

**UBUNTU
LOCAL
Municipality
(NC 071)**

e

Ubuntu Municipality



*menswaardigheid • hoop • erfenis
ubuntu • ithemba • izithethe
humanity • hope • heritage*

UBUNTU LOCAL MUNICIPALITY

DRAFT ANNUAL REPORT

2023/24

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MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR'S FOREWORD

PHOTO OF THE MAYOR

MAYOR'S FOREWORD

It is against this background that our new vision which says “ **TO CREATE A SPACE WHERE HUMANITY MEETS**” is relevant. This IDP depicts the blueprint for the future of our Municipality and is informed by the development aspirations of the citizens of our area. All our communities and social partners are therefore encouraged to be part of the development trajectory as encapsulated herein through submission of comments and how innovatively can we improve the quality so as to enhance on implementation and monitoring as we strive towards bettering the lives of our communities.

Community participation which is a cornerstone of local democracy will be entrenched and the best ways of improving this are underway.

MAYOR

COMPONENT B: MUNICIPAL MANAGER'S OVERVIEW

MUNICIPAL MANAGER'S OVERVIEW

MUNICIPAL MANAGER'S OVERVIEW

PHOTO OF

ACHIEVEMENTS

CHALLENGES

1.1.1

T

CHAPTER 1

EXECUTIVE SUMMARY

MUNICIPAL OVERVIEW

OUR MISSION:

The mission of Ubuntu Municipality, also to be championed by the Ubuntu Municipal Council working together with the administration shall be:

These shall be pursued in an integrated and synergistic manner in pursuit of the long-term vision of Ubuntu Municipality.

- maximize the utility of the municipal resources in a sustainable, developmental and economic manner to better the life of all;
- improve institutional effectiveness and efficiency;
- optimally develop our human, financial and natural resources;
- create an enabling environment for local economic growth in order to create employment opportunities and alleviate poverty;
- work with all our existing and prospective partners to establish a vibrant tourism industry;
- participate in the fight to reduce the communicable disease infection rate and lessen the impact thereof;
- focus on youth development, women empowerment and enabling the disabled to play a meaningful role in unlocking human potential;
- ensure a safe, secure and community friendly environment; and maintain sound and sustainable management of financial and fiscal affairs

OUR VALUES:

The values of Ubuntu Municipality, also to be championed by the Ubuntu Municipal Council working together with the administration shall be:

- **Humanity** (courtesy, pro-poor focus, people-centeredness, equality, non-racialism, non-sexism);
- **Excellence** (effectiveness & efficiency, value for money, innovation; zero excuses);
- **Integrity & Accountability** (clean governance; responsiveness, responsibility);
- **Batho Pele**; and
- **Accessibility & Transparency** (convenience; availability and fairness).

These values shall inform the corporate culture of both the Ubuntu Municipal Council and all staff within the administration of Ubuntu Municipality.

These shall be pursued in an integrated and synergistic manner in pursuit of the long-term vision of Ubuntu Municipality.

The Municipality welcomed a new Council after the 1 November 2021 Local Government Elections and the Municipality changes from a Plenary Executive with a ward participatory system to a collective executive system ward award participatory system.

The Municipality now has two full-time Councillors in the Mayor and Speaker and to part-time members of the executive committee.

MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

INTRODUCTION TO BACKGROUND DATA

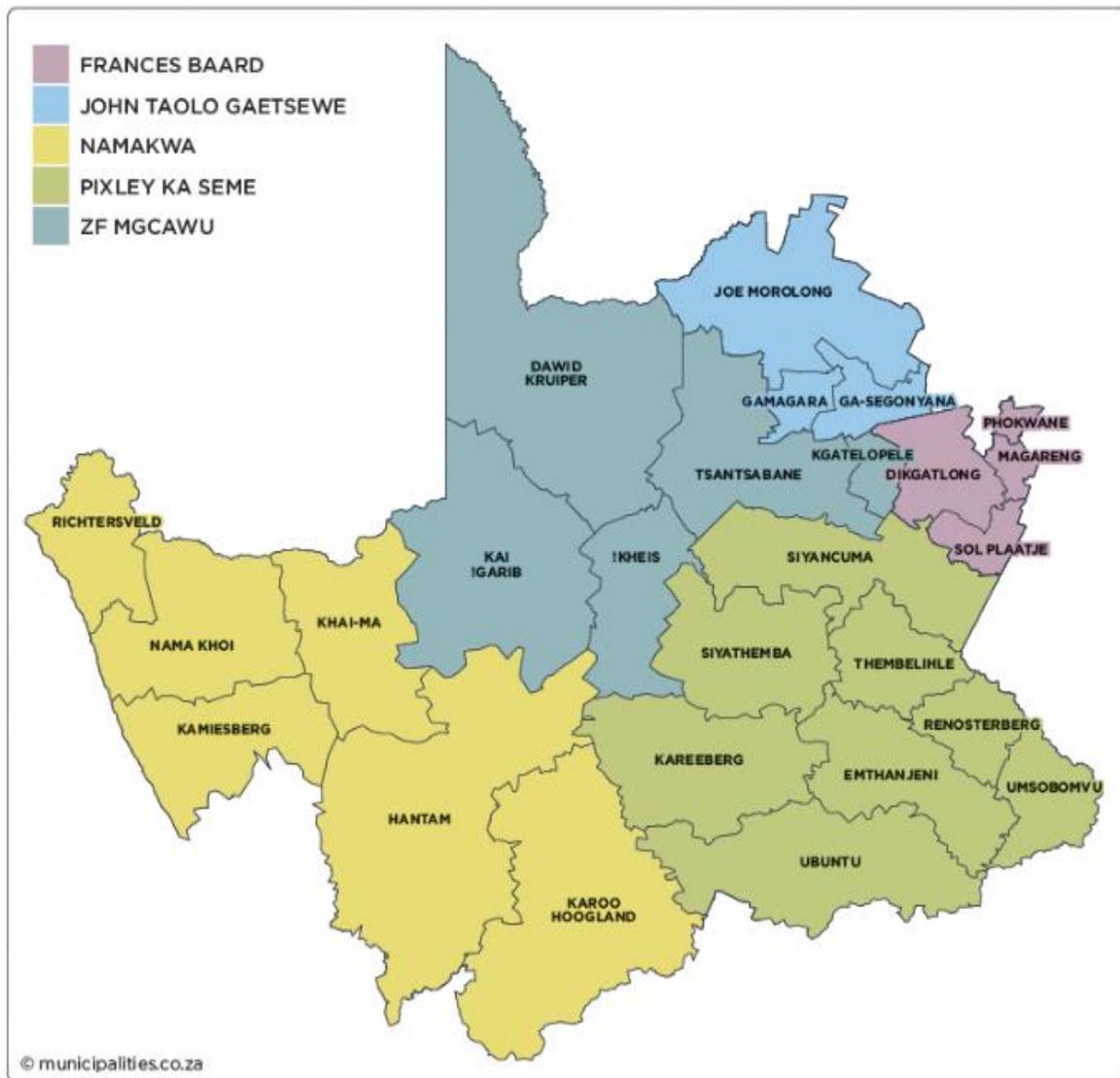
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The Northern Cape is geographically the largest province in South Africa having a land mass of 373,239 km² and covers approximately one third of the country's surface area. It is bordered by the Atlantic Ocean on the west, Namibia on the northwest and Botswana on the north, the Western Cape on the southwest and the Free State on the east.

The Northern Cape is the largest and most sparsely populated [province](#) of South Africa. It was created in 1994 when the [Cape Province](#) was split up. The [Orange River](#) flows through the province, forming the borders with the [Free State](#) in the southeast and with [Namibia](#) to the Northwest.



The demarcation process of 2000 resulted in five district municipalities (ZF Mgcau DM, John Taolo Gaetsewe DM, Namaqua DM, Francis Baard DM and Pixley ka Seme DM) together comprising twenty-seven Category B municipalities.



The largest town in the study area, Victoria West; has a population of 7611 persons, Richmond being the second largest area having a population of 2841 and Loxton having the least population of 921;

The Municipality has 6 wards

- Ward 1: Richmond
- Ward 2: Richmond
- Ward 3: Victoria West
- Ward 4: Victoria West
- Ward 5: Victoria West
- Ward 6: Loxton

According to the Stats SA Community survey the Ubuntu Municipality's population growth was 1%. The Population in 2011 was 18 601 and according to the community survey its was 19 471 in 2016.

All statistics in this document will either be from the Census 2011 or the 2016 Community Survey, depending on the availability of the latest official Statistics that is available.

Towns

Victoria West



eg. Victoria West is the head office of the Ubuntu Local Municipality;

Richmond



Richmond Town Hall and Municipal Office building

Loxton

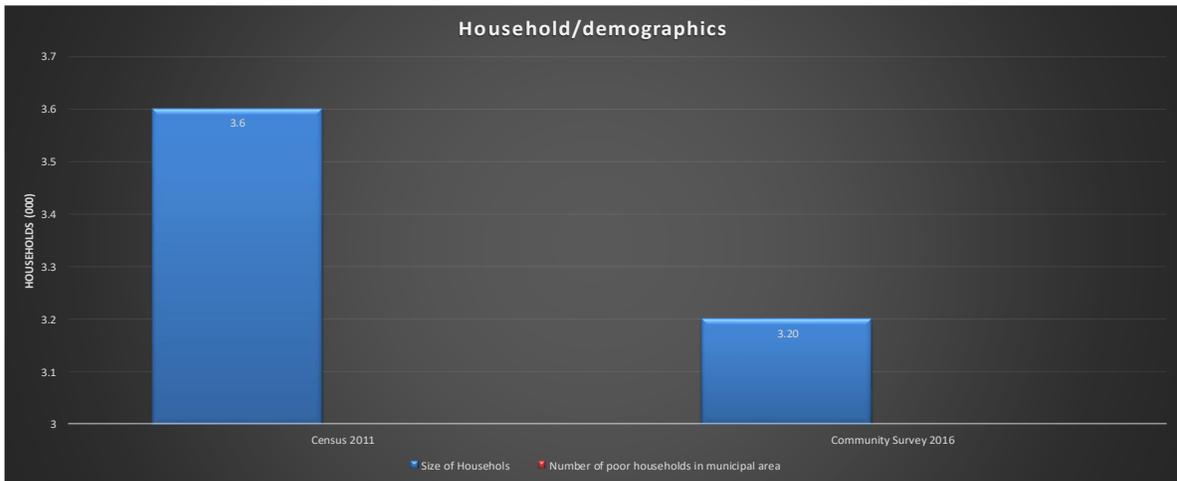
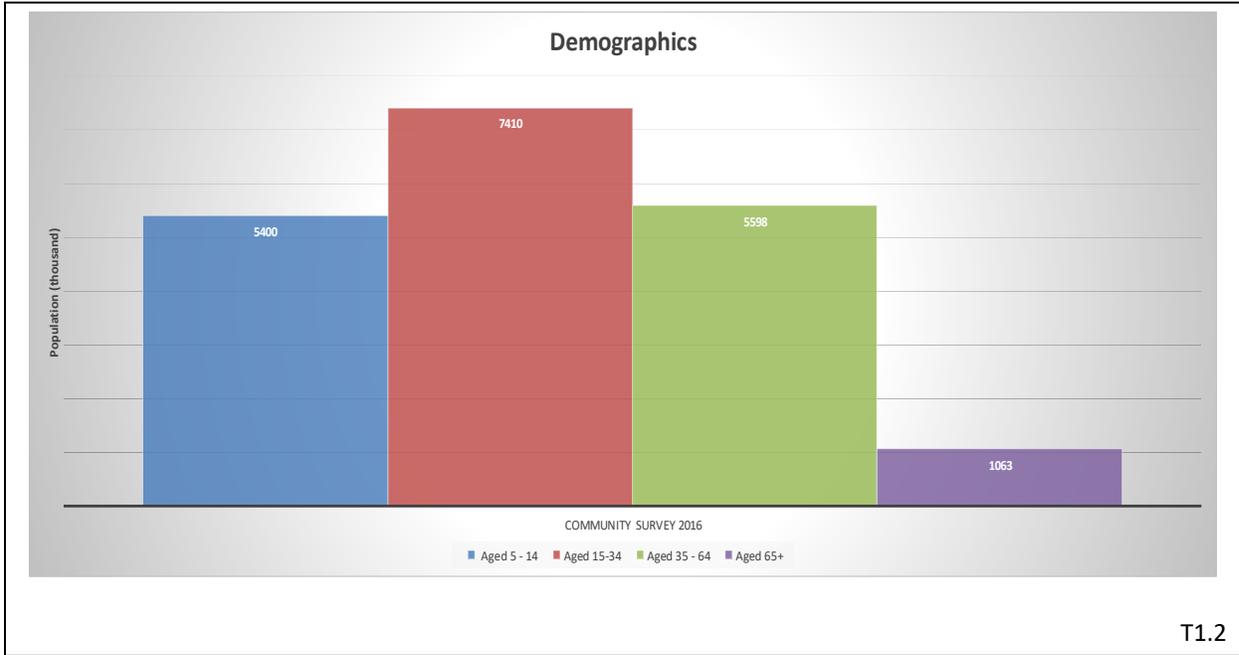


Key Economic Activities :

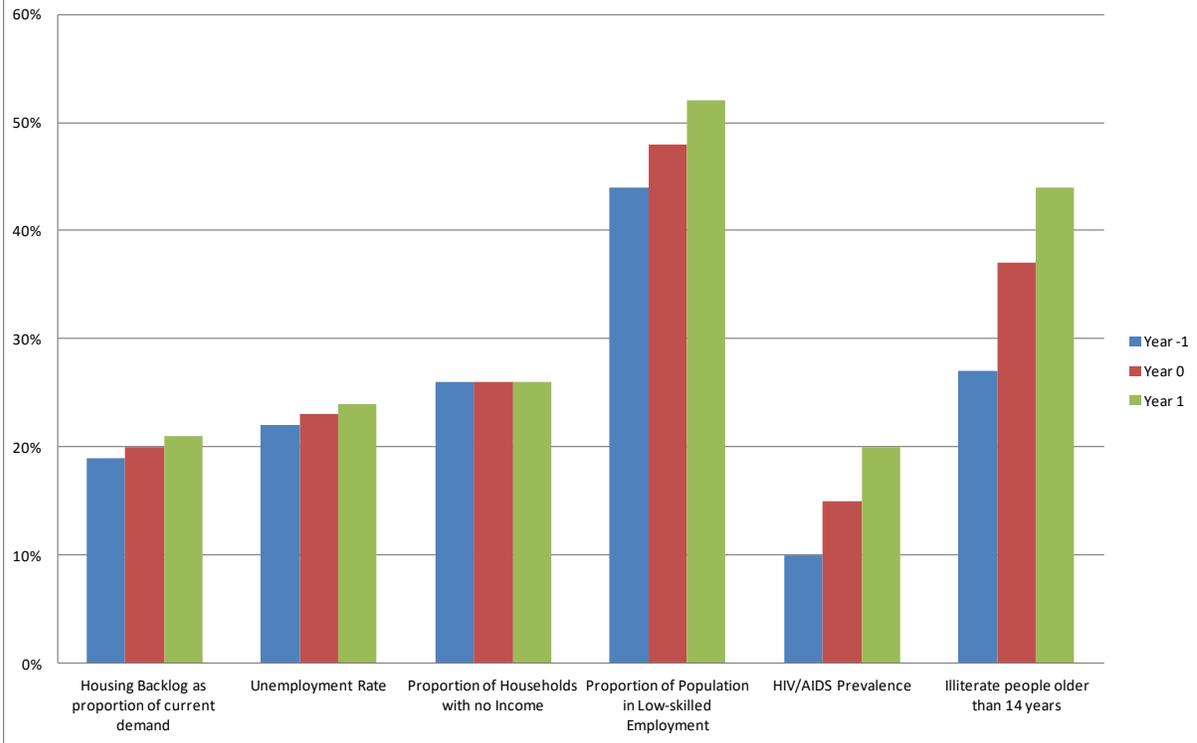
Key Economic Activities	Description
Agriculture	Livestock farming is dominant in the Ubuntu Area.
Tourism	There are few tourist attractions available in Ubuntu
Retail	
Service Sector (Community)	

POPULATION PER AGE GROUP				
0 To 15	15 To 34	35 To 64	65 Plus	Total
5400	7410	5598	1063	19471

Stats SA Community Profile 2016



Socio Economic Status



T1.2.5

Overview of Neighbourhoods within Ubuntu Municipality		
Settlement Type	Households	Population
Towns		
Victoria West	2393	8607
Loxton	375	1106
Richmond	1103	3983
Sub-Total	3871	13696
Townships		
Sabelo	400	1395
Ubuntu NU	1636	3913
Sub-Total	2036	5308
Rural settlements		
Hutchinson	98	385
Merriman	29	82
Sub-Total	127	467
Informal settlements		
Sub-Total		
Total	6034	19471
		T1.2.6

Natural Resources	
Major Natural Resource	Relevance to Community
Agriculture	Primary Economic Activity
Tourism	Growth Phase
Eco-tourism	Growth Phase
	T1.2.7

SERVICE DELIVERY OVERVIEW

1.3.1 Basic Services Delivery Highlights

A table specifying the basic service delivery highlights for the year;

Highlights	Description
Water	
Distribution of water to Mandela Square reservoir providing water to Mandela Square, Gou Trou, Modderpoel and Missionvale.	The implementation and subsequent completion of "The Upgrading of the bulk water distribution pipelines in Victoria West" funded by WSIG the Mandela Square Reservoir could be filled.
Electricity	
Replacement of MV streetlights and high mast lights with LED lights.	Street- and High mast lights in Victoria West, Richmond and Loxton has been replaced with new LED lights, providing better lighting and saving energy cost for MV the Municipality. This project was funded by the DMRE through its EEDSM grant.
Roads and Storm Water	
Fixing of Potholes	Utilization of the EPWP grant to maintain and fixing of potholes.
Waste management	
Cemeteries	
Housing	
Building of 50 top structures in Loxton	Department of Cooperative Governance and Human Settlement has allocated 50 top structures for the Loxton community

1.3.2 Basic Services Delivery Challenges

A table specifying basic service delivery challenges for the year

Challenges	Actions to address
Water	
Water shortages in Victoria West.	The Upgrading of the bulk water pipelines in Victoria West. (2022/23 completed WSIG project) Upgrading of Groundwater Supply in Victoria West (Currently being implemented through MIG funding)
Water shortages in Richmond	A business plan has been submitted and approved to DWS to be funded through

	the WSIG grant in the 2023/24 financial year for “The Upgrading of Bulk Water Supply in Richmond”.
--	--

Electricity

Eskom’s refusal to approve the increase in the NMD of Loxton due to outstanding municipal debt.	The municipal council to engage with the office of the premier on this matter.
---	--

Waste Management

Poor state of the Municipality’s landfill sites. The Municipality’s landfill sites being unlicensed.	The Municipality to submit business plans to MIG to request funding for “The Upgrading and Rehabilitation of Municipal Landfill sites”.
---	---

Sanitation/Waste Water Management

Poor state of municipal oxidation ponds, with the oxidation ponds in Victoria West being the worst.	The Municipality has prepared and submitted a business plan to DWS to request funding for “The Rehabilitation of the existing oxidation ponds in Victoria West”.
---	--

NB. The same exercise should be done with the Basic Service Delivery Challenges

PROPORTION OF HOUSEHOLDS WITH ACCESS TO BASIC SERVICES



FINANCIAL HEALTH OVERVIEW

1.4.1 Financial Viability Highlights

A table specifying the financial viability highlights for the year:

Highlights	Description
Implementation of the Credit Control Policy	The Municipality is implementing credit control amongst businesses and government departments

1.4.2 Financial Viability Challenges

A table specifying the financial Viability Challenges for the year:

Challenge	action to Address

Financial Overview - 2023/24				R' 000
Details	Original budget	Adjustment Budget	Actual	
Income				
Grants	90 392 000.00	1 539 000.00	87 625 685.00	
Taxes, Levies and tariffs	95 820 631.00	3 448 447.00	58 422 293.00	
Other	2 118 100.00	-	1 250 177.00	
Sub Total	188 330 731.00	4 987 447.00	147 298 155.00	
Less Expenditure	163 062 159.00	2 984 359.00	158 292 481.00	
Net Total*	25 268 572.00	2 003 088.00	-10 994 326.00	
* Note: surplus/(defecit)				T1.4.2

Operating Ratios	
Detail	%
Employee Cost	%
Repairs & Maintenance	%
Finance Charges & Depreciation	%
T1.4.3	

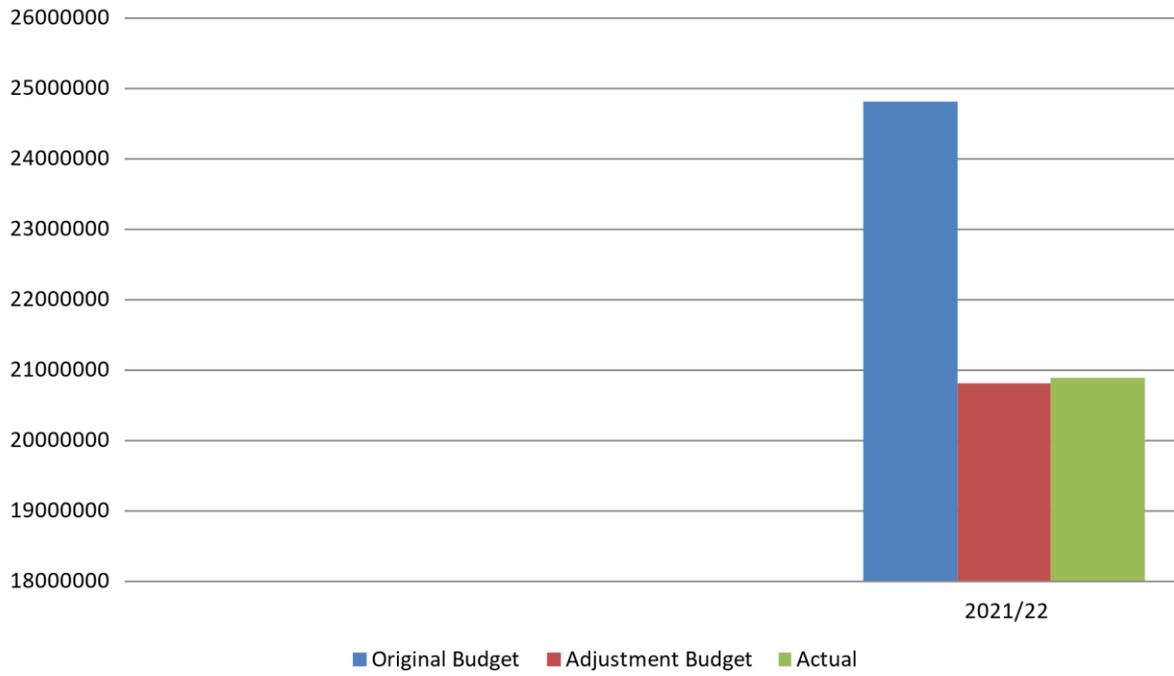
COMMENT ON OPERATING RATIOS:

According to the financial statements of the Municipality the Employee costs were 23%, the Repairs and Maintenance were on 1% and the Finance Charges and Depreciation were on 22%.

The Employee cost is below the national level and the Municipality's Repairs and Maintenance is a mere 1% and this is an area where the Municipality will have to perform more effectively T1.4.3

DETAIL	2023/24	R'
Original Budget		179 003 498.00
Adjustment Budget		166 046 518.00
Actual		107 365 497.01

Total Capital Expenditure



T1.4.5

COMMENT ON CAPITAL EXPENDITURE:

T 1.4.5.1

ORGANISATIONAL DEVELOPMENT OVERVIEW

ORGANISATIONAL DEVELOPMENT PERFORMANCE

BACK TO BASICS	NATIONAL KEY PERFORMANCE AREAS	OBJECTIVES	STRATEGIES
Basic Service Delivery	Basic Service Delivery and Infrastructure Development	Provision of Sustainable Basic Services	Sanitation Infrastructure Construction and Maintenance
			Water Services Infrastructure Construction and Maintenance
			Electricity Infrastructure Construction and Maintenance
			Roads Infrastructure Construction and Maintenance
			Solid Waste Management Infrastructure Construction and Maintenance
		Spatial Planning Excellence	Spatial Development Framework & Land Use Management System
			Developmental Bulk Infrastructure Optimisation
Spatial Development Bulk Infrastructure Optimisation	Spatial Development Bulk Infrastructure Assessment		
Building Capable Local Government Institutions	Local Economic Development	Investment Acceleration & Attraction	Private Sector Investment Upliftment & Acceleration
			Public Sector Investment Upliftment & Acceleration
			Tourism Upliftment & Acceleration
			Agriculture & Agri-processing Upliftment & Acceleration
			Industry Upliftment & Acceleration
			Commerce Upliftment & Acceleration
			SMME Upliftment & Acceleration
			Industrial & Commercial Economic Zone Establishment

BACK TO BASICS	NATIONAL KEY PERFORMANCE AREAS	OBJECTIVES	STRATEGIES
Sound Financial Management	Municipal Financial Management & Viability	Sound Financial Management & Viability	Financial Governance Excellence
			Budget Management Excellence
			Financial Reporting Excellence
			AFS Compilation & Assets Management Excellence
			Supply Chain Management Excellence
			Municipal Revenue Management Excellence (Income & Expenditure)
			Conditional Grants Reporting Excellence
Building Capable Local Government Institutions	Municipal Transformation & Institutional Development	Municipal Transformation	Comprehensive Organogram Review
		Institutional Development Excellence	Recruitment & Selection Excellence
			Skills Development Excellence
		Institutional Integrity Excellence	Staff/Public Interface Excellence (Code of Conduct, Batho Pele, Anti-corruption)
		Institutional Responsiveness Excellence	Customer Care Excellence (Compliments/Enquiries/Complaints/Mpimpa)
Institutional Performance Excellence	Organisational & Individual Performance Management		
Good Governance & Putting People First	Good Governance & Public Participation	Institutional Governance Excellence	Functional Council & Audit Oversight Excellence
			Community Participation Excellence (Ward Committees, Rapid Response Team, Community Meetings)

T1.5.1

AUDITOR GENERAL REPORT

1.6.1 Audited Outcomes

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

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

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

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

- **Clean audit:** The financial statements are free from material misstatements and there are no material findings on reporting on predetermined objectives or non-compliance with legislation
- **Unqualified audit with findings:** The financial statement contain material misstatements. Unless they express a clean audit outcome, findings have been raised on either reporting on predetermined objectives or non-compliance with legislation, or both these aspects.
- **Qualified audit opinion:** Financial statements contain material misstatements in specific amounts, or insufficient evidence for them to conclude that specific amounts included in the financial statements are not materially misstated.
- **Adverse audit opinion:** The financial statements contain material misstatements that are not confined to specific amounts, or the misstatements represent a substantial portion of the financial statements
- **Disclaimer of audit opinion:** The auditee provided insufficient evidence in the form of documentation on which to base an audit opinion. The lack of sufficient evidence is not confined to specific amounts or represent a substantial portion of the information contained in the financial statements.

The table below indicates the audit opinion received for the past three financial years:

Year	2021/22	2022/23	2023/24
Opinion received	Qualified	Qualified	Qualified

STATUTORY ANNUAL REPORT PROCESS

No.	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period	July
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalise the 4th quarter Report for previous financial year	
4	Submit draft year 1 Annual Report to Internal Audit and Auditor-General	
5	Municipal entities submit draft annual reports to MM	
6	Audit/Performance committee considers draft Annual Report of Municipality and entities (where relevant)	August
8	Mayor tables the unaudited Annual Report	
9	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General	
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
11	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	
12	Municipalities receive and start to address the Auditor General's comments	September - October
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	
14	Audited Annual Report is made public and representation is invited	
15	Oversight Committee assesses Annual Report	
16	Council adopts Oversight report	
17	Oversight report is made public	December

18	Oversight report is submitted to relevant provincial councils	
19	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input	January
		T1.7.1

CHAPTER 2 – GOVERNANCE

INTRODUCTION TO GOVERNANCE

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

Introduction to Political and Administrative Governance

NB. Provide the correct introduction

Good Governance and Public Participation Highlights

Highlights	Description
Council sitting as per legislative obligation	Council meetings are held on a quarterly basis
Functional Ward Committees	Ward committees are functional and assist with handling of complaints

Good Governance and Public Participation Challenges

Description	Challenges
Non sitting of Exco Meetings	

POLITICAL GOVERNANCE

NB. Narrative required.

Eg. The Council performs both legislative and executive functions etc....

2.1.1 Council

A table categorising the Councillors within their specific political parties and wards for the period:

Name of Councillors	Capacity	Political Party	Ward representing or Proportional	WARD
Cllr. Cheryl Jantjies	Mayor	ANC	PR	6
Cllr. Luvuyo Yekani	Speaker	ANC	WARD	2
Cllr Martin Zeekoei	Whip of Council	ANC	WARD	6
Cllr. Wilna Roletta Olyn	Councillor	ANC	Ward	4
Cllr. Mzukisi Maloi	Councillor	ANC	Ward	5
Cllr. Soutie Kock	Councillor	ANC	Ward	3
Cllr Julian Andre Roberston	EXCO Member	ANC	Ward	2
Cllr. Aubrey Verwey	Councillor	DA	PR	4
Cllr. M Baadjies	Exco Member	DA	PR	3
Cllr. Hugo Vorster	Councillor	DA	PR	6

Cllr. Johan Tolken	MPAC Chair	VF+ PLUS	PR	1
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2.1.2 Executive Committee

Narrative:

The Mayor of the Municipality assisted by the Executive Committee, heads the executive arm of the Municipality. The Mayor is at the center of the system of governance, since executive powers are vested in her to manage the day-to-day affairs. This means, that she has the overarching strategic and political responsibility.

The name and portfolio of each member of the executive committee should be listed in the table below.

Name of member	Portfolio	Meeting dates
Cllr. CC Jantjies	Exco Member	22 September 2022
Cllr. MM Baadjies	Exco Member	
Cllr. AJ Robertson	Exco Member	

2.1.3 Portfolio Committees

NB. Provide a narrative on the portfolio committee.

The composition of portfolio committees from 1 July 2022 to 30 June 2023 should be stipulated as follows:

Corporate and Human Resources services Committee		
Chairperson	Other members	Dates of meetings
Cllr. AJ Roberston	Cllr. Wilna Olyn	12 September 2022
	Cllr. Maria Baadjies	23 March 2023

NB. List the other portfolio committees using the table above

FINANCIAL SERVICES COMMITTEE		
Chairperson	Other members	Dates of Meetings
	Cllr. AJ Roberson	12 September 2022
Cllr. CC Jantjies	Cllr. M Baadjies	05 December 2022

TECHNICAL AND INFRASTRUCUTE		
Chairperson	Other members	Dates of members
	Cllr. Martin Zeekoei	12 September 2022
	Cllr. Aubrey Verwey	5 December 2022
		23 March 2023

A list of Councillors and portfolio Committees are attached in Appendix A of the Annual Report

T2.1.2

POLITICAL DECISION-TAKING

The Municipality as eluded above was a plenary Municipality until the November 2021 election from whereon it was established as a executive collective system with a ward participatory system and had an Executive Committee of 3 Members of which one was elected the mayor. The Municipal has a Full-time Mayor and Speaker as well as two part-time members of the Executive Committee.

T2.1.3

2.2 ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

The Municipal Manager of a Municipality is the Accounting Officer of the Municipality for the purposes of this Act and must provide guidance on compliance with this Act to political structures; political office bearers, and officials of the Municipality and any entity under the sole or shared control of the Municipality.

The Municipality is divided into 3 departments namely Finance, Infrastructure Development and Technical Services and Corporate Services. These Departments are managed by a senior manager who report in terms of the MSA, Section 56 to the Municipal Manager.

The Heads of Departments do have performance-based contracts and needs to perform in terms of set performance target within the 5 Key Performance Areas for Local Government namely;

- Basic Service Delivery and Infrastructure Development
- Municipal Transformation and Institutional Development
- Local Economic Development
- Municipal Financial Viability and Management
- Good Governance and Public Participation

T2.2.1

Management Team: The structure is outlined in the table below:

Name of Official	Department
Mrs. Levona Itumeleng	Municipal Manager
Ms. Nonceba Mkontwana	Senior Manager: Corporate Services
Vacant	Chief Financial Officer
Vacant	Senior Manager: Technical and Infrastructure Services

TOP ADMINISTRATIVE STRUCTURE

**Tier 1: Municipal Manager
Acting Municipal Manager**

**Tier 2:
Financial Services
Position of CFO is vacant**

**Tier 3:
Corporate and community services
Senior Manager for Corporate and Community Services is Ms. Nonceba Mkontwana**

**Tier 4:
Infrastructure Development and Technical Services
The position of Technical Services is vacant**

COMPONENT B: INTERGOVERNMENTAL RELATIONS

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

The Municipality in terms of co-operative and Inter-Governmental Relations participate in both the District and Premier's IGR and Technical IGR processes

The Municipality does not have a local IGR Structure but forms part of the Pixley ka Seme District IGR process and is a member of both the District Technical IGR and District Political IGR Process. The Municipality attended the IGR meeting in the District.

The Municipality also forms part of the Premier's IGR process and report regularly on that forum as well.

T 2.3.0

2.3 INTERGOVERNMENTAL RELATIONS

NATIONAL INTERGOVERNMENTAL STRUCTURES

N/A

T2.3.1

RELATIONSHIPS WITH MUNICIPAL ENTITIES

The Municipality does not have any Municipal Entities

Appendix D.

T2.3.3

DISTRICT INTERGOVERNMENTAL STRUCTURES

See T 2.3.0

T2.3.4

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

Section 16 of the MSA refers specifically to the development of a culture of community participation within municipalities. It states that a municipality must develop a culture of municipal governance that compliments formal representation government with a system of participation governance

For this purpose, it must encourage and create conditions for local community to participation in the affairs of the community. Such participation is required in terms:

The preparation, implementation, and review of the IDP

The establishment, implementation, and review of the PMS

Monitoring and review of the performance, including the outcomes and impact of such performance

Preparation of Municipal Budget

T 2.4.0

2.4 PUBLIC MEETINGS

COMMUNICATION, PARTICIPATION AND FORUMS

T2.4.1

COMMENT ON THE EFFECTIVENESS OF THE PUBLIC MEETINGS HELD:

The Municipality engage on a regular basis with the residents and has a policy environment to regulate the frequency of the engagement by having ward committee meetings and a council programme of engaging with the different wards and stakeholders

T2.4.3.1

2.5 IDP PARTICIPATION AND ALIGNMENT

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	yes
Does the IDP have priorities, objectives, KPIs, development strategies?	yes
Does the IDP have multi-year targets?	yes
Are the above aligned and can they calculate into a score?	yes
Does the budget align directly to the KPIs in the strategic plan?	yes
Do the IDP KPIs align to the Section 56 Managers	yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	yes
Were the indicators communicated to the public?	yes
Were the four quarter aligned reports submitted within stipulated time frames?	yes
* Section 26 Municipal Systems Act 2000	T2.5.1

COMPONENT D: CORPORATE GOVERNANCE

OVERVIEW OF CORPORATE GOVERNANCE

The Municipality a Plenary Municipality until November 2021, from then it was established as a Collective Executive with a ward participatory system, under financial constraints and rural of nature, it however has the two major national roads from north to south, the N1 and N12 that runs through the Municipality, this creates a number of economic opportunities.

The Municipality however deals with the same challenges as most of the smaller rural municipalities such as high unemployment levels, water shortages, the payment of Eskom, low payment rates for services and insufficient assistance to the poorest of the poor.

The Municipality has a seconded Acting Municipal Manager, all the Senior Management positions are not filled and the skills levels available are possible threats.

T2.6.0

2.6 RISK MANAGEMENT

The Municipality currently doesn't have a risk assessment division, due to lack of capacity and skilled personnel for the said task and duties within the institution. So, with that explanation there is no risk register in place and there was no risk assessment done/performed in the 2023/24 FY.

A table including the **top 10 risks** of the Municipality

Risk	Current Controls	Residual Risk L/H	Risk Owner	Action Plans
Unemployment				
Water shortages				
Plant & equipment				
Climate				
Crime				
Finance				
Unfunded Mand.				
Eskom Debt				
Water shortage				

NB. If there a is Risk Committee in place, list the members constituting it.

The institution doesn't have a risk a Risk Committee.

Name of Committee member	Capacity	Meeting date

2.7 ANTI-CORRUPTION AND FRAUD

FRAUD AND ANTI-CORRUPTION STRATEGY

The Municipality do have a Fraud and Anti-Corrupting Policy and is vigilant in detecting and monitoring any threats that might lead to the possibility of potential fraud and corruption.

T2.7.1

2.8 SUPPLY CHAIN MANAGEMENT

OVERVIEW SUPPLY CHAIN MANAGEMENT

The Municipality does have SCM policies and Structures in place and all procurement is done in terms of the policy environment.

T2.8.1

2.9 BY-LAWS

COMMENT ON BY-LAWS:

The Municipality did not promulgate any by-laws during this financial year.

T2.9.1.1

2.10 WEBSITES

Municipal Website : Content and Currency of Material		
Documents published on the Municipality's / Entity's Website	Yes / No	Publishing Date
Current annual and adjustments budgets and all budget-related documents	Yes	
All current budget-related policies	Yes	
The previous annual report 2016/17	No	
The annual report 2017/18 published/to be published	-	
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act 2017/18 and resulting scorecards	No	
All service delivery agreements 2017/18	No	
All long-term borrowing contracts 2017/18	No	
All supply chain management contracts above a prescribed value (give value) for 2017/18	Yes	Continuous
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during 2017/18	No	
Contracts agreed in 2017/18 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	No	
Public-private partnership agreements referred to in section 120 made in 2017/18	No	
All quarterly reports tabled in the council in terms of section 52 (d) during 2017/18	No	-
<i>Note: MFMA S75 sets out the information that a municipality must include in its website as detailed above. Municipalities are, of course encouraged to use their websites more extensively than this to keep their community and stakeholders abreast of service delivery arrangements and municipal developments.</i>		T2.10.1

COMMENT MUNICIPAL WEBSITE CONTENT AND ACCESS:

The Municipality has an operational website, www.ubuntu.gov.za, tenders, quotations and information regarding the Municipality including projects, attractions and other links are shared on the website. The compilers of this document tested if the website is activated and it was found that it was.

T2.10.1.1

2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

PUBLIC SATISFACTION LEVELS

A Survey was done as part of another project of the Municipality, but not enough and comprehensive information was available to complete this part of the document successfully.

T2.11.1

INTRODUCTION

The Municipality delivers basic services to the Communities of all the towns and settlements, the services include:

Water;

Waste Water (sanitation);

Electricity; (only in the Municipality's licensing areas, the reticulation of electricity in some areas are done by Eskom)

Waste Management;

T3.0.1

COMPONENT A: BASIC SERVICES

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

3.1. WATER PROVISION

3.1.1 Introduction to Water Services

E.g. Ubuntu Local Municipality is totally dependent on groundwater (boreholes) etc...

3.1.2 Highlights: Water Services

A table specifying the highlights for the year:

Highlight	Description
The completion of phase 2 of the Victoria West: Augmentation of Ground Water Sources.	The municipality equipped four boreholes under this project with the complete installation of submersible pumps, solar panels, electrical controls and anti-vandal perimeter fencing.
The completion of phase 2 of the Victoria West: Upgrading of Groundwater Supply.	<ul style="list-style-type: none"> The municipality equipped three boreholes under this project with the complete installation of submersible pumps, solar panels, electrical controls and anti-vandal perimeter fencing. The municipality also constructed a balancing storage tank on top of the mountain that feed the Hostel reservoirs.





3.1.3 Challenges: Water Services

A table specifying the challenges for the year:

Description	Actions to address
Water shortages in Richmond	Business plan has been submitted and approved by DWS for “The Upgrading of the Bulk Water Supply” in Richmond.
Plundering and vandalism of municipal water infrastructure.	Installation of cameras, motion sensors and alarms at municipal water points.

Households - Water Service Delivery Levels below the minimum						
Description	Year -2	Year -1	Year 0	Year 1		
	Actual	Actual	Actual	Original Budget	Adjusted Budget	Actual
	No.	No.	No.	No.	No.	No.
Formal Settlements						
Total households	100,000	100,000	100,000	100,000	100,000	100,000
Households below minimum service level	25,000	25,000	25,000	25,000	25,000	25,000
Proportion of households below minimum service level	25%	25%	25%	25%	25%	25%
Informal Settlements						
Total households	100,000	100,000	100,000	100,000	100,000	100,000
Households ts below minimum service level	25,000	25,000	25,000	25,000	25,000	25,000
Proportion of households ts below minimum service level	25%	25%	25%	25%	25%	25%
						T3.1.4

Employees: Water Services					
Job Level	2023/24				
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	9	9	6	3	33%
4 - 6	4	4	4	0	0%
7 - 9				0	0%
10 - 12					#DIV/0!
13 - 15					#DIV/0!
16 - 18					#DIV/0!
19 - 20					#DIV/0!
Total	13	13	10	3	23%

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T3.1

.7

Financial Performance 2023/24: Water Services				
R'000				
Details	2023/2024			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	199 716 682.00	2 130 295.00	186 982 955.00	-7%
Expenditure:				
Employees	2 082 007.00	2 077 007.00	2 002 887.87	-4%
Repairs and Maintenance	700 000.00	941 560.00	1 308 429.99	47%
Other	17 313 990.00	18 729 383.00	31 720 872.00	45%
Total Operational Expenditure	20 095 997.00	21 747 950.00	35 032 189.86	43%
Net Operational Expenditure	-179 620 685.00	19 617 655.00	-151 950 765.14	-18%
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>				

T3.1.8

3.2 WASTE WATER (SANITATION) PROVISION

3.2.1 Introduction to waste water (Sanitation) Provision

Various types of sanitation are currently provided (full waterborne sewerage, flushing toilets with septic tanks and buckets) which requires effective treatment and disposal of effluent into the environment.

3.2.2 Highlights: Waste Water (Sanitation) Provision

A table specifying the highlights for the year:

Highlights	Description
The Municipality is currently providing full water bourne, septic tanks and buckets to all its residents within the Municipality.	All residents have a access to sanitation services within the Municipality.

3.2.3 Challenges: Water Waste (Sanitation) Provision

A table specifying the challenges for the year:

Description	Actions to address
Buckets still being used within the Municipality.	Eradication of all buckets through funding from DWS.
Poor state of municipal oxidation ponds, with Victoria West being in the worst state.	The Municipality has prepared and submitted a business plan to DWS for “The rehabilitation of the existing oxidation ponds in Victoria West”.
Blockages caused by roots of trees, foreign objects and frequent breakdowns causing spillages into the environment.	Routine maintenance of sewer network and pump station being done to minimize spillages.

Employees: Sanitation Services					
Job Level	2023/24				
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	17	14		3	#DIV/0!
4 - 6					#DIV/0!
7 - 9					#DIV/0!
10 - 12					#DIV/0!
13 - 15					#DIV/0!
16 - 18					#DIV/0!
19 - 20					#DIV/0!
Total	0	0	0	0	#DIV/0!

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T3.2.7

Financial Performance 2023/24: Sanitation Services					R'000
Details	2023/24				
	Original Budget	Adjustment Budget	Actual	Variance to Budget	
Total Operational Revenue	199 716 682.00	201 846 977.00	186 982 955.00	-7%	
Expenditure:					
Employees	5 965 455.00	5 965 455.00	2 261 618.51	-164%	
Repairs and Maintenance	700 000.00	941 560.00	1 308 429.99	47%	
Other	17 313 990.00	18 729 383.00	31 720 872.00	45%	
Total Operational Expenditure	23 979 445.00	25 636 398.00	35 290 920.50	32%	
Net Operational Expenditure	-175 737 237.00	-176 210 579.00	-151 692 034.50	-16%	

Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T3.2.8

There was no Capital Budget spent on Sanitation

COMMENT ON SANITATION SERVICES PERFORMANCE OVERALL:

There was big differences between the original and adjustment budget

T3.2.10

ELECTRICITY

3.3.1 Introduction to Electricity

The Municipality is responsible for the following services:

- Reticulation, Free basic electricity, public lighting and energy policies.
- Supply of electricity to all households within the Ubuntu area of supply, monitoring of income quality to supply from Eskom as well as distribution quality supply.
- Supply and installation of community and street lighting maintenance and upgrading of all electrical infrastructure.

3.3.2 Highlights: Electricity

A table specifying the highlights for the year:

Highlight	Description
The completion of the 22 kV Sub-station in Victoria West.	The construction of the 22 kV sub-station in Victoria West are in advanced stages of implementation with the switchgear and mini-sub being onsite, and the building has also been completed.

3.3.3 Challenges: Electricity

A table specifying the challenges for the year:

Description	Actions to address
No Electrical Master Plans in place.	The Municipality to apply for to DBSA for funding for the development of an electrical master plan.
Aged Infrastructure	The Municipality to perform routine maintenance on electrical infrastructure to ensure operations and maximum performance.
High municipal Eskom debt	The Municipality has a payment a agreement in place to pay off Eskom debt. Interest of arrears amounts remains a challenge in paying off the Eskom debt.
Eskom's refusal to approve the increase in the NMD of Loxton due to outstanding municipal debt.	The municipal council to engage with the office of the premier on this matter.
The Municipality's electrical department is severely understaffed, with a team of two electricians and two general workers servicing the whole Municipality.	Fill all vacancies within the technical department.

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

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*

T3.3.6

Financial Performance 2023/24 : Electricity Services					R'000
Details	2023/2024				
	Original Budget	Adjustment Budget	Actual	Variance to Budget	
Total Operational Revenue	199 716 682.00	201 846 977.00	186 982 955.00	-7%	
Expenditure:					
Employees	1 010 968.00	1 010 968.00	924 942.45	-9%	
Repairs and Maintenance	700 000.00	941 560.00	1 308 429.99	47%	
Other	17 313 990.00	18 729 383.00	31 720 872.00	45%	
Total Operational Expenditure	19 024 958.00	20 681 911.00	33 954 244.44	44%	
Net Operational Expenditure	-180 691 724.00	-181 165 066.00	-153 028 710.56	-18%	

Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T3.3.7

Capital Expenditure 2023/24: Electricity Services					
					R' 000
Capital Projects	2023/2024				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	10 000.00	10 000.00	9 979.48	0%	
INEP: Ubuntu LM: New 22 kV Intake Sub-station for Victoria West	10 000.00	10 000.00	9 979.48	0%	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					T3.3.8

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

3.4.1 Introduction to Waste Management:

Domestic refuse is currently removed/collected on a weekly basis at all residential and business areas. The Municipality has built dumping points in the community to for garden rubbish.

3.4.2 Highlights: Waste Management

A table specifying the highlights for the year:

Highlight	Description
Cleaning Campaigns	Done throughout the year in collaboration with CWP and EPWP workers.

3.4.3 Challenges: Waste Management

A table specifying the challenges for the year:

Description	Actions to address
Illegal dumping remains a major challenge within the Municipality.	The Municipality to update its by-laws on illegal dumping and start enforcing them on those who are guilty of illegal dumping, especially the foreign owned spaza shops who is a major contributor to this problem.
Poor state of municipal landfill sites. Municipal landfill site being unlicensed.	The Municipality to submit business plans to MIG to request funding for "The Upgrading and Rehabilitation of Municipal Landfill sites".
Collection of household refuse in the historical disadvantaged areas because residents do not have rubbish bins hence, they cannot make use of the curb side refuse removal provided by the Municipality.	Securing of funds to provide historically disadvantaged households with rubbish bins.

Employees: Solid Waste Magement Services					
Job Level	2023/24				
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3	28	28	20	8	29%
4 - 6	5	5	5	0	0%
7 - 9					#DIV/0!
10 - 12					#DIV/0!
13 - 15					#DIV/0!
16 - 18					#DIV/0!
19 - 20					#DIV/0!
Total	33	33	25	8	24%

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T3.4.5

Financial Performance 2023/24: Solid Waste Management Services				
				R'000
Details	2023/24			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	199 716 682.00	201 846 977.00	186 982 955.00	-7%
Expenditure:				
Employees	5 244 659.00	5 244 659.00	2 531 798.27	-107%
Repairs and Maintenance	700 000.00	941 560.00	1 308 429.99	47%
Other	17 313 990.00	18 729 383.00	31 720 872.00	45%
Total Operational Expenditure	23 258 649.00	24 915 602.00	35 561 100.26	35%
Net Operational Expenditure	-176 458 033.00	-176 931 375.00	-151 421 854.74	-17%
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>				T3.4.7

COMMENT ON WASTE MANGEMENT SERVICE PERFORMANCE OVERALL:

The financial Performance of Waste Disposal and Other Services were recorded under Solid Waste Management

No Capital Expenditure was recorded under this vote

T3.4.10

3.5 HOUSING

3.8.1 Introduction to Housing

3.8.2 Highlights: Housing

A table specifying the highlights for the year

Highlights	Description
Department of COGHSTA to construct 51 top structures in Loxton.	The contractor has been appointed by COGHSTA for construction of the 51 top structures.

3.8.3 Challenges: Housing

A table specifying the challenges of the year:

Description	Action to address
Victoria West Construction of 270 Top Structures is blocked.	Establishment of a technical team to inspect and compile technical report on the defects of each structure and a list of incomplete structures.

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

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*

T3.5.4

COMMENT ON THE PERFORMANCE OF THE HOUSING SERVICE OVERALL:

The Municipality does not have a Housing Department

T3.5.7

3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

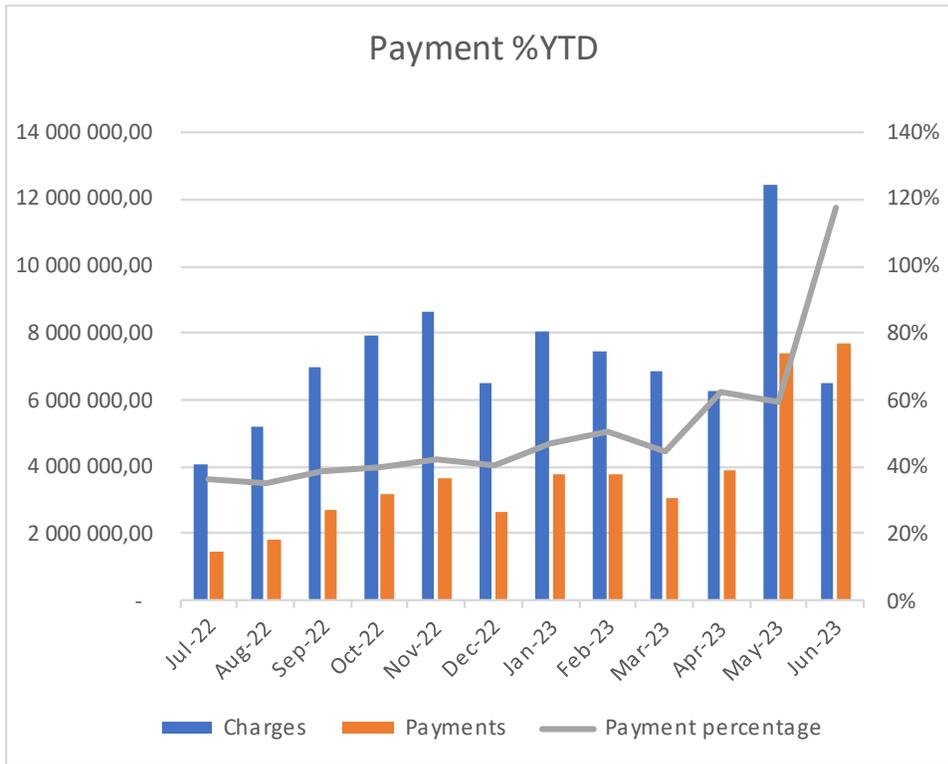
3.6.1 Introduction to Free Basic Services and Indigent Support

New indigent household applications were processed and approved, so that these households received their levied free basic services (FBS). Indigent households will receive their FBS on the first of the month following the approval of their application.

#NAME?

Month	Charges	Payments	Payment percentage
Jul-23	15 100 792.07	6 070 520.56	40%
Aug-23	5 589 294.72	4 652 101.36	83%
Sep-23	5 296 355.29	7 417 703.66	140%
Oct-23	5 421 226.85	3 049 140.49	56%
Nov-23	5 031 535.84	4 082 137.13	81%
Dec-23	4 470 404.87	2 934 628.74	66%
Jan-24	4 984 891.95	2 655 508.52	53%
Feb-24	5 196 285.15	3 103 236.12	60%
Mar-24	4 704 704.00	2 640 683.21	56%
Apr-24	5 270 981.67	2 574 000.11	49%
May-24	5 174 244.03	3 596 214.00	70%
Jun-24	6 513 913.41	3 467 922.83	53%
	72 754 629.85	46 243 796.73	64%

Quarter	Charges	Payments	Payment percentage
2023Q1	25 986 442.08	18 140 325.58	70%
2023Q2	14 923 167.56	10 065 906.36	67%
2023Q3	14 885 881.10	8 399 427.85	56%
2023Q4	16 959 139.11	9 638 136.94	57%
	72 754 629.85	46 243 796.73	64%



COMPONENT B: ROAD TRANSPORT

This component includes: roads; transport; and waste water (stormwater drainage).

3.7 ROADS

3.7.1 Introduction to Roads

Transport systems are essential to the function of municipalities and mobility access is needed to support a healthy economy. At present 75% of all municipal access roads are still gravel roads which cause a great inconvenience following rain and dusty during dry seasons. It is there crucial to regularly maintain the roads.

3.7.2 Highlights: Roads

A table specifying the highlights for the year:

Highlight	Description
Regular pothole maintenance	Routine pothole maintenance is being conducted by the Municipality on a regular basis. (Municipal worker and EPWP workers)

3.7.3 Challenges: Roads

A table specifying the challenges for the year:

Description	actions to address
Damaged road Infrastructure	Redirect trucks inside our towns
The Municipality does not have the yellow fleet to routinely maintain gravel roads.	The Municipality has requested assistance from the provincial sector department for the provision of a yellow fleet for gravel road maintenance.
Long lead time in the procurement of material to fix potholes.	The Municipality to keep material on hand in municipal stores to be available immediately when needed.

3.7.4 Statistics: Roads

A table specifying the service delivery levels for the year:

Road Infrastructure: Kilometers
--

Year	Total gravel goods	New gravel roads	Gravel upgraded to Tar	Gravel roads graded
2022/23				

Road Infrastructure Per Type: Kilometers				
Total	Tar	Gravel	Paved	Concrete
107.31	29.22	73.18	4.91	0

Employees: Road Services					
Job Level	2023/24				
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	12	12	7	5	42%
4 - 6	2	2	1	1	50%
7 - 9					#DIV/0!
10 - 12					#DIV/0!
13 - 15					#DIV/0!
16 - 18					#DIV/0!
19 - 20					#DIV/0!
Total	14	14	8	6	43%

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*

T3.7.7

Financial Performance 2022/23: Road Services						R'000
Details	2022/23					
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
Total Operational Revenue					#DIV/0!	
Expenditure:						
Employees					#DIV/0!	
Repairs and Maintenance					#DIV/0!	
Other					#DIV/0!	
Total Operational Expenditure					#DIV/0!	
Net Operational Expenditure					#DIV/0!	
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.						T3.7.8

Capital Expenditure 2022/23: Road Services						R'
Capital Projects	2022/23					
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All	10 063 000,00	0	8 461 061,00	-19%		
Roads, Pavements, Bridges & Storm Water	10 063 000,00	0	8 461 061,00	-19%		
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>						T3.7.9

COMMENT ON THE PERFORMANCE OF ROADS OVERALL:

No Roads project were implemented in the 2021/22 FY

T3.7.10

3.8 TRANSPORT (INCLUDING VEHICLE LICENSING & PUBLIC BUS OPERATION)

INTRODUCTION TO TRANSPORT

The Municipality does not have any transport services

T3.8.1

3.9 WASTE WATER (STORMWATER DRAINAGE)

INTRODUCTION TO STORMWATER DRAINAGE

Stormwater is dealt with under Roads

T3.9.1

COMPONENT C: PLANNING AND DEVELOPMENT

This component includes: planning; and local economic development.

3.10 PLANNING

3.10.1 Introduction to Planning and Development

NB. eg. Providing a Narrative on Town Planning and Building Control

Question: Who is dealing with All issues related to **Land Use**?

- **Spatial Development Framework (SDF) and Land Use Scheme (LUS)**

The SDF is under review and the Land Use Scheme has been approved 31 March 2023

- **Implementation of SPLUMA**

3.10.2 Highlights: Planning

A table specifying the **highlights** for the year:

Highlights	Description
E.g 5 Land Use application have been approved	10 applications were submitted to DMPT and ...
Establishment of the DMPT	
Building Plans	A total of ... building Plans were processed

3.10.3 A table specifying the **challenges** for the year:

Description	Actions to address

Capital Expenditure 2022/23: Planning Services						R'
Capital Projects	2022/23					
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All	-	10 063 000,00	-	#DIV/0!		
Project A	-	10 063 000,00		#DIV/0!		

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.

T3.10.6

COMMENT ON THE PERFORMANCE OF PHYSICAL PLANNING OVERALL:

There are no employees registered under the Planning Unit

T3.10.7

3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

3.11.1 Introduction to Local Economic Development

The current LED Strategy of the Ubuntu Local Municipality was developed in

3.11.2 Highlights: LED

A table including the highlights with the implementation of the LED Strategy – The Municipality does not have an LED Strategy

3.11.3 Challenges: Local Economic Development

A table including the challenges with the implementation of the LED Strategy

Description	actions to address
Vandalism of municipal buildings and assets	Safeguard buildings

3.11.4 Job Creation: EPWP

Details	Jobs created through EPWP projects No.
2021/22	
2022/23	
2023/23	

3.11.5 Tourism

3.11.6 Introduction

Narrative

3.11.7 Highlights: Tourism

A table including the highlights with the implementation of the Tourism Strategy:

Highlight	Description
Ubuntu Tourism Indaba	

3.11.8 Challenges: Tourism

A table including the challenges with the implementation of the Tourism Strategy:

Description	Actions to address
Outdated Tourism Plan	Review of Tourism Strategy

COMMENT ON LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL:

Nothing was recorded under This Section

T3.11.11

COMPONENT D: COMMUNITY & SOCIAL SERVICES

This component includes: libraries and archives; museums arts and galleries; community halls; cemeteries and crematoria; child care; aged care; social programs, theaters.

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

3.52.1 Introduction to Libraries

The Municipality has 4 libraries operational in the area.

3.52.2 Highlights: Libraries

A table specifying the highlights for the year:

Highlights	Description
Victoria West library renovations	E.g Removed the ...

3.52.3 Challenges: Libraries

A table specifying the challenges for the year:

Highlights	Description
Late return of books	

3.52.4 Service Statistics for Libraries

A table specifying the service statistics for the year:

Service statistics		2023/24
Number of libraries		
Library members		
Books circulated		
Exhibitions held		
Internet users		
Children programs		
Visit by school groups		

3.53.1 Introduction to Cemeteries

Ubuntu's cemeteries includes the following:

Victoria West	Richmond	Loxton
2	2	1

3.53.2 Highlights Cemeteries

A table specifying the highlights for the year:

Highlights	Description
1 Cemetery in Victoria West reached the capacity	Still in use because of stands that were previously purchased.
1 Cemetery in Richmond needs extension.	± 10 stands open

3.53.3 Challenges: Cemeteries

A table specifying the challenges for the year:

Challenges	Actions to address
Management system of cemeteries	Managed by Municipality.
Maintenance work	CWP assist Municipality with cleaning of cemeteries.

3.53.4 Service Statistics for Cemeteries

A table specifying the service delivery levels for the year:

Type of service		2023/24
Burials		

Employees: Libraries; Archives; Museums; Galleries; Community Facilities; Other					
Job Level	2023/24				
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3	3	3	3	0	0%
4 - 6	5	5	5	0	0%
7 - 9	1	2	1	1	50%
10 - 12					#DIV/0!
13 - 15					#DIV/0!
16 - 18					#DIV/0!
19 - 20					#DIV/0!
Total	9	10	9	1	10%

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T3.52.4

Financial Performance 2022/23: Libraries; Archives; Museums; Galleries; Community Facilities; Other						R'
Details	2022/23					
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
Total Operational Revenue	-	195 272 590,00	531 885,00	154 086 818,00	-27%	
Expenditure:						
Employees		1 882 284,78	1 302 284,78	755 453,49	-149%	
Repairs and Maintenance					#DIV/0!	
Other					#DIV/0!	
Total Operational Expenditure	-	1 882 284,78	1 302 284,78	755 453,49	-149%	
Net Operational Expenditure	-	-193 390 305,22	770 399,78	-153 331 364,51	-26%	

Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T3.52.5

COMMENT ON THE PERFORMANCE OF LIBRARIES; ARCHIVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; OTHER (THEATRES, ZOOS, ETC) OVERALL:

Included in Here are Community & Social Services, Sport and Recreation, Public Safety. There was no Capital expenditure in this division

T3.52.7

3.55 CEMETORIES AND CREMATORIIUMS

COMMENT ON THE PERFORMANCE OF CEMETORIES & CREMATORIIUMS OVERALL:

This Section's details are included under 3.52

T3.55.7

3.56 CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

INTRODUCTION TO CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

This is not a function of the Municipality.

T3.56.1

COMMENT ON THE PERFORMANCE OF CHILD CARE; AGED CARE; SOCIAL PROGRAMMES OVERALL:

T3.56.7

COMPONENT E: ENVIRONMENTAL PROTECTION

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

INTRODUCTION TO ENVIRONMENTAL PROTECTION

T3.59.0

3.59 POLLUTION CONTROL

INTRODUCTION TO POLLUTION CONTROL

The Municipality does not have any sections that specifically deals with this function

T3.59.1

COMMENT ON THE PERFORMANCE OF POLLUTION CONTROL OVERALL:

T3.59.7

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

COMPONENT F: HEALTH

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

INTRODUCTION TO HEALTH

Municipal Health is a District Municipal function and is dealt with by Pixley ka Seme District Municipality

T.62.0

3.62 CLINICS

INTRODUCTION TO CLINICS

T3.62.1

3.63 AMBULANCE SERVICES

INTRODUCTION TO AMBULANCE SERVICES

Not a Municipal Function

T3.63.1

Concerning T3.63.2

T3.63.2.1

COMMENT ON THE PERFORMANCE OF AMBULANCE SERVICES OVERALL:

T3.63.7

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

INTRODUCTION TO HEALTH INSPECTIONS; FOOD AND ABATTOIR LICENCING AND INSPECTIONS, ETC

Function delivered by Pixley ka Seme District Municipality

T3.64.1

SERVICE STATISTICS FOR HEALTH INSPECTION, Etc

T3.64.2

COMMENT ON THE PERFORMANCE OF HEALTH INSPECTIONS, Etc OVERALL:

T3.64.7

COMPONENT G: SECURITY AND SAFETY

This component includes: police; fire; disaster management, licensing and control of animals, and control of public nuisances, etc.

3.65 TRAFFIC SERVICES

3.65.1 Introduction to Traffic Services

The aim of the Council is to ensure the safety of all residents in its municipal area through law enforcement.

The Traffic Department is divided into four sections namely:

3.65.2 Highlight: Traffic Services

A table specifying the highlights for the year:

Highlights	Description
Upgrading Vehicle testing Station	

3.65.3 Challenges: Traffic Services

A table specifying the challenges for the year:

Description	Actions to address
Shortage of patrol vehicles	

3.65.4 Service Statistics for Traffic Services:

A table specifying the service delivery levels for the year:

Details	2021/22	2022/23
No. of road traffic accidents during the year		
Number of by- law infringements attended		
Animals impounded		

Motor vehicle licenses processed		
Learner driver licenses processed		

3.65 POLICE

INTRODUCTION TO POLICE

The Municipality does not have a police service

T3.65.1

3.66 FIRE

INTRODUCTION TO FIRE SERVICES

Part of Public Works Section

T3.66.1

COMMENT ON THE PERFORMANCE OF FIRE SERVICES OVERALL:

T3.66.7

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

INTRODUCTION TO DISASTER MANAGEMENT

District Municipal Function

T3.67.1

COMMENT ON THE PERFORMANCE OF DISASTER MANAGEMENT

No activity took place under this section.

T3.67.7

COMPONENT H: SPORT AND RECREATION

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

INTRODUCTION TO SPORT AND RECREATION

No Activity took place under this Section.

T3.68.0

3.68 SPORT AND RECREATION

3.68.1 Introduction to Sport and Recreation

3.68.2 Highlights: Sport and Recreation

A table specifying the highlights for the year:

Highlights	Description
Funding approved for the upgrading of Richmond sport complex	

3.68.3 Challenges: Sport and Recreation

A table specifying the challenges for the year:

Description	Actions to address
Vandalism extremely high of sport and recreation Infrastructure	Improve security at facilities

COMMENT ON THE PERFORMANCE OF SPORT AND RECREATION OVERALL:

T3.68.6

COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

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

3.69 EXECUTIVE AND COUNCIL

This component includes: Executive office (Mayor; Councillors; and Municipal Manager).

3.69.1 Introduction to Executive and Council

3.69.2 OFFICE OF THE MAYOR

Highlights: Office of the Mayor

A table specifying the highlights of the year:

Highlights	Description
Woman's Day Celebrations	Hosted an event on
Freedom Day Celebrations	

Challenges: Office of the Mayor

A table specifying the challenges for the year:

Challenges	Actions to address
Internal capacity	Personal Assistant of the Mayor was appointed.
Implementation of ward projects due to cash flow challenges	

Employees: Office of the Mayor

3.69.3 OFFICE OF THE MUNICIPAL MANAGER

Highlights: Office of the Municipal Manager

A table specifying the highlights for the year:

Highlights	Description
Ubuntu Land Use Scheme	Successful adoption ...

Challenges: Office of the Municipal Manager

A table specifying the challenges for the year:

Description	Actions to address
Financial Sustainability of the Municipality	
Effectiveness of the Municipality's Supply Chain Management Unit	

Employees: Office of the Municipal Manager

3.69.4 CORPORATE SERVICES: ADMINISTRATION

Highlights: Corporate Services: Administration

A table specifying the highlights for the year:

Highlights	Description
Filling of vacancies	
Timeous distribution of Council Agendas	
Review of HR Policies to be implemented for Municipal Staff Regulations	
Mentorship program	
Consultation for skills development needs	
Training of employees	

Challenges: Corporate Services: Administration

A table specifying the challenges for the year:

Description	Actions to address
Shortage of office space	

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Employees: Corporate Services: Administration
(Staff composition for this division)

3.69.5 HUMAN RESOURCE SERVICE

Highlights: Human Resource Services

A table specifying the highlights for the year:

Highlights	Description
Filling of critical vacancies	

Challenges: Human Resources Services

A table specifying the challenges for the year:

Description	Actions to address
Resignation of officials with institutional memory	
Shortage of officials with scarce skills	
Poor performance of individuals	

Employees: Human Resource Services (Staff composition for this division)

Employees: The Executive and Council					
Job Level	2023/24				
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3					#DIV/0!
4 - 6					#DIV/0!
7 - 9	5	5	5	0	0%
10 - 12	4	4	4	0	0%
13 - 15	2	2	2	0	0%
16 - 18					#DIV/0!
19 - 20					#DIV/0!
Total	11	11	11	0	0%

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*

Financial Performance 2023/24: The Executive and Council					
					R'000
Details	Actual	2022/23			
		Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue		195 272 590,00	1 531 885,00	154 086 818,00	-27%
Expenditure:					
Employees		9 784 576,00	3 469 423,64	2 661 897,00	-268%
Repairs and Maintenance	-	-	-	-	#DIV/0!
Other					#DIV/0!
Total Operational Expenditure	-	9 784 576,00	3 469 423,64	2 661 897,00	-268%
Net Operational Expenditure	-	-185 488 014,00	1 937 538,64	-151 424 921,00	-22%
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					T3.69.5

Capital Expenditure 2023/24: The Executive and Council					
					R' 000
Capital Projects	2021/22				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	24 812 000.00	20 812 000.00	20 892 724.02	-19%	
MIG 1: Victoria West Upgrading of Groundwater Supply	10 274 000.00	6 274 000.00	5 752 149.00	-79%	
MIG 2: Victoria West Upgrading of Mandela Square Pump Station and water reticulation pipelines	538 000.00	538 000.00	537 746.00	0%	
WSIG: Ubuntu Water Conservation and Demand Management Project 2021/22	4 000 000.00	4 000 000.00	4 623 351.30	13%	
INEP: Ubuntu LM: New 22 kV Intake Sub-station for Victoria West	10 000 000.00	10 000 000.00	9 979 477.72	0%	

<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>	T3.6 9.6
--	-------------

3.70 FINANCIAL SERVICES

Introduction: Financial Services

Highlights: Financial Services

A table specifying highlights for the year:

Highlights	Description
Finance staff is dedicated to achieve financially unqualified for 2022 financial year	

Challenges: Financial Services

A table specifying the challenges for the year:

Description	Actions to address
Lack of capacity amongst staff within Finance	
Smooth migration of the MSCOA	
Absenteeism	

Debt Recovery									R'
Details of the types of account raised and recovered	2016/17		2017/18			2018/19			
	Actual for accounts billed in year	Proportion of accounts value billed that were collected in the year %	Billed in Year	Actual for accounts billed in year	Proportion of accounts value billed that were collected %	Billed in Year	Estimated outturn for accounts billed in year	Estimated Proportion of accounts billed that were collected %	
Property Rates	5 342 908.00		8 982 140.00	5 392 008.00		9 700 000.00			
Electricity - B	9 447 745.00		17 266 413.64	11 888 283.00		18 900 000.00			
Electricity - C									
Water - B	5 806 171.00		7 224 088.00	2 587 590.00		8 180 015.07			
Water - C									
Sanitation	3 583 918.00		5 451 103.00	2 590 222.00		6 000 000.00			
Refuse	3 838 566.00		4 583 294.00	3 678 969.00		5 000 000.00			
Other									
<i>B- Basic; C= Consumption. See chapter 6 for the Auditor General's rating of the quality of the financial Accounts and the systems behind them.</i>									T3.70.2

Employees: Financial Services					
Job Level	2023/24				
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	8	8	6	2	25%
4 - 6	21	21	19	2	10%
7 - 9	2	1	1	1	100%
10 - 12	6	6			0%
13 - 15	1	1	1	0	0%
16 - 18	1	1	0	0	0%
19 - 20					#DIV/0!
Total	39	38	27	5	13%
<i>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i>					

Financial Performance 2023/24: Solid Waste Management Services				
R'000				
Details	2023/24			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	199 716 682.00	201 846 977.00	186 982 955.00	-7%
Expenditure:				
Employees	5 244 659.00	5 244 659.00	2 531 798.27	-107%
Repairs and Maintenance	700 000.00	941 560.00	1 308 429.99	47%
Other	17 313 990.00	18 729 383.00	31 720 872.00	45%
Total Operational Expenditure	23 258 649.00	24 915 602.00	35 561 100.26	35%
Net Operational Expenditure	-176 458 033.00	-176 931 375.00	-151 421 854.74	-17%
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>				T3.4.7

Capital Expenditure 2022/23: Financial Services					
					R' 000
Capital Projects	2022/23				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	0	R150 000,00	0	#DIV/0!	
R21 544,00					
Other		150 000,00		#DIV/0!	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					T3.70.6

3.71 HUMAN RESOURCE SERVICES

3.69.5 HUMAN RESOURCE SERVICE

Highlights: Human Resource Services

A table specifying the highlights for the year:

Highlights	Description
Filling of critical vacancies	

Challenges: Human Resources Services

A table specifying the challenges for the year:

Description	Actions to address
Resignation of officials with institutional memory	
Shortage of officials with scarce skills	
Poor performance of individuals	

Employees: Human Resource Services
(Staff composition for this division)

Employees: Human Resource Services					
Job Level	2023/24				
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3					#DIV/0!
4 - 6					#DIV/0!
7 - 9					#DIV/0!
10 - 12	1	1	1	0	0%
13 - 15					#DIV/0!
16 - 18					#DIV/0!
19 - 20					#DIV/0!
Total	1	1	1	0	0%

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*

T3.71.4

Financial Performance 2023/2024 Human Resource Services						R'000
Details	2023/24					
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
Total Operational Revenue		195 272 590,00	1 531 885,00	154 086 818,00	-27%	
Expenditure:						
Employees		4 527 021,95	3 391 473,00	2 962 215,04	-53%	
Repairs and Maintenance		70 000,00	-	70 000,00	0%	
Other					#DIV/0!	
Total Operational Expenditure	-	4 597 021,95	3 391 473,00	3 032 215,04	-52%	
Net Operational Expenditure	-	-190 675 568,05	1 859 588,00	-151 054 602,96	-26%	

Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T3.71.5

COMMENT ON THE PERFORMANCE OF HUMAN RESOURCE SERVICES OVERALL:

Corporate Services is included in this section

T3.71.7

3.72 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

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

INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

The Municipality does not have a separate ICT Section

T3.72.1

SERVICE STATISTICS FOR ICT SERVICES

3.73 PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

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

DEVELOPMENT AND STRATEGIC SERVICES

Introduction to Development and Strategic Services

Highlights: Development and Strategic Services

A table specifying the highlights for the year:

Highlights	Description
Draft Commonage Policy	
Commonage meetings with committee	
IDP & Budget Process Plan Time Schedule implementation	
Regular IDP Steering Committee Meetings	
Regular IDP REP. Forum meetings held	
Development and approval of Ubuntu's LUS	
Development of Spatial Development Framework	
Karoo Small Town Regeneration Initiative	

Challenges: Development and Strategic Services

A table specifying the challenges for the year:

Description	Actions to address
Transport	Procurement of vehicles to be utilised by officials
Drafting of hunting Policy for Ubuntu Local Municipality	Assistance required from Dept. Agric.
Audit opinion for Performance information	Regular reviews and monitoring of performance inf. & evidence

PROCUREMENT SERVICES

Highlight: Procurement Services

A table specifying the highlights for the year:

Highlights	Description
Provincial Treasury's continued support with Supply Chain processes	

Challenges: Procurement Services

A table specifying the challenges for the year:

Description	Actions to address
Register many more people on CSD	Encourage service providers to register on CSD
Turnaround time SCM committees	Complete Tender process after receiving bids within two weeks.

Service Statistics for Procurement Services

A table specifying the service delivery levels for the year:

Description	2023/24
Requests processed	N/A
Orders processed	R450 300.68
Requests canceled or referred back	N/A
Extensions	N/A
Bids received (number of documents)	23
Bids awarded	2
Appeals registered	0
Successful appeals	0

Total Awards Made

A total of 77 bids of an estimated value of R-173 959.16 (Bank tenders has negative amounts) No award has been made in this financial year 2024/2025.

Awards Made by the Bid Adjudication Committee

In terms of paragraph 5(2)(b) of Council's Supply Chain Management Policy....

The highest bids awarded by the Bid Adjudication Committee are as follows:

BID NUMBER	TITLE OF BID	DIRECTORATE	SUCCESSFUL BIDDER	VALUE
UB/VW/15/2023	APPOINTMENT OF PROFESSIONAL SERVICE. UPGRADING OF GROUNDWATER SUPPLY - PHASE 2	Technical	Zavana Trading	R9 777 931.43
UB/RM01/2024	UPGRADING OF RICHMOND SPORT AND RECREATIONAL FACILITY	Technical	ZALISILE MSEBENZI	R11 891 198.38

#NO BIDS HAS BEEN AWARDED IN THIS PERIOD. (Bids received and still in process)

BID NUMBER	TITLE OF BID	DIRECTORATE	SUCCESSFUL BIDDER	VALUE

Details of Deviations for Procurement Services

Details of Deviations for Procurement Services

TYPE	NUMBER OF DEVIATION	VALUE R		
Emergency	1	R		

Historic work of arts	0			
Impractical to follow Supply Chain process	4	R99 796.70		
Sole provider	3	R66 794.50		
Strip & quote	4	R74 782.58		

COMMENT ON THE PERFORMANCE OF PROPERTY SERVICES OVERALL:

T3.73.7

COMPONENT J: MISCELLANEOUS

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

INTRODUCTION TO MISCELLANEOUS

T3.74.0

COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD

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

BACK TO BASICS	NATIONAL KEY PERFORMANCE AREAS	OBJECTIVES	STRATEGIES
Basic Service Delivery	Basic Service Delivery and Infrastructure Development	Provision of Sustainable Basic Services	Sanitation Infrastructure Construction and Maintenance
			Water Services Infrastructure Construction and Maintenance

BACK TO BASICS	NATIONAL KEY PERFORMANCE AREAS	OBJECTIVES	STRATEGIES
			Electricity Infrastructure Construction and Maintenance
			Roads Infrastructure Construction and Maintenance
			Solid Waste Management Infrastructure Construction and Maintenance
		Spatial Planning Excellence	Spatial Development Framework & Land Use Management System
			Developmental Bulk Infrastructure Optimisation
		Spatial Development Bulk Infrastructure Optimisation	Spatial Development Bulk Infrastructure Assessment
Building Capable Local Government Institutions	Local Economic Development	Investment Acceleration & Attraction	Private Sector Investment Upliftment & Acceleration
			Public Sector Investment Upliftment & Acceleration
			Tourism Upliftment & Acceleration
			Agriculture & Agri-processing Upliftment & Acceleration
			Industry Upliftment & Acceleration
			Commerce Upliftment & Acceleration
			SMME Upliftment & Acceleration
Industrial & Commercial Economic Zone Establishment			
Sound Financial Management	Municipal Financial Management & Viability	Sound Financial Management & Viability	Financial Governance Excellence
			Budget Management Excellence
			Financial Reporting Excellence
			AFS Compilation & Assets Management Excellence
			Supply Chain Management Excellence
			Municipal Revenue Management Excellence (Income & Expenditure)
Conditional Grants Reporting Excellence			

BACK TO BASICS	NATIONAL KEY PERFORMANCE AREAS	OBJECTIVES	STRATEGIES
Building Capable Local Government Institutions	Municipal Transformation & Institutional Development	Municipal Transformation	Comprehensive Organogram Review
		Institutional Development Excellence	Recruitment & Selection Excellence Skills Development Excellence
		Institutional Integrity Excellence	Staff/Public Interface Excellence (Code of Conduct, Batho Pele, Anti-corruption)
		Institutional Responsiveness Excellence	Customer Care Excellence (Compliments/Enquiries/Complaints/Mpimpa)
		Institutional Performance Excellence	Organisational & Individual Performance Management
Good Governance & Putting People First	Good Governance & Public Participation	Institutional Governance Excellence	Functional Council & Audit Oversight Excellence
			Community Participation Excellence (Ward Committees, Rapid Response Team, Community Meetings)

CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE

(PERFORMANCE REPORT PART II)

INTRODUCTION

T4.0.1

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Vacancy Rate: 2023/24			
Designations	*Total Approved Posts No.	*Vacancies (Total time that vacancies exist using fulltime equivalents) No.	*Vacancies (as a proportion of total posts in each category) %
Municipal Manager	1	0	0,00
CFO	1	1	100,00
Other S57 Managers (excluding Finance Posts)	2	1	50,00
Other S57 Managers (Finance posts)	0	0	#DIV/0!
Police officers	0	0	#DIV/0!
Fire fighters	0	0	#DIV/0!
Senior management: Levels 13-15 (excluding Finance Posts)	2	2	100,00
Senior management: Levels 13-15 (Finance posts)	1	1	100,00
Highly skilled supervision: levels 9-12 (excluding Finance posts)	7	6	85,71
Highly skilled supervision: levels 9-12 (Finance posts)	3	3	100,00
Total	17	14	82,35

*Note: *For posts which are established and funded in the approved budget or adjustments budget (where changes in employee provision have been made). Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days*

T4.1.2

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year No.	Terminations during the Financial Year No.	Turn-over Rate*
2022/23			
2023/24			

** Divide the number of employees who have left the organisation within a year, by total number of employees who occupied posts at the beginning of the year*

T4.1.3

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

T4.2.0

HR Policies and Plans				
	Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
		%	%	
1	Affirmative Action			No policy is in place
2	Attraction and Retention			No policy is in place
3	Code of Conduct for employees	YES		The code of conduct was drawn up by the parties of the SALGBC
4	Delegations, Authorisation & Responsibility			
5	Disciplinary Code and Procedures			The code of conduct was drawn up by the parties of the SALGBC
6	Essential Services	YES		12 September 2024
7	Employee Assistance / Wellness	Yes		
8	Employment Equity	Yes		
9	Exit Management	Yes		
10	Grievance Procedures	Yes		
11	HIV/Aids	Yes		
12	Human Resource and Development	Yes		
13	Information Technology	Yes		
14	Job Evaluation			
15	Leave			
16	Occupational Health and Safety			
17	Official Housing			
18	Official Journeys	Yes		
19	Official transport to attend Funerals			The Municipality does not have this policy in place.
20	Official Working Hours and Overtime	Yes		
21	Organisational Rights	Yes		
22	Payroll Deductions	Yes		
23	Performance Management and Development	Yes		
24	Recruitment, Selection and Appointments	Yes		
25	Remuneration Scales and Allowances	Yes		
26	Resettlement	Yes		
27	Sexual Harassment	Yes		
28	Skills Development	Yes		
29	Smoking	Yes		
30	Special Skills	Yes		
31	Work Organisation	Yes		
32	Uniforms and Protective Clothing	Yes		
33	Other:			

Use name of local policies if different from above and at any other

4.3 INJURIES, SICKNESS AND SUSPENSIONS

Number and Cost of Injuries on Duty					
Type of injury	Injury Leave Taken	Employees using injury leave	Proportion employees using sick leave	Average Injury Leave per employee	Total Estimated Cost
	Days	No.	%	Days	R'000
Required basic medical attention only	20	2	10.00%	4	
Temporary total disablement	20	2	10.00%	4	
Permanent disablement	0	0	0	0	
Fatal					
Total	40	4	10%	8	0

T4.3.1

Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per Employees	Estimated cost
	Days	%	No.	No.	Days	R' 000
Lower skilled (Levels 1-2)		90%				
Skilled (Levels 3-5)						
Highly skilled production (levels 6-8)						
Highly skilled supervision (levels 9-12)		95%				
Senior management (Levels 13-15)						
MM and S57						
Total	0	93%	0	0		0

* - Number of employees in post at the beginning of the year
 *Average is calculated by taking sick leave in column 2 divided by total employees in column 5

T4.3.2

	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards Year 1 R' 000	Proportion of beneficiaries within group %
Lower skilled (Levels 1-2)	Female				
	Male				
Skilled (Levels 3-5)	Female				
	Male				
Highly skilled production (levels 6-8)	Female				
	Male				
Highly skilled supervision (levels 9-12)	Female				
	Male				
Senior management (Levels 13-15)	Female				
	Male				
MM and S57	Female				
	Male				
Total					
<i>Has the statutory municipal calculator been used as part of the evaluation process ?</i>					Yes/No
<p><i>Note: MSA 2000 S51(d) requires that ... 'performance plans, on which rewards are based should be aligned with the IDP'... (IDP objectives and targets are set out in Chapter 3) and that Service Delivery and Budget Implementation Plans (developed under MFMA S69 and Circular 13) should be consistent with the higher level IDP targets and must be incorporated appropriately in personal performance agreements as the basis of performance rewards. Those with disability are shown in brackets '(x)' in the 'Number of beneficiaries' column as well as in the numbers at the right hand side of the column (as illustrated above).</i></p>					T4.4.1

COMMENT ON PERFORMANCE REWARDS:

No Performance Rewards were paid this financial year, in terms of the Performance Management model applicable to the Municipality, only the Section 54A and 56 will be able to qualify for performance rewards. The Municipality does not have a policy frame in place that deals with performance awards on lower levels

T4.4.1.1

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

T4.5.0

4.5 SKILLS DEVELOPMENT AND TRAINING

Financial Competency Development: Progress Report*						
Description	A. Total number of officials employed by Municipality (Regulation 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidate d: Total of A and B	Consolidate d: Competency assessment s completed for A and B (Regulation 14(4)(b) and (d))	Consolidate d: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidate d: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials						
<i>Accounting officer</i>	1	1	2	0	0	1
<i>Chief financial officer</i>	0	0	0	0	0	0
<i>Senior managers</i>	1	1	2	0	0	0
<i>Any other financial officials</i>	1	1	2	0	0	0
Supply Chain Management Officials						
<i>Heads of supply chain management units</i>	0	0	0	0	0	0
<i>Supply chain management senior managers</i>	1	1	2	1	1	1
TOTAL	4	4	8	0	0	1
* This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations (June 2007)						T4.5.2

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

As you can see from the above tables, none of them have any populated data, this data could not be obtained from the Municipality, and this is an area where the Municipality will have to excel to be able to populate the tables

T4.5.4

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

T4.6.0

4.6 EMPLOYEE EXPENDITURE

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

No Employees were paid outside of the T levels as it is approved for the level of the Municipality and no employees were appointed in posts that are not on the approved Organisational Structure

T4.6.5

DISCLOSURES OF FINANCIAL INTERESTS

All Financial disclosures was recorded under Appendix J.

T4.6.6

CHAPTER 5 – FINANCIAL PERFORMANCE

INTRODUCTION

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

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

T5.0.1

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

INTRODUCTION TO FINANCIAL STATEMENTS

Note: Statements of Revenue Collection Performance by vote and by source are included at **Appendix K**.

T5.1.0

5.1 STATEMENTS OF FINANCIAL PERFORMANCE

Statement of Financial Performance

Figures in Rand	Notes	2024	2023 Restated*
Revenue			
Revenue from exchange transactions			
Service charges	18	35 452 416	28 039 627
Rental of facilities and equipment	19	436 930	546 182
Interest received (trading)		6 964 355	14 395 968
Licences and permits		739 575	405 131
Other income	20	1 366 674	693 561
Interest received - investment	21	2 009 139	1 266 038
Total revenue from exchange transactions		46 969 089	45 346 507
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	22	21 793 372	20 774 180
Interest received - property rates	23	2 653 519	6 899 954
Transfer revenue			
Government grants & subsidies	24	87 625 685	79 582 749
Public contributions and donations	25	5 656 180	4 259 619
Fines, penalties and forfeits	26	4 250	53 312
Debt relief	27	22 280 860	-
Total revenue from non-exchange transactions		140 013 866	111 569 814
Total revenue	28	186 982 955	156 916 321
Expenditure			
Employee related costs	29	(36 669 564)	(36 372 225)
Remuneration of councillors	30	(5 080 541)	(4 794 189)
Depreciation and amortisation	31	(16 810 998)	(15 642 904)
Finance costs	32	(10 568 301)	(6 876 692)
Debt impairment	33	(30 477 600)	(37 508 283)
Bulk purchases	34	(25 229 588)	(24 494 652)
General expenses	35	(31 720 872)	(31 510 462)
Total expenditure		(156 557 464)	(157 199 407)
Operating surplus (deficit)		30 425 491	(283 086)
Loss on disposal of assets and liabilities		(2 060 352)	(1 518 799)
Fair value adjustments		723 482	(173 670)
Actuarial gains/losses	14	924 938	218 268
Impairment loss	36	(1 735 017)	(606 605)
		(2 146 949)	(2 080 806)
Surplus (deficit) for the year		28 278 542	(2 363 892)

Capital expenditure & funds sources

Capital expenditure

Transfers recognised - capital	R 13 681 731
Public contributions & donations	R0
Borrowing	R0
Internally generated funds	R0
Total sources of capital funds	R 13 681 731

Financial position

Total current assets	R 45 049 828
Total non current assets	R 620 364 408
Total current liabilities	R 68 668 916
Total non current liabilities	R 75 180 543
Community wealth/Equity	R

Cash flows

Net cash from (used) operating	R 124 411 901
Net cash from (used) investing	-R 99 701 218
Net cash from (used) financing	-R 29 309 734
Cash/cash equivalents at the year end	R5 232 234

Cash backing/surplus reconciliation

Cash and investments available	R5 232 236
Application of cash and investments	R20 705 804
Balance - surplus (shortfall)	-R15 473 568

Asset management

Asset register summary (WDV)	R1 176 499 095.80
Depreciation & asset impairment	R610 965 239
Renewal of Existing Assets	R0
Repairs and Maintenance	R0

Free services

Cost of Free Basic Services provided
 Revenue cost of free services provided

R3 296 158
 R0

Households below minimum service level

Water:
 Sanitation/sewerage:
 Energy:
 Refuse:

R0
 R0
 R0
 R0

Choose name from list - Supporting Table SB13 Adjustments Budget - monthly revenue and expenditure (functional classification) -

Description - Standard classification	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget						
R thousands																
Revenue - Functional																
Governance and administration		8 902	8 831	8 077	8 035	8 065	8 098	7 938	7 834	7 834	7 834	7 834	6 112	95 393	97 904	101 275
Executive and council		82	82	82	82	82	82	82	82	82	82	82	82	978	--	0
Finance and administration		8 821	8 749	7 996	7 953	7 983	8 016	7 856	7 752	7 752	7 752	7 752	6 030	94 415	97 904	101 275
Internal audit		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Community and public safety		126	126	126	126	126	126	126	126	126	126	126	126	1 513	1 583	1 657
Community and social services		126	126	126	126	126	126	126	126	126	126	126	126	1 513	1 583	1 657
Sport and recreation		--	--	--	--	--	--	--	--	--	--	--	--	--	--	0
Public safety		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Housing		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Health		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Economic and environmental services		1 703	1 701	1 699	1 709	1 725	1 680	1 680	1 707	1 707	1 707	1 707	1 707	20 431	21 373	22 673
Planning and development		0	0	1	1	2	0	0	1	1	1	1	1	8	--	0
Road transport		1 703	1 700	1 698	1 708	1 723	1 680	1 679	1 706	1 706	1 706	1 706	1 706	20 422	21 373	22 673
Environmental protection		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Trading services		4 702	5 462	5 441	5 194	4 835	9 618	11 970	7 711	7 711	7 711	7 711	(78 064)	--	--	--
Energy sources		2 088	2 227	2 190	2 187	2 180	2 178	2 163	2 178	2 178	2 178	2 178	(23 925)	--	--	--
Water management		1 036	1 616	1 633	1 389	1 036	5 821	8 189	3 558	3 558	3 558	3 558	(34 952)	--	--	--
Waste water management		1 158	1 158	1 158	1 158	1 158	1 158	1 158	1 158	1 158	1 158	1 158	(12 739)	--	--	--
Waste management		420	460	460	460	460	460	460	817	817	817	817	(6 448)	--	--	--
Other		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Total Revenue - Functional		15 434	16 119	15 343	15 063	14 750	19 522	21 713	17 378	17 378	17 378	17 378	(70 119)	117 336	120 860	125 605
Expenditure - Functional																
Governance and administration		6 959	7 488	7 248	6 557	6 031	5 815	5 340	6 479	6 479	6 479	6 479	6 477	77 831	77 128	81 991
Executive and council		864	1 021	1 586	905	1 004	859	864	1 402	1 402	1 402	1 402	1 400	14 110	16 810	17 650
Finance and administration		6 095	6 467	5 662	5 652	5 027	4 957	4 476	5 077	5 077	5 077	5 077	5 077	63 721	60 319	64 341
Internal audit		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Community and public safety		553	553	553	553	553	553	553	553	553	553	553	553	6 634	7 106	7 532
Community and social services		553	553	553	553	553	553	553	553	553	553	553	553	6 634	7 106	7 532
Sport and recreation		--	--	--	--	--	--	--	--	--	--	--	--	--	--	0
Public safety		--	--	--	--	--	--	--	--	--	--	--	--	--	--	0
Housing		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Health		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Economic and environmental services		1 855	2 132	1 913	1 867	1 860	1 940	1 875	2 043	2 043	2 043	2 043	2 041	23 656	24 867	26 469
Planning and development		352	628	400	357	352	400	372	530	530	530	530	528	5 510	5 353	5 736
Road transport		1 504	1 504	1 513	1 510	1 508	1 541	1 504	1 513	1 513	1 513	1 513	1 513	18 146	19 514	20 733
Environmental protection		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Trading services		4 715	4 791	4 710	4 823	4 824	4 754	4 691	4 924	4 924	4 924	4 924	4 923	57 926	60 498	63 922
Energy sources		2 258	2 257	2 264	2 264	2 267	2 257	2 254	2 269	2 269	2 269	2 269	2 268	27 166	28 888	30 618
Water management		697	680	669	782	794	697	676	864	864	864	864	864	9 316	8 874	9 206
Waste water management		1 237	1 255	1 238	1 252	1 240	1 244	1 237	1 244	1 244	1 244	1 244	1 244	14 923	15 812	16 758
Waste management		523	600	539	525	523	556	524	546	546	546	546	546	6 521	6 923	7 339
Other		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Total Expenditure - Functional		14 082	14 964	14 423	13 800	13 268	13 063	12 459	13 999	13 998	13 998	13 998	13 993	166 047	169 599	179 914
Surplus/ (Deficit) 1.		1 351	1 155	919	1 263	1 483	6 459	9 254	3 379	3 379	3 379	3 379	(84 113)	(48 710)	(48 739)	(54 310)

5.1.2

5.2 GRANTS

Grant Performance			R'
Description	2023/2024	2023/24 Variance	

	Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
-					
Operating Transfers and Grants					
National Government:	R28 347 000	R5 338 000	R74 943 227	-R46 596 227	
Equitable share			R49 595 228		
Municipal Systems Improvement					
Department of Water Affairs					
Levy replacement					
Financial Management Grant/EPWP/MIG	R28 347 000	R5 338 000	R25 347 999		
Provincial Government:	R1 460 000	R1 460 000	R1 404 041		
Health subsidy					
Housing					
Ambulance subsidy					
Sports and Recreation	R1 460 000	R1 460 000	R1 404 041	R55 959	
Financial Management Grant/EPWP/MIG					
District Municipality:	R0	R0	R0		
<i>[insert description]</i>					
Other grant providers:	R12 450 000	R12 450 000	R11 218 417	R1 231 583	
NC Provincial Treasury	R3 000 000	R3 000 000	R2 999 999	R1	
	R9 450 000	R9 450 000	R8 218 418	R1 231 582	
Total Operating Transfers and Grants	R42 257 000	R19 248 000	R87 565 685	-R45 308 685	
<i>Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.</i>					T5.2.1

COMMENT ON CONDITIONAL GRANTS AND GRANT RECEIVED FROM OTHER SOURCES:

T5.2.4

5.3 ASSET MANAGEMENT

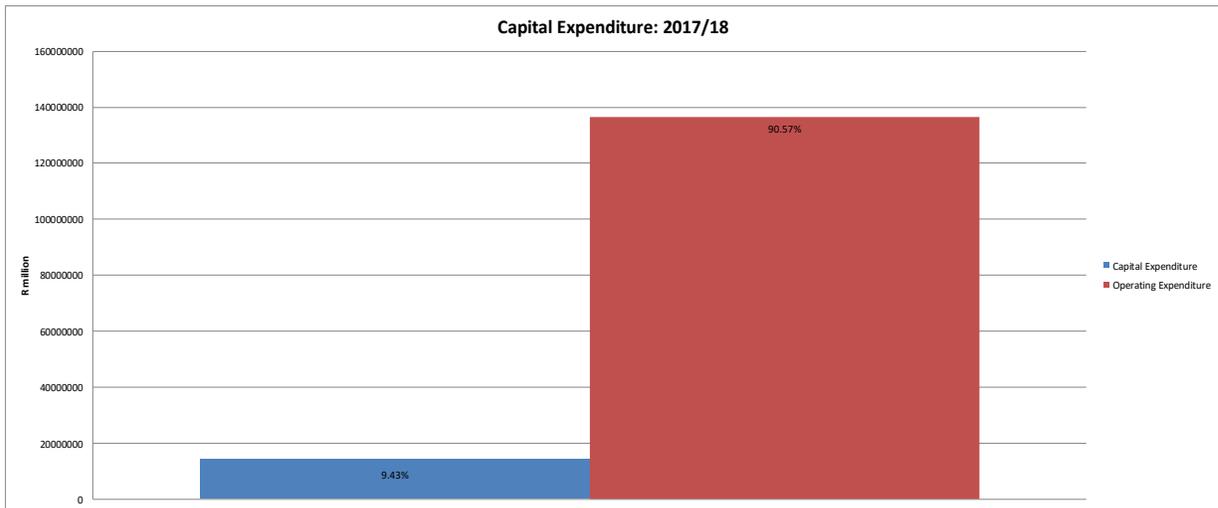
Repair and Maintenance Expenditure: 2023/24				R' 000
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	700 000.00	941 560.00	1 308 429.99	-86.92%
				T5.3.4

INTRODUCTION TO ASSET MANAGEMENT

5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

5.5 CAPITAL EXPENDITURE



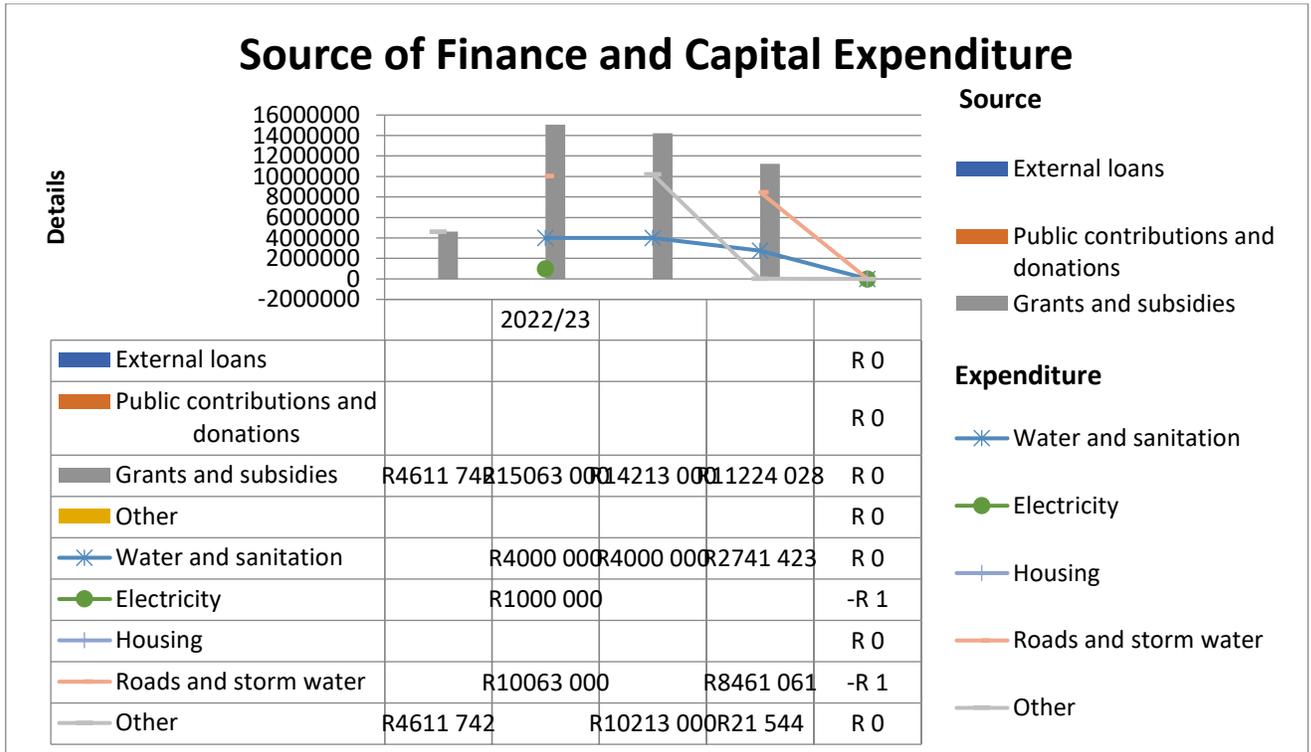
	Original Budget	Adjustment Budget	Un-audited Full Year Total	Original Budget variance	Adjusted Budget Variance
Capital Expenditure	R15 063 000	R14 213 000	R11 266 640	25.2%	20.7%
	R15 063 000	R14 213 000	R11 266 640	25.2%	20.7%
Operating Expenditure	R110 138 533	R136 453 453	R137 815 802	-25.1%	-1.0%
	R110 138 533	R136 453 453	R137 815 802	-25.1%	-1.0%
Total expenditure	R125 201 533	R150 666 453	R149 082 442	-19.1%	1.1%
Water and sanitation	R9 641 478	R70 150 653	R69 897 654	-625.0%	0.4%
Electricity	R47 304 900	R47 654 890	R47 648 794	-0.7%	0.0%
Housing	R4 500 000	R4 654 690	R4 655 980	-3.5%	0.0%
Roads, Pavements, Bridges and storm water	R16 111 111	R14 436 798	R13 645 789	15.3%	5.5%
Other	R5 800 000	R5 567 453	R5 567 689	4.0%	0.0%
	R138 358 621	R134 809 794	R132 759 926	4.0%	1.5%
External Loans	R30 000 000	R31 000 000	R31 000 000	-3.3%	0.0%
Internal contributions	R42 245 670	R33 829 251	R33 839 245	19.9%	0.0%
Grants and subsidies	R66 112 951	R75 980 543	R75 983 528	-14.9%	0.0%
Other	RO	RO			
	R138 358 621	R140 809 794	R140 822 773	-1.8%	0.0%
External Loans	R35 000 000	R35 000 000	R35 000 000	0.0%	0.0%
Grants and subsidies	R162 000 000	R162 000 000	R162 000 000	0.0%	0.0%
Investments Redeemed	R30 000 000	R48 000 000	R47 976 543	-59.9%	0.0%
Statutory Receipts (including VAT)	R85 000 000	R87 342 563	R88 445 130	-4.1%	-1.3%
Other Receipts	R870 000 000	R856 463 267	R858 345 120	1.3%	-0.2%
	R1 182 000 000	R1 188 805 830	R1 191 766 793	-0.8%	-0.2%
Salaries, wages and allowances	R313 400 000	R310 818 524	R310 800 432	0.8%	0.0%
Cash and creditor payments	R550 047 659	R527 229 005	R531 564 879	3.4%	-0.8%
Capital payments	R102 349 567	R142 325 967	R141 342 678	-38.1%	0.7%
Investments made	RO	R54 261 000	R43 000 000		20.8%
External loans repaid	R56 000 000	R64 299 073	R64 200 456	-14.6%	0.2%
Statutory Payments (including VAT)	R93 146 796	R91 656 000	R91 546 298	1.7%	0.1%
Other payments	RO	R7 871 004	R793 465		89.9%
	R1 114 944 022	R1 198 460 573	R1 183 248 208	-6.1%	1.3%
	Original Budget	Adjustment Budget	Un-audited Full Year Total	Original Budget variance	Adjusted Budget Variance
Property rates	R163 789 453	R164 116 782	R164 239 578	-0.3%	-0.1%
Service charges	R603 836 900	R604 452 756	R604 453 785	-0.1%	0.0%
Other own revenue	R214 342 679	R215 327 659	R215 432 173	-0.5%	0.0%
	R981 969 032	R983 897 197	R984 125 536	-0.2%	0.0%
Employee related costs	R302 500 000	R300 390 487	R300 567 342	0.6%	-0.1%
Provision for working capital	RO	RO	RO		
Repairs and maintenance	R51 289 054	R52 451 275	R52 485 347	-2.3%	-0.1%
Bulk purchases	R290 608 422	R293 268 753	R293 199 456	-0.9%	0.0%
Other expenditure	R337 571 556	R339 658 943	R340 342 653	-0.8%	-0.2%
	R981 969 032	R985 769 458	R986 594 798	-0.5%	-0.1%
Service charges: Electricity	R314 325 689	R322 453 738	R323 563 549	-2.9%	-0.3%
Grants & subsidies: Electricity	R7 088 489	R11 134 267	R12 453 965	-75.7%	-11.9%
Other revenue: Electricity	R21 846 491	R22 347 891	R22 398 055	-2.5%	-0.2%
	R343 260 669	R355 935 896	R358 415 569	-4.4%	-0.7%
Employee related costs: Electricity	R13 256 748	R12 956 409	R12 765 432	3.7%	1.5%
Provision for working capital: Electricity	RO	RO	RO		
Repairs and maintenance: Electricity	R16 543 298	R19 423 438	R19 352 310	-17.0%	0.4%
Bulk purchases: Electricity	R178 976 501	R184 317 863	R184 298 704	-3.0%	0.0%
Other expenditure: Electricity	R33 546 809	R49 542 968	R50 875 324	-51.7%	-2.7%
	R242 323 356	R266 240 678	R267 291 770	-10.3%	-0.4%
Service charges: Water	R137 689 643	R139 085 643	R140 347 210	-1.9%	-0.9%
Grants & subsidies: Water	R27 453 255	R25 500 250	R25 500 250	7.1%	0.0%
Other revenue: Water	R11 567 489	R13 875 632	R13 995 321	-21.0%	-0.9%
	R176 710 387	R178 461 525	R179 842 781	-1.8%	-0.8%
Employee related costs: Water	R13 452 549	R14 012 349	R13 998 372	-4.1%	0.1%
Provision for working capital: Water	RO	RO	RO		
Repairs and maintenance: Water	R8 546 289	R9 357 128	R9 421 863	-10.2%	-0.7%
Bulk purchases: Water	R85 765 454	R88 356 120	R88 547 219	-3.2%	-0.2%
Other expenditure: Water	R48 634 526	R44 746 511	R44 653 219	8.2%	0.2%
	R156 398 818	R156 472 108	R156 620 673	-0.1%	-0.1%

Txxx

5.6 SOURCES OF FINANCE

Capital Expenditure - Funding Sources 2023/24						
R'						
Details		2023/24				
			Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
Source of finance						
	External loans				#DIV/0!	#DIV/0!
	Public contributions and donations				#DIV/0!	#DIV/0!
	Grants and subsidies	R90 392 000	R88 853 000	R87 625 685	R0	R0
	Other				#DIV/0!	#DIV/0!
Total		R90 392 000	R88 853 000	R87 625 685	#DIV/0!	#DIV/0!
<i>Percentage of finance</i>						
	External loans	R0	R0	R0	#DIV/0!	#DIV/0!
	Public contributions and donations	R0	R0	R0	#DIV/0!	#DIV/0!
	Grants and subsidies	R1	R1	R1	#DIV/0!	#DIV/0!
	Other	R0	R0	R0	#DIV/0!	#DIV/0!
Capital expenditure						
	Water and sanitation	R32 689 000	R31 150 000	R8 278 418	R0	-R1
	Electricity	R4 530 000	R4 530 000		R0	-R1
	Housing				#DIV/0!	#DIV/0!
	Roads and storm water				#DIV/0!	#DIV/0!
	Other			R54 830 614	#DIV/0!	#DIV/0!
Total		R37 219 000	R35 680 000	R63 109 032	#DIV/0!	#DIV/0!
<i>Percentage of expenditure</i>						
	Water and sanitation	R1	R1	R0	#DIV/0!	#DIV/0!
	Electricity	R0	R0	R0	#DIV/0!	#DIV/0!

Housing	R0	R0	R0	#DIV/0!	#DIV/0!
Roads and storm water	R0	R0	R0	#DIV/0!	#DIV/0!
Other	R0	R0	R1	#DIV/0!	#DIV/0!



5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

Capital Expenditure of 5 largest projects*			R' 000
Name of Project	Current Year: Year 1	Variance Current Year: Year 1	

	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
MIG- Victoria West Upgrading of Groundwater Supply	10 735	15 735	12 686	-18%	- 47%
WSIG- Merriman Source Development & Upgrading of Bulk Water Distribution Pipelines	9 000	9 000	9 000	0%	0%
EEDSM- Replacement of street- and highmast lights in Victoria West, Richmond and Loxton	4 500	4 500	4 499	0%	0%
INEP- Ubuntu LM- 22 kV Intake Substation in Victoria West				#DIV /0!	#DIV /0!
E -				#DIV /0!	#DIV /0!
<i>* Projects with the highest capital expenditure in Year 1</i>					

Name of Project - MIG - Victoria West : Upgrading of Groundwater Supply	Water				
Objective of Project	Exploration and Development of groundwater sources for Victoria West				
Delays	Late appointment of contractor due to hydro-census report being concluded.				
Future Challenges	Low yielding boreholes that were discovered through the exploration process.				
Anticipated citizen benefits	9906				

Name of Project - WSIG -Upgrading of Bulk Water Distribution Pipelines in Victoria West	Water				
Objective of Project	Construction of bulk distribution pipelines to connect Koshuis reservoir with Mandela Square reservoir to supply water to areas that are affected by the water shortage.				
Delays	None				
Future Challenges	None				

Anticipated citizen benefits	9906
------------------------------	------

Name of Project - WSIG -Merriman : Upgrading of water treatment building and storage facility	Water
Objective of Project	The upgrading of the water treatment building and the storage facility
Delays	Slow performance from the contractor.
Future Challenges	None
Anticipated citizen benefits	120

Name of Project - EEDSM - Replacement of street-and high mast lights with LED lights in Victoria West, Richmond and Loxton	Electricity
Objective of Project	Replacement of streetlights and high mast lights with LED lights
Delays	None
Future Challenges	None
Anticipated citizen benefits	17315

Name of Project - INEP - Ubuntu LM - 22kV Intake Sub-station in Victoria West	Electricity
Objective of Project	Construction of a 22 kV Intake Substation in Victoria West
Delays	Slow performance from the contractor.
Future Challenges	None
Anticipated citizen benefits	9906
	T5.7 .1

5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

Municipal Infrastructure Grant (MIG)* Expenditure 2023/24 on Service backlogs

R' 000						
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustments Budget	
Infrastructure - Road transport				%	%	
<i>Roads, Pavements & Bridges</i>				%	%	
<i>Storm water</i>				%	%	
Infrastructure - Electricity				%	%	
<i>Generation</i>				%	%	
<i>Transmission & Reticulation</i>				%	%	
<i>Street Lighting</i>				%	%	
Infrastructure - Water				%	%	
<i>Dams & Reservoirs</i>				%	%	
<i>Water purification</i>				%	%	
<i>Reticulation</i>				%	%	
Infrastructure - Sanitation				%	%	
<i>Reticulation</i>				%	%	
<i>Sewerage purification</i>				%	%	
Infrastructure - Other				%	%	
<i>Waste Management</i>				%	%	
<i>Transportation</i>				%	%	
<i>Gas</i>				%	%	
Other Specify:				%	%	
				%	%	
				%	%	
				%	%	
Total				%	%	

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

T5.8.3

INTRODUCTION TO BASIC SERVICE AND INFRASTRUCTURE BACKLOGS

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

5.9 CASH FLOW

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		-	-	-	16 379	16 379	16 379	16 379	17 069	18 093	19 178
Service charges		-	-	-	34 376	34 376	34 376	34 376	34 853	32 229	34 162
Other revenue		-	-	-	20 340	20 340	20 340	20 340	21 048	22 311	23 649
Transfers and Subsidies - Operational	1	-	-	-	51 490	51 490	51 490	51 490	54 933	57 497	58 425
Transfers and Subsidies - Capital	1	-	-	-	29 735	34 735	34 735	34 735	70 918	67 276	68 033
Interest		-	-	-	255	255	255	255	408	432	458
Dividends		-	-	-	-	-	-	-	-	-	-
Payments											
Suppliers and employees		-	(71)	91 671	(114 809)	(114 809)	(114 809)	(114 809)	(117 308)	(124 325)	(131 874)
Interest		-	-	-	-	-	-	-	(611)	(647)	(686)
Transfers and Subsidies	1	-	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	(71)	91 671	37 766	42 766	42 766	42 766	81 310	72 864	71 346
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
Payments											
Capital assets		-	-	-	-	-	-	-	(35 459)	(29 689)	(28 191)
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	-	-	-	-	-	-	(35 459)	(29 689)	(28 191)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-
Payments											
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		-	(71)	91 671	37 766	42 766	42 766	42 766	45 851	43 175	43 155
Cash/cash equivalents at the year begin:	2	-	-	-	-	-	-	-	24 671	70 522	113 697
Cash/cash equivalents at the year end:	2	-	(71)	91 671	37 766	42 766	42 766	42 766	70 522	113 697	156 852

5.10 BORROWING AND INVESTMENTS

INTRODUCTION TO BORROWING AND INVESTMENT

T5.10.1

Actual Borrowings 2022/23 to 2023/24

R' 000

Instrument			2023/2024
<u>Municipality</u>			

Long-Term Loans (annuity/reducing balance)			0
Long-Term Loans (non-annuity)			
Local registered stock			
Instalment Credit			
Financial Leases			
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
Municipality Total			

T5.10.3

			R' 000
Investment* type			2023/24
	Actual	Actual	Actual
Municipality			
Securities - National Government			
Listed Corporate Bonds			
Deposits - Bank			-
Deposits - Public Investment Commissioners			
Deposits - Corporation for Public Deposits			
Bankers Acceptance Certificates			
Negotiable Certificates of Deposit - Banks			
Guaranteed Endowment Policies (sinking)			
Repurchase Agreements - Banks			
Municipal Bonds			
Other	425 000.00	1 542 823.00	2 009 139.00
Municipality sub-total	425 000.00	1 542 823.00	2 009 139.00
Municipal Entities			
Securities - National Government			
Listed Corporate Bonds			
Deposits - Bank			

Deposits - Public Investment Commissioners			
Deposits - Corporation for Public Deposits			
Bankers Acceptance Certificates			
Negotiable Certificates of Deposit - Banks			
Guaranteed Endowment Policies (sinking)			
Repurchase Agreements - Banks			
Other			
Entities sub-total	-	-	-
Consolidated total:	425 000.00	1 542 823.00	2 009 139.00
			T5.10.4

COMMENT ON BORROWING AND INVESTMENTS:

T5.10.5

5.11 PUBLIC PRIVATE PARTNERSHIPS

PUBLIC PRIVATE PARTNERSHIPS

T5.11.1

COMPONENT D: OTHER FINANCIAL MATTERS

5.12 SUPPLY CHAIN MANAGEMENT

T5.12.1

5.13 GRAP COMPLIANCE

T5.13.1

CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

INTRODUCTION

T6.0.1

COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS 206/17

6.1 AUDITOR GENERAL REPORTS 2021/22 (PREVIOUS YEAR)

Auditor-General Report on Financial Performance 2023/24	
Audit Report Status*:	Qualified Opinion
Non-Compliance Issues	Remedial Action Taken
<i>Note: *The report status is supplied by the Auditor General and ranges from unqualified (at best); to unqualified with other matters specified; qualified; adverse; and disclaimed (at worse)</i>	
T6.1.1	

COMPONENT B: AUDITOR-GENERAL OPINION 2017/18 (CURRENT YEAR)

6.2 AUDITOR GENERAL REPORT 2021/22

Auditor-General Report on Service Delivery Performance: 2023/24	
Audit Report Status:	Qualified audit opinion
Non-Compliance Issues	Remedial Action Taken

REPORT OF THE AUDITOR-GENERAL TO THE NORTHERN CAPE PROVINCIAL LEGISLATURE AND THE COUNCIL ON UBUNTU LOCAL MUNICIPALITY

Report on the audit of the financial statements

Qualified opinion

1. I have audited the financial statements of the Ubuntu Local Municipality set out on pages xx to xx, which comprise the statement of financial position as at 30 June 2024, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget information with actual information for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, except for the effects and possible effects of the matters described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of the Ubuntu Local Municipality as at 30 June 2024, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practise (Standards of GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 5 of 2023 (Dora).Basis for qualified opinion

STATUTORY RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS

3. During 2023, I was unable to obtain sufficient appropriate audit evidence regarding VAT receivable included in statutory receivables from non-exchange transactions, as the underlying records were not accurate and complete. I was unable to confirm VAT receivable from nonexchange transactions by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to VAT receivable from non-exchange stated and R10 906 958 in note 5 to the financial statements. My opinion on the current year financial statements was also modified because of the possible effect of this matter on the comparability of the VAT receivable from non-exchange transactions for the current period

IRREGULAR EXPENDITURE

4. I was unable to obtain sufficient appropriate audit evidence for irregular expenditure as the underlying records were not accurate and complete. I could not confirm the amounts by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to irregular expenditure stated at R97 897 249 (2023: R93 307 155) in note 45 to the financial statements. In addition, the municipality did not include all irregular expenditure in the

notes to the financial statements, as required by section 125(2)(d)(i) of the MFMA. The municipality incurred expenditure in contravention of the supply chain management (SCM) requirements which were not disclosed, resulting in irregular expenditure being understated in both the current and previous year. I was unable to determine the full extent of this irregular expenditure as it was impractical to so..

FRUITLESS AND WASTEFUL EXPENDITURE

5. I was unable to obtain sufficient appropriate audit evidence for fruitless and wasteful expenditure as the underlying records were not accurate and complete. I could not confirm the amounts by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to fruitless and wasteful expenditure stated at R41 168 852 (2023: R39 889 321) in note 44 to the financial statements.

UNAUTHORISED EXPENDITURE

6. 6. I was unable to obtain sufficient appropriate audit evidence for unauthorised expenditure as the underlying records were not accurate and complete. I could not confirm the amounts by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to unauthorised expenditure stated at R515 523 718 (2023: R483 398 698), in note 43 to the financial statements.

CONTEXT OF OPINION

7. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.

8. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

9. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Material uncertainty relating to going concern

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

11. I draw attention to note 47 to the financial statements, which indicates that the municipality's average debtors' days outstanding increased, and the municipality's current liabilities exceeded

its current assets by R23 619 088. As stated in note 47, these events or conditions, along with other matters as set forth in note 47, indicate that a material uncertainty exists that may cast significant doubt on the municipality's ability to continue as a going concern.

Emphasis of matter

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

MATERIAL LOSSES - ELECTRICITY

13. As disclosed in note 48 to the financial statements, material electricity distribution losses to the amount of R5 196 017 (2023: R7 592 525) were incurred which represents 22.23% (2023: 33.29%) of total bulk electricity purchased.

RESTATEMENT OF CORRESPONDING FIGURES

8. 14. As disclosed in note 50 to the financial statements, the corresponding figures for 30 June 2023 have been restated as a result of errors in the financial statements of the municipality, and for the year ended, 30 June 2024.

Other matter

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

UNAUDITED DISCLOSURE NOTES

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

Responsibilities of the accounting officer for the financial statements

17. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the Standards of GRAP and the requirements of the MFMA and the DORA; and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

18. In preparing the financial statements, the accounting officer is responsible for assessing the

municipality's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

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

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

20. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page xx, forms part of our auditor's report.

REPORT ON THE ANNUAL PERFORMANCE REPORT

21. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected material performance indicators presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.

22. I selected the following material performance indicators related to provision of sustainable

- basic services presented in the annual performance report for the year ended 30 June 2024. I selected those indicators that measure the municipality's performance on its primary mandated functions and that are of significant national, community or public interest.
- 90% of water maintenance budget spent
- % Maintenance of wastewater budget spent
- % Maintenance of wastewater budget spent
- % Maintenance of electricity budget spent
- Supply of free basic services to indigent households
- Number of residential properties billed for refuse removal at 30 June 2024

- Number of residential properties billed for sewerage at 30 June 2024
- Number of residential properties billed for electricity at 30 June 2024
- Number of residential properties billed for electricity at 30 June 2024
- Number of residential properties billed for water at 30 June 2024

23. I evaluated the reported performance information for the selected material performance indicators 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.

24. 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

☐ all the indicators relevant for measuring the municipality's performance against its primary mandated and prioritised functions and planned objectives are included

☐ 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

☐ Additional MFMA disclosure

☐ 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 presented in the annual performance report in the prescribed manner

☐ there is adequate supporting evidence for the achievements reported and for measures taken to improve performance.

25. I performed the procedures to report material findings only; and not to express an assurance opinion or conclusion.

26. The material findings on the reported performance information for the selected material indicators are as follows:

27. The reported achievements in the annual performance report were inconsistent with the commitments made in the approved planning documents. These discrepancies highlight misalignment between approved plans and operations, while the incorrect reporting undermines transparency and accountability.

Indicator	Target	Reported achievement
90% of water maintenance budget spent	90% of water maintenance budget spent.	Achieved
% Maintenance of wastewater budget spent	90% of stormwater budget spent	Achieved
% Maintenance of wastewater budget spent	90% of water waste budget spent	Achieved
% Maintenance of electricity budget spent	90% of electricity maintenance budget spent	Achieved
Supply of free basic services to indigent households	1159 household	Partially achieved
Number of residential properties billed for refuse removal at 30 June 2024	2890 households billed	Achieved
Number of residential properties billed for sewerage at 30 June 2024	2538 residential properties billed	Achieved
Number of residential properties billed for electricity at 30 June 2024	147 properties billed at June 2024	Achieved
Number of residential properties billed for electricity at 30 June 2024	147 properties billed at June 2024	Achieved
Number of residential properties billed for water at 30 June 2024	3022 residential properties billed.	Achieved

Other matters

28. I draw attention to the matter below.

ACHIEVEMENT OF PLANNED TARGETS

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

30. The table that follows provides information on the achievement of planned targets and lists the key service delivery indicators that were not achieved as reported in the annual performance report on pages [xx to xx]. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

PROVISION OF SUSTAINABLE BASIC SERVICES

<i>Targets achieved: 90%</i> <i>Budget spent: 81%</i>		
Key service delivery indicator not achieved	Planned target	Reported achievement
Supply of free basic services to indigent households (TL 32)	1159 household	Partially Achieved

MATERIAL MISSTATEMENTS

31. I identified material misstatements in the annual performance report submitted for auditing.

These material misstatements were in the reported performance information for provision of sustainable basic services. Management did not correct the misstatements, and I reported material findings in this regard.

Report on compliance with legislation

32. 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.

33. 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.

34. Through an established AGSA process, I selected requirements in key legislation for 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.

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

ANNUAL FINANCIAL STATEMENTS, PERFORMANCE REPORTS AND ANNUAL REPORTS,

36. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of non-current assets current assets, liabilities, revenue, expenditure, disclosure items identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records were provided subsequently, but the uncorrected material misstatements and supporting records that could not be provided resulted in the financial statements receiving a qualified audit opinion.

37. The annual financial statements were not submitted to the Auditor-General for auditing, within two months after the end of the financial year, as required by section 126(1)(a) of the MFMA.

38. The annual financial statements were not submitted to the Auditor-General within two months after the end of the financial year and council did not investigate the reasons for the failure to submit annual financial statements as required by section 133(1)(c) of the MFMA.

39. The 2022/23 annual report was not made public after being tabled in the council, as required by section 127(5)(a)(i) of the MFMA.

40. The local community was not invited to submit representations in connection with the 2022/23 annual report, as required by section 127(5)(a)(ii) of the MFMA.

41. The council failed to adopt an oversight report containing the council's comments on the 2022/23 annual report, as required by section 129(1) of the MFMA.

PROCUREMENT AND CONTRACT MANAGEMENT

42. Goods and services within the prescribed transaction values for formal written price quotations were procured without obtaining the required price quotations, in contravention of by SCM Regulation 17(1)(a) and (c). Similar non-compliance was also reported in the prior year.

43. Written quotations were accepted from prospective providers who were not on the list of accredited prospective providers and did not meet the listing requirements prescribed by the SCM policy, in contravention of SCM Regulations 17(1)(a) and 17(1)(b). Similar noncompliance was also reported in the prior year.

44. Quotations were accepted from bidders who did not submit a declaration on whether they are employed by the state or connected to any person employed by the state, as required by SCM

Regulation 13(c). Similar non-compliance was also reported in the prior year.

45. Sufficient appropriate audit evidence could not be obtained that goods and services within the prescribed transaction value for competitive bids were procured by inviting competitive bids, as required by SCM Regulations 19(a). This non-compliance was identified in the procurement processes for the Phase 2 Groundwater Supply.

46. Sufficient appropriate audit evidence could not be obtained that the preference point system was applied in all procurement of goods and services as required by section 2(1)(a) of the Preferential Procurement Policy Framework Act. Similar non-compliance was also reported in the prior year.

47. Sufficient appropriate audit evidence could not be obtained that contracts and quotations were awarded to bidders that scored the highest points in the evaluation process as required by section 2(1)(f) of Preferential Procurement Policy Framework Act and 2017 Preferential Procurement Regulations 11 and 2022 Preferential Procurement Regulation 4(4) and 5(4).

Similar non-compliance was also reported in the prior year.

48. Sufficient appropriate audit evidence could not be obtained that contracts and quotations were awarded to suppliers based on preference points that were allocated and calculated in accordance with the requirements of section 2(1)(a) Preferential Procurement Policy Framework Act and its regulations.

49. Sufficient appropriate audit evidence could not be obtained that contracts and quotations were awarded to bidders that scored the highest points in the evaluation process as required by section 2(1)(f) of Preferential Procurement Policy Framework Act and 2017 Preferential Procurement Regulations 11 and 2022 Preferential Procurement Regulation 4(4) and 5(4).

50. Sufficient appropriate audit evidence could not be obtained that contracts and quotations were awarded to bidders based on points given for legislative requirement that were stipulated in the original invitation for bidding [and quotations], as required by the 2017 Preferential Procurement Regulation 5(1) & 5(3).

51. Sufficient appropriate audit evidence could not be obtained that tenders which failed to achieve the minimum qualifying score for functionality were disqualified as unacceptable tender in accordance with 2017 Preferential Procurement Regulation 5(6).

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

53. Construction contracts were awarded to contractors that were not registered with the CIDB in accordance with section 18(1) of the CIDB Act and CIDB Regulations 17 and 25(7A).

54. Some of the contracts were extended or modified without the approval of a properly delegated official, in contravention of SCM Regulation 5.

55. The performance of contractors or providers was not monitored on a monthly basis, as required by section 116(2)(b) of the MFMA.

56. The contract performance and monitoring measures were not in place to ensure effective contract management, as required by section 116(2)(c)(ii) of the MFMA.

Expenditure management

57. Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA.

58. Reasonable steps were not taken to prevent irregular expenditure, as required by section 62(1)(d) of the MFMA. The full extent of the irregular expenditure could not be quantified as indicated in the basis for qualification paragraph. The majority of the disclosed irregular expenditure was caused by non-compliance with SCM requirements.

59. Reasonable steps were not taken to prevent fruitless and wasteful expenditure, as required by section 62(1)(d) of the MFMA. The full extent of the fruitless and wasteful expenditure could not be quantified as indicated in the basis for qualification paragraph. The majority of the disclosed fruitless and wasteful expenditure was caused by interest on payables by the municipality.

60. Reasonable steps were not taken to prevent unauthorised expenditure, as required by section 62(1)(d) of the MFMA. The full extent of the unauthorised expenditure could not be quantified as indicated in the basis for qualification paragraph. The majority of the disclosed unauthorised expenditure was caused by overspending on the municipality's approved budget.

ASSET MANAGEMENT

61. Capital assets were transferred that were needed to provide the minimum level of basic municipal services, in contravention of section 14(1) of the MFMA.

62. Capital assets were transferred without the municipal council having, in a meeting open to the public, decided on whether the assets were still needed to provide the minimum level of basic municipal services and considered the fair market value of the assets and the economic and community value to be received in exchange for the assets as required by section(s) 14(2)(a) of the MFMA.

UTILISATION OF CONDITIONAL GRANTS

63. I was unable to obtain sufficient appropriate audit evidence that the Municipal Infrastructure Grant was spent for its intended purposes in accordance with the grant Schedule concerned and the applicable grant framework, as required by section 16(1) of the Division of Revenue Act (Act 5 of 2023).

64. Performance in respect of programmes funded by Municipal Infrastructure Grant (MIG), Water services Infrastructure Grant (WSIG), Integrated National Electrification Program Grant, Local Government Financial Management Grant, Transformation and development of Library Grant and Expanded public works programme intergraded grant & Energy Efficiency were not evaluated within two

months after the end of the financial year, as required by section 12(5) of the Division of Revenue Act (Act 5 of 2022)..

Consequence Management

65. Unauthorised expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(a) of the MFMA.

66. Irregular expenditure and fruitless and wasteful expenditure incurred by the municipality were not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.

STRATEGIC PLANNING AND PERFORMANCE MANAGEMENT

67. The SDBIP for the year under review was not approved by the mayor, as required by section 53(1)(c)(ii) of the MFMA

68. The SDBIP for the year under review did not include monthly revenue projections by source of collection and the monthly operational and capital expenditure by vote and the service delivery targets and performance indicators for each quarter as required by section 1 of the MFMA.

69. Performance targets were not set for each of the KPIs for the financial year, as required by section 41(1)(b) of the MSA and municipal planning and performance management regulation 12(1).

70. A performance management system was not adopted, as required by municipal planning and performance management regulation 8.

71. The performance management system and related controls were inadequate as it did not describe how the performance planning, monitoring, measurement, review, reporting and improvement processes should be managed, as required by municipal planning and performance management regulation 7(1).

HUMAN RESOURCE MANAGEMENT

72. Appropriate systems and procedures to monitor, measure and evaluate performance of staff were not developed and adopted, as required by section 67(1)(d) of the MSA.

73. The municipal manager and senior managers did not sign performance agreements within the prescribed period, as required by section 57(2)(a) of the MSA..

Other information in the annual report

74. 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 objectives presented in the annual performance report that have been specifically reported on in this auditor's report.

75. 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.

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

77. 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

78. 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.

79. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion, the material findings on the annual performance

report and the material findings on compliance with legislation included in this report.

80. The leadership did not exercise adequate oversight responsibility regarding financial and compliance as well as related internal controls. The municipality did not have sufficient monitoring controls to ensure the proper implementation of the overall process of planning, budgeting, implementation and reporting. This pertains to the overall performance management systems and processes, annual financial statements and compliance with laws and regulations.

81. The leadership of the municipality did not exercise oversight responsibility to ensure that proper internal control procedures were developed and implemented that will enable the department to produce an accurate and complete report on predetermined objectives reported made to the annual report.

82. The leadership of the municipality did not take adequate responsibility for establishing and communicating policies and procedures to enable and support the understanding and execution of internal control objectives, processes and responsibilities in respect of consequence management.

83. The leadership of the municipality did not adequately develop and monitor the implementation of action plans to address internal control deficiencies. The municipality developed a plan to address internal and external audit findings, but the appropriate level of management did not implement and monitor adherence to the plan in a timely manner. This is due to the audit action plan not being compiled timeously in order to address audit findings. This has resulted in repeat findings being identified in the current year audit.

84. The municipality did not implement sufficient proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting.

85. The municipality did not adequately prepare regular, accurate and complete financial reports that are supported and evidenced by reliable information. The financial statements contained numerous misstatements.

86. The municipality did not review and monitor compliance with applicable legislation.

Furthermore, the municipality does not have adequate processes in place to identify irregular

expenditure.

87. The municipality did not implement appropriate risk management activities to ensure that regular risk assessments, including the consideration of information technology risks and fraud prevention, are conducted and that a risk strategy to address prevention, are conducted and that a risk strategy to address the risks is developed and monitored.

MATERIAL IRREGULARITIES

88. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit.

Material irregularities identified during the audit

89. The material irregularities identified are as follows:

Annual performance report not prepared for the 2022/23 financial year

90. The municipality did not prepare an annual performance report for 2022/23 financial year, in contravention of section 46 of the Municipal Systems Act.

91. The non-compliance caused a likely substantial harm to the operations of the municipality.

92. I notified the accounting officer of the material irregularity on 20 March 2024 and invited the accounting officer to make a written submission on the actions that will be taken to address the matter. Subsequently the municipality was able to prepare an annual report for the 2023/24 financial year. I have completed the process of evaluating the responses from the accounting officer. I considered the representations made and the substantiating documents provided and concluded that appropriate actions have been taken to address the material irregularity.

Other reports

93. In addition to the investigations relating to material irregularities. I draw attention to the

following engagements conducted by various parties. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

94. The Directorate for Priority Crime Investigation (Hawks) are investigating allegations of irregularities relating to supply chain management processes at the municipality. These proceedings were in progress at the date of this report.

Auditor General

Kimberley

05 December 2024



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 objectives and on the municipality's compliance with selected requirements in key legislation.

FINANCIAL STATEMENTS

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the municipality to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a municipality to cease operating as a going concern.

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act 56 of 2003	<p>Section 1 - Paragraph (a), (b) & (d) of the definition: irregular expenditure,</p> <p>Section 1 - Definition: service delivery and budget implementation plan,</p> <p>Sections 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 29(1),</p> <p>Sections 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii), 32(2)(b),</p> <p>Sections 32(6)(a), 32(7), 53(1)(c)(ii), 54(1)(c), 62(1)(d), 62(1)(f)(i),</p> <p>Sections 62(1)(f)(ii), 62(1)(f)(iii), 63(1)(a), 63(2)(a), 63(2)(c), 64(2)(b),</p> <p>Sections 64(2)(c), 64(2)(e), 64(2)(f), 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e),</p> <p>Sections 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1),</p> <p>Sections 122(2), 126(1)(a), 126(1)(b), 127(2), 127(5)(a)(i), 127(5)(a)(ii),</p> <p>Sections 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 170,</p> <p>Sections 171(4)(a), 171(4)(b)</p>
MFMA: Municipal Budget and Reporting Regulations, 2009	Regulations 71(1), 71(2), 72
MFMA: Municipal Investment Regulations, 2005	Regulations 3(1)(a), 3(3), 6, 7, 12(2), 12(3)

<p>MFMA: Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014</p>	<p>Regulations 5(4), 6(8)(a), 6(8)(b), 10(1)</p>
<p>MFMA: Municipal Supply Chain Management Regulations, 2017</p>	<p>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)</p>
<p>Municipal Systems Act 32 of 2000</p>	<p>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) Parent municipality with ME: Sections 93B(a), 93B(b)</p>
<p>Legislation</p>	<p>Sections or regulations</p>

	Parent municipality with shared control of ME: Sections 93C(a)(iv), 93C(a)(v)
MSA: Municipal Planning and performance Management Regulations, 2001	Regulations 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 3(6)(a), 7(1), 8, 9(1)(a), 10(a), Regulations 12(1), 15(1)(a)(i), 15(1)(a)(ii)
MSA: Municipal Performance Regulations for Municipal Managers and Managers directly Accountable to Municipal Managers, 2006	Regulations 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3)
MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations 17(2), 36(1)(a)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations 5(2), 5(3), 5(6), 8(4)
Annual Division of Revenue Act	Section 11(6)(b), 12(5), 16(1); 16(3)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations	Regulations 17, 25(7A)
Municipal Property Rates Act 6 of 2004	Section 3(1)
Preferential Procurement Policy Framework Act 5 of 2000	Sections 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulations 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8), Regulations 7(1), 7(2), 7(3), 7(6), 7(8), 8(2), 8(5) 9(1), 10(1), 10(2), Regulations 11(1), 11(2)
Preferential Procurement Regulations, 2022	Regulations 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)

Prevention and Combating of Corrupt Activities Act
12 of 2004

Section 34(1)

GLOSSARY

Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	Documents used by executive authorities to give “ <i>full and regular</i> ” reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
Activities	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe “ <i>what we do</i> ”.
Adequacy indicators	The quantity of input or output relative to the need or demand.
Annual Report	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
Approved Budget	The annual financial statements of a Municipality as audited by the Auditor General and approved by council or a provincial or national executive.
Baseline	Current level of performance that a Municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
Basic municipal service	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
Budget year	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
Cost indicators	The overall cost or expenditure of producing a specified quantity of outputs.

Distribution indicators	The distribution of capacity to deliver services.
Financial Statements	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
General Key performance indicators	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
Impact	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
Inputs	All the resources that contribute to the production and delivery of outputs. Inputs are "what we use to do the work". They include finances, personnel, equipment and buildings.
Integrated Development Plan (IDP)	Set out municipal goals and development plans.
National Key performance areas	<ul style="list-style-type: none"> • Service delivery & infrastructure • Economic development • Municipal transformation and institutional development • Financial viability and management • Good governance and community participation
Outcomes	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
Outputs	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.

Performance Indicator	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
Performance Information	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
Performance Standards:	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMS performance standards are divided into indicators and the time factor.
Performance Targets:	The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a Municipality aims to achieve within a given time period.
Service Delivery Budget Implementation Plan	Detailed plan approved by the mayor for implementing the Municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
Vote:	One of the main segments into which a budget of a Municipality is divided for appropriation of money for the different departments or functional areas of the Municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area. Section 1 of the MFMA defines a "vote" as: <i>a) one of the main segments into which a budget of a Municipality is divided for the appropriation of money for the different departments or functional areas of the Municipality; and</i> <i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i>

APPENDICES

APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT			%	%
Councillor Cheryl Jantjies	Full Time	Financial Services Committee (Chairperson)	Party Representative	100%	0%
Councilor Luvuyo Yekani	Full Time		Ward Representative	100%	0%
Councilor Martin Zeekoei	Full Time	Technical Services Committee	Ward Representative	99%	1%
Councilor Andre Robertson	Full Time	Financial Services Committee	Ward Representative	100%	0%
Councilor Maria Baadjies	Full Time	Corporate Services Committee	Party Representative	100%	0%
Councilor Mzukisi Maloi	Part Time	MPAC Committee	Ward Representative	100%	0%
Councilor Soutie Kock	Part Time	MPAC Committee	Ward Representative	99%	1%
Councilor Wilna Olyn	Part Time	Corporate Services Committee	Ward Representative	100%	0%
Councilor Hugo Vorster	Part Time	Financial Services Committee	Party Representative	100%	0%
Councilor Johan Tolken	Part Time	MPAC Committee (Chairperson)	Party Representative	99%	1%
<i>Note: * Councillors appointed on a proportional basis do not have wards allocated to them</i>					T A

APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity (Yes / No)
Constitution Schedule 4, Part B functions:		
Air pollution		
Building regulations		
Child care facilities		
Electricity and gas reticulation		
Firefighting services		
Local tourism		
Municipal airports		
Municipal planning		
Municipal health services		
Municipal public transport		
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or		
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters		
Stormwater management systems in built-up areas		
Trading regulations		
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems		

Continued from previous page

Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity (Yes / No)
Constitution Schedule 5, Part B functions:		
Beaches and amusement facilities		
Billboards and the display of advertisements in public places		
Cemeteries, funeral parlours and crematoria		
Cleansing		
Control of public nuisances		
Control of undertakings that sell liquor to the public		
Facilities for the accommodation, care and burial of animals		
Fencing and fences		
Licensing of dogs		
Licensing and control of undertakings that sell food to the public		
Local amenities		
Local sport facilities		
Markets		
Municipal abattoirs		
Municipal parks and recreation		
Municipal roads		
Noise pollution		
Pounds		
Public places		
Refuse removal, refuse dumps and solid waste disposal		
Street trading		
Street lighting		
Traffic and parking		
* If municipality: indicate (yes or No); * If entity: Provide name of entity		T D

APPENDIX E – WARD REPORTING

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 1	Cllr. Collin Robertson	Yes			
Ward 2	Cllr. Luvuyo Yekani	Yes			
Ward 3	Cllr. Soutie Kock	Yes			
Ward 4	Cllr. Wilna Olyna	Yes			
Ward 5	Cllr. Mzukisi Maloi	Yes			
Ward 6	Cllr. Martin Zeekoei	Yes			
					TE

APPENDIX F – WARD INFORMATION

Ward Title: Ward Name (Number)

Capital Projects: Seven Largest in Year 1 (Full List at Appendix X)				R' 000
No.	Project Name and detail	Start Date	End Date	Total Value
				T F.1

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2017/18
		T F.3

ELECTED WARD MEMBERS (STATING NUMBER OF MEETING ATTENDED – MAXIMUM 12 MEETINGS)

Names: xxx (8); xxx (7)...

T F.3

APPENDIX I – MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE

Municipal Entity/Service Provider Performance Schedule									
Name of Entity & Purpose (i)	(a) Service Indicators (b) Service Targets (ii)	Year 0		Year 1			Year 2	Year 4	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
<p>Note: This statement should include no more than the top four priority indicators. * 'Previous Year' refers to the targets that were set in the Year 0 Budget/IDP round; *'Current Year' refers to the targets set in the Year 1 Budget/IDP round. *'Following Year' refers to the targets set in the Year 2 Budget/IDP round. Note that all targets must be fundable within approved budget provision. In column (ii) set out the Service Indicator (In bold italics) then the Service Target underneath (not in bold - standard type face) to denote the difference.</p>									TI

APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

Disclosures of Financial Interests		
Period 1 July to 30 June of Year 1 (Current Year)		
Position	Name	Description of Financial interests* (Nil / Or details)
Mayor	Cheryl Jantjies	Nil
Member of MayCo / Exco	Adre Robertson	Nil
	Maria Baadjies	Nil
Speaker	Luvuyo Yekani	
Councillor	Martin Zeekoei	Nil
	Mzukisi Maloi	Nil
	SoutieKock	Nil
	Wilna Olyn	Nil
	Aubrey Verwey	Nil
	Johan Tolken	Nil
	Hugo Vorster	Nil
Municipal Manager	Levona Itumeleng	
Chief Financial Officer		
Deputy MM and (Executive) Directors		
Other S57 Officials	Nonceba Mkontwana	

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

APPENDIX K: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

APPENDIX K (1): REVENUE COLLECTION PERFORMANCE BY VOTE

Choose name from list - Supporting Table SB13 Adjustments Budget - monthly revenue and expenditure (functional classification) -

Description - Standard classification	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget						
R thousands																
Revenue - Functional																
<i>Governance and administration</i>		8 902	8 831	8 077	8 035	8 065	8 098	7 938	7 834	7 834	7 834	7 834	6 112	95 393	97 904	101 275
Executive and council		82	82	82	82	82	82	82	82	82	82	82	82	978	-	0
Finance and administration		8 821	8 749	7 996	7 953	7 983	8 016	7 856	7 752	7 752	7 752	7 752	6 030	94 415	97 904	101 275
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		126	126	126	126	126	126	126	126	126	126	126	126	1 513	1 583	1 657
Community and social services		126	126	126	126	126	126	126	126	126	126	126	126	1 513	1 583	1 657
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		1 703	1 701	1 699	1 709	1 725	1 680	1 680	1 707	1 707	1 707	1 707	1 707	20 431	21 373	22 673
Planning and development		0	0	1	1	2	0	0	1	1	1	1	1	8	-	0
Road transport		1 703	1 700	1 698	1 708	1 723	1 680	1 679	1 706	1 706	1 706	1 706	1 706	20 422	21 373	22 673
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		4 702	5 462	5 441	5 194	4 835	9 618	11 970	7 711	7 711	7 711	7 711	(78 064)	-	-	-
Energy sources		2 088	2 227	2 190	2 187	2 180	2 178	2 163	2 178	2 178	2 178	2 178	(23 925)	-	-	-
Water management		1 036	1 616	1 633	1 389	1 036	5 821	8 189	3 558	3 558	3 558	3 558	(34 952)	-	-	-
Waste water management		1 158	1 158	1 158	1 158	1 158	1 158	1 158	1 158	1 158	1 158	1 158	(12 739)	-	-	-
Waste management		420	460	460	460	460	460	460	817	817	817	817	(6 448)	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Functional		15 434	16 119	15 343	15 063	14 750	19 522	21 713	17 378	17 378	17 378	17 378	(70 119)	117 336	120 860	125 605

APPENDIX K (II): REVENUE COLLECTION PERFORMANCE BY SOURCE

Choose name from list - Supporting Table SB14 Adjustments Budget - monthly revenue and expenditure -

Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26	
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget							
R thousands																	
Revenue By Source																	
Exchange Revenue																	
Service charges - Electricity		1 979	2 119	2 081	2 078	2 071	2 070	2 054	2 069	2 069	2 069	2 069	2 069	24 796	25 183	26 693	
Service charges - Water		1 036	1 036	1 036	1 036	1 036	1 036	1 036	1 957	1 957	1 957	1 957	1 957	17 040	18 062	19 146	
Service charges - Waste Water Management		371	371	371	371	371	371	371	371	371	371	371	371	4 447	4 714	4 997	
Service charges - Waste Management		420	460	460	460	460	460	460	817	817	817	817	(1 009)	5 439	4 119	4 366	
Agency services		6	6	7	7	11	6	7	7	7	7	7	764	843	619	673	
Interest		71	68	66	76	91	48	48	75	75	75	75	(768)	-	-	-	
Interest earned from Receivables		-	-	-	-	-	-	-	-	-	-	-	8 675	8 675	10 468	11 095	
Interest earned from Current and Non Current Assets		1 173	1 221	478	477	489	499	505	767	767	767	767	(6 366)	1 543	451	478	
Dividends		189	190	173	180	149	167	-	99	99	99	99	(1 444)	-	-	0	
Rent on Land		-	-	-	-	-	-	-	-	-	-	-	416	416	432	458	
Rental from Fixed Assets		35	34	35	35	35	34	35	35	35	35	35	172	553	586	622	
Licence and permits		46	46	46	46	46	46	46	46	46	46	46	(47)	460	488	517	
Operational Revenue		38	38	38	38	38	38	38	38	38	38	38	1 696	2 118	569	601	
Non-Exchange Revenue		177	177	177	177	177	177	177	177	177	177	177	922	27 107	27 835	29 505	
Property rates		2 656	2 535	2 540	2 491	2 538	2 547	2 547	2 083	2 083	2 083	2 083	922	27 107	27 835	29 505	
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Fines, penalties and forfeits		1 623	1 623	1 623	1 623	1 623	1 623	1 623	1 623	1 623	1 623	1 623	1 623	19 470	20 639	21 877	
Licences or permits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfer and subsidies - Operational		4 578	4 578	4 578	4 578	4 578	4 578	4 578	4 578	4 578	4 578	4 578	4 578	54 933	57 497	58 425	
Interest		-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	
Fuel Levy		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Operational Revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other Gains		-	-	-	-	-	-	-	-	-	-	-	-	-	-	(0)	
Discontinued Operations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Revenue		14 220	14 325	13 532	13 497	13 536	13 523	13 346	14 563	14 563	14 563	14 563	13 609	167 927	171 729	179 525	

APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

Conditional Grants: excluding MIG						R' 000
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustments Budget	
Water Systems Infrastructure Grant			4 000 000.00	%	%	
				%	%	
				%	%	
Public Transport Infrastructure and Systems Grant				%	%	
				%	%	
				%	%	
				%	%	
Other Specify:				%	%	
Financial Management Grant			1 900 000.00	%	%	
Expanded public Works program			1 000 000.00	%	%	
Northern Cape Provincial Treasury			3 092 464.00			
Project library			860 000.00	%	%	
Total				%	%	
<p><i>* This includes Neighbourhood Development Partnership Grant, Public Transport Infrastructure and Systems Grant and any other grant excluding Municipal Infrastructure Grant (MIG) which is dealt with in the main report, see T5.8.3. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.</i></p>						TL

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

APPENDIX N – CAPITAL PROGRAMME BY PROJECT 2017/18

Capital Programme by Project: 2022/23					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Water					
MIG1: Victoria West Upgrading of Groundwater Supply	10 274	6 274	5 752	-9%	-79%
MIG2: Victoria West Upgrading of Mandela Square pumpstation and water reticulation pipelines	538	538	538	0%	0%
WSIG: Ubuntu Water Conservation and Demand Management Project 2021/22	4 000	4 000	4 623	13%	13%
Sanitation/Sewerage					
"Project A"				#DIV/0!	#DIV/0!
"Project B"				#DIV/0!	#DIV/0!
Electricity					
INEP: Ubuntu LM: New 22kV intake Sub-station for Victoria West	10 000	10 000.0	9 979	0%	0%
"Project B"				#DIV/0!	#DIV/0!
Housing					
"Project A"				#DIV/0!	#DIV/0!
"Project B"				#DIV/0!	#DIV/0!
Refuse removal					
"Project A"				#DIV/0!	#DIV/0!
"Project B"				#DIV/0!	#DIV/0!
Stormwater					
"Project A"	-	-	-	#DIV/0!	#DIV/0!
"Project B"				#DIV/0!	#DIV/0!
Economic development					
"Project A"				#DIV/0!	#DIV/0!
"Project B"				#DIV/0!	#DIV/0!
Sports, Arts & Culture					

Capital Programme by Project: 2022/23					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
"Project A"				#DIV/0!	#DIV/0!
"Project B"				#DIV/0!	#DIV/0!
Environment					
"Project A"				#DIV/0!	#DIV/0!
"Project B"				#DIV/0!	#DIV/0!
Health					
"Project A"				#DIV/0!	#DIV/0!
"Project B"				#DIV/0!	#DIV/0!
Safety and Security					
"Project A"				#DIV/0!	#DIV/0!
"Project B"				#DIV/0!	#DIV/0!
ICT and Other					
"Project A"			21544	100%	100%
"Project B"				#DIV/0!	#DIV/0!
					T N