer reached	Percentage of achievement during the year
--	-----------------------	---	--	--	--------------------------------------	--

1	Percentage of households with access to refuse removal services	730	0	730	730	100%
2	Existence of waste management plan	The Municipality has approved and adopted Waste Management plan				

Annual performance as per key performance indicators in housing and town planning services

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (Actual numbers)	Target set for the f. year under review	Number of HH/customer reached	Percentage of achievement during the year
1	Percentage of households living in informal settlements	N/A				
2	Percentage of informal settlements that have been provided with basic services	N/A				
3	Existence of an effective indigent policy	<p>The Municipality adopted an Indigent Policy which currently acts as a guide and framework in terms of indigent support services. The main objectives of the policy are the following:</p> <ul style="list-style-type: none"> to provide basic services to the community in a sustainable manner, within the financial and administrative capacity of the council; and <p>to provide procedures and guidelines for the subsidization of basic service(s) charges to its indigent households, using the council's budgetary provisions received from central government in accordance with prescribed policy guidelines.</p>				
4	Existence of an approved SDF	Winnie Madikizela-Mandela Local Municipality approved its SDF in financial year of 2020/2021 and will be reviewed in 2024/25 financial year.				
22.1	Existence of Land Use Management System (LUMS)	The Municipality has in 2021 Adopted the municipal Integrated Land Use Scheme, and is in a process of gazetting it.				

CHAPTER: MUNICIPAL LOCAL ECONOMIC DEVELOPMENT FRAMEWORK- (KPA 3)

Annual performance as per key performance indicators in LED

	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
1	Existence of LED unit	The unit is fully operational	100%	fledged
2	Percentage of LED Budget spent on LED related activities.	Utilised budget on planned led projects for the financial year	100%	100%
3	Existence of LED strategy	The municipality is currently reviewing the LED strategy which was adopted in 2016-2021		
4	Number of LED stakeholder forum meetings held	4	4	100%
5	Plans to stimulate second economy			
6	Percentage of SMME that have benefited from a SMME support program	20	6	30%
7	Number of job opportunities created through EPWP	292	292	100%
8	Number of job opportunities created through PPP			

Chapter: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT (KPA 4)

Annual performance as per key performance indicators in financial viability

	Indicator name			
1	Status of the audit outcome	Unqualified Audit with no findings		
2	Submission of AFS after the end of financial year	31 August 2023		
		Target set for Capital Budget (R000)	Achievement level during the year R(000)Amount spent against capital budget (R000)	Percentage spent on capital budget during the year vs the actual revenue
3	Percentage of expenditure of capital budget	R150,823,713.00	R149,222,759.47	99%
4	Percentage of salary budget as of the total operational budget	R481 965 917	R125 614 323	26.06%
5	Total municipal trade creditors	R82 117 660.00	R52 743 548.00	64%
6	Total municipal own revenue as a percentage of the total actual budget	R97,168,140.00	R119,020,402.86	21.4%
7	Rate of municipal consumer debtors' reduction	R80,752,548.00	R85,265,464.00	106%
8	Percentage of MIG budget appropriately spent	R50,682,000.00	R50,682,000.00	100%
9	Municipalities with functional Audit Committee	Audit Committee consist of 5 members with appropriate experience which include finance, risk management, performance management and legal. 4 Ordinary meetings and 1 special meeting were held in the year under review.		

Chapter: GOOD GOVERNANCE AND PUBLIC PARTICIPATION- (KPA 5)

No	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
1	% of ward committees established	100%	320	100%
2	% of ward committees that are functional	32	32	100
3	Existence of an effective system to monitor CDWs	There are 20 Community Development Workers . They have also been continuously active in the Municipal programs like Mayoral Imbizos, IDP and Budget Road Shows, Annual Report Public Hearings, community education, MRM awareness programs, Disaster Awareness Programs and they serve as secretaries of ward war rooms. They report on quarterly basis on achievements and servicing communities and challenges encountered.		
4	Existence of an IGR strategy	The municipality developed and adopted IGR terms of reference in line with IGR framework.		
5	Effectiveness of IGR structural meetings	Meetings are convened quarterly with attendance by COGTA Alfred Nzo District office and other stakeholders. During the year under review 4 quarterly meetings were held successfully.		
6	Existence of an effective communication strategy	Winnie Madikizela Mandela Local Municipality has developed and reviewed communication strategy for 2022-27 council term in line Integrated Development Plan. The Communication Strategy incorporates the communication action plan that is being reviewed annually. The Communication Action plan comprises of key pillars and action areas which are , Media Relations and engagement plan, Internal and external stakeholder engagement plan, Public Participation platforms, digital communication with New Media plan and Crisis Communication.		

No	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
7	Number of mayoral imbizos conducted	2	2	100%
8	Existence of a fraud prevention mechanism	Fraud awareness campaign to all municipal employees and councillors		



MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

OVERSIGHT REPORT ON

ANNUAL REPORT 22/23

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1. INTRODUCTION

The LG Municipal Structures Act No. 117 of 1998 as amended establishes committees of council in terms of section 79 and section 80 thereof for effective and efficient performance of any of the council functions or exercise of any of its powers. The Municipal Finance Management Act No 56 of 2003 assigns specific oversight responsibilities to Council regarding the Annual report and preparation of the oversight report as well as ad hoc functions.

The National Treasury **MFMA CIRCULAR 32** specifically sets out practical guidance to Council and Councillors in maintaining the oversight role in the local government:

Council is vested with the responsibility to oversee the performance of their respective municipality, as required by the Constitution, the Municipal Finance Management Act (MFMA) and Municipal Systems Act (MSA). This oversight responsibility of council is particularly important for the process of considering annual reports. Whilst, in the first instance it is left to the mayor or the Executive Committee to resolve any performance failures, ultimately the council is vested with power and responsibility to oversee both the executive and administration.

Given the processes required by Council to effectively undertake its oversight role on the annual report, establishment of the MPAC of Council would provide appropriate mechanism in which Council could fulfil its oversight responsibility. The Municipal Public Accounts Committee is one such committee at the Winnie Madikizela-Mandela Local Municipality.

2. BACKGROUND

The oversight role of Council is an important component of the financial reforms and it is achieved through the separation of roles and responsibilities between Council, the Executive and Administration. Good governance, effective accountability, and oversight can only be achieved if there is a clear distinction between the functions performed by the different role players. Non - executive Councillors are required to maintain oversight on the performance of specific responsibilities and delegated powers that they have given to the Executive. In other words, in exchange for the powers in which Council has delegated to the Executive, Council retains a monitoring and oversight role ensuring that there is accountability for the performance and non-performance of the Municipality. The Municipal Finance Management Act, No 56 of 2003 vests in Council specific powers of approval and oversight:

- Approval of Budgets
- Approval of budget related Policies
- Review of the Annual Report and adoption of the Oversight Report

3. FUNCTIONS OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC) OVERSIGHT COMMITTEE

The functions of the Oversight Committee are to: -

1. Undertake a review and analysis of the Annual Report
2. Invite, receive and consider inputs from Councillors and Portfolio Committees, on the Annual Report
3. Consider written comments received on the Annual Report from the public consultation process
4. Conduct Public Hearings to allow the local community or any organs of state to make representations on the Annual Report
5. Receive and consider Councils Audit Committee views and comments on the Annual Financial Statements and the performance report
6. The Preparation of the draft oversight report, taking into consideration, the views and input of the public, representative(s) of the Auditor- General, organs of state, Council's Audit Committee and Councillors.

4. COMPOSITION OF THE OVERSIGHT COMMITTEE (MPAC)

4.1 Members

MPAC is a committee of Council established under section 79 of the Municipal Structures Act, 1998.

The Mayor, any member of the Executive Committee, Speaker, Whip of Council and Municipal Officials are not allowed to be members of MPAC.

The members of the Winnie Madikizela- Mandela Local Municipality's MPAC are listed hereunder

- | | | |
|-----------------------|--------------------|-----|
| 1. Cllr N.P. Mavundla | - Chairperson | (F) |
| 2. Cllr A Maquthu | - Committee Member | (M) |
| 3. Cllr Z H Dyarvane | - Committee Member | (M) |
| 4. Cllr N Sikibi | - Committee Member | (F) |

5. Cllr K Zinya	- Committee Member	(M)
6. Cllr B.W Mangqalaza	- Committee Member	(M)
7. Cllr P Nophinga	- Committee Member	(M)

4.2 Authority and Powers

The MPAC is delegated the responsibility to conduct meetings and to hold public hearings to receive and hear public submissions on the Annual Report on behalf of Council.

Timely notice of all meetings should be given, and minutes of the meetings must be submitted to Council meetings.

5. THE OVERSIGHT (MPAC) REPORT PROCESS

The Annual Report 2022/2023 financial year was tabled before Municipal Council on the 30 January 2024 in terms of Section 127 (2) of the Municipal Finance Management Act (MFMA) No 56 of 2003, which provides that *"The Mayor of a Municipality must, within seven (7) months after the end of the financial year, table in the Municipal Council the Draft Annual Report of the Municipality"*.

The Municipal Council further resolved that the report be referred to MPAC for Oversight.

Section 121(1) of MFMA states: "Every Municipality must each financial year prepare an Annual Report. The council must within nine months after the end of a financial year deal with the annual report of a municipality in accordance with section 129 that the Council must within two (2) months after the Annual Report has been tabled, considers the report and produce an Oversight report on the Annual Report.

The Annual Report has been compiled in accordance with the statutory provisions of MFMA Section 121 and in accordance with the guidelines contained in the MFMA Circulars No 11, 32 and 63 and it was tabled before the Council in accordance with section 127 provisions.

Following the noting of the Draft Annual Report 2022/2023 by Council, it was made available for inputs and comments from public, Councillors, Officials and Stakeholders. The report was advertised on municipal website and all role players were given the opportunity to comment. A copy was made accessible at the Mbizana Library. The Municipal Manager also submitted the Annual Report to the Auditor General, National

Treasury and Provincial Treasury and Department of Cooperative Governance and Traditional Affairs, Eastern Cape Province.

6. MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING

On the 14 and 15 February 2024 an MPAC oversight session with the Senior Management and some invited portfolio heads councillors was convened to review, analyse and discuss Audit Report and Audit Corrective Action Plan and Annual Report 2022/ 2023 FY and the following matters were raised and noted.

7. AUDIT REPORT 2022 / 2023 AND CORRECTIVE ACTION PLAN

The audit report was tabled before municipal council on the 30 January 2024 and was further interrogated during oversight session held on the 14 February 2024.

The Auditor General in its opinion reported that the financial statements of the Municipality were presented fairly in all material aspects for the financial position of the Municipality as at 30 June 2023 and its financial performance and cashflows for the ended year in compliance with all legislation, GRAP, MFMA and Dora requirements.

Matters of emphasis and others as raised were identified as follows:

1. Material impairments – Impairments relating to receivables from exchange transactions (irrecoverable debts), non-exchange transactions.
2. Restatement of corresponding figures – The corresponding figures for comparative year were restated as a result of an error in the financial statements of the Municipality

The total number of issues raised to be addresses the corrective action plan were 33 categorised as follows:

- 23 affecting financial information
- 4 compliance related
- 3 internal control deficiencies and
- 3 performance reporting

Below is a synopsis of discussed findings in respect of issues raised on the report by the Auditor General:

1. Inaccurate Cost per completion certificate

Completion Certificates with different amounts compared to BOQ, Clarity was sought by the Committee on whether to date has there been any remedial measures that have been introduced to rectify the variances/ differences; whether the root cause of the variances have been identified, also can these errors be as a result of negligence of project managers and if so what plan is in place to ensure that the same discrepancy is not repeated.

Response: Management acknowledges that there has been a gap in the review of completion certificates versus the work done. It was noted from the response that sometimes the variance is as a result of savings in the quantities scheduled in the BOQ, as well as instructions for additional works (variations authorised. Another gap identified was that the completion certificate was signed by the Senior Manager, there were no additional signatures for middle managers as well as the engineer for quality assurance. A completion certification has been modified to have the three signatories (Senior Manager, Middle Manager and Engineer)

Having noted the measures instituted to address the action plan in addressing issues raised by the Auditor General, the committee

RECOMMENDED:

- That Council **NOTE** that Municipal Public Accounts Committee will review the progress report whether is successful in resolving the issues raised.

2. Review of Annual Financial Statements

Almost late submission of AFS – Clarity was sought why the submission was almost late, what caused the delay in that the deadline was almost missed.

Response: Infrastructure assets (Fixed asset register) which needed unbundling were not correlating, the actual work done. Contributing factor to the late submissions was the inaccurate cost per completion certificate. Management has introduced a revised completion certificate which will assist in addressing the issue.

Having noted the measures instituted to address the action plan in addressing issues raised by the Auditor General, the committee

RECOMMENDED

- That the Standing Committee Engineering and Standing Committee BTO ensure effective oversight of the measures implemented / introduced by the department to address the issue.

3. Land fill site: Omission of prior period error adjustment

Majazi Landfill Site and Current Dumping site – The committee noted that the issue on the current dumping site poses a huge risk in the next upcoming audit and solicited solutions from Management on how to tackle the issue and also enquired whether Management has alternative solutions to address the issue.

Response: Management indicated that by July 2023 a service provider for fencing as part of phase 1 (construction of Majazi Landfill site) was appointed and a s such ready to commence with the fencing, but the Majazi Community through the land committee stopped the service provider from assuming within the fencing. Several meetings took place to address the matter but in vain. The Department of Economic Development, Environmental Affairs and Tourism was engaged for the purposes of licensing the current EXT 3 Dumping site as a buffer while, so consultant has been appointed to conduct specialist studies and conduct environmental impact assessment (EIA)process.

Having noted the Managements response, the committee

RECOMMENDED

- That the Standing Committee Community Services ensure effective oversight on Majazi Landfill Site and the licensing process of Ext 3.
- That the oversight report on Majazi Landfill site be submitted to Council on a quarterly basis.

4. AOPO: Differences between Listings and APR

The Auditor General noted that the quarterly reports included targets which are not annual targets. There is no recording of data from Quarterly Reports to the APR.

Response: Management indicated that it will conduct SDBIP reviews to ensure alignment and will undertake to conduct PMS workshops to ensure that PMS is taken seriously by departments.

Having noted the response from Management, the Committee

RECOMMENDED:

- That Council **NOTES** that the Municipal Public Accounts Committee will monitor the APR through quarterly progress reports

5. Expenditure not paid within 30 days

The Committee sought clarity on the failure to pay within 30 days as regulated. What mechanisms are in place to ensure that Service providers are paid within the regulated time frames.

Response – It was noted that the supplier was non-tax compliance on the date the invoice was submitted and received by municipality as per CSD report and municipality opted not to pay the supplier until such non-tax compliance status is corrected by the supplier. AG was satisfied with the explanation and proof of documentation provided.

Having noted the response from Management, the Committee

RECOMMENDED:

- That Council **NOTES** that the Municipal Public Accounts Committee will monitor that payments are done within the regulated time frames through quarterly progress reports.

8. OVERSIGHT ON ANNUAL REPORT 2022/ 2023 FY

The Annual Report was prepared in compliance with Section 46 (1) of the MSA No.32 of 2000 read with Section 121 (1) of the MFMA No. 56 of 2003 which requires every municipality to prepare an Annual Report for each financial year which must be dealt with by council within nine months after the end of the Financial Year.

The AR was also done in line with MFMA Circulars 11 and 63 which are providing guidance to municipalities / municipal entities for the preparation of the Annual Report so as to improve on the quality of Annual Reporting.

The report provided a record of the activities of the municipality during the 2022/2023 financial year; report on performance in service delivery and budget implementation for the financial year; to promote accountability to the local community for the decisions made throughout the year by the municipality.

8.1. KEY COMPONENTS OF THE ANNUAL REPORT

As stipulated in the MFMA Circular 63 the Annual Report is covering the following key components: -

Chapter 1: Mayor's Foreword and Executive Summary

Chapter one (1) provided an introduction and overview of the municipality / municipal entity to the reader. This chapter provides the key decision-makers – both on political and administrative level – with the opportunity to provide an overview of the functions, geographical area and performance of the specific municipality / municipal entity.

Chapter 2: Governance

The chapter detailed the Governance Structures, Administrative Governance, Intergovernmental Relations, Public Participation and Accountability, Corporate Governance.

Chapter 3: Service Delivery Performance

The chapter contained the service delivery in terms of what has been achieved and what remains outstanding and it considers municipal performance derived from IDP objectives, translated into the SDBIP and presents data on Community needs and resources deployment.

Chapter 4: Organizational Development Performance: Chapter four addressed information pertaining to the implementation of the institutional performance management system, organisational development and performance of a municipality in order to identify skills gaps and plans for the development of such skills.

Chapter 5: Financial Performance

The overview of the financial performance of the municipality was detailed in this chapter covering the following areas: -

- Statement of Financial Performance
- Spending against Capital Budget
- Cash flow Management and Investment

- Other Financial Matters

Chapter 6: Auditor General's Findings;

Chapter 6 provided the Auditor-General Report of the previous financial year including the details on issues raised by the AG during the previous financial year's audit and remedial actions and preventative measures taken to address the issues.

Appendices

- Ward reporting
- Purpose of council committees
- Audit action plan

Volume II: AFS

As per the provisions of Section 67(1)(a)(iv) of the MFMA the Audited Financial Statements for the financial year under review has been reported on detailing the financial position of the institution.

8.2. Discussions

Equal distribution of wards on housing projects was a concern on the report.

When having planned to support 5 farmers, how did we end up supporting 41 projects.

Response: number was increase due to council intervention budget to farmers who were affected by disaster.

8.3. CHECKLIST ACTIVITY

Checklist of contents of annual report was conducted by three groups, the following was recommended to be added before submission of final annual report to Council.

- Purpose of MPAC Committee
- Municipal By laws to indicate year of gazetting and /or approval by the Council
- Public Satisfaction on Municipal Services not on the report
- Need to add challenges and measures to the address the reported problems/ petitions.
- Financial interest disclosure is required even if posts were occupied for part of the year.
- Conditions not included, rand value combined into one amount.

8.4. PROJECT VERIFICATION

MPAC Committee members conducted project verification on the 21-23 February 2024 against the reported projects on the draft annual report.

8.5. OBSERVATIONS AND FINDINGS OF THE COMMITTEE

The committee noted that the overall road construction and maintenance /rehabilitation roads were done satisfactory even though some were affected by heavy rains of December 2023 and January 2024 but still accessible. There were few issues to be considered by Council and management.

- Construction of the Civic Centre - Project still under construction but not possible to be completed by end March 2024 as per the request for extension by the contractor.
- Mphuthumi Mafumbatha Stadium – using of the stadium whilst construction is continuing affects the condition of the project.
- Construction of security guard house at DLTC - Project completed, furniture should be provided for personnel and well as time book.
- Construction of Sixhanxeni gravel access road - Road satisfactory only management to attend the issue of water drainage that is taking water to homestead.
- Construction of Sidanga gravel access road with bridge and construction of concrete slab – management needs to attend to the issue of project being halted, Slab has gaps in between, Project supposed to have 2 bridges second one has not commenced which will affect the completion period of the project.
- Rehabilitation of Mhlambi Access Road – road constructed but there is a need for a slab.
- Rehabilitation of Bazana gravel access road & Bridge – management to attend to rubble that needs clearance on sides and under the bridge which affect water flow.
- Rehabilitation of Matshezini gravel access road & Bridge – road satisfactory only affected by rain stones are shifting from the bridge.

- All LED projects visited deliverables for support were found on the projects and appreciation was extended by beneficiaries.
- Life guards and Dumper wave projects appreciated the support and further shared that they need additional life savers as they organize people from KZN during pick season.

RECOMMENDATIONS

- Projects upon completion must be handed over to avoid vandalism e.g. ECDC in Ward 13.
- Management to hold a meeting with Taxi Association and Hawkers Association on the cleanliness along Civic Centre on their side.
- LED to assist the life guards' sector in conducting awareness campaigns starting with wards with beaches and closer to wild coast.

Upon interrogation of the entire oversight report the Committee, **RECOMMENDED** as follows:

On the motion of Councillor K Zinya seconded by Councillor A Maquthu it was recommended that:

1. The Oversight Report on the Annual Report 2022/2023 financial year be considered and approved by Council.
2. The Annual Report 2022/23 Financial Year complies with the MFMA, Municipal Systems Act and all the guiding Circulars and Checklist issued by National Treasury and CoGTA, and therefore
3. The Annual Report 2022/2023 be approval by the Municipal Council without reservations.

Signed by



Cllr N P Mavundla

MPAC Chairperson

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EXTRACT FROM THE MINUTES OF THE ORDINARY COUNCIL MEETING HELD AT THE

Venue	Council Chamber
Date	27 th March 2024
Time	10H00

10. REPORTS

10.1 MPAC REPORT

OVERSIGHT REPORT ON ANNUAL REPORT 2022/ 2023 FY

- The Oversight Report on the Annual Report 2022/2023 financial year be considered and approved by Council.
- The Annual Report 2022/23 financial year complies with the MFMA, Municipal Systems Act and all the guiding Circulars and Checklist issued by National Treasury and CoGTA.
- The Annual Report 2022/2023 be approved by the Municipal Council without reservations.

Signed

Cllr Z Mhlwazi
The Speaker

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27 MAR 2024

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