



ANNUAL REPORT

2023 - 2024

CITY OF MATLOSANA

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Chapter 1



CHAPTER 1 – MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR'S FOREWORD

EXECUTIVE MAYOR'S FOREWORD



I am humbled and honoured by the opportunity to present the 2023/24 Annual Report of the Matlosana Local Municipality (Hereafter referred to as City of Matlosana).

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

This Annual Report highlights our achievements, challenges, and progress towards fulfilling our mandate to deliver quality services and promote sustainable development in our municipality.

It covers the performance information from 01 July 2023 to 30 June 2024. It focuses on implementing of the Service Delivery Budget and Implementation Plan (SDBIP), which consists of the objectives encapsulated in the Municipality's Integrated Development Plan (IDP). The report reflects the actual performance of the Municipality as measured against the performance indicators and targets in its Integrated Development Plan (IDP) and Service Delivery and Budget Implementation Plan (SDBIP) for 2023/24.

The 2023/24 annual report provides an account of progress made in delivering services to the people in the City of Matlosana. However, undeniable challenges that are still facing us.

As councillors of the current administration, we have worked hard under the circumstances to provide uninterrupted services to our communities, building on the achievements of our predecessors. In so doing, we have focused on delivering of the five key performance areas of developmental local government, viz.

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

Despite the massive improvement in the provision of services and infrastructure development during the period under review and preceding years, we still have communities without access to services in various wards, especially in new settlements. It is, therefore, imperative that we refocus and redirect our budget towards investing in new infrastructure and maintaining of existing infrastructure where backlogs exist.

For the 2023/24 financial year, the City of Matlosana received a Qualified audit outcome on the Finances and an Unqualified audit outcome on the Annual Performance in terms of the SDBIP.

We have remained resolute in our desire to maintain good governance and public participation as key pillars of developmental local government.

In this regard, we have held Mayoral Imbizos and Budget / IDP / PMS Consultation meetings in all towns and townships constituting Matlosana.

To strengthen governance, we have put in place structures to improve operational efficiencies, accountability and responsiveness and to strengthen oversight so that the municipality's administration can become more responsive, efficient and resilient.

The governance structures of the City of Matlosana include:

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

Notwithstanding the challenges we face, including our cash flow difficulties, we remain resolute and unwavering in our commitment to turning the situation around and making our one of the best-performing municipalities in the Northwest province.

I trust that this Annual Report offers readers an understanding of the municipality's accomplishments despite the surmountable challenges faced throughout the 2023/24 financial year, in its bid to uphold service delivery. We remain committed to our vision as the City of Matlosana.

In conclusion, I would like to thank all our councillors, MPAC, MAYCO members, the municipal manager and all municipal employees, stakeholder groups, business partners and sector departments who participated in and contributed to the municipality's delivery on its strategic objectives.

To our residents, we remain committed to serving you with integrity, transparency, and accountability. We will continue to work tirelessly to deliver quality services; attend to the community needs and improve the lives of our residents.

At your service



CLLR FC MAHLOPHE
EXECUTIVE MAYOR

COMPONENT B: EXECUTIVE SUMMARY**1.1 Municipal Manager's Overview****MUNICIPAL MANAGER'S OVERVIEW**

I am honoured and privileged to have the opportunity to submit the 2023/24 Annual Report of the City of Matlosana as the Accounting Officer of the City.

The 2023/24 Annual Report is hereby presented to the Council and the broader Matlosana community with the realisation that there is room for service delivery improvement, backlogs to be addressed and new turnaround plans to be implemented.

The main challenges of poverty, unemployment and inequality remain in the main and impact negatively on our revenue streams. The infrastructure deterioration and backlogs as well as the financial sustainability remain a serious threat to the rendering of sustainable value-for-money services. Management is working tirelessly in developing and implementing a credible Revenue Enhancement Strategy.

Sub-section 121(2) of Municipal Finance Management Act 56 (Act Number 56 of 2003), as amended outlines the purpose of the Annual Report as:

- ⌘ To provide a record of the activities of the municipality or municipal entity during the financial year to which the report relates.
- ⌘ To provide a report on performance against the budget of the municipality or municipal entity for that financial year and
- ⌘ To promote accountability to the local community for the decisions made throughout the year by the municipality or municipal entity

This report attempts to provide a comprehensive picture of the City of Matlosana municipal area with information on the socioeconomic profile of the geographic area, the successes in providing services to the community, as well as developmental and institutional factors, including financial performance.

The report additionally examines the governance and public participation initiatives implemented by the municipality to ensure that the city's residents were involved in service delivery that addressed the needs they expressed during the review period.

The report will also review the activities completed in the 2023/24 period and give comments on performance relative to goals to a multitude of stakeholders, including the community, government agencies, and other interested parties.

Furthermore, it ensures accountability is upheld and clients of the municipality are kept informed on decisions taken by the municipality during the year under review.

We did our best to ensure that there was synergy between the budget, Integrated Development Plan and the Service Delivery and Budget Implementation Plan despite the challenges we encountered.

During the 2023/24 financial year, the overall performance results currently reflect a 67% success rate caused by mixed performance results of departments in implementing the SDBIP. The 2023/24 percentage is 2% higher compared to the 2022/23 financial period.

Despite the challenges we faced, the past year had many performance highlights:

- ⌘ Provide 94% of households with access to the minimum and above level of basic water.
- ⌘ Provided 95% of households with access to the minimum and above level of basic sanitation.
- ⌘ Provide 89% of households with access to the minimum and above level of basic electricity.
- ⌘ Provide 89 % of households with access to the minimum and above level of basic refuse removal.

It remains our primary focus and attention to efficiently and effectively better or improve the lives of our community by finding ways of alleviating poverty and unemployment.

We shall continue to forge unity and harmonious working relations between officials and political leadership to ensure mutual trust despite the challenges we encounter in our daily operations.

The city is dedicated to working together as it understands that through partnerships and shared governance, we can all maximise the impact we have on improving the lives of individuals and communities.

We table this report in the spirit of Batho Pele, putting our people and communities first and this report bears testimony to our commitment to setting platforms to achieving more desired outcomes for the years ahead.



MS L SEAMETSO
MUNICIPAL MANAGER

1.2 Municipal Functions, Population and Environmental Overview

FUNCTIONS AND OBJECTIVES OF A MUNICIPAL COUNCIL

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

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

Roles and Responsibilities within Local Government

These constitutional objectives are:

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

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

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

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

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

- ⌘ Passing of By-Laws.
- ⌘ Approval of budgets.
- ⌘ Imposition of rates and other taxes, levies, and duties.
- ⌘ Raising of loans.



ABOUT THE CITY OF MATLOSANA

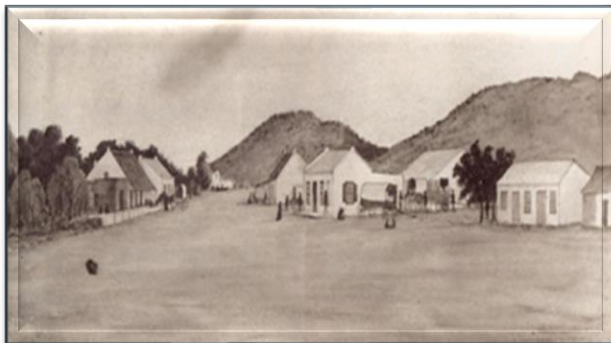
Matlosana, located in the Northwest Province of South Africa, is a region rich in history, culture, and economic significance. The name "Matlosana," meaning "place of the spear" in Setswana, reflects the area's deep cultural roots and historical importance to the Tswana people who have inhabited the region for centuries. This essay explores the history of Matlosana, from its indigenous heritage to its role in the South African mining industry.

Long before European colonization, Matlosana was home to the Tswana people, who practised agriculture, cattle herding, and trade. The Tswana built thriving communities with complex social systems and trade networks that connected them to other parts of southern Africa. Archaeological evidence of iron smelting and beadwork in the area suggests the presence of advanced indigenous societies.

The region's name, Matlosana, symbolizes the resilience and identity of the Tswana people, who have maintained their cultural heritage despite the challenges of colonization and modernization.

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

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



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

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

Klerksdorp is also the home of the largest agricultural company in the southern hemisphere. Senwes was born in May 1909 when a group of 24 farmers met to discuss the idea of establishing a cooperative in the then-Western Transvaal. A preliminary foundation agreement was set up and it marked the birth of what would become the largest agricultural cooperative (until 1996) in South Africa and now the southern hemisphere. Senwes is a leading agricultural company and boasts a rich and proud history that spans a period of 116 years. It's also the home of the largest maize silo in South Africa.

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

Matlosana’s modern history is closely tied to the discovery of gold and uranium in the early 20th century. The area forms part of the Witwatersrand Basin, one of the world's richest goldfields. Klerksdorp, the main city in Matlosana, became a significant hub for mining activity, attracting workers from across South Africa and neighbouring countries.

The Klerksdorp Local Municipality officially changed its name to the City of Matlosana Local Municipality in 2016. This renaming was part of a broader effort in South Africa to reflect the country’s post-apartheid identity and acknowledge the diverse cultural and historical heritage of its communities.

Onwards in the document, the City of Matlosana Local Municipality will be referred to as City of Matlosana.

A CITY WITH A VISION

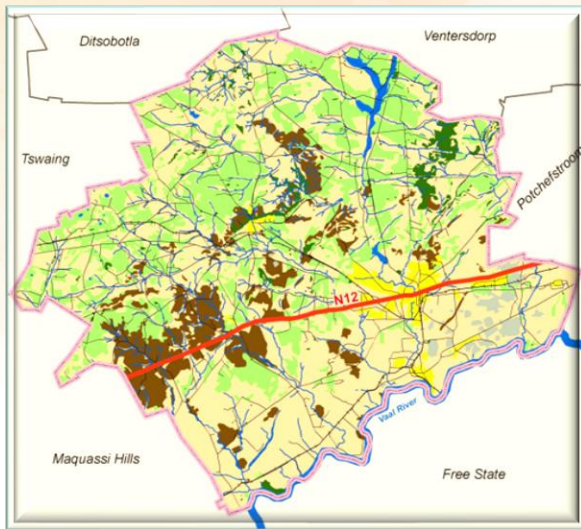
As an organisation with the primary responsibility of ensuring that, the Matlosana area can realise its full potential in every aspect, the mission and core values of the City of Matlosana are as follows:

VISION	MISSION	VALUES
<ul style="list-style-type: none"> • A proficient and prosperous municipality that delivers high quality services to citizens 	<ul style="list-style-type: none"> • To render equitable, sustainable and high quality basic services to the citizens of Matlosana 	<ul style="list-style-type: none"> • The core values are expressed by the acronym “RAPIT”, striving towards positive “change” which is:

VALUES	OPERATING PRINCIPLE(S)
RESPECT	<ul style="list-style-type: none"> ☞ We engage with others in a humane way with politeness and care. ☞ We will listen to the communities we serve. ☞ We are focused on our stakeholders
ACCOUNTABILITY	<ul style="list-style-type: none"> ☞ We will take full responsibility for the actions we take and give citizens full value for money. ☞ We conduct our tasks in a responsible manner and continuously communicate with our beneficiaries and partners. ☞ We owe our accountability to each other, the community we serve and our stakeholders who collaborate with us. ☞ We are transparent in all our activities and subject ourselves to any form of scrutiny.

PROFESSIONALISM	<ul style="list-style-type: none"> ⌘ We execute our roles to the highest standards according to applicable norms and standards. ⌘ We execute our tasks with unselfish regard for or devotion to the benefit of communities. ⌘ We ensure that our initiatives have a direct impact on communities
INTEGRITY	<ul style="list-style-type: none"> ⌘ To have congruency between our actions and our pronouncements
TRANSPARENCY	<ul style="list-style-type: none"> ⌘ We are transparent in all our activities and subject ourselves to any form of scrutiny.

GEOGRAPHIC PROFILE



The Municipal Demarcation Board, in terms of section 4 of the Local Government Municipal Structures Act, 1998 classifies the City of Matlosana Local Municipality (previously City Council of Klerksdorp) as a category B1 municipality.

Matlosana is strategically located within the Northwest Province, bordered by municipalities such as JB Marks to the east and Maquassi Hills to the west. Its central position places it within the greater Vaal Triangle, which serve as a significant economic hub in South Africa.

The area is accessible via major road networks, including the N12 national highway, which connects Johannesburg to the Potchefstroom and continues westward.

The City of Matlosana region covers an area of approximately 3,561 square kilometres, Matlosana comprises the towns of Klerksdorp, Orkney, Stilfontein, and Hartebeestfontein, which together form an interconnected urban and rural environment.

Topography and Landscape

The region's landscape is characterised by flat to gently undulating plains, typical of the Highveld plateau. This terrain is interrupted by occasional ridges and hills, providing a scenic backdrop to the area. The soil types vary, with fertile patches suitable for agriculture and areas with rocky outcrops that are less conducive to farming.

Mining activities, especially gold and uranium extraction, have significantly shaped the area's topography. The presence of mine dumps and tailings, a legacy of extensive mining operations, is a distinctive feature of the local landscape. While these structures reflect the region's economic history, they also pose environmental challenges.

Climate and Vegetation

The City of Matlosana area has a semi-arid climate (*BSh/BSk*, according to the Köppen climate classification), with warm to hot summers and cool, dry winters. Rainfall occurs predominantly during the summer months, averaging between 450 to 650 millimetres annually. Droughts and irregular rainfall patterns are common, impacting agriculture and water availability.

The natural vegetation of the region is classified as grassland, with sparse tree cover. Indigenous grasses dominate the landscape, providing grazing for livestock. In less disturbed areas, shrubs and small trees, such as acacia species, are present. However, much of the natural vegetation has been altered by agricultural and mining activities.

Water Resources

Matlosana lies within the catchment area of the Vaal River, one of South Africa's most important water sources. The river runs through the neighbouring town of Orkney, providing water for industrial, agricultural, and domestic use. Several dams and reservoirs in the vicinity contribute to water supply management, although the region faces challenges related to water quality due to pollution from mining operations.

Economic Geography

The geography of Matlosana is closely tied to its economy, with mining being the dominant activity for much of its history. Gold and uranium mining have left a lasting imprint on the physical and economic landscape. Agricultural activities, including maize and sunflower farming, occur in rural areas, benefiting from the flat terrain and portions of fertile soil.

Places worth mentioning include the following:

- ⌘ Faan Meintjies Nature Reserve.
- ⌘ Johan Nesor Dam.
- ⌘ Klerksdorp Museum.
- ⌘ Goudkoppie Heritage Site.
- ⌘ Old Cemetery.
- ⌘ Mfana Majova Freedom Square (Khuma)
- ⌘ Tulelo Lekoto Freedom Square (Kanana)
- ⌘ Delekile Khosa Freedom Square (Tigane)
- ⌘ Casey Sindi Freedom Square (Jouberton):

The city co-ordinates are  [26°52'S 26°40'E / 26.867°S 26.667°E / -26.867; 26.667](#)

DEMOGRAPHIC PROFILE

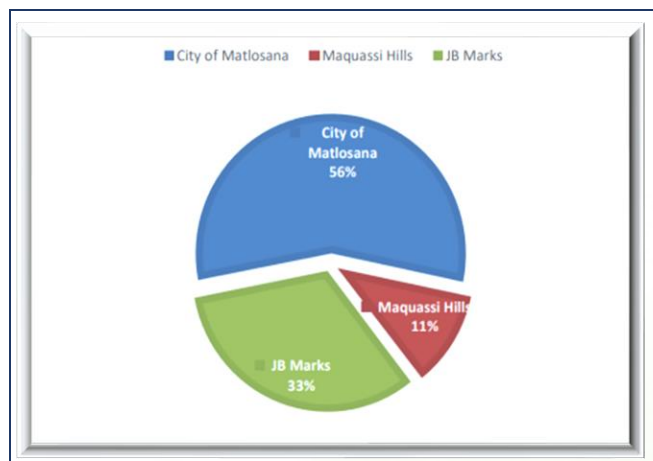
Population Size and Distribution

According to estimates based on the population growth rate of SA Statistics (1%), the governmental municipalities website (<https://municipalities.co.za/dempgraphics>) and the municipality's household count, the City of Matlosana has a total population of approximately 431 231 people, of whom 423 813 (91.2%) are urbanised and 41 916 (8.8%) are rural (mining villages and farming areas form part of the rural areas).

This makes Matlosana one of the most populous municipalities in the province.

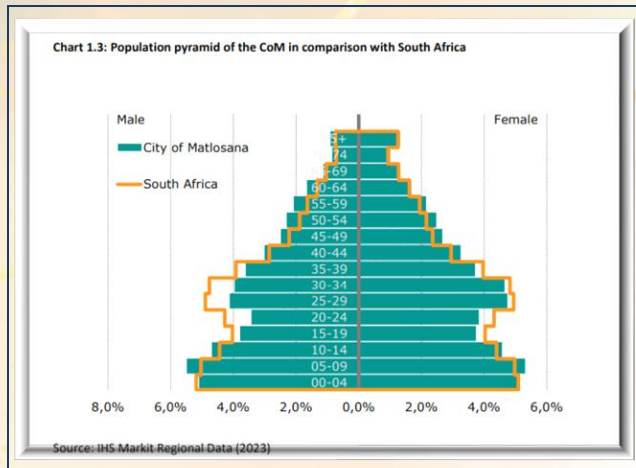
The population is unevenly distributed, with the majority residing in urban areas like Klerksdorp and nearby townships such as Jouberton and Kanana. Rural areas, while less densely populated, are home to farming communities and scattered settlements.

The population size in terms of the Dr Kenneth Kaunda District:



Chapter 1

Age and Gender Distribution



Matlosana has a youthful population, with a large proportion of residents under the age of 35. This reflects national trends, where young people make up a significant part of the population. The gender distribution is relatively balanced, although women slightly outnumber men in some areas, particularly in rural regions. This may be attributed to the legacy of labour migration, where men historically moved to urban centres or mines for work.

Socio-Economic Characteristics

The socio-economic profile of Matlosana reveals a mix of prosperity and challenges. The mining industry, historically the backbone of the local economy, has attracted a diverse workforce, including migrants from across South Africa and neighbouring countries. However, the decline of mining activities in recent years has led to economic challenges, including high unemployment rates and poverty in certain areas.

Education levels vary across the region, with urban centres having higher rates of school attendance and access to tertiary education institutions compared to rural areas.

Religious and Social Practices

Christianity is the dominant religion in Matlosana, with churches playing a central role in community life. Traditional African beliefs and practices also remain significant, particularly among older generations. The area's cultural diversity is reflected in festivals, ceremonies, and everyday social interactions, which celebrate the heritage of its residents.

Households with a basic level of service delivery

PROPORTION OF HOUSEHOLDS WITH BASIC SERVICE DELIVERY – 2023/24			
Basic Service Delivery	Hh with the minimum service level and above	Hh below minimum service level	Hh with no access
Refuse Removal	117 463	13 970	0
Water	123 902	7 531	0
Sanitation	124 234	7 199	0
Electricity	117 197	14 236	0

Natural Resources within the City of Matlosana jurisdiction

NATURAL RESOURCES	
Major natural resource	Relevance to community
Minerals - Gold, uranium, limestone and granite	Natural resource wealth – Job creation
Water - Vaal River	Supplies Matlosana with water
Agricultural – Arable land	Crops & Livestock farming and natural grazing
Flora and Fauna	Vegetation support and grassland biome
Renewable Energy Potential – Solar energy development	Sustainable growth

1.3 Service Delivery Overview

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

SERVICE DELIVERY INTRODUCTION

PROPORTION OF HOUSEHOLDS WITH MINIMUM LEVEL OF BASIC SERVICES				
Basic Service	2020/21	2021/22	2022/23	2023/24*
Electricity service connections	169 257	170 537	170 652	117 197
Water - available within 200 m of dwelling	180 483	183 834	182 382	123 902
Sanitation - households with at least VIP service	170 545	171 328	171 437	124 234
Waste collection - kerbside collection once a week	170 181	170 798	170 985	117 463

* As per advice from the Auditor General, the 2022 Stats SA figures were utilized for the 2023/24 household counting.

COMMENTS ON THE ACCESS TO BASIC SERVICES

The municipality has been able to consistently provide full access to all services to all the proclaimed Matlosana areas. Challenges to access are experienced in all informal settlements and farming areas, especially in terms of water, sanitation, access to gravel roads as well as stormwater management and electricity services.

MIG has supported the municipality by allowing some funds to be redirected to informal settlements, water supply and the construction of onsite sanitation services as mitigation against the impact of water or air-borne diseases.

infrastructure on private land without the requisite agreements.

All informal settlements and farming areas are serviced by water tankers weekly although this is quite expensive.

Business plans have been developed to source funds for water and sanitation services for the farming areas however the main challenge is the unwillingness of MIG and other government funding agencies to put



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1.4 Financial Health Overview

FINANCIAL OVERVIEW

The City of Matlosana is dependent on rates and services income as well as grants income, which constitutes about 85% of the municipal income. The municipality's sustainability is dependent on the effective management of its resources as well as the community's effective contributions to and participation in the budgeting process as well as the payment of rates and services.

Non-payment of rates and services is a national concern, and the City of Matlosana is not free from the problem. The collection of outstanding debt remains one of the biggest challenges.

FINANCIAL OVERVIEW: 2023/24			
R' 000			
Details	Original Budget	Adjustment Budget	Actual
<i>Income:</i>	4 214 315	3 925 253	4 145 419
Grants	808 390	783 015	795 108
Taxes, levies, and tariffs			
Other	3 405 925	3 142 238	3 350 311
Sub-total	4 214 315	3 925 253	4 145 419
Less: Expenditure	4 192 321	4 635 857	5 068 418
Net total*	21 994	(710 604)	(922 999)

* Note: surplus/(deficit)

OPERATING RATIOS: 2023/24	
Detail	%
Employee cost	16%
Repairs and maintenance	3%
Finance charges and impairments	34%

COMMENTS ON OPERATING RATIOS

Municipal employee costs amount to 16.9%, which is lower as per the norm of 35%. The vacancy rate in the various departments is a major concern, and this is attributed to the organisational structure that is under review and adjusted, in line with the municipality's current operational imperatives, which have changed over a period due to considerable developments of growth within the municipality's areas.



The municipal repairs and maintenance costs is increasing due to the old and dilapidated infrastructure that requires frequent refurbishment. The municipality has the challenge of aged infrastructure and fleet, which contribute towards high repairs and maintenance, and the hiring of contracted services on refuse removal and plant equipment.

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The replacements thereof require huge capital investments, which are not provided for in the annual DoRA allocations of Municipal Infrastructure Grants (MIG). The municipality is currently using its own revenue-generated funds to acquire new fleet. VAT recovery funds are a major contributor towards the replacement of old vehicles that have become uneconomical to repair.

TOTAL CAPITAL EXPENDITURE: 2021/22 TO 2023/24			
R'000			
Detail	2021/22	2022/23	2023/24
Original budget	167 630	217 038	231 469
Adjustment budget	226 088	205 436	212 382
Actual	174 997	110 228	110 167

COMMENTS ON CAPITAL EXPENDITURE

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

1.5 Organisational Development Overview

ORGANISATIONAL DEVELOPMENT PERFORMANCE

Organisational Development (OD) performance in the City of Matlosana focuses on enhancing institutional capacity, efficiency, and employee productivity to improve service delivery.

Key aspects include workforce development, implementing training and skills development programs, and aligning human resource strategies with the municipality's Integrated Development Plan (IDP). While strides have been made in fostering a skilled and motivated workforce, challenges such as limited resources, employee turnover, and adapting to evolving service demands impact OD performance.

Strengthening organizational culture and embracing innovation remains critical for achieving sustainable growth and improved performance outcomes in Matlosana.

Senior Manager Positions

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

- ⌘ The Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) as amended.
- ⌘ Municipal Planning and Performance Management Regulations, 2001, Chapter 3, by the Department of Provincial and Local Government.
- ⌘ Local Government: Municipal Systems Amendment Act, 2002 (Act No. 44 of 2003).
- ⌘ Performance Management Guidelines for Municipalities, 2001, by the Department of Provincial and Local Government.
- ⌘ Gazette 45181, September 2021, Local Government Municipal Staff Regulations
- ⌘ Local Government: Municipal Performance Regulation for Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006.

- ⌘ The Upper limits of the Total Remuneration Package payable to Municipal Managers and Managers directly accountable to Municipal Managers, issued in terms of the Municipal Systems Act, as published under Government Notice No. 657 in the Government Gazette No. 43122 of 20 May 2020
- ⌘ Local Government: Municipal Finance Management Act, 2003 Amendments to Municipal Regulations on Minimum Competency Levels, 2007 as published under Government Notice No. 1146 in Government Gazette No. 41996 of 26 October 2018.

The status in terms of filling senior managers' positions

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

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

All eight senior manager positions are filled. The positions of Municipal Manager and Chief Financial Officer are filled on a 5-year contract, whilst the other 6 positions are permanent.

All appointees comply with prescribed minimum competency levels for senior managers in terms of the *MFMA: Municipal Regulations on Minimum Competency Level, 2007, as amended*.

1.6 Auditor-General's Report

AUDITOR-GENERAL'S REPORT: 2022/23

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

For the 2022/23 financial, year the City of Matlosana again received an "*Unqualified audit opinion*" for the financial statements and a "*Qualified audit opinion*" for the reported performance information.

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

1.7 Statutory Annual Report Process

NO	ACTIVITY	TIMEFRAME
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should conform to in-year reporting formats to ensure that reporting and monitoring feed seamlessly into the Annual Report process at the end of the Budget/IDP implementation period.	August 2024
2	Implementation and monitoring of approved Budget and IDP commences (in-year financial reporting).	July 2024
3	Finalise the 4th quarter Report for the previous financial year.	July 2024
4	Submit draft 2022/23 Annual Performance Report to Internal Audit	August 2024
6	Audit Committee considers draft Annual Report of municipality	August 2024
7	The municipality submits a draft Annual Report including consolidated annual financial statements and performance report to the Auditor-General.	August 2024
8	Annual Performance Report as submitted to the Auditor-General to be provided as input to the IDP Analysis Phase.	August 2024
9	The Executive Mayor tables the unaudited Annual Report	November 2024
10	Auditor-General audits Annual Report including consolidated Annual Financial Statements and Performance data.	September to November 2024
11	Municipality receive and start to address the Auditor-General's comments.	
12	The municipality receives Auditor-General's opinion	December 2024
13	The Executive Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor-General's Report.	January 2025
14	Audited Annual Report is made public, and representations are invited.	February 2025
15	Oversight Committee assesses Annual Report.	Feb / Mar 2025
16	Council adopts the Oversight Report.	March 2025
17	The Oversight Report made public.	April 2025
18	Oversight Report was submitted to relevant provincial Councils.	April 2025
19	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports are to be used as input.	March 2025

COMMENT ON THE ANNUAL REPORT PROCESS

Municipalities are required by the Local Government: Municipal Finance Management Act (MFMA) of 2003 to produce annual reports.

This process is crucial for ensuring transparency, accountability, and efficient use of public resources. Annual reports provide a comprehensive account of the municipality's financial performance, service delivery outcomes, and compliance with legislative and policy mandates during the fiscal year.

The primary purpose of the municipal annual report is to inform stakeholders—such as residents, the municipal council, and oversight bodies—about the municipality's financial health, governance, and service delivery achievements. It assists as a tool for evaluating whether the municipality has met its development and performance targets as outlined in its Integrated Development Plan (IDP) and Service Delivery and Budget Implementation Plan (SDBIP).

The annual report process in municipalities involves several key steps:

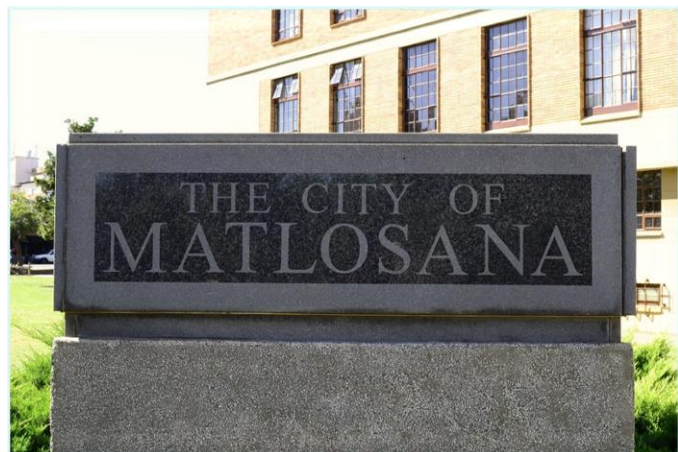
- ⌘ Preparation of the Draft Report: The municipal administration compiles the report, which includes the annual financial statements, the Auditor-General's audit findings, performance information, and governance disclosures. The financial data must be independently audited to ensure accuracy.
- ⌘ Submission to the Council: The draft report is presented to the municipal council for review. Councillors assess whether the municipality has met its objectives and if resources were used effectively and efficiently.
- ⌘ Oversight by Committees: The Municipal Public Accounts Committee (MPAC) or equivalent oversight bodies review the report in detail. This process includes evaluating audit findings and recommending corrective actions where deficiencies are identified.
- ⌘ Public Participation: Public engagement is a critical aspect of the process. Residents and community organizations are allowed to review and comment on the report. This ensures transparency and allows communities to hold the municipality accountable for service delivery.
- ⌘ Adoption and Publication: After the council has considered and addressed feedback, the final report is adopted and made publicly available. It is also submitted to the provincial treasury, the Auditor-General, and other relevant authorities for further oversight.

The annual report typically includes:

- ⌘ Financial Statements: Audited accounts showing income, expenditure, assets, and liabilities.
- ⌘ Performance Reports: Evaluation of service delivery against planned targets.
- ⌘ Audit Outcomes: Comments from the Auditor-General on the municipality's financial and performance management.
- ⌘ Governance Disclosures: Information on compliance with laws, internal controls, and risk management.

While the process is designed to promote good governance, many municipalities face challenges such as delays in submitting reports, poor audit outcomes, and insufficient public participation. Addressing these issues is critical for building public trust and ensuring accountability.

Chapter 2



CHAPTER 2 – GOVERNANCE

INTRODUCTION TO GOVERNANCE

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

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

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

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

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

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

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

2.1 Political Governance

INTRODUCTION TO POLITICAL GOVERNANCE

On 8 November 2021, a new 77 Councillors were declared elected and were deployed in the current various Council committees, namely:




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

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



The Oversight Report of the Municipal Public Accounts Committee was not tabled before Council and therefore not published for public representation or submitted to the Provincial Treasury / COGTA in accordance with the requirements of the Municipal Finance Management Act, No.56 of 2003. The Oversight process was interrupted by the replacement of the Chairperson of the Committee hence the report could not be tabled on time.

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

The Council noted the resignation of the Executive Mayor at the Special Council meeting on 25 June 2024.

POLITICAL STRUCTURE		
EXECUTIVE MAYOR Cllr NJ Tsolela	SPEAKER Cllr SL Mondlane-Ngwenya	SINGLE WHIP Cllr K Ndincede
		
<p>The Executive Mayor identifies the needs of the municipality, reviews and evaluates those needs in order of priority. He recommends to the municipal Council strategies, programmes and services intended to address priority needs through the IDP and expenditure, considering any applicable national and provincial development plans and recommends. He further determines the best way to deliver strategies, programmes, and services to the maximum benefit of the community. The Executive Mayor also performs a ceremonial role. (Resigned on 25 June 2024)</p>	<p>The Speaker presides at meetings of the Council, maintains order during meetings and ensures that meetings are conducted in accordance with the Rules of Order of the Council.</p>	<p>The Single Whip must ensure that Councillors are accountable to the community and that the code of conduct is respected and adhered to by all Councillors. The Single Whip ensures discipline during meetings of Council and committees. He facilitates political debates and workshops for all Councillors.</p>

MAYORAL COMMITTEE MEMBERS				
 <p>MMC INFRASTRUCTURE Cllr SOC Barrends</p>	 <p>MMC ELECTRICAL ENGINEERING Cllr FC Mahlophe</p>	 <p>MMC CORPORATE SERVICES Cllr NM Maseko</p>	 <p>MMC TRANSVERSAL ISSUES Cllr KE Mabebe</p>	 <p>MMC SPORT, ARTS AND CULTURE Cllr ML Mahumapelo</p>
 <p>MMC PLANNING AND HUMAN SETTLEMENTS Cllr JM Mosupa</p>	 <p>MMC LOCAL ECONOMIC DEVELOPMENT Cllr ML Kodisang</p>	 <p>MMC FINANCE AND DEBT NORMALISATION Cllr AM Ramphele</p>	 <p>MMC COMMUNITY SERVICES Cllr TO Chabalala (Passed-away on 31 March 2024)</p>	 <p>MMC PUBLIC SAFETY Cllr TG Khoza (Resigned on 13 June 2024, after elections on 29 May 2024 and was appointed at Provincial Legislature in NW Province)</p>

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC) MEMBERS				
<p>MPAC develop its work programme (which must be approved by Council) annually and link such programmes to the overall planning cycle of Council and conclude with the evaluation of the annual report and the recommendations to Council when adopting the Oversight Report on the Annual Report</p>				
 <p>CHAIRPERSON Cllr MM Mosiako (Replaced by F4SD on 2 February 2024)</p>	 <p>CHAIRPERSON Cllr JN Bangani (Appointed on 2 February 2024)</p>	 <p>Cllr SP Sesana (Resigned as a Councillor on 15 June 2024)</p>		
 <p>Cllr MN Mbele</p>	 <p>Cllr T Pheto</p>	 <p>Cllr SL Majiji</p>	 <p>Cllr FI Tagaree</p>	 <p>Cllr FD Oortman</p>

				
<p>Cllr MI Mangesi</p>	<p>Cllr MS Pelele</p>	<p>Cllr PY Mtshawaulana</p>	<p>Cllr W Wallhorn (Resigned as Councillor on 13 June 2024. Serving at Provincial Legislature after elections)</p>	<p>Cllr SP Kloppers (Resigned from City of Matlosana on 28 June 2024 – Serving Cllr at DKKDM)</p>

COUNCILLORS

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

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

Councillors fulfil their obligations to the community and support the achievements of the municipality in its objectives as set out in Section 152 of the Constitution, Act 108 of 1996 and Chapter 3 of Section 19 of the Local Government: Municipal Structures Amendment Act (3 of 2021), and Schedule 1 of the Code of Conduct of the Local Government: Municipal Systems Act (32 of 2000) as amended. The Local Government: Municipal Structures Amendment Act (3 of 2021) introduced the Code of Conduct for Councillors in Schedule 7 by migrating it, with revisions, from the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) and was promulgated in Government Gazette number 48786 dated 14 June 2023.

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

Ward Councillors should be fully involved in all community activities in which the ward committee is established and communicate the activities and meeting schedules to the PR Councillors. PR means “proportional representation”, where voters vote for a political party and not an individual candidate within a party.

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

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

POLITICAL DECISION-MAKING

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

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

2.2 Administrative Governance

INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

In terms of Part 7 Section 82 of the Local Government: Municipal Structures Act 117 of 1998, as amended, the municipality appointed the Municipal Manager, Ms. Lesego Seametso who is the head of administration and therefore the Accounting Officer on 22 December 2022 with effect from 1 January 2023.

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

The Municipal Manager must further manage the municipality by all legislation and policies about local government. In terms of Section 50 of the Local Government: Municipal Systems Act 32 of 2000, as amended, the Council in consultation with the Municipal Manager must appoint managers who are directly responsible to the Municipal Manager and who must have relevant and requisite skills, expertise, and competencies to perform the duties associated with the posts they occupy.

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

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

The Municipal Manager and Directors are responsible for strategic management and oversight of their directorates.

All budget expenditure in each directorate is managed by the relevant director to ensure that service delivery matters are handled speedily.

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

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

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

DIRECTOR: PLANNING AND HUMAN SETTLEMENTS	The director aims to accelerate housing delivery through efficient and effective human settlement management and quality service delivery as well as through integrated and collective sustainable human settlement programmes. As well as to eradicate the remaining informal settlements and introduce a rental strategy as an alternative to address housing backlogs.
DIRECTOR: COMMUNITY DEVELOPMENT	<p>The director’s mandate is to provide support and maintain community services in the following functional areas: Cleansing (Refuse removal, street cleansing, night soil and vacuum services); Parks & Recreation; Sports Arts and Culture; Libraries; Museums; Health and Environmental & Integrated Waste Management.</p> <p>The director therefore oversees the development and maintenance of a clean and green city. The development and maintenance of cultural heritage and the rendering of a uniform cleansing service to all residents.</p>
DIRECTOR: PUBLIC SAFETY	The director ensures effective traffic flow and road safety, minimising the risk of fire and disaster incidents and the provision of motor vehicle licensing, registration, and testing to residents.
DIRECTOR: LOCAL ECONOMIC DEVELOPMENT	The director is responsible for creating a prosperous city and developing economic strategies that would alleviate poverty and the related socio-economic impacts by stimulating economic growth and development. His responsibilities further include the operation of the fresh produce market that is effective, efficient, and economical and which satisfies consumer needs through effective distribution channels, facility provision and operational services.

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

COMPONENT B: INTERGOVERNMENTAL RELATIONS

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

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

Intergovernmental relations activities include:

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

2.3 Intergovernmental Relations

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

Intergovernmental relations focus on the following priority programme areas:

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

NATIONAL INTERGOVERNMENTAL STRUCTURES

The Municipality participates in various intergovernmental relations activities at national, provincial and district levels. Municipal officials and Councillors are delegated to serve on the various forums. Service delivery is the core function of the municipality.

Cooperative governance is an arrangement entered into by the spheres of government to fast-track service delivery within the constitutional mandate. Forums have been established to share best practices among municipalities and to ensure compliance.

These forums focus mainly on issues of progressive governance and unblocking bottlenecks in certain spheres. Such forums must be attended to check and report on service delivery.

Examples of such forums are:

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

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

PROVINCIAL INTERGOVERNMENTAL STRUCTURE

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

Forums attended to include:

- ⌘ Municipal Managers' Forum.
- ⌘ SALGA Working Groups, NCOP, FFC.
- ⌘ Performance Management / Monitoring and Evaluation Forum.
- ⌘ IDP Forum.
- ⌘ Planning and Development Forum.
- ⌘ Disaster Management Forum.
- ⌘ Local Economic Development Forum.
- ⌘ MPAC Forum.
- ⌘ Speakers' Forum.
- ⌘ Records Management Forum.

DISTRICT INTERGOVERNMENTAL STRUCTURES

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

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

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

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

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

The Council interacts with its stakeholders by means of ward committees, budget and Integrated Development Planning (IDP) meetings. Public and stakeholder engagements are ongoing processes throughout the year. Public

meetings include Council meetings, ward committee meetings, budget and IDP/PMS meetings as well as whistle-blowers.

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

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

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

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

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

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

2.4 Public Meetings

COMMUNICATION, PARTICIPATION AND FORUMS

Public participation in South Africa is important, as it is the backbone of the democratic state that was introduced by the 1994 democratic elections. Public participation is essentially a process that engages communities from the planning phase to the implementation and evaluation phases of a particular activity or project. Public participation has become a key aspect of South African planning and is a recurring theme in several legislative and theoretical documents. Public participation is a principle that is accepted throughout all spheres of government. It is important because it is the only method whereby government can gain a sense of the needs and aspirations of the various communities.

With specific reference to municipalities, public participation is enhanced through the establishment of ward-based planning. The City of Matlosana ward-based planning process has not only been an opportunity for households and communities to contribute to the integrated development plan (IDP), but it has also provided them with access to information. This is the first step towards re-skilling people to participate in the knowledge economy.

The ward-based planning process provides a link between municipal level planning and delivery and activities at ward level. City of Matlosana's ward based planning process is the vehicle for entrenching participation in the IDP to maximise co-ordination and synergy between priorities and municipal programs.

Community-Based Planning (CBP) was adopted in 2009 by the Department of Co-operative Governance and Traditional Affairs (DCoGTA). This methodology is aimed at enabling local government to deepen democracy by allowing citizens to be active participants in their own development. It was also to enable communities to participate in the Integrated Development Planning Process (IDP) and its related budgeting processes so that their priority developmental needs would be taken on board. Potentially, therefore, an effective CBP machinery is one of the mechanisms that can advance the goals of developmental local government.

Community-based planning requires that the municipality should have a conceptualised plan which all stakeholders should be informed of. The process of developing the ward plan is very much similar and related to the IDP planning process. The community plan also goes through the phase of identifying challenges, formulating a vision, mission, and strategies to deal with the challenges, identifying projects to implement, integrating the projects with other social and economic goals of ongoing development processes and finally, getting the plan approved.

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

For purposes of compliance with this legislative requirement, the City of Matlosana has established formal structures for effective participation in the IDP processes. The following is a description of the participatory function of each of the various structures established for the IDP process.

IDP Representative Forum – constituted of formal representatives of various civic and community organisations as well as other formal structures affected by the developmental efforts of the municipality.

The role of the IDP Forum is to:

- ⌘ Verify and make additions to data collected through non-formal participatory methods.
- ⌘ Inform interest groups, communities and organisations of relevant planning activities and their outcomes.
- ⌘ Analyse issues, determine priorities, negotiate, and effect consensus.
- ⌘ Participate in the designing of project proposals and / or in assessing of projects.
- ⌘ Discuss and comment on the draft IDP.
- ⌘ Ensure that annual business plans and budgets are based on and linked to the IDP.
- ⌘ Monitor performance in the implementation of the IDP.

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

WARD COMMITTEES

The main objective of a ward committee is to enhance participatory democracy in local government. Ward committees are one way in which one can have a say in government decisions. The key purpose of ward committees is to increase the participation of residents in municipal decision-making as they are the direct link with the relevant Council.

They are representative of the local wards, and they should be involved in matters such as the integrated development plan, the annual municipal budget, Council projects and key policies as all these activities impact local people (see **Appendix E**).

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

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

PUBLIC MEETINGS

Budget and IDP Consultations:

To obtain the opinions of the community, meetings with Council members and ward committees were arranged. Public written comments were also accepted, and comment boxes were placed at pay points for community involvement. The documents were made available for review and comments on the municipal website, and a summary of the Budget and IDP was posted on Council's website, Facebook, and Twitter.

TOWN	DATE	TIME	VENUE
BUDGET AND IDP CONSULTATIONS			
Khuma	30 April 2024	14h00	Khuma Community Hall
Stilfontein	30 April 2024	17h00	Stilfontein Library Hall
Orkney	22 April 2024	17h00	Orkney Library Hall
Jouberton	24 April 2024	16h00	Jouberton Hall
Alabama	29 April 2024	16h00	Alabama Community Hall
Tigane	2 May 2024	15h00	Tigane Community Hall
Hartbeesfontein	2 May 2024	17h00	Tigane Community Hall
Klerksdorp	25 April 2024	10h00	Council Chamber
Kanana	22 April 2024	17h00	Kanana Community Hall
IDP AND SDBIP REPRESENTATIVE FORUM MEETING			
Klerksdorp	25 April 2024	10h00	Council Chamber

COMMENT ON THE EFFECTIVENESS OF PUBLIC MEETINGS HELD

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

The City of Matlosana established ward committees in all 39 wards to enhance public participation and accountability. These structures are a mechanism that the municipality uses to disseminate information and address the challenges of the communities in an effective manner.

The ward mass meeting held as well as Imbizos also provide a platform for effective interaction and accountability for Council and the community. Communities were consulted via social media e.g. Council's Facebook page and website, newspaper articles, radio interviews, notices placed on all Council's notice boards and emails to stakeholders. All inputs received from the above-mentioned platforms were considered whilst amending the IDP for the next financial year.

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

2.5 IDP Participation and Alignment

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

COMPONENT D: CORPORATE GOVERNANCE

OVERVIEW OF CORPORATE GOVERNANCE

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

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

2.6 Risk Management

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

Institutional Arrangements for Risk Management

The Risk Management Unit is headed by the Chief Risk Officer who is responsible for overseeing, guiding, facilitating, and monitoring various systems of governance and risk management. Strategic oversight of risk management processes is tasked to the Risk Management Committee which reports to the Audit Committee on a quarterly basis.

The Risk Management Committee is a structure, comprising of an independent external chairperson and top management established to:

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

For the financial year under review, the Strategic Risk Profile of the municipality underwent the annual review to ensure that the strategic risks remain relevant and are aligned to the strategic priorities of the municipality. Through an assessment of performance conducted by the Risk Management Committee, it is evident that management has mostly implemented risk mitigation strategies to bring the risks to an acceptable level. It is however evident that the municipalities do not operate in a risk-free environment.

Compliance Management

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

Internal Audit unit further enhances municipal compliance by assessing the effectiveness of existing internal controls and further recommending improvement of internal controls when conducting internal audit activities. The municipality in its quest to improve compliance, intends to appoint a Compliance Officer in the Office of the Municipal Manager who will be dedicated to improving compliance with laws and regulations across the municipality.

2.7 Anti-Corruption and Fraud

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

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

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

This strategy therefore serves as a guide regarding how the municipality must deal with cases of fraud, corruption theft and other financial misconduct.

2.8 Supply Chain Management

OVERVIEW OF SUPPLY CHAIN MANAGEMENT

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

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

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

The municipality is currently busy with the restructuring of SCM Unit's organisational structure, to address the human resource capacity challenges, and the Auditor General's recurring audit findings on SCM compliance issues, which are major contributing factors towards increased Irregular Expenditure. The interventions are in line with resolutions taken at the municipality's strategic planning held on 26 March 2024.

2.9 By-Laws

BY-LAWS INTRODUCED DURING 2023/24

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

BY-LAWS OF THE CITY OF MATLOSANA			
BY-LAW	PROVINCIAL GAZETTE NUMBER	COUNCIL RESOLUTION (ADOPTED)	STATUS
DIRECTORATE: BUDGET AND TREASURY			
Customer Care, Credit Control and Debt Collection By-Law	Nr. 8050 20/08/2019	CC 59/2019 dated 27 June 2019	Review in process
Rates By-Law	Nr. 8002 30/4/2019	CC 19/2019 dated 28 February 2019	Finalised
Tariff By-Law	Nr. 8002 30/4/2019	CC 19/2019 dated 28 February 2019	Finalised

BY-LAWS OF THE CITY OF MATLOSANA			
BY-LAW	PROVINCIAL GAZETTE NUMBER	COUNCIL RESOLUTION (ADOPTED)	STATUS
DIRECTORATE: TECHNICAL AND INFRASTRUCTURE			
Drainage and Plumbing By-Law	Nr. 5957 Notice 396	CC 56/2003 dated 30 September 2003	Finalised
Water Supply By-Law	Nr. 5957 Notice 396	CC 56/2003 dated 30 September 2003	Finalised
Electricity By-Law	Nr. 7749 Notice 32	CC25/2017 dated 31 January 2017	Finalised
Electricity By-Law for Small Scale Imbedded generation (SSEG) installation	Nr. 8391 Notice 221	CC100/2022 dated 28 June 2022	Finalised
DIRECTORATE: COMMUNITY DEVELOPMENT			
Cemetery By-Law – amended to include Heroes acre	Nr. 8423 Notice 263	CC 100/2022 28 June 2022	To be promulgated finally
Faan Meintjies Nature Reserve By-Law	Nr. 5957 Notice 398	CC 56/2003 dated 30 September 2003	Finalised
Livestock Market By-Law	Nr. 5957 Notice 398	CC 56/2003 dated 30 September 2003	Finalised
PC Pelsers Airport: Control and Management By-Law	Nr. 5957 Notice 398	CC 56/2003 dated 30 September 2003	Finalised
Parks and Gardens By-Law	Nr. 5957 Notice 398	CC 56/2003 dated 30 September 2003	Finalised
Public Amenities By-Law	Nr. 5957 Notice 398	CC 56/2003 dated 30 September 2003	Finalised
DIRECTORATE: COMMUNITY DEVELOPMENT			
Solid Waste and Sanitary By-Law	Nr. 5957 Notice 398	CC 56/2003 dated 30 September 2003	Finalised
Library By-Law	Nr. 5957 Notice 398	CC 56/2003 dated 30 September 2003	Finalised
Waste Management By-Law	Nr. 7160 30/8/2013	CC30/2013 dated 26 March 2013.	Finalised
Keeping of Animals, Birds and Poultry and Businesses involved in the Keeping of Animals, Birds, Poultry and Pets By-Law	Nr. 5957 Notice 402	CC 56/2003 dated 30 September 2003	Finalised
Public Health By-Law	Nr. 5957 Notice 402	CC 56/2003 dated 30 September 2003	Finalised
Milk By-Law	Nr. 5957 Notice 402	CC 56/2003 dated 30 September 2003	Finalised

BY-LAWS OF THE CITY OF MATLOSANA			
BY-LAW	PROVINCIAL GAZETTE NUMBER	COUNCIL RESOLUTION (ADOPTED)	STATUS
DIRECTORATE: LOCAL ECONOMIC DEVELOPMENT			
Preferential Procurement By-Law	Nr. 5957 Notice 403	CC 56/2003 dated 30 September 2003	Finalised
Fresh Produce Market By-Law	Nr. 5957 Notice 397	CC 56/2003 dated 30 September 2003	Finalised
Billboard and Outdoor Advertising By-Law	Nr. 7974 Notice 28	CC 1372018 dated 27 November 2018	Finalised
DIRECTORATE: PLANNING AND HUMAN SETTLEMENTS			
Building and Outdoor Advertising By-Law	Nr. 5957 Notice 396	CC 56/2003 dated 30 September 2003	Finalised
SPLUMA	Nr. 7622 Notice 31	ADMIN 365/2015	Finalised
DIRECTORATE: PUBLIC SAFETY			
Fire Services By-Law	Nr. 8657 Notice 509	CC 105/2022 dated 28 June 2022	Finalised
Licensing of Public Vehicles By-Law	Nr. 5957 Notice 401	CC 56/2003 dated 30 September 2003	Finalised
Parking Ground By-Law	Nr. 8168 Notice 152	CC 112/2019 dated 21 October 2019	Finalised
Parking Meter By-Law	Nr. 5957 Notice 401	CC 56/2003 dated 30 September 2003	Review in process
By-Law Relating to Dogs	Nr. 5957 Notice 401	CC 56/2003 dated 30 September 2003	Finalised
Street and Miscellaneous By-Law	Nr. 5957 Notice 401	CC 56/2003 dated 30 September 2003	Finalised
Traffic By-Law	Nr. 5957 Notice 401	CC 56/2003 dated 30 September 2003	Finalised
Regulating, Control and Supervision of Hawkers By-Law	Nr. 5957 Notice 401	CC 56/2003 dated 30 September 2003	Finalised
DIRECTORATE: CORPORATE SUPPORT			
Bursary By-Law	Nr. 5957 Notice 400	CC 56/2003 dated 30 September 2003	Finalised
Rules of Order	Nr. 8240 Notice 78	CC41/2020 dated 30 June 2020	Finalised

COMMENT ON BY-LAWS

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

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

2.10 Websites

Municipalities are required to develop and maintain a functional website that displays relevant information as per the requirements of Section 75 of the Local Government: Municipal Finance Management Act, 56 of 2003 (MFMA), as amended.

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

Municipal Website Compliance

The website should serve as a mechanism to promote accountability and transparency to communities and therefore information posted should be accurate and timeously updated.

The municipal website is a key communication mechanism in terms of service offering, information sharing and public participation. It is a communication tool that should allow easy and convenient access to relevant information. The municipal website should serve as an integral part of the municipality’s communication infrastructure and strategy.

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

DOCUMENTS PUBLISHED ON THE MUNICIPALITY’S WEBSITE	YES / NO
Current Annual and Adjustment Budgets and all Budget-Related Documents	Yes
All current Budget-Related Policies	Yes
The previous Annual Report (2021/22)	Yes
The Annual Report (2022/23)	Yes
All current Performance Agreements required in terms of Section 57(1)(b) of the Municipal Systems Act (2024/25), as well as 2023/24 Performance Agreements	Yes
All Service Delivery Agreements (2023/24)	No
All Long-Term Borrowing Contracts (2023/24)	N/A
All Supply Chain Management Contracts above a prescribed value (give value) for (2023/24)	No
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of Section 14 (2) or (4) during (2023/24)	N/A
Contracts agreed in (2023/24) to which Subsection (1) of Section 33 applies, subject to Subsection (3) of that Section	N/A
Public-Private Partnership Agreements referred to in Section 120 entered (2023/24)	N/A
All quarterly reports tabled in the Council in terms of Section 52 (d) during (2023/24)	Yes

Relevant Legislation

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

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

COMMENT MUNICIPAL WEBSITE CONTENT AND ACCESS

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

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

All stakeholders and communities can access information on the official website 24 hours a day.

The information can be viewed or downloaded as PDF Documents (Readable with Acrobat Reader).

2.11 PUBLIC SATISFACTION WITH MUNICIPAL SERVICES

PUBLIC SATISFACTION LEVELS

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

During the 2023/24 financial year, the public satisfaction survey forms results obtained were as follows:

PUBLIC SATISFACTION SURVEY		
	YES (%)	NO (%)
⌘ Do you think the Municipality is responding to the service delivery		
⌘ Are you satisfied with the services and quality of services provided by municipality	30%	70%
⌘ Are you happy about the general development in your Ward		

Chapter 3



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

INTRODUCTION

Municipal service delivery rendered includes water supply, sanitation services, roads and Stormwater management, development of new infrastructure, electrical services, waste management, housing provision and indigent support. The directorates endeavour to provide these services in line with the relevant acts and service delivery guidelines as issued from time to time.

Although most of these services are being provided to the community satisfactorily, there is not adequate maintenance and in-house upgrade budget to ensure future demand is met in all sectors, due to low revenue collection rate experienced by the municipality.

COMPONENT A: BASIC SERVICES

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

INTRODUCTION TO BASIC SERVICES

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

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

It should be noted that as per advice from the Auditor General, the 2022 Stats SA figures were utilized for the 2023/24 household counting.

3.1. Water Provision

INTRODUCTION TO WATER PROVISION

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

Overview

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

Water Infrastructure: Primary Bulk Infrastructure

- ⌘ Water Treatment Works (Midvaal Water Company)
- ⌘ Design Capacity of 320 Mℓ/day
- ⌘ Operating at about 50% of its design capacity
- ⌘ Supplying the City of Matlosana at 98 Mℓ/day as per the SLA (31% capacity),
- ⌘ No interventions are required for water treatment works

Command Reservoirs (Midvaal Water Company)

- ⌘ The north system consists of 6 bulk reservoirs, totalling 37.2 Mℓ
- ⌘ The west system consists of 7 bulk reservoirs, totalling 117.7 Mℓ
- ⌘ No interventions are required for the bulk storage capacity

The City of Matlosana is supplied with 111.61 Mℓ/d during the 2023/24 financial year compared to 102Mℓ/day for 2022/23.

Description of the activity

The City of Matlosana is responsible for the following:

- ⌘ Monitoring the units of water supplied by the bulk service provider.
- ⌘ Distribution of water to the consumer through its water infrastructural network, which includes piping systems, pumpstations, and reservoirs.
- ⌘ Testing and replacement of bulk and domestic water meters.
- ⌘ Planning of new infrastructure.
- ⌘ Water quality testing and post-water treatment quality maintenance.
- ⌘ Ongoing assistance to ensure that new developments are expedited, and water infrastructure installed by standards and specifications of the municipality.
- ⌘ Analysis of all aspects of the existing water supply system to proactively identify worn-out infrastructure and problematic areas.
- ⌘ Continuous management and control to ensure the optimum ability of the water supply infrastructure.
- ⌘ Support the finance department in ensuring revenue collection is sustainable and consistent.
- ⌘ Reduce water losses within the water infrastructure system.

The strategic objectives

- ⌘ Water Quality and Supply: Ensuring high standards of water quality through regular testing and treatment to meet urban and rural needs. Rural areas rely on communal standpipes, while urban areas are supported with individual connections and waterborne sanitation.
- ⌘ Infrastructure Development and Maintenance: Establishing and maintaining water distribution networks, including pump stations, pipelines, and water meters. This involves proactive identification of worn-out infrastructure to address problems and bottlenecks.

- ⌘ Bulk Water Management: Purchasing and storing water in bulk, with distribution managed through partnerships like the Midvaal Water Company for efficient service delivery.
- ⌘ Support for New Developments: Assisting with the installation of water infrastructure for new developments by regulatory standards.
- ⌘ Operational Efficiency: Continuous management of water supply systems to ensure optimal functionality and availability.
- ⌘ Rendering sustainable bulk water service by supplying adequate water of good quality on a continuous basis and at a reasonable cost to the consumer.
- ⌘ Providing, operating, and maintaining the distribution system to meet the needs of all customers.
- ⌘ To maintain 9% Compliance on the Blue Drop status.
- ⌘ To improve Revenue collection.

Challenges

- ⌘ Ageing and Worn-Out Infrastructure: The water distribution network often requires extensive maintenance due to ageing pipes, pump stations, and other infrastructure components, leading to frequent breakdowns and service interruptions.
- ⌘ Water Losses: A significant number of faulty water meters (e.g., recording no or low consumption) contribute to water losses, making it difficult to account for and manage water efficiently.
- ⌘ Limited Funding: Financial constraints hinder the timely replacement of outdated infrastructure and limit the ability to expand services to meet growing demand.
- ⌘ Inequitable Service Standards: Rural areas often rely on communal standpipes, whereas urban areas have access to individual connections and sanitation systems. This disparity can lead to dissatisfaction and service delivery protests.
- ⌘ Inadequate resources (including vehicles, equipment, and human capacity) within the section.
- ⌘ Delays in reviewing the outdated organogram.
- ⌘ Delay in filling of vacant post.
- ⌘ High levels of vandalism impede a sustainable water supply to the communities.

TOTAL USE OF WATER BY SECTOR (KILOLITRE)					
Year	Commercial	Other	Industrial	Domestic	Unaccountable Water Losses
2020/21	1 565 783	1 646 019	465 392	15 418 976	14 722 634
2021/22	1 477 863	1 379 859	407 692	14 574 858	18 655 013
2022/23	1 211 194	1 741 451	300 336	12 486 188	16 737 330
2023/24	1 347 161	2 006 258	748 112	13 406 037	16 853 016

COMMENT ON WATER USE BY SECTOR

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

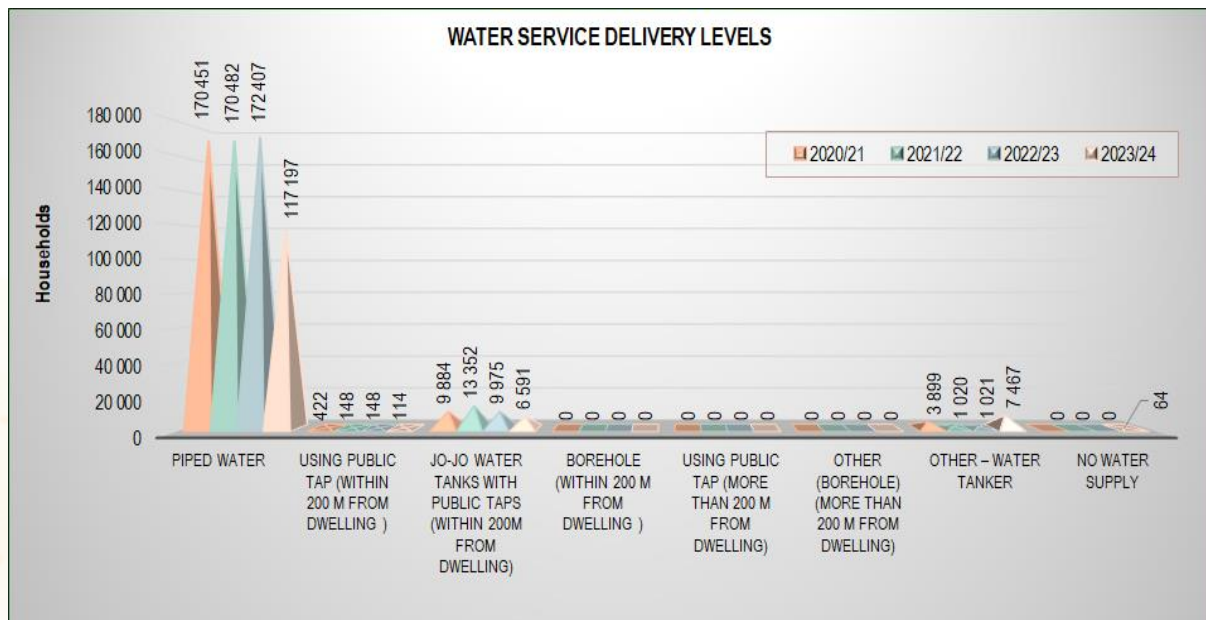
This points to serious problems in the billing process hence the section is putting additional effort into ensuring that the number of non-working meters is reduced to the minimum. To date the department has replaced 48 Bulk meters inclusive of business meters which had a significant increase in the revenue and attended to 40 domestic meters a week.

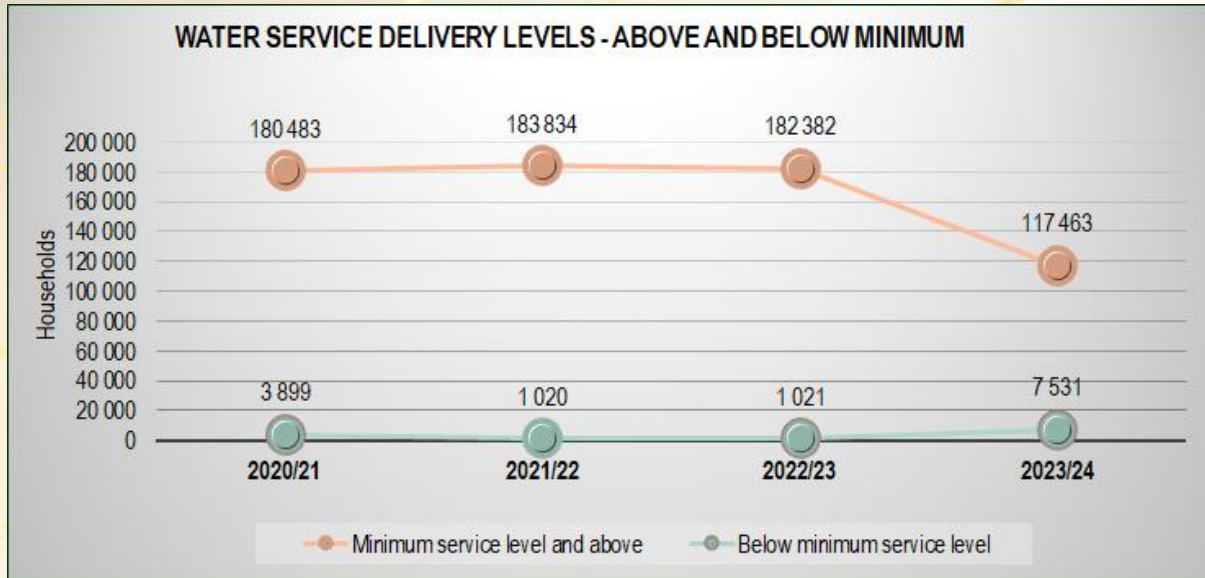
Annually the municipality projects future water demand by implementing infrastructure upgrade plans and thereby ensures that sufficient capacity is available for the increased demand arising from the growth of the community.

WATER SERVICE DELIVERY LEVELS				
Households				
Description	2020/21	2021/22	2022/223	2023/24*
	Actual	Actual	Actual	Actual
Water: (above minimum level)				
Piped water	170 451	170 482	172 407	117 197
Using public tap (within 200m from dwelling)	148	0	0	114
Jo-Jo water tanks with public taps (within 200m from dwelling)	9 884	13 352	9 975	6 591
Borehole (within 200m from dwelling)	0	0	0	0
Minimum service level and above – sub-total	180 483	183 834	182 382	123 902
Minimum service level and above – percentage	98%	99%	99%	94%
Water: (minimum and below minimum level)				
Using public tap (more than 200m from dwelling)	0	0	0	0
Other (Borehole) (more than 200m from dwelling)	0	0	0	0
Other – Water tanker	3 899	1 020	1 021	7 467
No water supply		0	0	64
Below minimum service level – sub-total	3 899	1 020	1 021	7 531
Below minimum service level – percentage	2%	1%	1%	6%
TOTAL HOUSEHOLDS*	184 382	184 854	183 403	131 433

* - Totals include informal settlements

*As per advice from the Auditor General, the 2022 Stats SA figures were utilized for the 2023/24 household counting





WATER SERVICE DELIVERY LEVELS BELOW THE MINIMUM					
					Households
Description	2021/22	2022/23	2023/24*		
	Actual	Actual	Original	Adjusted	Actual
Formal settlements					
Total households	171 372	171 423	117 463	117 463	117 463
Households below minimum service level	0	0	0	0	0
Proportion of households below minimum service level	0%	0%	0%	0%	0%
Informal settlements					
Total households	13 482	11 980	13 970	13 970	13 970
Households below minimum service level	1 020	1 021	7 531	7 531	7 531
Proportion of households below minimum service level	7.56%	9%	54%	54%	54%

*As per advice from the Auditor General, the 2022 Stats SA figures were utilized for the 2023/24 household counting

ACCESS TO WATER			
Year	Proportion of households with access to water points	Proportion of households with access to piped water	Proportion of households receiving 6 kℓ free
2021/22	184 854	183 834	22 886
2022/23	183 403	182 382	16 073
2022/23	183 403	182 382	16 073
2023/24	131 433	123 902	14 172

COMMENT ON WATER USE BY SECTOR

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

The section has developed a maintenance plan that includes the refurbishment of the pressure-reducing valves and gland packing of valves in both the reticulation system as well as pump-stations. Reporting on IWA Water Balance to DWS has assisted the reporting of correct water losses within the system. Through the SLA with Midvaal company, the section will replace and attend to major water leaks on the Bulk distribution to curb the water losses.

Responding to burst pipes within a short period has had an impact in reducing water losses. A huge outbreak of water meters being stolen around the Matlosana area has negatively impacted the water losses increasing by 1% for the financial year from 58% (2022/23) to 59% (2023/24).

Reservoirs are cleaned annually to ensure that the water quality always remains at 97% compliance.

NATIONAL KEY PERFORMANCE INDICATOR

See page 271 for details.

EMPLOYEE INFORMATION

EMPLOYEES: WATER SERVICES					
Job level	2022/23	2023/24			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 - 3	0	1	1	0	0,
4 - 6	2	3	3	0	0,0
7 - 9	5	7	6	1	14,3
10 - 12	15	16	16	0	0,0
13 - 15	16	18	14	4	22,2
16 - 18	14	18	14	4	22,2
19	44	62	43	19	30,6
Total	96	125	97	28	22,4

FINANCIAL PERFORMANCE: WATER SERVICES					
<i>R'000</i>					
Details	2022/23	2023/24			
	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Budget
Total Operational Revenue	989 977	1 048 742	944 841	1 041 946	-6%
Expenditure					
Employees	42 186	41 593	47 309	44 510	1%
Repairs and maintenance	4 653	23 480	24 331	12 170	-405%
Other	852 821	496 666	1 703 532	1 047 660	42%
Total Operational Expenditure	899 660	561 739	1 775 172	1 127 450	38%
Net Operational Expenditure	158 491	487 003	(830 331)	(85 504)	

OBJECTIVES TAKEN FROM IDP (Complete Performance Report available in Chapter 3: Organisational Development Performance (Part II) on pages 185, 187, 189 and 191)

WATER SERVICES OBJECTIVES TAKEN FROM THE IDP						
Service Objective	Service Indicators	2021/22		2022/23		2024/25
		Actual	Actual	Actual	Actual	Budget
		2023/24 Target		Original	Adjusted	Actual
To refurbish Jouberton reservoir to maintain the existing infrastructure	Number of Jouberton reservoirs (Ward13) refurbished	The contractor was appointed on 9 December 2021. Site establishment completed. Dosing building constructed.	The refurbishing of the Jouberton reservoir (ward 13) not done R1 526 177	Refurbishing the 26Mℓ Jouberton reservoir (ward 13) by 30 September 2023 R11 474 798	Refurbishing the 26Mℓ Jouberton reservoir (ward 13) with the completion of the external works by 30 June 2024 R4 457 143	The project not completed, but the following was achieved: Installation of 15m of 500 mm Ø pipe from reservoir to pump house, one 350mm valve and one 500mm valve installed. Detailed condition assessment report submitted, previous existing 500mm Ø pipe excavated and chamber 2 blinding layer concrete poured R2 790 781

3.2 Wastewater (Sanitation) Provision

INTRODUCTION TO SANITATION PROVISION

Sanitation provision is a complex field that requires a multi-faceted approach, integrating infrastructure development, public health initiatives, community engagement, and policy frameworks. Proper sanitation is vital for health, dignity, and environmental protection, making it an essential priority for governments, organizations, and communities worldwide. As we work towards improving sanitation conditions, it is crucial to address existing inequalities and ensure that every individual has access to safe and adequate sanitation facilities.

Sanitation infrastructure remains under pressure due to ageing assets. As the population grows, the demand for sanitation increases. The growth in informality is resulting in encroachment over servitudes and blockages that increase the risk of sewage spills. The current sanitation systems require greater diversification, redundancy (extra components in case of failure in others) and timely investment to meet projected needs and enable older infrastructure to be refurbished and maintained.

Objectives

The following are the section's objectives:

- ☞ To provide sanitation services to all the households in the Matlosana area and enforce the relevant By-Laws to the residents, businesses, and the industries.
- ☞ To maintain a sewer network system and to plan for future upgrades and assist all Project Management Units at Provincial, National and local in giving in-house sewer services expertise on standards used, planning, designing, and monitoring compliance to standards of the construction of new sewerage system services, on refurbishments or new sewerage upgrade projects in the area.
- ☞ To ensure a clean and a compliant sewage effluent from all four-(4) wastewater treatment plants and compliance of the plants in terms of legislated requirements in the Matlosana area, therefore curbing the outbreak of waterborne diseases such as Cholera and Typhoid etc.
- ☞ To ensure a proper housekeeping by operation and maintenance of all the sewage pump-stations and wastewater treatment plants facilities and components in the jurisdiction of the municipality.
- ☞ To attend to all related operations and maintenance on sanitation matters in the rural settlements and farm settlements.
- ☞ To be the best municipality in the Northwest in terms of IRIS system on Wastewater Status achievement which is awarded by the National Department of Water and Sanitation and the rendering of uninterrupted service delivery to the community and future developments.
- ☞ To be the best municipality in the Northwest Province in rendering a reduced interruption of services in terms of sanitation infrastructural service delivery.
- ☞ To render sanitation services proactively, without having community service delivery protests prompting our reactions.

Challenges

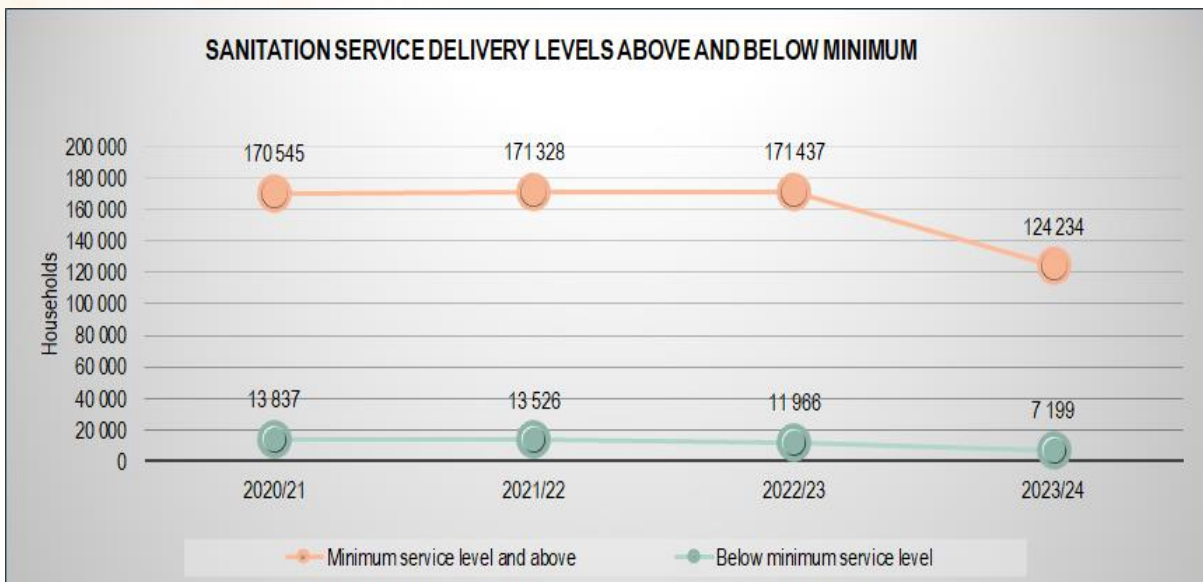
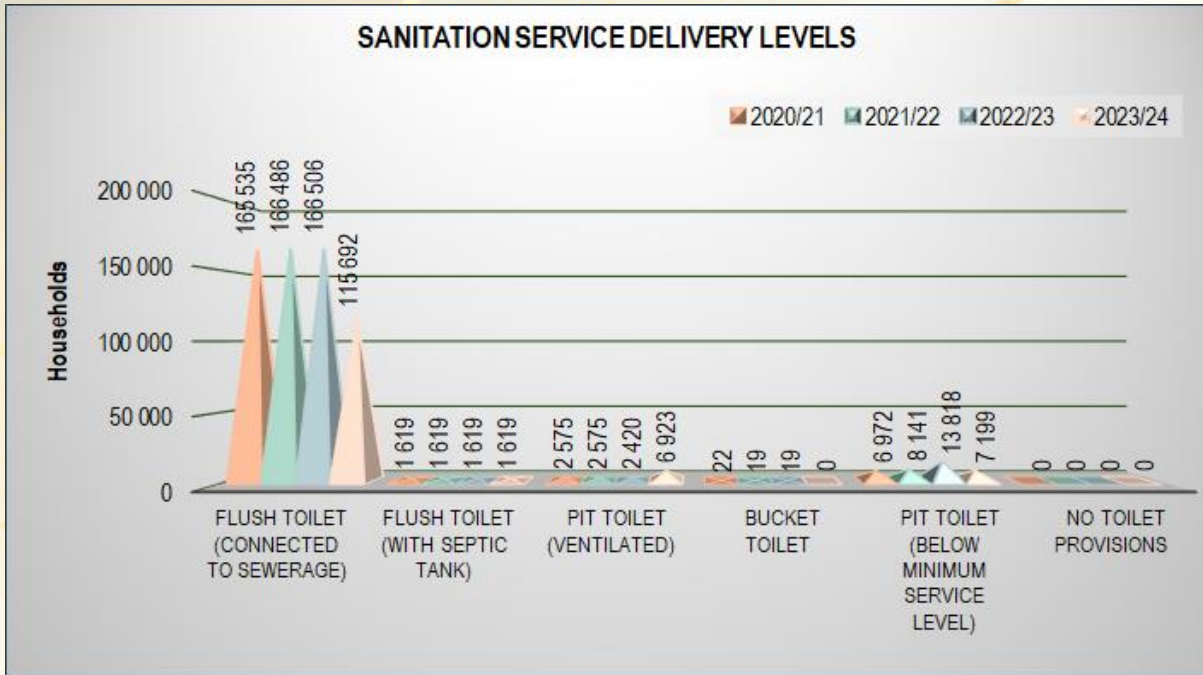
The section is always faced with numerous challenges including but not limited to the following:

- ☞ Lack of skilled and certified plumbers in the locality.
- ☞ Lack of resources (vehicles, equipment, and human capital).
- ☞ Aged infrastructure needs urgent refurbishment and upgrade.

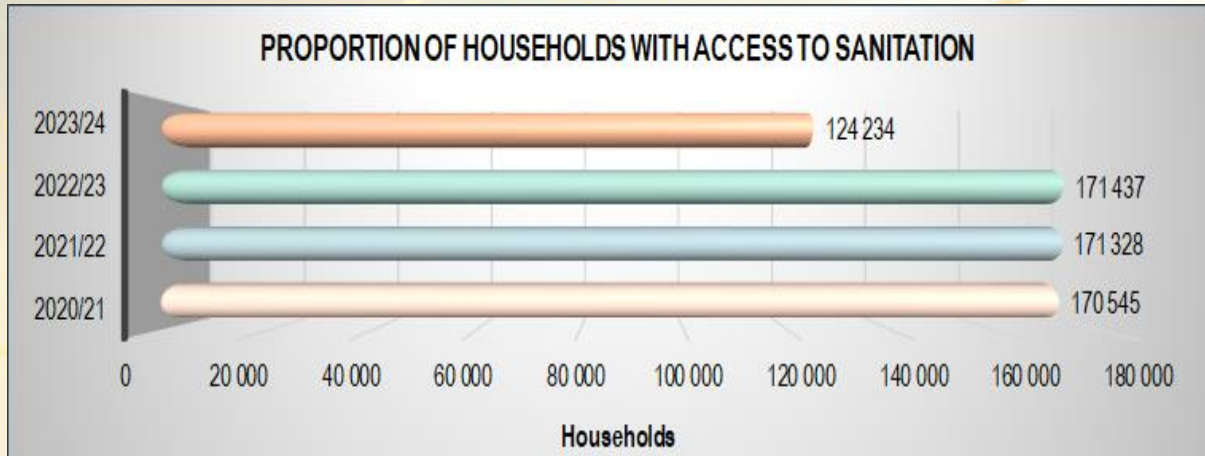
- ⊗ High level of cable thefts, pumps & motors at wastewater treatment plants & pump station by heavily armed groups (rendering all the efforts done to do repairs and maintenance on these key infrastructure facilities for the provision of basic services null & void, interrupting service delivery and endangering the lives of the public and the environment), deployed armoured vehicles and personnel assisted in minimising further armed mob thefts and vandalism, however is just a first step measure which needs to be followed by funding to reinstate the items vandalised, urgently.
- ⊗ High level of cast-iron manhole lids theft gives rise to emergency break down at the sewage pumping stations, wastewater treatment plants and the sewer network, at some instance stones are found to cause of blockages on the latter and this at times results in having to replace the section of the sewer line, which also comes with cost implications from time to time.
- ⊗ High level of unemployment and lack of localised economic development of emerging entrepreneurship give rise to hooliganism groupings threatening officials and appointed service providers rendering services.
- ⊗ Insufficient new township establishments give rise to overload on the current system, hence more sanitation backlogs, which last for longer period without eradicating and therefore leading to more attempted land grabs and more backyard dwellers, adding high load to the sewerage system, therefore making sewer spillages high in the areas.
- ⊗ Misuse of sewer system by the public especially in new township extensions as well as no maintenance on private plumbing installations belonging to most indigent households remain a challenge and burden to the operation and maintenance budget.
- ⊗ The two critical sewage plants which suffered armed mob cable thefts and vandalism require funding to be resuscitated, and the two sewage treatments are Orkney and Klerksdorp Wastewater Treatment Plants respectively.

SANITATION SERVICE DELIVERY LEVELS				
<i>Households</i>				
Description	2020/21	2021/22	2022/223	2023/24*
	Actual	Actual	Actual	Actual
<u>Sanitation/Sewerage: (above minimum level)</u>				
Flush toilet (connected to sewerage)	166 506	166 512	166 621	115 692
Flush toilet (with septic tank)	1 619	1 619	1 619	1 619
Pit toilet (ventilated)	2 420	3 197	3 197	6 923
Other toilet provisions (above minimum service level)	0	0	0	0
Minimum service level and above – sub-total	170 545	171 328	171 437	124 234
Minimum service level and above – percentage	92%	92.7%	93.5%	95%
<u>Sanitation/Sewerage: (below minimum level)</u>				
Bucket toilet	19	34	35	0
Pit toilet (below minimum service level)	13 818	13 492	11 931	7 199
No toilet provisions	0	0	0	0
Below minimum service level – sub-total	13 837	13 526	11 966	7 199
Below minimum service level – percentage	8%	7.3%	6.5%	5%
TOTAL HOUSEHOLDS*	184 382	184 854	183 403	131 433
* - Totals include informal settlements				

* As per advice from the Auditor General, the 2022 Stats SA figures were utilized for the 2023/24 household counting



ACCESS TO SANITATION	
Year	Proportion of households with access to sanitation
2020/21	170 545
2021/22	171 328
2022/23	171 437
2023/24	124 234



SANITATION SERVICE DELIVERY LEVELS BELOW THE MINIMUM					
<i>Households</i>					
Description	2021/22	2022/23	2023/24*		
	Actual	Actual	Original	Actual	Actual
Formal settlements					
Total households	169 750	169 899	117 197	117 197	117 197
Households below minimum service level	1 538	1 620	0	0	0
Proportion of households below minimum service level	1%	1%	0%	0%	0%
Informal settlements					
Total households	15 000	13 504	14 236	14 236	14 236
Households below minimum service level	12 000	10 346	7 199	7 199	7 199
Proportion of households below minimum service level	80%	77%	51%	51%	51%

*As per advice from the Auditor General, the 2022 Stats SA figures were utilized for the 2023/24 household counting

EMPLOYEE INFORMATION

EMPLOYEES: SANITATION SERVICES					
Job Level	2022/23	2023/24			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 - 3	1	1	1	0	0,0
4 - 6	2	3	2	1	33,3
7 - 9	5	7	5	2	28,6
10 - 12	17	21	17	4	19,0
13 - 15	6	11	4	7	63,6
16 - 18	40	46	37	9	19,6
19	103	153	85	68	44,4
Total	174	242	151	91	37,6

FINANCIAL PERFORMANCE: SANITATION SERVICES					
<i>R'000</i>					
Details	2022/23	2023/24			
	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Budget
Total Operational Revenue	141 144	242 313	154 558	177 090	-72%
Employees	43 229	48 658	49 875	51 980	-6%
Repairs and maintenance	40 250	50 119	19 541	17 145	192%
Other	151 359	78 821	99 546	266 619	-70%
Total Operational Expenditure	234 838	177 598	171 473	335 744	-47%
Net Operational Expenditure	(93 694)	64 715	(16 915)	(158 654)	

COMMENTS ON THE PERFORMANCE OF SANITATION SERVICES OVERALL

Due to financial constraints no capital was available for projects.

NATIONAL KEY PERFORMANCE INDICATOR

See page 271 for details.

OBJECTIVES TAKEN FROM IDP (Complete Performance Report available in Chapter 3: Organisational Development Performance (Part II) on pages 182 – 184, 192 and 194 -195)

WASTEWATER (SANITATION) SERVICES OBJECTIVES TAKEN FROM THE IDP							
Service Objective	Service Indicators	2021/22		2022/23		2024/25	
		Actual	Actual	Actual	Actual	Budget	
To upgrade sections of the outfall sewer line from Jouberton Ext 19 and 23 to Alabama (Phase 1) (Wards 7, 8 & 37) to increase the capacity of the sewer system	Kilometre of outfall sewer line in Jouberton Ext 19 and 23 (Phase 1) (Wards 7, 8 & 37) upgraded	New project	New project	Upgrading sections of the sewer pipeline in Jouberton Ext 19 and 23 (Phase 1) (Wards 7, 8 & 37) by constructing 2,413km of 355mmØ uPVC pipeline by 30 June 2024 R19 000 000	Upgrading sections of the sewer pipeline in Jouberton Ext 19 and 23 (Phase 1) (Wards 7, 8 & 37) by constructing 2,413km of 355mmØ uPVC pipeline by 30 June 2024 R2 771 356	Project not completed, but the following was achieved: A contractor was appointed on 8 May 2024. Site handover was conducted on 17 May 2024. Construction of 0.640km 400mm uPVC Ø pipe in Ext. 23 R2 409 471	R23 915 834
To provide dignified sanitation that is structurally compliant and safe to use and promote good health and hygiene to the people of Kanana (Wards 20 & 24)	Number of toilets re-constructed and refurbished in Kanana (Wards 20 & 24)	New project	Not achieved. Preliminary Design Report submitted by the Consultant. Preliminary design paid R 1 097 061	Re-constructing and refurbishing toilets in Kanana Proper and Kanana Ext 4 (Wards 20 & 24) by: advertising tender; appointing the contractor and establishing the site; constructing 1 250 toilets and refurbishing 120 toilets by 30 June 2024 R11 417 615	Re-constructing and refurbishing toilets in Kanana Proper and Kanana Ext 4 (Wards 20 & 24) according to the implementation plan by 30 June 2024 R2 559 803	Project not completed, but tender process is still ongoing R2 225 083	R13 175 525

3.3 Electricity Provision

ELECTRICITY PROVISION

Electricity provision is regulated through legislation that includes the Electricity Amendment Acts 1989; 1994; 1995; 2018 and the Electricity Regulation Act 2006 and the Electricity Regulation Amendment Act 2007; 2023 and 2024.

ELECTRICITY, FLEET & MECHANICAL ENGINEERING SERVICES

Background

Electrical service delivery in terms of the Constitution of the Republic of South Africa determines the functions of the municipality and in this case specifically electricity provision to the City of Matlosana community.

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

Eskom provides electricity to township households in Kanana, Khuma, Tigane and private farms, whilst the City of Matlosana provides electricity to the towns of Klerksdorp, Orkney, Stilfontein and Hartbeesfontein, as well as the townships of Jouberton, Alabama and Manzilpark. The Regulator, NERSA recently had a meeting with both electricity distributors whereby the demarcation of the supply areas was finalised. The electricity management within the City of Matlosana electricity distribution license NW 403, has a responsibility to ensure that it is managed in accordance with the above-mentioned legislation.

Currently, the provision of basic electricity at the household level stands at 89% with a backlog within rural and recently established urban low-income areas (formal and informal). To reduce the outstanding service backlog in both distribution areas, the municipality relies on an annual basis for funding from the Department of Mineral Resources and Energy (DMRE) through the Integrated National Electrification Programme (INEP). Areas with backlogs identified during IDP consultation process are formulated into projects that are incorporated into municipal IDP.

To alleviate the challenge of provision of electricity as a form of energy access to the 11% electricity backlog whilst awaiting provision of electrification funding, households not provided with electricity in both rural and urban areas are provided with free basic alternative energy in a form of liquefied paraffin.

The City of Matlosana as one of the electricity distribution licensed supply authorities has a Sub-Directorate: Electricity Distribution, Mechanical and Fleet Engineering Services under the Directorate Technical & Infrastructure which is primarily for the provision of basic electricity and energy to consumers within its licensed area NW403 allocated by the National Electricity Regulator of South Africa (NERSA)

Sub-Directorate Organisation Structure

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

- ⌘ Electricity distribution & public lighting network maintenance section.

- ⌘ Electricity distribution & public lighting projects management and network planning section.
- ⌘ Electricity installation inspectorate section.
- ⌘ Electricity quality of supply and metering section.

Objectives

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

- ⌘ Provide electricity services to all households in the Matlosana in line with the applicable legislations and standards.
- ⌘ Enforce the relevant By-Laws to the residents, business, and industries.
- ⌘ Maintain, refurbish, and upgrade electricity distribution network system to ensure continuous quality electricity supply.
- ⌘ Ensure compliance with NRS Standards through planning, designing, and monitoring.
- ⌘ Ensure proper operation and maintenance of all mechanical equipment water and wastewater treatment plants facilities and components in the jurisdiction of the municipality.
- ⌘ Ensure proper operation and maintenance of all motorised and non-motorised fleet and equipment water of the municipality.

1. ELECTRICAL DISTRIBUTION

Electricity service delivery challenges & proposed mitigating plan of actions

The following challenges were faced in providing electricity to the community of the City of Matlosana within its distribution license areas:

- ⌘ Ageing infrastructure that causes a high number of unplanned electricity interruptions.
- ⌘ Maintenance backlog due to limited funding to maintain and improve the existing infrastructure.
- ⌘ High electricity technical losses due to ageing and saturated infrastructure.
- ⌘ High electricity non-technical losses due to illegal connections and tampering of metering units.
- ⌘ High level of vandalism and theft of copper-containing electricity and public lighting systems at substations, public lighting, water, and sanitation facilities.
- ⌘ Increased supply demand due to the mushrooming of informal settlements and settlements on private land.
- ⌘ Non-availability of repair materials.
- ⌘ Ageing fleet to respond to network failures within minimum standards.
- ⌘ Load shedding.

Measures put in place to address the challenges:

⌘ Ageing infrastructure

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

⌘ Limited funding to maintain and improve the existing infrastructure

The municipality, National Treasury and Provincial Treasury have been made aware that funds allocated for repair and maintenance are below the 6% required due to municipal financial constraints. However,

the municipality has committed to increase budget allocation for repair and maintenance as soon as the collection rate has improved.

It is therefore critical for the community to pay for municipal services to have funding for both preventative and corrective maintenance in line with the recently developed electricity infrastructure maintenance policy and plan.

The municipality has appointed a debt collector with the objective of increasing the municipality debt collection rate.

⌘ High electricity technical losses due to ageing and saturated infrastructure

The municipality has developed the Electricity Loss Reduction Strategy (ELRS), which contains strategies to address the high electricity technical losses. The municipality has completed the appointment of the service provider for the servicing of transformers and ring main units which is one of the activities contained in the ELRS. The service is aimed at improving the efficiency of this equipment, thereby decreasing technical losses. A total of 28 units have been serviced in the 2023/24 financial year.

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

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

During the 2023/24 financial year, inspectors employed by the municipality, conducted 864 inspections on illegal connection and tampering. The municipality has also allocated two senior electricians who are tasked to deal with replacement of non-functional meters and consumer changeover of conventional meters to pre-paid meters for approved indigent consumers. The municipality replaced 477 non-functional meters to reduce technical estimations.

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

The municipality, in consultation with the Directorate Public Safety has appointed private security to guard strategic electricity points with priority on bulk electricity sub-stations and water and sanitation facilities. The municipality has engaged the SAPS on the issue of increasing theft of cable and vandalism of copper containing electricity systems and this issue has been included as a standing item on the SAPS Forum meetings however this challenge remains the most concerning as it is increasing at an alarming rate.

The municipality is also continuing to replace stolen copper cables with aluminium overhead lines as and when required. The municipality has also conducted Community awareness campaign through interviews at the local radio station Star FM to obtain the community buy-in required to deter, and report acts of vandalism to police and to actively form and participate in community police forums.

⌘ Electricity demands due to “mushrooming” of informal settlements and settlements on private land

The Electrical and Mechanical Engineering section has engaged the Directorate Planning and Human Settlements in dealing with this challenge where electricity cannot be installed.

The effect of the non-provision of electricity to the informal settlement has led to increased illegal connections, which contribute to electricity system losses. The Directorate Planning and Human Settlements is in the process of proclaiming some of these informal settlements so that electricity be provided to those where the proclamation has been finalised.

⌘ Non-availability of repair and maintenance materials

The Electrical and Mechanical Engineering section has developed a Demand Management Plan, which was approved by the Municipal Manager and submitted to Supply Chain Management for the procurement of the required materials. The section has been working with Supply Chain Management to ensure that the required material is procured and available at the stores. The two sections have also resolved to develop a minimum stock inventory list which will be monitored by both on monthly basis.

⌘ Load shedding

The municipality has developed renewable energy strategy in line with Northwest Province a renewable strategy. Council has also identified land to be used for renewable projects and the municipality is in the process of inviting approved independent power producers to implement renewable energy projects to mitigate the impact of load shedding on service delivery. The municipality has also developed an embedded generation policy which allows businesses and household to install small scale embedded generators (SSEG) to alleviate the challenge of load shedding on Eskom grid.

2. FLEET SERVICES

Introduction to Fleet Services Provision

The Sub-Directorate Electrical and Mechanical Engineering is responsible for the maintenance and management of municipal fleet. The management of fleet involves registration and annual licensing of municipal fleet, management of accidents, logbooks, trip authorisation outside the boundary of the municipality and branding of municipal vehicles.

Fleet Maintenance

Fleet maintenance involves repairs and servicing of municipal fleet and equipment. The municipality must fleet repairs workshop for repairs and maintenance located in Klerksdorp and Orkney. The municipality has also appointed six service providers to assist the internal capacity of mechanics to repair and service its fleet.

The following challenge is experienced:

⌘ Ageing Fleet

The municipality still has the 435 fleet of over 10 years old in its asset register. Due to ageing fleet, the challenge of obtaining repair and service parts for the old vehicles makes the turnaround time for the repair of vehicles very slow, as these parts are obsolete. The Municipality has managed to dispose of some of the old fleet during an auction held in 2023. The non-availability of the spare parts has severely affected the performance of the repair of vehicles due to the above-mentioned challenges, which stood at 45% at the end of the financial year.

⌘ Incapacitated Fleet Workshop

The current fleet workshop is operating at below 50% performance due to non-availability of repair equipment and spare parts to internal staff to repair vehicle inhouse. This critical equipment includes a diagnostic machine which allows the municipality to electronically diagnose new model vehicles. The lack of equipment is resulting in the high cost of outsourcing repair and maintenance work.

Measures put in place to address the challenges

⌘ Ageing Fleet

The municipality is in the process of procurement of fleet on a lease-to-buy option to replace ageing fleet.

⌘ Incapacitated Fleet Workshop

The section has obtained council approval to resuscitate the fleet workshop to reduce outsourcing of repairs and thereby reduce current fleet repairs and maintenance.

Fleet Management

The fleet management section is only responsible for licence registrations, outside the City of Matlosana trip authorisations, certificate of fitness registration and receiving of log sheets at the end of the month. The management of fleet is de-centralised. This means every section of the municipality is responsible for the management of its own fleet. The municipality has an approved Fleet Management Policy which awaits Council Policy Workshop and approval.

The following challenge is experienced:

⌘ Decentralisation of fleet management

The de-centralisation of the fleet management has resulted in the abuse and unauthorised use of municipal vehicles.

⌘ Abolished of key fleet management positions

The positions of Fleet Manager and Fleet Inspector have been abolished, and they are no longer on the organogram.

Measures put in place to address the challenges

⌘ Decentralisation of fleet management

The council has not resolved on the centralising of fleet; however, municipality has resolved to procure fleet management system to manage fleet usage to reduce or eradicate misuse and abuse of municipal fleet.

⌘ Abolished of key fleet management positions

The Electrical and Mechanical Engineering section has developed a proposed Fleet Management structure, which has been submitted to Council for approval. The proposed structure includes the key fleet management positions which have been abolished. This draft structure is part of the municipal organisation structure which awaits council final approval.

3. MECHANICAL SERVICES

Introduction to Mechanical Services Provision

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

The maintenance performance of mechanical services section

Maintenance conducted at the mechanical workshops includes repairs on pumps, motors, mechanical screens, aerators, clarifiers, gearboxes, fitting and welding. The municipality has 22 sanitation pumpstations and 4 waste treatment plants, as well as 5 bulk water points and 3 water pumpstation to maintain. Two of the wastewater treatment plants at Hartbeesfontein and Klerksdorp respectively are performing at 70% efficient whereas the other 2 plants in Stilfontein and Orkney are performing at 50%.

The water facilities are being performed at an overall 65% as for the 2023/24 financial year. The municipality is currently able to perform corrective maintenance hence the performance is steadily declining annually. The optimum performance of mechanical equipment at water and sanitation facilities is affected by the following challenges:

⌘ Ageing Infrastructure

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

⌘ Foreign objects in the sewer system

This results in damage to motors, pumps and mechanical screens resulting in non-operation of sanitation pumpstations and high cost of constant repairs to the above-mentioned equipment.

⌘ Lack of preventative maintenance due to resource constraints

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

⌘ Theft and vandalism of equipment

The municipality is experiencing high level of vandalism and theft of copper containing cables and equipment at Water and Sanitation facilities. This has affected the pumping of water and wastewater at these facilities. Non-function of water and sanitation facilities due to vandalised electrical and mechanical equipment has resulted in water shortage in the communities.

Measures put in place to address the challenges

⌘ Ageing Infrastructure

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

The municipality has received funding to address infrastructure challenge through MIG and NDPG to implement upgrading of the mechanical and electrical infrastructure at identified water and sewer pumpstation.

⌘ Foreign objects in the sewer system

The municipality is busy developing programmes to educate the community on the impact of throwing foreign object inside sewer systems. Ward Councillors have also been requested to address issues at their respective meetings.

⌘ Lack of preventative maintenance due to resource constraints

The Sub-Directorate Electrical and Mechanical Engineering has developed and submitted the proposal to increase the number of fitters and to propose positions of Millwright at all wastewater treatment plants

(WWTP) to perform this type of maintenance. The proposal forms part of the organisational structure awaiting Council approval.

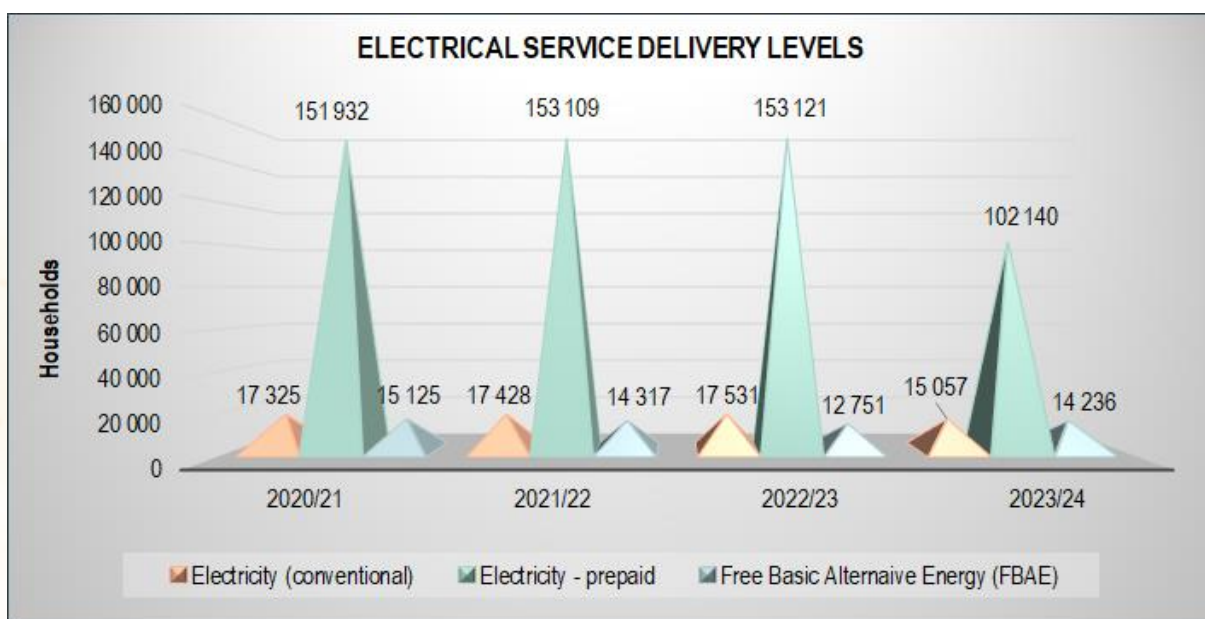
8) Theft and vandalism of equipment

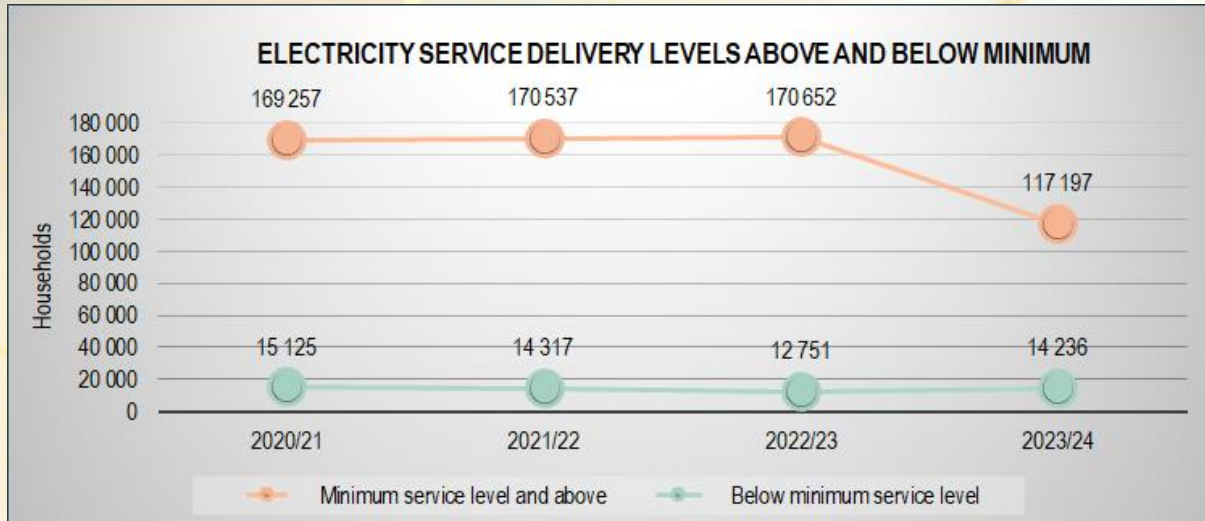
The municipality, in consultation with the Directorate Public Safety has appointed private security to guard strategic electricity points with priority on bulk electricity sub-stations and water and sanitation facilities. The municipality has engaged the SAPS on the issue of increasing theft of cable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

ELECTRICAL AND MECHANICAL ENGINEERING SERVICE DELIVERY LEVELS				
Households				
Description	2020/21	2021/22	2022/223	2023/24*
	Actual	Actual	Actual	Actual
Energy: (above minimum level)				
Electricity (at least minimum service level) (conventional)	17 325	17 428	17 531	15 057
Electricity - prepaid (minimum service level)	151 932	153 109	153 121	102 140
Minimum service level and above subtotal	169 257	170 537	170 652	117 197
Minimum service level and above percentage	92%	92%	93%	89%
Energy: (below minimum level)				
Electricity (< minimum service level)	15 125	14 317	12 751	14 236
Below minimum service level sub-total	15 125	14 317	12 751	14 236
Below minimum service level percentage	8%	8%	7%	11%
TOTAL HOUSEHOLDS*	184 382	184 854	183 403	131 433

* - Totals include informal settlements

*As per advice from the Auditor General, the 2022 Stats SA figures were utilized for the 2023/24 household counting





ELECTRICAL AND MECHANICAL ENGINEERING LEVELS BELOW THE MINIMUM					
<i>Households</i>					
Description	2021/22	2022/23	2023/24*		
	Actual	Actual	Original	Adjusted	Actual
Formal settlements					
Total households	171 492	171 339	117 463	117 463	117 463
Households below minimum service level	1 931	1 663	266	266	266
Proportion of households below minimum service level	1.1%	1%	0%	0%	0%
Informal settlements					
Total households	13 362	12 064	13 970	13 970	13 970
Households below minimum service level	12 386	11 088	13 970	13 970	13 970
Proportion of households below minimum service level	92%	92%	100%	100%	100%

*As per advice from the Auditor General, the 2022 Stats SA figures were utilized for the 2023/24 household counting

EMPLOYEE INFORMATION

EMPLOYEES: ELECTRICAL AND MECHANICAL ENGINEERING					
Job Level	2022/23	2023/24			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 – 3	4	4	4	0	0,0
4 – 6	10	11	9	2	18,2
7 – 9	42	47	41	6	12,8
10 - 12	8	13	9	4	30,8
13 - 15	6	8	6	2	25,0
16 - 18	22	32	19	13	40,6
19	30	36	29	7	19,4
Total	122	151	117	34	22,5

FINANCIAL PERFORMANCE: ELECTRICAL AND MECHANICAL ENGINEERING					
R'000					
Details	2022/23	2023/24			Variance to Budget
	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure	
Total Operational Revenue	973 030	1 167 557	1 129 248	1 067 753	-6%
Expenditure					
Employees	39 647	55 075	63 497	61 203	-4%
Repairs and maintenance	87 362	100 146	91 125	81 403	-12%
Other	1 765 297	1 303 457	1 289 953	1 255 915	-3%
Total Operational Expenditure	1 892 306	1 458 678	1 444 575	1 398 521	-3%
Net Operational Expenditure	(919 276)	(291 121)	(315 327)	(330 768)	

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

The Electrical and Mechanical Engineering section has been able to:

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

NATIONAL KEY PERFORMANCE INDICATOR

See page 272 for details.

OBJECTIVES TAKEN FROM IDP (Complete Performance Report available in Chapter 3: Organisational Development Performance (Part II) on pages 186 – 187 and 195)

ELECTRICAL AND MECHANICAL ENGINEERING OBJECTIVES TAKEN FROM THE IDP						
Service Objective	Service Indicators	2021/22		2022/23		2024/25
		Actual	Actual	Actual	Adjusted	Budget
To reduce electricity losses associated with municipal own consumption in Klerksdorp (Phase 4)	Number of street lighting with LED lights retrofitted in Klerksdorp (Phase 4)	The project was withdrawn due to the roll-over application rejected by National Treasury and no funding was made available	471 conventional streetlights with LED lights in Klerksdorp (Phase 3) (Wards 1, 2, 27, 28, 30 and 32) retrofitted. R3 083 260	Retrofitting 264 conventional streetlights with LED lights in Klerksdorp (Phase 4) R4 000 000	Retrofitting 206 Conventional streetlights and 264 High mast lights with LED lights Klerksdorp (Phase 4) by 30 June 2024. R4 000 000	R5 000 000
Pre-engineering of Jouberton substation to determine which substation the electrification of Ext 25 will draw electricity from	Number of feasibility studies and designs on the Jouberton substation	New project	New project	Pre-engineering of 1 x Jouberton substation by appointing a consulting engineer; developing a feasibility study report; and developing and submitting of a detailed design report by 30 June 2024	Pre-engineering of 1 x Jouberton substation according to the implementation plan by 30 June 2024 R1 732 000	N/A

3.4 Waste Management

INTRODUCTION TO WASTE MANAGEMENT

The Cleansing section’s function is to provide an acceptable, affordable and sustainable cleaning service to all the residents of the Matlosana area. The refuse removal service is rendered once a week in residential areas and daily at businesses and hospitals to keep the environment clean. This service is rendered with refuse compaction trucks in both townships and towns.

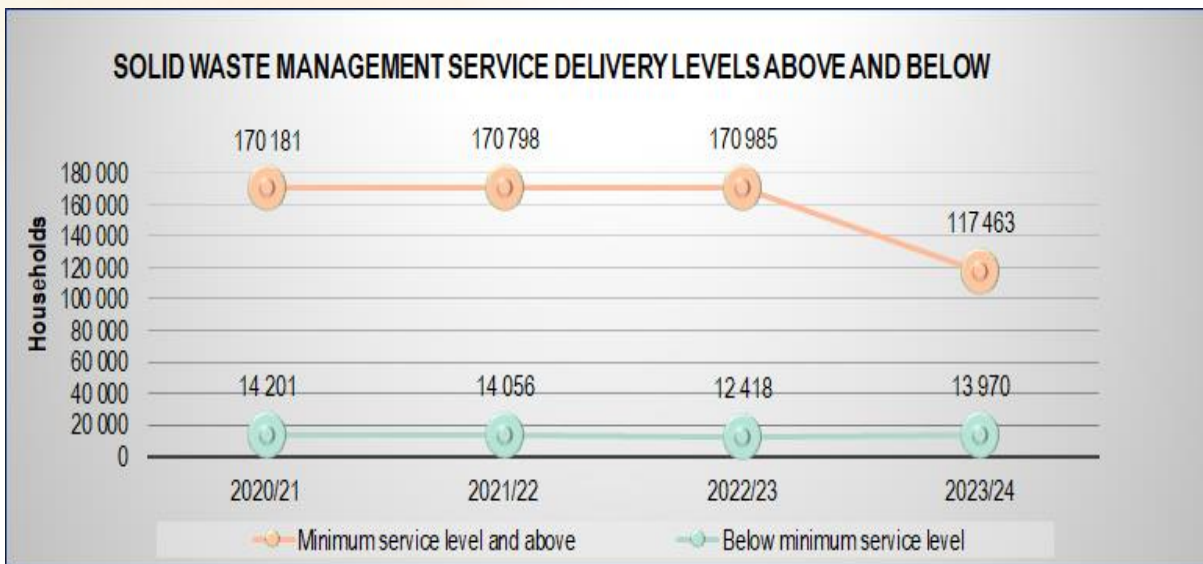
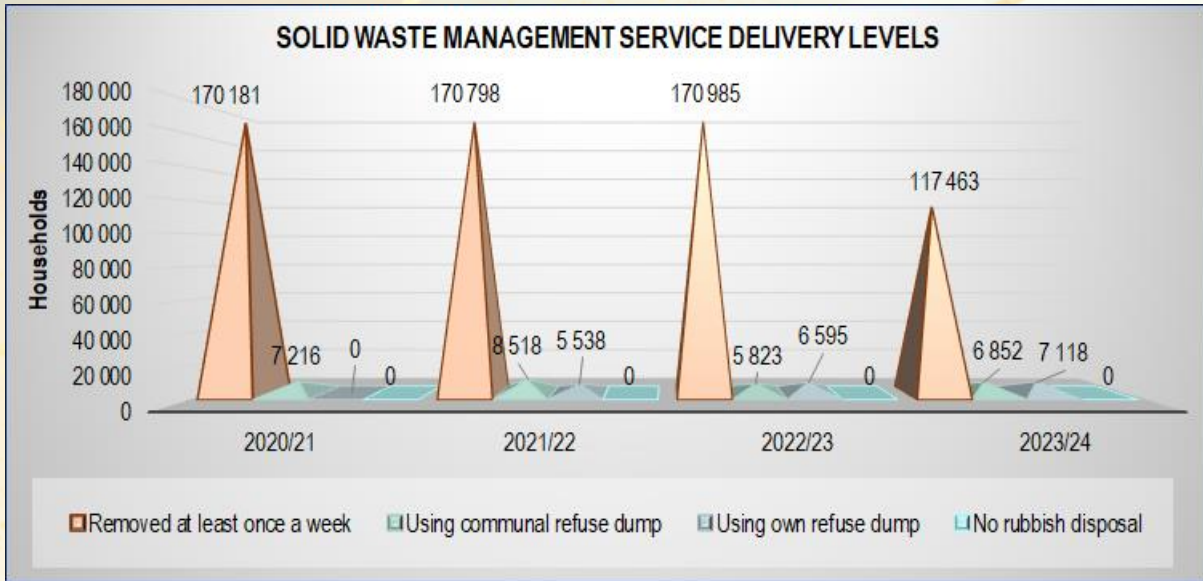
The Cleansing section services include the cleaning of illegal dumping, the rendering of a street cleansing services in all CBD’s and all main roads within the Matlosana area and the management and operations of the Klerksdorp and Hartbeesfontein Landfill Sites and the Orkney Transfer Station.

Strategic objectives are to:

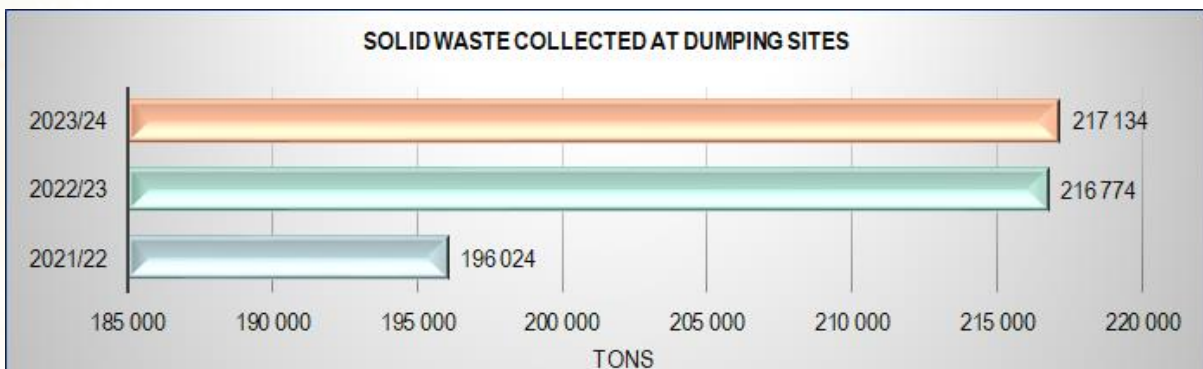
- ☞ render a uniform cleansing service to all communities in the Matlosana area.
- ☞ fifteen refuse trucks are leased from three different service providers, each providing five trucks.
- ☞ two refuse trucks, one Bulldozer, one Water Tanker and one Tipper Truck were purchased with MIG funding, to render an effective and efficient refuse removal service in the Matlosana area and at the Hartbeesfontein Landfill Site.
- ☞ conduct awareness and clean-up campaigns to eliminate illegal dumping in the Matlosana area.
- ☞ two million has been budgeted to purchase dustbins and will be distributed to newly proclaimed developed and existing areas within Matlosana; and the 85ℓ dustbins will be faced out.
- ☞ adhere to the minimum license conditions of the two landfill sites and transfer station.
- ☞ a third cell at the Klerksdorp Landfill site is under construction and Council has also purchased the land next to the Klerksdorp Landfill Site for future development.

SOLID WASTE MANAGEMENT SERVICE DELIVERY LEVELS				
				<i>Households</i>
Description	2020/21	2021/22	2022/23	2023/24*
	Actual	Actual	Actual	Actual
<u>Solid Waste Removal: (minimum level)</u>				
Removed at least once a week	170 181	170 798	170 985	117 463
<i>Minimum service level and above sub-total</i>	170 181	170 798	170 985	117 463
<i>Minimum service level and above percentage</i>	92%	92%	93%	89%
<u>Solid Waste Removal: (below minimum level)</u>				
Removed less frequently than once a week	-	-	-	-
Using communal refuse dump	7 216	8 518	5 823	6 852
Using own refuse dump	6 985	5 538	6 595	7 118
No rubbish disposal	0	0	0	0
<i>Below minimum service level – sub-total</i>	14 201	14 056	12 418	13 970
<i>Below minimum service level – percentage</i>	8%	8%	7%	11%
TOTAL HOUSEHOLDS*	184 382	184 854	183 403	131 433
* - Total includes informal settlements				

*As per advice from the Auditor General, the 2022 Stats SA figures were utilized for the 2023/24 household counting



SOLID WASTE COLLECTED AT DUMPING SITES		
2021/22	2022/23	2023/24
196 024 tons	216 774 tons	217 134 tons



SOLID WASTE MANAGEMENT SERVICE DELIVERY LEVELS BELOW THE MINIMUM					
Households					
Description	2021/22	2022/23	2023/24*		
	Actual	Actual	Original	Adjusted	Actual
Formal settlements					
Total households	171 297	172 101	117 463	117 463	117 463
Households below minimum service level	1 116	1 116	0	0	0
Proportion of households below minimum service level	0.65%	0.6%	0%	0%	0%
Informal settlements					
Total households	13 085	11 302	13 970	13 970	13 970
Households below minimum service level	13 085	11 302	13 970	13 970	13 970
Proportion of households below minimum service level	100%	100%	100%	100%	100%

*As per advice from the Auditor General, the 2022 Stats SA figures were utilized for the 2023/24 household counting

EMPLOYEE INFORMATION

EMPLOYEES: SOLID WASTE MANAGEMENT SERVICES (REFUSE REMOVAL AND STREET CLEANING)					
Job Level	2022/23	2023/24			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 – 3	2	2	2	0	0,0
4 – 6	3	2	2	0	0,0
7 – 9	7	8	6	2	25,0
10 - 12	32	29	28	1	3,4
13 - 15	10	17	6	11	64,7
16 - 18	7	10	7	3	30,0
19	148	259	164	95	36,7
Total	209	327	215	112	34,3

FINANCIAL PERFORMANCE: SOLID WASTE MANAGEMENT SERVICES (REFUSE REMOVAL AND STREET CLEANING)					
R'000					
Details	2022/23	2023/24			
	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Budget
Total Operational Revenue	345 934	424 440	154 558	383 799	60%
Expenditure					
Employees	59 468	71 934	52 895	70 566	25%
Repairs and maintenance	30 610	36 420	19 541	16 897	-16%
Other	109 491	44 361	99 037	154 015	36%
Total Operational Expenditure	199 569	152 715	171 473	241 478	29%
Net Operational Expenditure	146 365	271 725	(16 915)	142 321	

OBJECTIVES TAKEN FROM IDP (Complete Performance Report available in Chapter 3: Organisational Development Performance (Part II) on pages 183; 188; 190 and 194)

SOLID WASTE MANAGEMENT SERVICES OBJECTIVES TAKEN FROM THE IDP							
Service Objective	Service Indicators	2021/22		2022/23		2024/25	
		Actual	Actual	Actual	Actual	Budget	
To ensure the safe and disposal of urban solid waste to protect human health and to reduce the risk of environmental pollution in Klerksdorp (Ward 19)	Number of cells developed for Klerksdorp landfill site (Cell 3) (Phase 1) (Ward 19)	New project	The development of the Klerksdorp Landfill Site Cell 3 (Phase 1) (Ward 19) not completed yet. The EIA study was conducted, and a detailed design report developed and approved. Project registration letter received from COGTA on 28 March 2023 R3 496 357	Developing the Klerksdorp Landfill Site Cell 3 (Phase 1) (Ward 19) by appointing the contractor and establishing the site; clearing 15 525m ² site excavating 192 270m ³ ; constructing 2-layer works; installing 3,458Km perforated and 0,052Km HDPE sub-soil drainage pipes; construct 3 layers of clay silt liner by 30 June 2024	Original	Adjusted	Actual
					Project not completed, but the following was achieved: Contractor appointed on 12 December 2023. Site hand-over done on 28 December 2023. Site establishment and clearing of site done. Bulk excavation and stockpile of 95 962 m ³ done R17 611 771	R9 134 159	
To improve collection of refuse and maintain environmental care (Phase 2)	Number of specialised vehicles for solid waste removal purchased and delivered (Phase 2)	New project	New project	Purchasing and delivery of specialised vehicles (1 x Tipper truck and 1 x Water tanker) for solid waste removal (Phase2) by 31 March 2024 R5 443 525	Purchasing and delivery of specialised vehicles (1 x Tipper truck and 1 x Water tanker) for solid waste removal (Phase2) by 30 June 2024 R5 443 525	The purchasing and delivery of specialised vehicles (1 x Tipper truck and 1 x Water tanker) for solid waste removal achieved R4 733 500	N/A

COMMENTS ON THE PERFORMANCE OF WASTE MANAGEMENT OVERALL

- ⌘ Refuse removal: Provides a uniform refuse removal service to all residential sites, business premises and industrial sites. Different types of systems are in use namely black plastic bags, 85ℓ and 240ℓ containers. All 1 100ℓ containers have been replaced with 240ℓ containers. Also, all broken 240ℓ dustbin wheels and axels have been replaced.
- ⌘ Street cleaning: Rendering a service in the central business district areas, small central business district areas within residential areas, taxi ranks and all main roads by means of litter picking. The service is being rendered during normal working hours and flexi workers are working after hour and also over weekends, to keep our central business districts clean.
- ⌘ All landfill sites and transfer station to adhere to the minimum landfill site requirements.
- ⌘ Additional refuse: Rendering a service by removing additional refuse that is dumped illegally in open spaces, corners etc. and it is disposed at the landfill site, on an as-and-when basis in the Matlosana area.
- ⌘ The Integrated Waste Management plan for the City of Matlosana has been implemented, and the municipality is also reporting to the Department of Environment, Fishery and Forestry, on an annual basis.

NATIONAL KEY PERFORMANCE INDICATOR

See page 272 for details.

3.5 Housing Provision

INTRODUCTION OF HOUSING PROVISION

In terms of Schedule 4: part A of the constitution of the Republic of South Africa, Housing is the concurrent function of national and provincial departments. The Housing unit is limited to a facilitation role to ensure that the state-subsidised houses (RDP) are built through various housing programmes as outlined in the National Housing Policy.

The mission of the Housing unit within the Directorate Planning and Human Settlements is to facilitate the delivery of sustainable human settlements, affordable, adequately serviced land, security of tenure as well as identification of well-located land suitable for human settlements developments through:

- ⌘ Partnership with the provincial department of human settlements in conducting consumer education.
- ⌘ Mobilisation of well-located land for low income and affordable housing with increased densities.
- ⌘ Ensuring higher built densities, appropriate housing forms with a variety of tenure types, and the densification of existing residential areas.
- ⌘ Introduction of rental strategy as an alternative to the existing housing backlogs.
- ⌘ Facilitates eradication of informal settlements through the various housing programmes
- ⌘ Partnership with housing development agency in purchasing a well-located land suitable for human settlements development.

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

- ⌘ Management of informal settlements.
- ⌘ Compilation of a credible National Housing Needs Register.
- ⌘ Ensure that the City of Matlosana receives Municipal Accreditation level 1 and 2, to perform human settlements functions.

Challenges

- ⌘ The proliferation of informal settlements and urban sprawl.
- ⌘ Shortage of well-located land for human settlements.
- ⌘ Blocked housing projects.

MATLOSANA INFORMAL SETTLEMENTS

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

EMPLOYEE INFORMATION

EMPLOYEES: HOUSING SERVICES					
Job Level	2022/23	2023/24			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 – 3	1	1	1	0	0,0
4 – 6	5	6	5	1	16,7
7 – 9	2	4	2	2	50,0
10 - 12	3	3	3	0	0,0
13 - 15	7	7	7	0	0,0
16 - 18	0	0	0	0	0,0
19	0	2	0	2	100,0
Total	18	23	18	5	21,7

FINANCIAL PERFORMANCE: HOUSING SERVICES					
<i>R'000</i>					
Details	2022/23	2023/24			
	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Budget
Total Operational Revenue	3 837	4 187	4 187	3 970	-5%
Expenditure					
Employees	10 187	11 784	11 788	11 037	-7%
Repairs and maintenance	51	114	314	43	0%
Other	3 826	5 873	4 073	1 447	-306%
Total Operational Expenditure	38 183	17 771	16 175	12 527	-42%
Net Operational Expenditure	(34 346)	(13 584)	(11 988)	(8 557)	

COMMENT ON THE PERFORMANCE OF HOUSING SERVICES OVERALL

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

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

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

3.6 Free Basic Services and Indigent Support

INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

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

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

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

Only households where the total household income is less than R4 190 per month (which is the maximum old-age grant equal to two old-age pensions may apply for indigent support).

NUMBER OF HOUSEHOLDS									
HOUSEHOLDS EARNING LESS THAN R4 190 PER MONTH – 2023/34									
Year-end	Total	Free basic water		Free basic sanitation		Free basic electricity		Free basic refuse removal	
		Access	%	Access	%	Access	%	Access	%
2020/21	21 779	21 779	100%	21 779	100%	21 779	100%	21 779	100%
2021/22	22 886	22 886	100%	22 886	100%	22 886	100%	22 886	100%
2022/23	16 073	16 073	100%	16 073	100%	16 073	100%	16 073	100%
2023/24	20 615	20 615	100%	20 615	100%	20 615	100%	20 615	100%

NATIONAL KEY PERFORMANCE INDICATOR

See page 259 for details.

COMMENTS ON FREE BASIC SERVICES AND INDIGENT SUPPORT

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

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

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

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

None of the residents should fall below the minimum standard of services as is contemplated in the Council's financial policies.

The Council realizes that in certain circumstances and because of past policies, certain services are available to communities, the costs of which are beyond the financial means of such communities and will through this policy assist those communities within the financial capability of the Council.

In each instance, the economic cost to render the services shall be calculated in accordance with the Council's tariff policy.

Indigent consumers who do not have access to electricity, qualify for alternative energy sources. Council issued paraffin to those consumers who qualified in the 2023/24 financial year.

FINANCIAL PERFORMANCE: COST TO MUNICIPALITY OF FREE BASIC SERVICES DELIVERED					
					<i>R'000</i>
Services delivered	2022/23	2023/24			
	Actual	Budget	Adjustment	Actual	Variance to Budget
Water	43 866	101 730	101 730	66 163	-0,54
Wastewater (sanitation)	15 253	26 001	26 001	22 575	-0,15
Electricity	21 434	37 066	37 066	32 337	-0,15
Waste management (solid waste)	32 809	47 107	47 107	44 645	-0,06
Total	113 362	211 904	211 904	165 720	

CRITERIA FOR INDIGENT SUPPORT

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

To qualify for financial assistance, the following will apply:

- (i) Only registered residential / farm occupied consumers of services delivered by the Council will qualify.
- (ii) No residential consumer conducting a business from the residential property, with or without special consent obtained from the Council or with or without existing usage rights, shall qualify for assistance.
- (iii) Occupants / residents who own more than one property and occupy a house where application is sought will render such application of the owner / occupier invalid.

- (iv) Where a tenant is renting a property, fully motivated applications and proof, together with an affidavit from the owner and verification from the ward Councillor must be submitted.
- (v) Where the registered owner or occupant is deceased and underage children of the deceased are residing in the house, the relevant documentation to this effect must be produced.
- (vi) The account holder must apply in person and must present the following documents upon application:
 - ⊗ The latest municipal account in his/her possession.
 - ⊗ Account holder's identity document.
 - ⊗ Pension certificates and/or card /or affidavit.
 - ⊗ Proof of income (if any).
 - ⊗ Information of other individuals residing with the applicant.
- (vii) Only households where the total household income is less or equal to R4 190 (Four thousand one hundred and ninety rand) per month may apply for indigent support.
- (viii) An application agreement must be completed by every applicant. This agreement must include an affidavit and a customer profile of the household.
- (ix) An approved indigent subsidy is valid for a period of two years or until Council decides to cancel all previous applications and indigents will have to renew their applications, or as soon as the circumstances have changed of an indigent debtor, or on an annual basis based on the approval date of the application.
- (x) No pensioner indigents, whose indigent subsidy has been approved from the preceding financial year, need to reapply for the subsidy, as it is automatically approved. Pensioners only need to verify that they are still alive.
- (xi) All indigent applicants must give permission that an ITC check may be done on them to verify their claimed indigent status if needed. Failure thereof will cause the application not to be considered and approved.
- (xii) No debt collection or credit control measures will be instituted against the indigent household for as long as consumption over and above the free use is paid in full.

LEVEL OF INDIGENT SUPPORT

The level of indigent support will be as follows:

- Water: Usage: An indigent subsidy amount equal to the value of 6kℓ water and thereafter normal tariffs will apply which is payable by the indigent consumer.
Basic Fees: A subsidy amount equal to the value of the basic fees as determined by the water tariffs
- Refuse removal: Removal once (1) a week of 85ℓ or 240ℓ container: Free of charge per month
- Sewerage: Cost of drainage basic charge plus additional sewerage charge per dwelling house: Free of charge per month.
- Electricity: Usage: A maximum indigent subsidy of 50 kWh free of charge and thereafter-normal tariffs will apply which the Indigent consumer must pay
Basic fees: An indigent subsidy amount equal to the value of the basic fees as determined by the electricity tariffs
- Property Rates: 100% of the rates as subsidized by the Property Rates Policy will be subsidized for indigent residents

COMPONENT B: ROAD TRANSPORT

This component includes Roads and Stormwater Drainage and Licensing Services.

INTRODUCTION TO ROAD TRANSPORT

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

3.7 Roads and Stormwater Drainage

INTRODUCTION TO ROADS AND STORMWATER DRAINAGE

The Roads and Stormwater section adds value to accessibility in Matlosana through the provision of sustainable roads and Stormwater service of high quality.

The section's goals are to:

- ⌘ Ensure effective stormwater and drainage management.
- ⌘ Provide roads and Stormwater infrastructure development and maintenance.
- ⌘ Provide safe roads with good quality riding characteristics.
- ⌘ Determine a road inventory and create a road referencing system.

The Roads and Stormwater section is responsible for planning, providing and maintaining the roads and Stormwater infrastructure of City of Matlosana and for facilitating economic growth and socio-development, promoting traffic safety, improving traffic flow and alleviating traffic congestion.

GRAVEL ROAD INFRASTRUCTURE				
<i>Kilometres</i>				
Year	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained
2020/21	831	0	9	79.00
2021/22	822	0	9	100
2022/23	822	0	0	120
2023/24	822	0	0	38.71

TARRED ROAD INFRASTRUCTURE				
<i>Kilometres</i>				
Year	Total surfaced roads	New surfaced roads	Existing surfaced roads re-surfaced	Surfaced roads maintained
2020/21	1 101.45	9	1	300
2021/22	1 103.83	11.3	0	300
2022/23	1 103.83	0	25	300
2023/24	1 103.83	0	0	300

ROADS COST OF CONSTRUCTION / MAINTENANCE						
R' 000						
Year	Gravel			Tar		
	New	Gravel - Tar	Maintained	New	Re-worked	Maintained
2020/21	0	47 000	5 000	47 000	0	10 000
2021/22	0	65 000	10 000	65 000	0	10 000
2022/23	0	14 773	8 000	0	57 000	57 000
2023/24	0	0	3 610	0	70 403	70 403

STORMWATER INFRASTRUCTURE			
Kilometres			
Year	New Stormwater measures	Stormwater measures upgraded	Stormwater measures maintained
2020/21	3*	0	46
2021/22	5.9*	0	45
2022/23	0*	0.25	60
2023/24	0*	0	31.265

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

STORMWATER COST OF CONSTRUCTION / MAINTENANCE			
R' 000			
Year	Stormwater Measures		
	New	Upgraded	Maintained
2020/21	47	0	3
2021/22	81	0	9
2022/23	0	1	6
2023/24	0	0	2 518

EMPLOYEE INFORMATION

EMPLOYEES: ROAD AND STORMWATER DRAINAGE					
Job Level	2022/23	2023/24			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 - 3	1	1	1	0	0,0
4 - 6	0	2	1	1	50,0
7 - 9	10	14	9	5	35,7
10 - 12	24	29	23	6	20,7
13 - 15	2	4	2	2	50,0
16 - 18	19	26	20	6	23,1
19	75	107	66	41	38,3
Total	131	183	122	61	33,3

FINANCIAL PERFORMANCE: ROAD AND STORMWATER DRAINAGE					
R'000					
Details	2022/23	2023/24			
	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Budget
Total Operational Revenue	39 026	55 664	44 694	51 317	-8%
Expenditure					
Employees	51 151	78 454	70 054	60 329	-30%
Repairs and maintenance	94 317	91 687	80 632	45 201	-103%
Other	197 106	107 903	125 185	84 608	-28%
Total Operational Expenditure	342 574	278 044	275 871	190 138	-46%
Net Operational Expenditure	(303 548)	(222 380)	(231 177)	(138 821)	

COMMENTS ON THE PERFORMANCE OF ROADS AND STORMWATER DRAINAGE OVERALL

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

The challenging reality of limited financial resources leads to the need for roads investment optimization and prioritization. Rehabilitation and resealing of surfaced roads are the major factors that keeps the roads intact against major defects such as potholes, crocodile cracks, rutting and rejuvenating of the life span of roads.

The city must make sure that all these roads are properly maintained. There is a huge challenge in maintenance of these roads because of shortage of funds and shortage of equipment for internal capacity for carrying out required level of road maintenance to maintain high quality drivability.

OBJECTIVES TAKEN FROM IDP (Complete Performance Report available in Chapter 3: Organisational Development Performance (Part II) on pages 181 - 182 and 189)

ROADS AND STORMWATER DRAINAGE OBJECTIVES TAKEN FROM THE IDP							
Service Objective	Service Indicators	2021/22		2022/23		2024/25	
		Actual	Actual	Actual	Adjusted	Budget	
To improve public access to transport in Jouberton Ext 19 (Ward 37) with the construction of a new taxi rank with facilities	Number of taxi ranks with facilities constructed in Jouberton Ext 19 (Ward 37)	Contractor appointed on 25 November 2021. Site establishment completed. Bulk earthworks 78% completed. R14 522 166	The construction of a new taxi rank with facilities in Jouberton Ext 19 nearly completed, with the construction of 1 platform at 93% completed. 0,260Km of 160mm of UPVc sewer pipe; 0,582km of 110mm UPVc water pipe; the top structure of 1 office facility, 1 storeroom and refuse bin facility; and 0,350Km of 63mm UPVc water pipe; as well as the erection of 0,428km perimeter fence. R10 858 761	Completing construction of 1 new taxi rank with facilities in Jouberton Ext 19 (Ward 37) by installing a roof for 1 main ablation facility; 1 office facility; 1 trading area; 2 small ablation facilities; 4,917m² roof covering for the main taxi rank and waiting area; and 5856m² paving by 31 March 2024 R22 227 380	Completing construction of 1 new taxi rank with facilities in Jouberton Ext 19 (Ward 37) according to the implementation plan 31 March 2024 R21 162 000	Project not completed, but the following was achieved: The roof for one main ablation facility installed, one office facility, one trading area and two small ablation facilities completed. The extension of the column bases completed. The installation of roof trusses was 90% completed for the main taxi area. 1 856 m² paving and nine culverts were installed. R19 399 214	R7 993 117

3.8 Licensing Services

INTRODUCTION TO LICENSING SERVICES

The Licensing division is comprised of four sections and has four operating offices around City of Matlosana: Klerksdorp, Orkney, Stilfontein and Hartbeesfontein.

- ⌘ Motor Vehicle Registration and Licensing (RA section).
- ⌘ Drivers' License Testing Centre (DLTC section).
- ⌘ Vehicle Testing Station (VTS section).
- ⌘ Business Licenses Section.

Licensing division is an agent of the Northwest Provincial Department of Community Safety and Transport Management, under the Directorate of Transport Administration and Licensing.

The Road Traffic Management Corporation (RTMC) supplies Licensing with the software & hardware for motor vehicle registrations & licensing, drivers' licenses and vehicle testing and provides maintenance. For these purposes, the National Traffic Information System (eNATIS) software is utilised.

Licensing's overall operations are legislative and governed by the following Acts, Regulations and Municipal By-Laws:

- ⌘ National Road Traffic Act and Regulations, 1996 (Act 93 of 1996).
- ⌘ Road Traffic Management Corporation (Act 20 of 1999).
- ⌘ Administrative Adjudication of Road Traffic Offences (Act 46 of 1998).
- ⌘ Northwest Business Act 6 of 1997 was repealed and replaced by the Northwest Business Licensing Act No. 3 of 2019.
- ⌘ Public Safety Traffic and Security By-Laws – approved 5/12/2003.
- ⌘ South African National Standards (SANS).

Licensing division's day-to-day operations are based on service delivery and revenue collection. The description of the daily functions and activities in the four sections are:

Motor Vehicle Registration and Licensing

- Registrations of new, used, and built-up motor vehicles (including motor dealer vehicle registrations).
- ⌘ Licensing and Renewal of motor vehicle licenses and motor trade plates.
 - ⌘ Deregistration of motor vehicles.
 - ⌘ Issuing of temporary / special permits, motor trade plates and duplicate vehicle registration certificates.
 - ⌘ Change of particulars of motor vehicles / owner.

Drivers' License Testing Centre

- ⌘ Applications and issuing of Leaners' Licenses.
- ⌘ Applications and issuing of Drivers' Licenses.
- ⌘ Applications for professional driving permits.
- ⌘ Renewal of drivers' licenses.

- ⌘ Issuing of temporary drivers' licenses.

Vehicle Testing Station

- ⌘ Applications of motor vehicle roadworthy tests.
- ⌘ Issuing of motor vehicle roadworthy certificates.
- ⌘ Issuing of motor vehicle weighbridge certificates.

Business Licenses Section (Non- functional)

- ⌘ The Northwest Business Act No. 6 of 1997 was repealed by the Northwest Province and was replaced by the Northwest Business Licensing Act No. 3 of 2019, where powers of issuing business licenses were taken away from municipalities. The business license functions are no longer conducted by the Licensing Division as from March 2023.
- ⌘ The function of applications and issuing of Hawkers Licenses and rental of Hawkers Stands was transferred to the Traffic Division from 01 January 2024.

ALLOCATION OF DAILY COLLECTIONS

Motor Vehicle Registration and Licensing

- ⌘ 80% of revenue collected is retained by the NW Provincial Department of Community Safety and Transport Management and 20% is commission retained by City of Matlosana.
- ⌘ The Road Traffic Management Corporation collects R72.00 from every licensed motor vehicle (RTMC).
- ⌘ Over the past years City of Matlosana fell short of paying over the 80% to the Provincial Department of Transport as per service level agreement and that resulted in incurring debt valued at about R104 million.

The Department of Transport began receiving 100% of all revenue collected on motor vehicle registrations and licencing, along with revenue received for RTMC, in April 2017 to make up the 80% arrears.

The Department of Transport began receiving 100% of all revenue collected on motor vehicle registrations and licencing, along with revenue received for RTMC, in April 2017 to make up the 80% arrears.

The Department of Transportation has retained the 20% commission that is due to the City of Matlosana to pay the arrears. Approximately R19 million is currently owed to the Department of Transportation.

Drivers' License Testing Centre

- ⌘ The Drivers' License Card Account (DLCA), formerly known as Prodiba, receives R79 of the R222 total cost of producing a driver's license card, while the City of Matlosana retains R143 and all additional earnings.

Vehicle Testing Station

- ⌘ The South African Bureau of Standards (SABS) receives 3% of earnings from motor vehicle roadworthy test applications, with the City of Matlosana retaining the balance of the funds.

Challenges

⌘ Revenue Collection

Factors that affect revenue collection and under-performance with meeting set targets:

- Renewal of motor vehicle licenses is no longer being provided by Licensing only. There are more than 16 other service providers including the SA Post Office, Natis website and multiple online service providers and retail outlets.
- Shortage of cashiers. There are seven cashier positions that are waiting for advertisement. Yellow forms were submitted to Human resources from August 2023. If these positions are filled, our long queues will be shortened, and service delivery will improve. Clients that are using online services for renewal of motor vehicle licenses may come back to using services at Licensing for quick service.
- The Provincial MEC of the Department of Transport opened borders in December 2021 to allow for renewal of motor vehicle licenses at any authority in the Northwest Province, while the previous regulations strictly allowed renewals where motorists resided. Our commission is shared with other municipalities which makes it difficult for us to measure our estimated targets or set reasonable targets.
- The equipment and machinery at the Vehicle Testing Station is old and redundant. It keeps breaking from time to time and hampers service delivery and revenue collection.

⌘ Security risk

- Four of our Licensing offices are poorly secured. We are working with money daily but there is no proper security to reduce the risk of theft and damage to equipment or property.
- Even with numerous burglaries there has not been any upgrades after the incidents.
- Physical security of guards is not sufficient because the security guards were present in all the burglaries that occurred at the Klerksdorp office this year and in previous years.
- Collecting cash in an unsecured environment poses a substantial risk of theft, damage, and safety of the employees. Since the last burglary in May 2023, Klerksdorp suspended cash payments and there have not been any incidents of burglary, robbery or attempt for over a year.

⌘ Security lacks the following:

- An active alarm system,
- Panic buttons,
- CCTV cameras,
- Burglar proofing on glass doors and windows,
- The main entrance doors have old type slots with numbered keys and the keys are easily accessible over the counter at hardware stores.

Income retained by City of Matlosana

DESCRIPTION	REVENUE (R)
Drivers Licenses	7 551 435
20% Commission	13 464 779
Vehicle Testing Station	531 283
Business & Hawkers' Licenses and Hawkers' Stand Rental	1 300
TOTAL INCOME	21 548 797

SERVICE STATISTICS FOR LICENSING SERVICES				
DESCRIPTION	2021/22	2022/23	2023/24	REVENUE (R)
Registration of vehicles	29 872	27 665	28 069	3 771 398
Licensing / renewal of vehicle licences	88 785	86 319	83 540	71 823 721
License sundries (Duplicate certificates, deregistration fees, etc.)		1 539	1 588	295 759
Issue of permits	5 849	5 276	4 648	523 968
Application and renewal of motor trade plates	221	198	278	157 439
20% Commission on Motor Vehicle Reg & Licensing	-	-	-	13 464 779
80% Retained by Department of Transport	-	-	-	61 257 828
Application and issuing of business licences, hawkers' licences and stands	92	113	5	1 300
Application and issuing of motor vehicle roadworthy certificates	5 003	4 854	2 599	548 610
SABS 7% Fees paid on applications of motor vehicle roadworthy tests		2 473	-	9 568
Weigh bridge certificates of vehicles	904	564	618	61 800
Application and issue of learners' licences	18 665	13 000	14 054	1 767 024
Application and issue of drivers' licences	15 029	10 201	9 329	2 170 272
Application for professional driving permits	3 659	3 592	4 101	532 650
Renewal of drivers' licences	16 005	16 281	17 399	3 862 578
Application for drivers' license Information & duplicate learners' license	-	226	194	21 755
Issuing of temporary drivers' licences	15 091	15 223	14 447	894 348
Fees paid to Drivers' License Card Account (DLCA) on drivers' license card production	-	20 528	21 248	1 679 163
Road Traffic Management Corporation	77 407	74 850	74 101	5 335 272

EMPLOYEE INFORMATION

EMPLOYEES: LICENSING SERVICES					
Job Level	2022/23	2023/24			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 - 3	0	1	1	0	0,0
4 - 6	1	1	1	0	0,0
7 - 9	32	45	34	11	24,4
10 - 12	46	53	47	6	11,3
13 - 15	15	18	7	11	61,1
16 - 18	3	3	3	0	0,0
19	5	6	5	1	16,7
Total	102	127	98	29	22,8

FINANCIAL PERFORMANCE: LICENSING SERVICES					
R'000					
Details	2022/23	2023/24			
	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Budget
Total Operational Revenue	23 364	27 687	24 158	21 556	-12%
Expenditure					
Employees	36 762	32 299	40 263	40 928	2%
Repairs and maintenance	1 656	6 630	4 244	733	-479%
Other	21 480	9 078	2 578	1 782	-45%
Total Operational Expenditure	59 898	48 007	47 085	43 443	-8%
Net Operational Expenditure	(36 534)	(20 320)	(22 927)	(21 887)	

COMMENTS ON THE PERFORMANCE OF LICENSING SERVICES OVERALL

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

COMPONENT C: PLANNING AND DEVELOPMENT

This component includes Spatial Planning and Land Use Management, Building Control, Estate Administration and Land Sales.

3.9 Planning

SPATIAL PLANNING AND LAND USE MANAGEMENT

Since the enactment of the Spatial Planning and Land Use Management Act, 2013 "SPLUMA", a decade ago, the Municipality through the Directorate-Planning and Human Settlements, Spatial Planning and Land Use Management Section "SPLUM", has fully complied with the provisions of the Act. To date the Municipality has reviewed and replaced the 2009 model of the Spatial Development Framework by the City of Matlosana Spatial Development Framework, 2021, the 2005 land use scheme by the City of Matlosana Land Use Scheme, 2023, for the upcoming financial year.

It is worth noting that the SPLUMA has affirmed the constitutional mandate of municipalities with regard to planning as enshrined in Schedule 4, Part B of the Constitution, 1996, and as a result planning functions which were performed by the Provincial Department of Corporative Governance (CoGTA) such as amendment, suspension and restrictive condition, servitude or reservation registered against the title of the land, excision of agricultural holdings and deciding of land development applications which used to be performed by the North-West Township Board have since been taken over by the Municipality. The abovementioned situation has resulted in the appointment of the Authorised Official (Manager: SPLUM section), Administration Officer (Official within SPLUM section), Municipal Planning Tribunal (5-year term), and Appeals Tribunal (5-year term) by Council.

Notwithstanding the abovementioned achievements, it is critical to note that Council is yet to appoint the Town Planner and Assistant Town Planner as Land Use Inspector(s) for enforcement of the 2023 model of SPLUMA as required in terms of Section 32 of SPLUMA.

Achievements

- ⌘ SPLUMA (Spatial Planning Land Use Management Act, 2013 (Act No. 16 of 2013) compliant Land Use Scheme currently known as the City of Matlosana Land Use Management Scheme, 2023.
- ⌘ SPLUMA (Spatial Planning Land Use Management Act, 2013 (Act No. 16 of 2013) compliant Spatial Development Framework currently known as the City of Matlosana Spatial Development Framework, 2021 (CoM SDF).
- ⌘ The appointment of a new 5-year term of the City of Matlosana Municipal Planning Tribunal (CoM MPT) ending January 2028.
- ⌘ Approval of medium to large scale private development initiatives i.e. Wilkoppies Extension 120, Flamwood Extension 59, Photovoltaic Solar Plants (Projects of Doornhoek, Wolverand, Wolvehuis) Hartebeestfontein and Hartbeestfontein– Thereby enhancing municipal revenue base.
- ⌘ Land use applications: subdivision, consolidations, change in land use rights (rezoning), consent use, Township Establishments.
- ⌘ Township Establishments namely: Tigane Extension 7, Tigane Extension 8, Jouberton Extension 31, Jouberton Extension 34, Kanana Estates, Kanana Extension 16, Alabama Extension 6, Matlosana Estates Extension 3, Matlosana Estates Extension 10, Matlosana Estates Extension 12, Matlosana Estates Extension 2, Matlosana Estates Extension 8, Matlosana Estates Extension 7, and Matlosana Estates Extension 11.
- ⌘ The control of land in alignment with the provisions of the Land Use Scheme.
- ⌘ Whereas Spatial Planning deals with strategic and forward planning, in reference to CoM SDF, as part of a sectoral plan of the Municipal Integrated Development Plan and future vision of the municipality.
- ⌘ Issuing of contravention notices.
- ⌘ Interdepartmental engagements.
- ⌘ Upgrading plans and desktop studies for 8 informal settlements namely: Sloja, Sunnyside, Waterfall, Jouberton Extension 25, Kanana Extension 16, Mphebatho, Tony Shaft Extension 9 and Zandpan.
- ⌘ Emanating from upgrading plans, the Municipality has commenced with Township Establishment for Sunnyside and Waterfall.
- ⌘ Amendment of the urban edge to accommodate the proposed Sunnyside and Hillview Township.
- ⌘ 2x New laptops and 2x new desktops.

Challenges

- ⌘ Slow progress in the formalisation of informal settlements.
- ⌘ Political interference.
- ⌘ No bulk infrastructure to supply new settlements.
- ⌘ Aging infrastructure with little to no maintenance.
- ⌘ Land invasion and mushrooming of informal settlements.
- ⌘ Illegal building and construction.
- ⌘ Planning in silos: No alignment with other internal departments.
- ⌘ Contraventions of Land Use Management Scheme, lacking the capacity and resources to enforce (specifically human resource and legal enforcement).
- ⌘ Outdated software (GIS). Specifically, licensing.
- ⌘ Limited office space.
- ⌘ Financial constraints: training, equipment, professional board affiliation fees, internal application costs, as well as the appointment of new staff.
- ⌘ Urban decay in CBD.

- ⌘ Lack of performance-based incentives.
- ⌘ Geological constraints (Dolomite in the East-Stilfontein and Khuma).
- ⌘ Review of SPLUM By-Law, 2016.

Service delivery priorities and impact

- ⌘ **Urban Edge-** As far as development is concerned, the following strategic interventions should be applicable within the urban edge-:

Urban built-up areas:

- Densification and integration
- Urban infill
- Upgrading and proper maintenance of infrastructure
- Urban renewal
- Protection and rehabilitation of environmentally significant local open spaces
- Protection of cultural heritage resources

Area between built-up and urban edge boundary

- Planning and provision of bulk infrastructure for new development areas
- Planning and development of new township establishment in such a manner that it will enhance integration of areas.

- ⌘ **Nodes and Corridor Strategy**

The management of nodes and corridors within the urban areas should be based on the following basic principles:

- Strengthening of existing nodes should be encouraged.
- The nodes indicated on the Spatial Proposals Maps do not necessarily represent a specific geographical demarcation or delimitation.

In specific areas where pressure exists for developments, a detailed Precinct Plan should be compiled (in terms of the requirements of SPLUMA) to serve as detailed guidelines for land use management.

The following list illustrates the precinct plans

- ⌘ Jabulani / Nohlanganewe Street.
- ⌘ Central Avenue.
- ⌘ Buffelsdoorn Road.
- ⌘ Dr Yusuf Dadoo Road.
- ⌘ Platan Avenue.
- ⌘ Stilfontein / Hartebeestfontein Corridor.
- ⌘ Formulation of bulk services contribution policy.
- ⌘ Dolomite stability investigation for Khuma has commenced financial year 2023/24.

INTEGRATED HUMAN SETTLEMENT DEVELOPMENT PLANNING AND BUILDING CONTROL

DETAIL	2020/21	2021/22	2022/23	2023/24
Detail of building plans				
⌘ Number of building plans approved (excluding low-cost housing)	722	708	546	507
⌘ Value of building plans approved	R532 227 300	R515 198 300	R522 714 000	R574 824 200
Number of applications received for				
⌘ Township establishment	0	3	1	3
⌘ Rezoning	49	39	50	40
⌘ Special consent	19	10	14	11

APPLICATIONS FOR LAND USE DEVELOPMENT						
Detail	Formalisation of Townships		Rezoning		Built Environment	
	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24
Planning application received	1	3	50	41	65	676
Determination made in year of receipt	1	1	49	40	65	676
Determination made in following year	0	0	0	0	0	0
Applications withdrawn	0	0	1	1	2	0
Applications outstanding at year end	0	2	0	0	0	6

BUILDING CONTROL AND REGULATIONS

Primary Objectives

- ⌘ Ensure public safety and welfare through enforcement of building regulations.
- ⌘ Maintain standards of building design, construction, and maintenance.
- ⌘ Prevent unauthorized building developments.

Specific Objectives

- ⌘ Review and approve building plans.
- ⌘ Conduct site inspections.
- ⌘ Enforce compliance with national building regulations and Municipal bylaws.
- ⌘ Issue certificates of occupancy.
- ⌘ Monitor and address building defects.
- ⌘ Provide guidance on building codes and regulations.
- ⌘ Maintain accurate records of building plans and approvals.

Strategic Objectives

- ⌘ Enhance community resilience through safe and sustainable buildings.
- ⌘ Support economic growth through efficient building permitting processes.
- ⌘ Foster collaboration with stakeholders (developers, architects, engineers).
- ⌘ Stay updated on latest building technologies and regulations.
- ⌘ Improve service delivery through process streamlining and digitalization.

Key Performance Indicators (KPIs)

- ⌘ Percentage of approved building plans.
- ⌘ Number of site inspections conducted.
- ⌘ Compliance rate with building regulations.
- ⌘ By achieving these objectives, the Building Control Section ensures that buildings are safe, sustainable, and compliant with regulations, ultimately protecting the community's well-being.

Achievements

- ⌘ 975 completed building works submitted at the valuation roll.
- ⌘ 117 Occupational Certificates issued.
- ⌘ 4 813 inspections conducted by the building inspectors.

ESTATE ADMINISTRATION AND LAND SALES

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

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

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

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

The section is in the process of appointing a service provider to conduct a GRAP compliant Land and buildings audit within the municipal area.

The land audit will serve as the first step to establishing a single Land Use Scheme (LUS) and supply and maintain an Integrated Web-Based Spatial Planning and Land Use Management System (tool).

The Land Audit will assist the municipality to achieve the following objectives:

- ⌘ A comprehensive land investigation and audit which will enable the municipality to identify all land parcels within the Municipal Demarcated Area and determine the ownership and current use for each land parcel.
- ⌘ The audit will provide a Web-based Spatial Planning Land Use Management System (SPLUMA).

The Land Audit will give effect to a single Land Use Scheme (LUS)

REGISTERED PROPERTIES 2023/24					
Nr.	Property Description	Location	Date of Registration	Purchaser	Purchase Price
1	Erf 885	Boetrand	12-Jul-23	TJ Tamele	R46 000
2	Erf 710	Boetrand	14-Aug-23	NJ Mathibe	R46 000
3	Erf 320	Uraniaville	8-Sep-23	VSL Estate Properties Ltd	R79 000
4	Erf 919	Boetrand	13-Sep-23	T Maekane	R46 000
5	Erf 888	Boetrand	13-Sep-23	J Kgware	R75 900
6	Erf 922	Boetrand	19-Sep-23	D Kunene	R49 450
7	Erf 904	Boetrand	19-Sep-23	M Radebe	R74 750
8	Portion 19 of erf 20253	Jouberton Ext 20	20-Sep-23	Baleti TOC Development Trust	R40 000
9	Erf 905	Boetrand	22-Sep-23	GP Leagile	R65 550
10	Erf 914	Boetrand	2-Oct-23	N Mnguni	R46 000
11	Erf 791	Boetrand	6-Oct-23	JJ & PE Roberts	R241 500
12	Erf 705	Boetrand	11-Oct-23	MS & KC Rampai	R46 000
13	Erf 706	Boetrand	19-Oct-23	SM & MV Mothopi	R46 000
14	Erf 891	Boetrand	27-Oct-23	KC Monatisa	R64 400
15	Erf 902	Boetrand	1-Nov-23	V Boqo	R46 000
16	Erf 29817	Jouberton Ext 19	2-Nov-23	Word & Spirit Christian Family Church	R9 100
17	Portion 6 of erf 759	Wilkoppies	15-Nov-23	Vencedora Pty Ltd	R218 500
18	Erf 928	Boetrand	15-Nov-23	OT & AL Bodigelo	R50 600
19	Erf 6455	Alabama Ext 5	4-Dec-23	KM & FP Kmabule	R53 000
20	Portion 1 of erf 4988	Stilfontein Ext 8	4-Dec-23	Old Apostolic Church (SA)	R24 185
21	Erf 704	Boetrand	8-Dec-23	Mokgethi TP/BD	R46 000
22	Erf 915	Boetrand	12-Dec-23	NE Gabela	R46 000
23	Erf 21622	Jouberton Ext 8	21-Dec-23	DA Tsheute	R1 140
24	Portion 1 of erf 141	Uraniaville	11-Jan-24	De Heus Pty Ltd	R35 000
25	Erf 921	Boetrand	18-Jan-24	PR Matshidiso / Motlohi ME	R59 800
26	Erf 909	Boetrand	18-Jan-24	ZP Maseko	R46 000
27	Erf 879	Boetrand	19-Jan-24	CS & SE Lebeko	R46 000
28	Erf 668	Boetrand	23-Jan-24	PKS Motete	R46 000
29	Erf 913	Boetrand	23-Jan-24	JS & PY Msenki	R96 600
30	Erf 670	Boetrand	25-Jan-24	KC Mokgoje	R46 000
31	Erf 884	Boetrand	25-Jan-24	MJ Masilo	R46 000
31	Erf 920	Boetrand	25-Jan-24	TA Mncameni	R46 000
33	Erf 29823	Jouberton Ext 19	26-Jan-24	Perservcon Contractors Pty Ltd	R1 552 500
34	Erf 927	Boetrand	6-Feb-24	BE Phoofolo	R50 600
35	Erf 930	Boetrand	9-Feb-24	SW & EP Malothane	R14 950

REGISTERED PROPERTIES 2023/24					
Nr.	Property Description	Location	Date of Registration	Purchaser	Purchase Price
36	Portion 7 of erf 259	Wilkoppies	13-Feb-24	R & KT Madimutsa	R241 500
37	Portion 666 & 675 (Portion of Portion 1)	Townlands of Klerksdorp 424-IP	19-Feb-24	Versatex Trading 222 Pty Ltd	R350 000
38	Erf 906	Boetrand	27-Feb-24	XC Mpetcheni	R46 000
39	Erf 22550	Jouberton Ext 22	29-Feb-24	BE Phoofolo	R50 602
40	Erf 672	Boetrand	15-Mar-24	T Serame	R46 000
41	Erf 898	Boetrand	26-Mar-24	ME Sekaledi	R64 400
42	Erf 882	Boetrand	8-Apr-24	SM Tsoeu	R46 000
43	Erf 843	Ellaton	11-Apr-24	ET Mofokeng	R55 264
44	Portion 4 of erf 6891	Jouberton Ext 12	10-Apr-24	African Gospel Church	R57 500
45	Erf 228	Boetrand	19-Apr-24	Chris Sek Trading & Projects Pty Ltd	R103 500
46	Erf 880	Boetrand	19-Apr-24	TB & ML Senye	R46 000
47	Erf 827	Ellaton	19-Apr-24	MR Tlebere	R54 230
48	Portion 3 of erf 259	Wilkoppies	24-Apr-24	MC Melamu	R276 000
49	Erf 4528	Wilkoppies Ext 33	6-May-24	Wilmed Prop Trust	R621 000
50	Portion 669 (Portion of Portion 1)	Townlands of Klerksdorp 424-IP	21-May-24	Moroetshoa Pty Ltd	R345 000
51	Portion 671 (Portion of Portion 1)	Townlands of Klerksdorp 424-IP	22-May-24	Cshell 264 Proprietary Limited	R769 500
52	Portion 4 of erf 259	Wilkoppies	18-Jun-24	Gaarekwe Trading	R276 000
53	Erf 644	Ellaton	24-Jun-24	CT & CM Modipa	R43 399
TOTAL					R7 038 421

DISPOSED PROPERTIES 2023/24				
No.	Purchaser	Property Description	Date of Contract	Selling Price
1	G Jantjies	Erf 935, Boetrand	10-Jul-23	R12 000
2	MK Maekani	Portion 8 of erf 22134, Jouberton Ext 22	25-Jul-23	R30 000
3	GF Tanzarella	Portion 25 of the Farm Witkop 438-IP	22-Aug-23	R345 000
4	MF Nchoe	Erf 4506, Alabama Ext 4	23-Aug-23	R51 750
5	NB Lembethe	Erf 889 Boetrand	23-Aug-23	R64 400
6	M Bokang	Erf 924 Boetrand	23-Aug-23	R50 600
7	Grace Word Church	Erf 11019, Jouberton Ext 6	23-Aug-23	R150 000
8	MT Radasi	Erf 23813, Jouberton Ext 21	25-Aug-23	R52 900
9	MD Khabela	Portion 1 of erf 2453, Khuma	17-Oct-23	R12 650
10	D & MT Lehloesa	Erf 917, Boetrand	17-Oct-23	R46 000
11	JP & GE Moreo	Erf 6201, Alabama Ext 5	26-Oct-23	R13 800

DISPOSED PROPERTIES 2023/24				
No.	Purchaser	Property Description	Date of Contract	Selling Price
12	Thuto ke Bokamoso- Afternoon Care & Dropping Centre	Portion 1 of erf 6118, Jouberton Ext 10	08-Nov-23	R92 000
13	ME Gungqisa	Erf 848, Ellaton	09-Nov-23	R54 556
14	SW & EP Malothane	Erf 22550, Jouberton Ext 22	21-Nov-23	R14 950
15	PC Seutloali	Erf 897, Boetrand	17-Dec-23	R75 900
16	NN Machine	Erf 702, Boetrand	18-Dec-23	R46 000
17	KG & L Sefako	Erf 703, Boetrand	29-Dec-23	R46 000
18	RP Manko	Erf 918, Boetrand	29-Dec-23	R46 000
19	ME Molete	Erf 663, Boetrand	30-Dec-23	R46 000
20	IM Mtshali (Hlabangane Magalela Enterprises (Pty) Ltd)	Portion 674 (Portion of Portion 1) of the Farm Townlands of Klerksdorp 424-IP	22-Jan-24	R563 500
21	M Kharbai (Wilkoppies Sports Club (Pty) Ltd)	Portion 3 of erf 103, Wilkoppies	01-Feb-24	R184 000
22	DP & MR Mahlewu	Erf 907, Boetrand	12-Feb-24	R46 000
23	Dios Gloria Ministries	Erf 23294, Kanana Ext 14	26-Feb-24	R39 100
24	MS Mundhlani (Khuwait Holdings (Pty) Ltd)	Portion 679 (Portion of Portion 1) of the Farm Townlands 424-IP	14-Mar-24	R575 000
25	TC & MM Phahlane	Portion 15 of erf 616, Ellaton	19-Mar-24	R64 400
26	AM Sizane	Portion A and D of erf 13838, Jouberton Ext 11	25-Mar-24	R45 268
27	The African Presbyterian Church	Erf 15517, Jouberton Ext 14	27-Mar-24	R51 750
28	TV Chabalala	Erf 642, Ellaton	27-Mar-24	R49 853
29	MF Motshwari	Portion 10 of erf 302, Flamwood	27-Mar-24	R266 800
30	GR Tlhole	Portion 9 of erf 616, Ellaton	10-Apr-24	R69 400
31	PM Phadi	Portion 4 of erf 943, Boetrand	22-Apr-24	R51 980
32	AJ & MN Matome	Erf 178, Dawkinsville	03-May-24	R7 600
33	LM Baloyi	Erf 6472, Alabama Ext 5	03-May-24	R73 000
34	NJ & ME Tshoba	Erf 6100, Alabama Ext 5	09-May-24	R62 000
35	BB & SF Moshodi	Erf 7008, Alabama Ext 6	15.05.2024	R21 000
36	MM Teledimo (Tsalanang Chillas Proprietary Limited)	Portion 2 of erf 20657, Kanana Ext 13	15-May-24	R60 000
37	JF Diab (SIMINITE Pty Ltd)	Portion 11 of erf 302, Flamwood	21-May-24	R322 000
38	Schoonspruit Uniting Reformed Church in Southern Africa	Erven 10076, 10077 & 10085 Jouberton Ext 1 - <i>Donation</i>	10-Jun-24	R0
TOTAL				R3 803 157

LEASE REGISTER 2023/24*					
NO.	LESSEE	PROPERTY DESCRIPTION	DATE STARTED	EXPIRY DATE	RENTAL AMOUNT
1	Reaoboka Agribusiness and Projects (Pty) Ltd	A portion of erf 4719, Jouberton Extension 7, adjacent to Jouberton Police Station (1 ha)	19-Jul-23	18-Jul-26	R333.33 p/m; 8% escal / annum
2	CM Rubuxa	Portion D of erf 25269, Jouberton Extension 23 (1 000m ²)	31-Jul-23	30-Jul-26	R350.00 p/m; 8% escal / annum
3	Hanscombe Haven Holiday Resort	A portion of erf 3406, Orkney Extension 2 (7 600m ²)	01-Aug-23	31-Jul-26	R2 300.00 p/m; 8% escal / annum
4	SBUPANO (Pty) Ltd – J Dee	A portion of erf 11689, Jouberton Extension 3 (9 672m ²)	01-Aug-23	31-Jul-26	R100.00 p/m; 8% escal / annum
5	Priestwood Agricultural Primary Co-operative Ltd	Portion B of erf 7619, Jouberton Extension 23 (3 178m ²)	02-Aug-23	01-Aug-26	R320.00 p/m; 8% escal / annum
6	G Konopi	A portion of Remainder Extent of Portion 1 of the Farm Townlands of Klerksdorp 424-IP- Camp 14 (2ha)	11-Sep-23	10-Sep-26	R100.00 p/m; 8% escal / annum
7	VMP Catering and Projects 15 CC	A portion of Remainder Extent of Portion 1 of the Farm Townlands of Klerksdorp 424-IP- Camp 3 (2ha)	15-Sep-23	14-Sep-26	R100.00 p/m; 8% escal / annum
8	MK Matsane	A portion of erf 7153, Alabama Extension 5 (1 000m ²)	02-Nov-23	01-Nov-26	R230.00 p/m; 8% escal / annum
9	Mohapi's Eden (Pty) Ltd – DC Mohapi	A portion of erf 409 and Remainder of erf 419, Freemanville (7 ha)	02-Nov-23	01-Nov-26	R3 150.00 p/m; 8% escal / annum
10	EC Pacule	A portion of erf 12677, Kanana Extension 12 (558.5m ²)	03-Nov-23	02-Nov-26	R100.00 p/m; 8% escal / annum
11	Dassie Events (Pty) Ltd – KS Dassie	A portion of erf 1234, Stilfontein Extension 1 (250m ²)	03-Nov-23	02-Nov-26	R175.00 p/m; 8% escal / annum
12	Siphakamele Company (Pty) Ltd – N Gasa	A portion of Remaining Extent of Portion 201 of the Farm Nooitgedacht 434-IP- Camp 1 (1ha)	08-Nov-23	07-Nov-26	R430.00 p/m; 8% escal / annum
13	Tlhaho-Imvelo Environmental Organisation – PI Mokoteli	A portion of Remainder of Portion 4 of the Farm Hartebeesfontein 422-IP (2ha)	08-Nov-23	07-Nov-26	R270.00 p/m; 8% escal / annum
14	DA Lethoba	A portion of Remaining Extent of Portion 201 of the Farm Nooitgedacht 434-IP- Camp 4 (1ha)	30-Jan-24	29-Jan-27	R430.00 p/m; 8% escal / annum
15	KD Tladi (Daniel Tladi Pty Ltd)	A portion of erf 6075, Khuma Extension 8 (857m ²)	30-Jan-24	29-Jan-27	R170.00 P/m; 8% escal / annum
16	NK Mabaso (Matla a Batjha Pty Ltd)	A portion of Remaining Extent of Portion 201 of the Farm Nooitgedacht 434-IP- Camp 3 (1ha)	08-Feb-24	07-Feb-27	R430.00 p/m; 8% escal / annum
17	M Sebekedi	A portion of Road Reserve, Nyana Street, Kanana (2 600m ²)	04-Mar-24	03-Mar-27	R430.00 p/m; 8% escal / annum

*Signed copies of all lease agreements are available

LEASE REGISTER 2023/24*					
NO.	LESSEE	PROPERTY DESCRIPTION	DATE STARTED	EXPIRY DATE	RENTAL AMOUNT
18	MC Sebotso	Portion of erf 131, Elandia (1 495m ²)	10-Apr-24	09-Apr-27	R1 270.00 p/m; 8% escal / annum
19	NM Papers	Portion of erf 16525, Jouberton Extension 16 (2 700m ²)	17-Apr-24	16-Apr-27	R500.00 p/m; 8% escal / annum
20	EM Swarts (MPK Diesel (Pty) Ltd)	A portion of Portion 447 of the Farm Townlands of Klerksdorp 424-IP- 1 000m ²	30-Apr-24	29-Apr-27	R700.00 p/m; 8% escal / annum
21	LE Green	Erf 21280, Kanana Extension 13	13-May-24	12-May-27	R215.00 p/m; 8% escal / annum
22	MM Mtshikwana (Kuhleliwe General Trading Pty Ltd)	A portion of Remainder of Portion 1 of the Farm Townlands of Klerksdorp 424-IP (9 000m ²)	16 May 2024	15-May-27	R865.00 P/m; 8% escalation annually
23	LP Damane	Remainder of Portion 3 of the Farm Nooitgedacht 429-IP 103ha	20-May-24	19-May-27	R5 416.67 p/m; 8% escal / annum
24	R Bredenkamp (Klerksdorp Hebrew Academy)	A portion of Remainder of Portion 1 of the Farm Townlands of Klerksdorp 424-IP (7 000m ²)	07-Jun-24	06-Jun-27	R680.00 p/m; 8% escal / annum
25	DC Dada (Swift Lifestyle Movement Pty Ltd)	Portion of erf 1879, Alabama Extension 2 (2 173m ²)	18-Jun-24	17-Jun-27	R1 000.00 p/m; 8% escal / annum
26	NZ Zondo	A portion of Remainder of Portion 101 of the Farm Nooitgedacht 434-IP (5ha)	25-Jun-24	24-Jun-27	R220.00 p/m; 8% escal / annum
27	M Fouché (APS Independent Pty Ltd t/a Asher Private School)	Portion of park erf 437, Adamayview (1 677m ²)	25-Jun-24	24-Jun-27	R2 300.00 p/m; 8% escal / annum

*Signed copies of all lease agreements are available

INSPECTION PROGRAMME FOR AGRICULTURAL LEASED LAND OWNED BY THE CITY OF MATLOSANA 2023/24					
Date of Inspection	Lease Agreement		Lessee	Locality	Official Comments / Outcome
	Start Date	End Date			
19-Jul-23	25-Jan-21	24-Jan-24	MJ Tshoedi	A portion of Remaining Extent of Portion 1 of the Farm Townlands 424-IP (100ha)	The lessee has occupied, farming with cattle, sheep and chickens
19-Jul-23	01-Jun-21	31-May-24	Khuwait Holdings (Pty) Ltd	A portion of Remaining Extent of Portion 1 of the Farm Townlands 424-IP (30ha)	The lessee has occupied, farming with cattle and sheep
17-Aug-23	25-Jan-21	24-Jan-24	G Houdman	A portion of Portion 5 of the Farm Strathmore 436-IP (64ha)	The lessee has occupied, farming with cattle, sheep and pigs
17-Aug-23	01-Jul-20	30-Jun-23	MT Mafe	A portion of Portion 5 of the Farm Strathmore 436-IP (58ha)	The lessee has occupied, farming with cattle, sheep, goats and pigs
30-Aug-23	The applicant already on site, the application is processed and resolved (MM 198 /2023). Awaiting signing of the Deed of Lease		PL Damane	Portion 3 of the Farm Nooitgedacht 429-IP (103ha)	The lessee has occupied, farming cattle. The intention is also to add pigs as time goes on.
22-Sep-23	09-Jun-22	09-Jun-25	Orkney Farms Primary Co-operative Ltd	A portion of Portion 24 of Witkop 438-IP (85ha)	The lessee has occupied, farming with cattle, goats and pig. There is a concern of overgrazing, but was raised with the lessee
02-Nov-23	21-Oct-22	20-Oct-25	N Ludaka (Singegotelosh Primary Co-op Ltd)	Portion B of erf 4719, Jouberton Extension 7(1.2ha)	The lessee has occupied, has vegetable garden and planted pumpkin, beetroot, spinach, onion, Strawberries, Beans
02-Nov-23	25-Jun-21	24-Jun-24	PM Tulman (Thoro's Business Enterprise Pty Ltd)	Portion of erf 22604, Jouberton Extension 22 (9 270m ²)	The lessee has occupied, has vegetable garden and planted, beetroot, spinach, onion, chillies, potatoes

INSPECTION PROGRAMME FOR AGRICULTURAL LEASED LAND OWNED BY THE CITY OF MATLOSANA 2023/24					
Date of Inspection	Lease Agreement		Lessee	Locality	Official Comments / Outcome
	Start Date	End Date			
05-Dec-23	11-Apr-22	10-Apr-25	SN Mafa	A portion of Remainder of Portion 1 of the Farm Townlands of Klerksdorp 424-IP – Opposite Airport (100 ha)	The lessee has occupied, and is farming with cattle, horses and chickens
05-Dec-23	25-Jan-21	24-Jan-24	MM Gobeane	A portion of Portion 21 of the Farm Hartebeesfontein 422-IP (8ha)	The lessee has occupied, and is farming with cattle, has vegetable garden and planted, spinach and chillies. In early 2023 they stole 28 of his goats.
19-Dec-23	18-Aug-22	17-Aug-25	Boleng Jwa Bophelo (MM Offor)	A portion of Remainder of Portion 1 of the Farm Townlands of Klerksdorp 424-IP – adj. Airport (1 400m ²)	The lessee has occupied, and is farming with chickens
19-Dec-23	05-Jul-22	04-Jul-25	SE Lee	A portion of Remaining Extent of Portion 1 of the Farm Townlands of Klerksdorp 424-IP – Camp G (10 ha)	The lessee has occupied, and is farming with cattle and horses
26-Jan-24	01-Jun-21	31-May-24	Khuwait Holdings (Pty) Ltd	A portion of Remaining Extent of Portion 1 of the Farm Townlands 424-IP (30ha)	The lessee has occupied, farming with cattle and sheep
09-Feb-24	02-Dec-21	01-Dec-24	Chrissek Trading and Projects	A portion of erf 503, Nesperhof (1.2ha)	The lessee has occupied, farming with cattle, goat and chickens
16-Feb-24	09-Jan-23	31-Aug-26	VMP Catering	A portion of Remaining Extent of Portion 1 of the Farm Townlands 424-IP (2ha)	The lessee has occupied, farming with pigs, goats and chickens
13-Mar-24	21-Oct-22	20-Oct-25	MT Mothibedi (Tigane Trading Pty Ltd)	Portion 392 of Hartebeesfontein 297-IP (2 807ha)	The lessee has occupied, farming with cattle, sheep, goats and pigs
13-Mar-24	28-Oct-21	27-Oct-24	PP Mosweu	A portion of Remaining Extent of Portion 1 of	The lessee has occupied, farming with vegetable crops

				the Farm Townlands 424-IP (2ha)	
27-Mar-24	02-Nov-23	01-Nov-26	Mohapi's Eden (Pty) Ltd – 7ha	A portion of erf 409 and Rem of erf 419, Freemanville	The lessee has occupied, farming with piggery
23-Apr-24	14-Jul-23	13-Jul-27	MP Tihage	A portion of Remaining Extent of Portion 1 of the Farm Townlands 424-IP (3.9ha)	The lessee has not occupied the portion of land, due to financial challenges. But the lessee has backyard vegetables gardens at home and trade on a very small scale.
30-Apr-24	08-Dec-21	07-Dec-24	Madikana Inspirations	A portion of Remaining Extent of Portion 1 of the Farm Townlands 424-IP (1.5ha)	The lessee has occupied, doing poultry farming
04-May-24	The applicants (various farmers) The department became aware of the farmers whilst doing routine inspections, and now in a process to put the necessary paperwork in place.		Various Farmers	Portion of Portion 15 of Wildebeestpan 442-IP	The lessee has occupied, farming cattle. The intention is also to add pigs as time goes on.
14-Jun-24	05-Jul-22	04-Jul-25	PWSL Matsheka's Company	A portion of Portion 22 of the Farm Roodepoort 435-IP (1ha)	The lessee has occupied, farming with pigs, goats and chickens
14-Jun-24	08-Feb-22	07-Feb-27	Matla a Batja (Pty) Ltd	A portion of Remaining Extent of Portion 201 of the Farm Nooitgedacht 434-IP – Camp 3 (2ha)	The lessee has occupied, farming with pigs and goats
21-Jun-24	08-Feb-24	07-Feb-27	Priestwood Agricultural Primary Cooperative Ltd (LP Mkhondwane)	Portion B of erf 7619, Jouberton Ext 12 (3 178m ²)	The lessee has occupied, developed vegetable gardens and tunnels

EMPLOYEE INFORMATION

EMPLOYEES: ADMINISTRATION, PMU, TOWN PLANNING, BUILDING CONSTRUCTION, ESTATE ADMINISTRATION & LAND SALES					
Job Level	2022/23	2023/24			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 - 3	2	2	2	0	0,0
4 - 6	14	16	13	3	18,8
7 - 9	16	19	14	5	26,3
10 - 12	3	11	6	5	45,5
13 - 15	4	9	8	1	11,1
16 - 18	10	13	12	1	7,7
19	1	1	1	0	0,0
Total	50	71	56	15	21,1

FINANCIAL PERFORMANCE: ADMINISTRATION; TOWN-PLANNING; BUILDING CONSTRUCTION AND ESTATE ADMINISTRATION AND LAND SALES					
<i>R'000</i>					
Details	2022/23	2023/24			
	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Budget
Total Operational Revenue	8 829	36 870	11 601	9 032	-0,3
Expenditure					
Employees	5 541	9 147	6 770	6 641	-0,0
Repairs and maintenance	0	423	453	-	-
Other	11 578	19 064	19 614	15 879	-
Total Operational Expenditure	17 119	28 634	26 837	22 520	-0,2
Net Operational Expenditure	(8 290)	8 236	(15 236)	(13 488)	

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

The section has appointed a service provider to conduct a GRAP compliant Land and buildings audit within the municipal area.

The land audit will serve as the first step to establish a single Land Use Scheme (LUS) and supply and maintain an Integrated Web-Based Spatial Planning and Land Use Management System (tool).

The Land Audit will assist the municipality to achieve the following objectives:

- ⌘ A comprehensive land investigation and audit will enable the municipality to identify all land parcels within the Municipal Demarcated Area and determine the ownership and current use for each land parcel.
- ⌘ The audit will provide a Web-based Spatial Planning Land Use Management System (SPLUMA).

The Land Audit will give effect to a single Land Use Scheme (LUS)

3.10 Local Economic Development (Including Communications and Marketing)

LOCAL ECONOMIC DEVELOPMENT

INTRODUCTION TO LOCAL ECONOMIC DEVELOPMENT

Local Economic Development (LED) is an approach towards economic development which enables and encourages local people to work as a collective to realise sustainable economic growth and development, thereby bringing economic benefits and improved quality of life for all residents in a local area.

LED is an adaptive and responsive process by which government, public sector entities, citizens, business and non-governmental sector partners work collectively to create better conditions for innovation-driven inclusive economic development that is characterised by knowledge transfer and competence building; employment generation; capacity development; investment attraction and retention; image enhancement and revenue generation in a local area in order to improve its economic future and the quality of life for all.

Through LED the Municipality seeks to create competitive, sustainable, diverse, innovation-driven and inclusive local economies that are vibrant places in which to live, invest, work, innovate, maximise local opportunities, address local needs, and contribute to South Africa's national development objectives i.e. new growth path and national development plan, including sustainable ways of utilising local resources and expand learning capabilities.

Tourism has been recognized as having a significant growth potential in the development of local economic growth, small business development, human resource development, income generation and employment creation. Both the new growth path and national development plan have identified the Tourism industry as one of the priority sectors for such growth. The North-West Department of Tourism and the Municipality through LED has identified Tourism as one of their Economic Pillars to grow the economy and create jobs.

Job creation:

- ⊗ Extended Public Works Program (EPWP): It is a government initiative to create work opportunities for the unemployed in various sectors, such as infrastructure using labour-intensive construction methods to provide work opportunities, training, and skill development to the locally unemployed people. During the year the LED reviewed and submitted to MISA for consideration the EPWP policy of the City of Matlosana. The policy will be taken to a Council workshop before its adoption. The program is aimed at not only giving temporary employment but to also build skills which can be used to sustain the participants.

The purpose of the EPWP

- To provide temporary employment
 - To develop the skill through practical job training
 - To provide services to the community through socio-economic activities
- ⊗ Community Works Program (CWP): It is an innovative offer from the government to provide a job safety net for unemployed people of working age. It provides a bridging opportunity for unemployed youth and others who are actively looking for employment opportunities. The programme provides them with extra cash to support them in their search for full-time or part-time employment. Programme participants do community work, thereby contributing to improvements that benefit all community members.

The purpose CWP

- To provide an employment safety net. The CWP recognises that sustainable employment solutions will take time, particularly in reaching marginal economic areas.
- To contribute to the development of public assets and services in poor communities.
- To strengthen community development approaches.
- To improve the quality for people in marginalised economic areas by providing work experience, enhancing dignity, and promoting social and economic inclusion.

LOCAL ECONOMIC ACTIVITY BY SECTOR				
Sector	No of Jobs			
	2020/21	2021/22	2022/23	2023/24
Agriculture, forestry and fisheries	0	0	0	0
Wholesale and retail trade	0	0	0	0
Infrastructure services	152	102	439	733
TOTAL	152	102	439	733

JOB CREATION THROUGH EPWP PROJECTS		
Year	EPWP Projects	Jobs created through EPWP projects
	No	No
2020/21	6	152
2021/22	15	102
2022/23	5	439
2023/24	0	733

JOBS CREATED BY LED INITIATIVES				
Year	No of jobs created	No odd jobs lost / displaced by other initiatives	No of net total jobs created in year	Method of validating jobs created/lost
2020/21	152	15	152	In loco inspection
2021/22	102	0	102	In loco inspection
2022/23	102	0	102	In loco inspection
2023/24	0	0	0	N/A

During 2023/24, 76 jobs that were created under LED which were ad hoc for under 3 months were not reported, however an enabling environment was created for artisans such as tilers, painters and paving to get opportunities to work. The type of work does not take as long as three months to finish as it depends on the scope of work.

COMMENTS ON LOCAL JOB OPPORTUNITIES

The continual implementation of the national government program on EPWP and CWP is generating job opportunities on a short-term basis. It is envisaged that the following LED anchor projects will create sustainable long-term employment during construction and once completed and implemented:

- ☞ Airport Development (Cargo Airport)
- ☞ Smart city development project
- ☞ Container farm project.
- ☞ Matlosana farming project (Development of small-scale farmers- in collaboration with Matlosana Mall)

- ⌘ Tourism mining museum
- ⌘ Manufacturing - Agri-processing (Extension of fresh produce market)
- ⌘ Green Economy (Solar power plant establishment)
- ⌘ Implementations of mine SLP projects

To resuscitate the economy and create jobs – the LED division has identified 4 Economic Pillars for its economic recovery plan:

- ⌘ Manufacturing – establishment of light industries
- ⌘ Agriculture
- ⌘ Tourism
- ⌘ ICT

The drafted LED strategy is aimed at outlining the plans to be implemented on what needs to be done, how will this be achieved, what resources are required and the internal and or external stakeholders required for each pillar to be realised. This will be presented at the next municipal strategic planning session.

EMPLOYEE INFORMATION

EMPLOYEES: LOCAL ECONOMIC DEVELOPMENT					
Job level	2022/23	2023/24			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 - 3	1	1	0	1	100,0
4 - 6	6	7	7	0	0,0
7 - 9	4	4	4	0	0,0
10 - 12	2	5	4	1	20,0
13 - 15	0	0	0	0	0,0
16 - 18	0	1	1	0	0,0
19	1	1	1	0	0,0
Total	14	19	17	2	10,5

FINANCIAL PERFORMANCE: LOCAL ECONOMIC DEVELOPMENT and FRESH PRODUCE MARKET					
R'000					
Details	2022/23	2023/24			
	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Budget
Total Operational Revenue	15 811	22 948	24 385	28 596	15%
Expenditure					
Employees	9 471	23 861	20 047	18 253	-10%
Repairs and maintenance	1 558	3 125	5 157	3 788	-36%
Other	5 991	(2 874)	7 956	7 629	-4%
Total Operational Expenditure	24 020	24 112	33 160	29 670	-12%
Net Operational Expenditure	(8 209)	(1 164)	(8 775)	1 074)	

COMMENTS ON LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL

The Local Economic Development had a productive year focused on stimulating the economy of Matlosana. Key activities included SMME summits in collaboration with organizations such as ABSA, African Bank, SANRAL, Seda, NAFCOC, and the SMME Chamber of Commerce. These summits served as valuable platforms for information sharing, benchmarking, and exploring various funding products available to SMMEs. By facilitating workshops and discussions, the department aimed to empower local businesses and enhance their access to resources, ultimately fostering economic growth in the region.

There were 3 SMMEs who were assisted through the municipal grants with equipment for their business establishments in 2023/24. The grants recipients were in the tourism and agriculture sector.

During 2023/24, the LED (Local Economic Development) unit experienced a transition with three acting Directors, yet service delivery remained uninterrupted. On 1 April 2024, a substantive Director was appointed, bringing much-needed stability to the role.

Recognizing the importance of strategic planning and stakeholder engagement, the unit conducted an internal strategic planning session. This collaborative effort resulted in the development of a clearly drafted vision and mission for the department, aligned with time-bound objectives tailored to the unit's needs. This proactive approach not only fostered unity among team members but also ensured that all initiatives were well-coordinated and effectively addressed the community's economic development goals.

LED facilitated funding through the implementation of mine SLP & CSI projects:

- ⌘ Building and Equipping of Laboratory and renovation of classroom. Borakanelo Secondary School Khuma (VMR).
- ⌘ Repair of the Orkney sewerage plant. (Kopanang Gold Mine).
- ⌘ Renovation of Kanana Stadium. Kanana PHASE 1 (Renovation of care-taker house) (Kopanang Gold Mine).
- ⌘ Building of 5 additional classrooms Atamelang Primary school. Kanana (Harmony Gold Mine).
- ⌘ Renovation of Science Laboratory Dirang ka Natla Secondary school. Khuma (Harmony Gold Mine).
- ⌘ Refurbishment of Science laboratory (Prestige High School). Alabama (Harmony Gold Mine).
- ⌘ Implementation of the Neighbourhood Development Partnership Grant (Construction of Jouberton Taxi Rank)
- ⌘ Extension of Fresh Produce Market (COGTA).



New Laboratory and renovated classroom. Borakanelo Secondary School Khuma



Renovation of Science Laboratory Dirang ka Natla Secondary school, Khuma.

LED facilitated funding for the following developments:

- ⌘ The establishment of Business hubs for SMME's and cooperatives in Townships. The business hubs have been established in Jouberton, Khuma and Kanana, through SLP funding from the mines. The project faced several delays such as water and electricity connections and the delivery of the equipment during the past two financial years. The project was still in progress as the mines and the municipality was working together to ensure the conclusion of the project.
- ⌘ The implementation of the Neighbourhood Development Partnership Grant (Township Renewal Project) in Jouberton.

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

- ⌘ Training and Workshop for SMME's and Cooperatives .
- ⌘ Tourism Networking Session (Breakfast).
- ⌘ Mahala Week at Faan Meintjes Nature Reserve for Tourism promotion.
- ⌘ LED facilitated two Flea Markets for SMMEs.
- ⌘ LED facilitated an informal economy seminar for informal traders with the department of Labour.
- ⌘ Training of customer service for the tourism establishment owners.
- ⌘ Tourism Peer learning network.
- ⌘ Hawkers and Vendors workshop on the municipal by laws.
- ⌘ Career day in Tourism .

Cycle Event at Faan Meintjes Nature Reserve

LED and Tourism unit in the City of Matlosana Municipality in partnership with ProT Cycle cyclist club hosted the first official annual race competition event at Faan Meintjes Nature Reserve on the 25th of May 2024. This event attracted over 100 cyclists from all over the province to take part in the competition.

Faan Meintjes Nature Reserve is a sports ground for cyclist who are from around Klerksdorp area, but on the day of the competition cyclists from different towns used the opportunity to enter this competition and to explore the Reserve.

The participants came as far as Potchefstroom, Maquassie Hills, Welkom, Viljoenskroon, Kroonstad, Biesiesvlei, Sannieshof and Bloemfontein; and all cyclists were supported by their families. The Race Competition was a huge success, and cyclers had to participate in three different categories, which were 23km, 46km and lastly 84km for the veterans. An award ceremony followed immediately after the competition, where each cyclist was given a medal for participating.

NATIONAL KEY PERFORMANCE INDICATOR

See page 270 for details.

COMMUNICATION AND MARKETING

INTRODUCTION TO COMMUNICATION AND MARKETING

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

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

Strategic Objectives

- ⌘ Develop a coherent and coordinated approach to communication and marketing.
- ⌘ Enhance and promote the image of the municipality.
- ⌘ Promote customer care and Batho Pele principle.
- ⌘ Promote transparency within the municipality.
- ⌘ To have a proactive and responsive communication approach.
- ⌘ Maintain good relations with the media.
- ⌘ Promote programmes and projects of Council.
- ⌘ Empower communities with information.
- ⌘ Plan and coordinate Council events.
- ⌘ Build good relations with stakeholders.
- ⌘ Ensure compliance to communication and marketing policies .

Description of Communication and Marketing structure

- ⌘ Media relations.
- ⌘ Communication research.
- ⌘ Marketing and branding.
- ⌘ Outdoor advertising.
- ⌘ Outreach and event co-ordination.

Communication and Marketing mechanisms

- ⌘ Outreach programmes.
- ⌘ Stakeholders' meetings.
- ⌘ Posters, brochures, banners and fliers.
- ⌘ Media information sessions.
- ⌘ Outdoor advertising.
- ⌘ Loud hailing.
- ⌘ Municipal meetings.
- ⌘ Municipal website
- ⌘ Newsletters.
- ⌘ Local Communicators Forum.

Service Statistics

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

Adopted Policy

- ⌘ Communication Strategy.
- ⌘ Media Relation Policy.
- ⌘ Corporate Identity/Branding Policy.
- ⌘ Outdoor Advertising Policy and By-Laws.

3.11 Fresh Produce Market

INTRODUCTION TO THE FRESH PRODUCE MARKET

The Matlosana Fresh Produce Market (MFPM) is a market trading in fresh produce such as fruits and vegetables where a platform of providing facilities for producers, market agents and buyers is created. The Market is a property of the City of Matlosana and was established on the 19th of January 1979. The market was 45 years in operation in the year 2023/24 which is an investment opportunity for renewal.

The Market is located conveniently close to the N12 corridor, this market has excellent potential for future growth hence there was a phase 2 market extension project.

The extended floor will provide more variety and competitive prices for the buyers in the market. The use of the new space is expected to boost the much-needed finances in the municipality as part of its contribution to the Financial Recovery Plan.

There have been several challenges faced and felt by all consumers in South Africa regarding food prices because of the drought, Covid 19 and the cost of fuel and electricity which directly impacts on the input cost of producers.

However, even with the existence of such the market has been able to contribute to food security by being instrumental to being the link in the value chain of fresh produce in the region.

In June 2024, the Competition Commission of South Africa conducted an enquiry in terms of the Competition Act 89 of 1998 as amended, because the commission had reason to believe that there may be features in the fresh produce markets within the country that could impede, restrict, or distort the competition, with specific focus on significant fresh produce.

Therefore, the inquiry identified practical reasonable provisional remedial actions and recommendations that could address the distortions within the Fresh Produce markets in the country.

The Matlosana Fresh Produce Market has several stakeholders.

- ⌘ Customers - buyers of Matlosana and surrounding towns, as well as customers from as far away as Botswana, Kimberley, Vryburg and Kuruman.
- ⌘ Market Agents - Sell products on behalf of farmers on the Fresh Produce Market floor, they are the link between farmers. The hindrance of producing products with weak or no demand is mitigated because the agents know the factors that drive the price and quality
- ⌘ The farming community – inclusive of emerging farmers are the suppliers of the produce at the FPM.
- ⌘ Council - Provides oversight on the management and administration of the market.
- ⌘ Council Employees: The market employees are the City of Matlosana employees, and they provide the administrative function of the Fresh Produce Market.

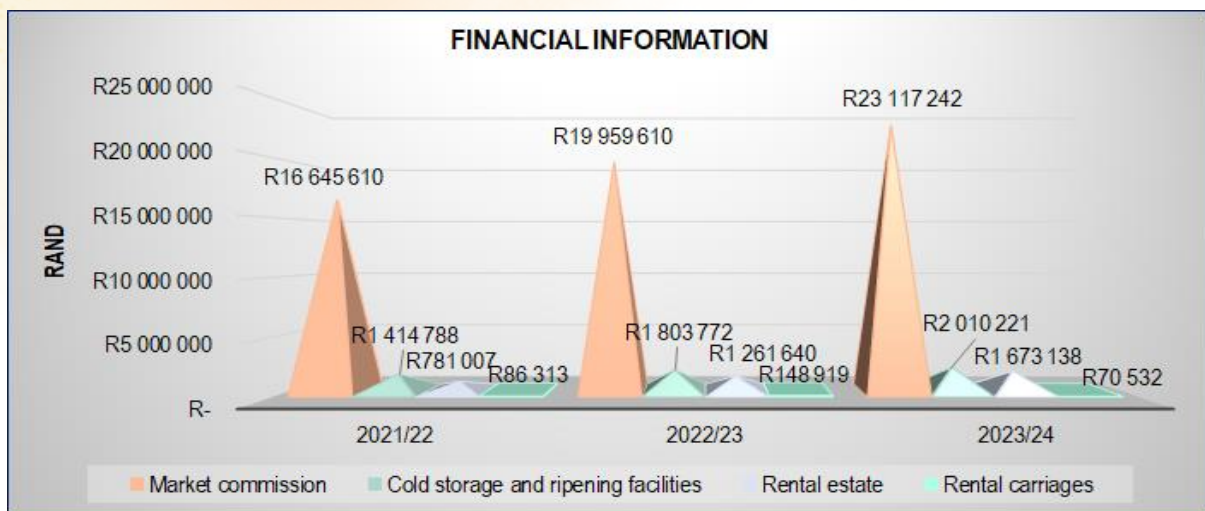
Job creation

- ⌘ Market Agents - The MFPM has five (5) market agents trading from the floor with a staff complement of 120 permanent employees among them.
- ⌘ Porters - 80 porters operate on the floor. They represent informal / indirect employment as a spin-off from the market activities; and

- ⌘ SMMEs - Emerging and Small-scale Farmers
- ⌘ Market days where all can come sell their produce were held to uplift the farmers.

SERVICE STATISTICS OF THE FRESH PRODUCE MARKET

FINANCIAL PERFORMANCE OF THE FRESH PRODUCE MARKET			
INDICATOR	2021/22	2022/23	2023/24
	R	R	R
Market commission	R16 645 610	R19 959 610	R23 117 242
Cold storage and ripening facilities	R 1 414 788	R1 803 772	R2 010 221
Rental estate	R781 007	R1 261 640	R1 673 138
Rental carriages	R86 313	R148 919	R70 532



Total turnover

MONTH	2022/23	2023/24	DIFFERENCE
	R	R	R (compared to the previous year)
July 2023	R34 087 660	R30 170 349	R3 917 310
August 2023	R36 059 937	R32 404 337	R3 655 600
September 2023	R37 636 018	R31 349 731	R6 286 286
October 2023	R44 289 609	R30 000 332	R14 289 277
November 2023	R39 857 755	R35 719 470	R4 138 285
December 2023	R38 820 865	R37 389 956	R1 430 909
January 2024	R32 133 109	R33 222 549	(R1 089 440)
February 2024	R33 757 479	R33 009 874	R747 605,03
March 2024	R33 196 158	R37 898 711	(R4 702 553)
April 2024	R36 062 056	R32 909 532	R3 152 523
May 2024	R35 078 366	R38 130 411	(R3 052 046)
June 2024	R32 225 709	R34 703 015	(R2 477 310)
TOTAL	R433 204 721	R406 908 273	R26 296 448

The total turnover is the market dues, agents' percentage and the portion for the farmer all together.

It is important to mention that the South African Police Service has been investigating alleged irregularities at the fresh produce market since 2022/23, prompted by the Accounting Officer after the Audit Report revealed that there were Material Irregularities (MI) on the market dues. The investigation was still ongoing at year-end of 2023/24 and the municipality is awaiting the report. However, control measures have been introduced at the market to correct the anomaly. The handling of cash has been improved, the amount which a buyer can request a refund has been reduced and stock counting has been improved.

The integration of the Solar, FreshMark and the Bank systems will improve the quality of the FPM financial reports which is aimed at addressing the MI. The performance of the market decreased in comparison with the previous year because of ageing infrastructure. However, the FPM still outperformed the predetermined objective of the year.

EMPLOYEE INFORMATION

EMPLOYEES: FRESH PRODUCE MARKET					
Job Level	2022/23	2023/24			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 - 3	0	1	1	0	0,0
4 - 6	2	5	3	2	40,0
7 - 9	1	1	1	0	0,0
10 - 12	9	11	10	1	9,1
13 - 15	4	9	4	5	55,6
16 - 18	1	4	2	2	50,0
19	8	14	6	8	57,1
Total	25	45	27	18	40,0

COMMENT ON PERFORMANCE OF FRESH PRODUCE MARKET OVERALL

In comparison to previous financial year Fresh Produce Market experienced increase / decrease in revenue in 2023/24 financial year:

- ⌘ Market commission – 13.66% (increase).
- ⌘ Cold storage and ripening rooms – 10.27% (increase).
- ⌘ Rental estate – 24.59% (increase), and
- ⌘ Carriage income – 52.64% (decrease)

The carriage income decreased as the potters would take the carriages for the whole market trading hours and assist all customers before returning them. New carriages were purchased in the year 2023/24 and measures introduced to ensure that users return the carriage after use for the next customer.

The reviewed policy of the market is envisioned to improve the turnover of the FPM. The plan to grow Matlosana Fresh Produce Market's footprint as a facility of choice and a major contributor to food security will bear fruits in the coming years.

OBJECTIVES TAKEN FROM IDP (Complete Performance Report available in Chapter 3: Organisational Development Performance (Part II) on page 184 and 193)

FRESH PRODUCE MARKET SERVICES OBJECTIVES TAKEN FROM THE IDP							
Service Objective	Service Indicators	2021/22		2022/23		2024/25	
		Actual	Actual	Actual	Actual	Budget	
To upgrade the existing Fresh Produce Market (Phase 2) (Ward 9) to cater for the increasing customer needs	Number of the existing Fresh Produce Market (Phase 2) (Ward 9) upgraded	4 152m ² of roof replaced. 10 250 m ² of Asphalt layer in the parking area surfaced. 830m ² of roof is installed. Ablution facilities 93% constructed. 110 m ² Mezzanine floor 65% constructed R13 678 068	Upgrading the existing Fresh Produce Market (Phase 2) (Ward 9) not completed. The storage unit is at 79% completed and the ablution facilities is at 94% completed. 732 m ² side cladding completed. Electrical material ordered R4 345 037	-	Upgrading the existing Fresh Produce Market (Phase 2) (Ward 9) according to the implementation plan by 30 June 2024 R3 067 348	Project not completed. Only the outstanding 21% of the storage unit was completed R2 614 974	R 3 987 544

COMPONENT D: COMMUNITY & SOCIAL SERVICES

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

3.12 Libraries, Museums, Arts and Culture

INTRODUCTION TO LIBRARIES

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

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

Library users are assisted in finding information they need for assignments, doing research and assimilating general knowledge, typing and printing documents and doing internet research as part of our reference services.

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

Core functions of libraries

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

SERVICE STATISTICS FOR THE LIBRARIES			
INDICATOR	2021/22	2022/23	2023/24
Educational programmes			
⌘ Library awareness programmes and events	183	261	292
⌘ Photocopies made	296 238	313 354	306 196
⌘ Books and items circulated	61 765	53 655	46 086
⌘ Enquiries	7 084	9 787	11 137

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

NAME OF LIBRARY	CONTACT DETAIL	NAME OF LIBRARY	CONTACT DETAIL
Alabama Library	018 4878681	Matlosana Library	018 487 8697
Hartbeesfontein Library	018 487 8694	Tigane Library	018 487 8891
Kanana Library	018 487 8970	Orkney Library	018 487 8210
Khuma Library	018 487 8652	Stilfontein Library	018 487 8292
Klerksdorp Library	018 487 8399	Rebecca NkhaeThulo Library (Ext. 8 Khuma)	018 487 8660
Manzilpark Library	018 487 8685	Umuzimuhle Library (Vaal Reefs)	018 487 8237

COMMENT ON THE PERFORMANCE OF LIBRARIES

An amount of R503 318 was spent on the Conditional Grant projects: supply and delivery of fourteen Jojo tanks in twelve libraries.

An amount of R62 267 was spent on the Equitable Share Grant and the projects comprised of purchase furniture and equipment (supply and delivery of extension cords and multi-plugs for twelve libraries and awareness projects (catering for colour in competition and catering for Librarians Forum Meeting).

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

There was a slight improvement in awareness programmes and events, photocopies made, and enquiries in the financial year under review.

There were six new appointees to improve library services, which are five Library Assistants and one Senior Library Aid.

There was a partnership formed with UNISA Midland Library Services for a period of five years, the purpose it to present programs, empower employees at no costs, exchange library material and information to benefit the students and community of City of Matlosana.

OBJECTIVES TAKEN FROM IDP (Complete Performance Report available in Chapter 3: Organisational Development Performance (Part II) on pages 237 - 238)

LIBRARY SERVICES OBJECTIVES TAKEN FROM THE IDP							
Service Objective	Service Indicators	2021/22		2022/23		2024/25	
		Actual	Actual	Actual	Adjusted	Budget	
To address shortcomings by improving library services and maintenance	Shortcomings at various libraries improved according to the approved project business plan	Improving library services and maintenance at all 12 libraries by repairing 7 vacuum cleaners (1 x Orkney, 1 x Rebecca Nkae Thulo, 1 x Kanana, 1 x Khuma, 2 x Klerksdorp and 1 x Jouberton libraries); purchasing 8 office chairs for Klerksdorp library; repairing 1 laminating machine at Klerksdorp library; purchasing promotional material for all libraries; and training all senior staff members R 207 199	Hosting a career expo in Khuma, training of 8 senior staff members (supervisors) at all libraries and the provision of public internet and Wi-Fi at libraries R178 370	Improving library services and maintenance at all 12 libraries according to the operational activities on the approved project business plan by 30 June 2024 R216 000	N/A	Extension cords and multi-plugs for all 12 libraries. Repair of the bar code zebra printer for membership cards and book cataloguing. Catering for colouring in of a code of arms competition for the disabled community of the Matlosana area and provincial Library Forum meeting R52 927	R216 000

MUSEUM

INTRODUCTION TO MUSEUMS AND HERITAGE

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

Core functions of Museums and Heritage

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

The key performance areas

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

Areas of business

- ⌘ Klerksdorp Museum with 20 permanent exhibitions was founded in 1975 and housed in the old Klerksdorp Jail building completed in 1891.
- ⌘ Periodic style House Museum depicting six (6) cultural history exhibitions from the previous century.
- ⌘ Four Freedom Squares.
- ⌘ Goudkoppie Heritage Hill, a Grade II Provincial Heritage Site.
- ⌘ The Old Cemetery Complex, a Grade II Provincial Heritage Site.
- ⌘ Offender Art Gallery of Northwest in partnership with Department of Correctional Services.
- ⌘ Museum shop.

Goudkoppie Heritage Hill

- ⌘ Goudkoppie Heritage Hill situated next to the eastern entrance of the N12 is a Grade II Provincial Heritage.

Status quo on Goudkoppie Heritage Hill

- ⌘ In 2021 a local NGO (Leano La Bophelo) who had entered a MOU with ACSR and City of Matlosana, cleaned and maintained the site from September 2021 – 31 March 2022. This has significantly contributed to the protection of remaining Heritage assets on-site although criminal elements in the area still make it unsafe for the public to visit the site. A new MOU with the above NGO was signed and will expire in October 2025.
- ⌘ In April 2024 Leano la Bophelo received funding from National lottery to improve the infrastructure significantly. This project launched in July 2024.

Old Klerksdorp Cemetery Complex

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

- ⌘ British War Graves dating from the Second South African Independence War.
- ⌘ Graves of victims of Concentration Camp for White people dating from Second South African Independence War.
- ⌘ Grave site of victims of Concentration Camp for Blacks dating from Second South African Independence War.
- ⌘ Monument for Women and Children who died in the Concentration Camps during the Second South African Independence War and Wall of Remembrance with the names of some of the victims of the Klerksdorp White Concentration Camp.
- ⌘ Graves of the 12 Voortrekker families who founded Klerksdorp.
- ⌘ Grave of M.G. Jansen Van Vuuren who discovered gold at Klerksdorp and thus father of the gold mining industry of Northwest Province.
- ⌘ Graves of Boers who were found guilty of high treason against the Z.A.R. and executed by Boer firing squad during the Second South African Independence War.
- ⌘ Makweteng Cemetery, where initially the victims of the African Concentration camp during the Second South African Independence War and later the deceased from Makweteng Township were buried up to 1954 when the Makweteng residents were forcibly evicted and the township levelled to make room for new white neighbourhoods.

Status quo of the Old Cemetery

- ⌘ There is no security staff on duty.
- ⌘ The Museum does do site inspections to site.
- ⌘ Maintenance of the cemetery is the responsibility of Parks/ Cemeteries section.
- ⌘ British War Graves dating from the Second South African Independence War, being maintained by the British and Commonwealth War Graves Commission.
- ⌘ Vandalism of some tombstones does occur.
- ⌘ Vagrants are spotted sleeping there occasionally.

The Four Freedom Squares:

- ⌘ Mfana Majova Freedom Square (Khuma): It is currently in good condition. The Statue was replaced, and remodelling took place in 2022/23
Going Forward: To fence of the whole yard in future.
- ⌘ Tumelo Lekoto Freedom Square (Kanana): It is currently in good condition and maintained by the Parks Section. Both the bronze statue and the surrounding steel palisade fence remain intact.
Going Forward: As part of the Museum's Heritage Site Maintenance Plan: palisade fence was painted during the 2023/24, December Fiscal Year.
- ⌘ Delekile Khosa Freedom Square (Tigane): It is currently in good condition.
Going Forward: As part of the Museum's Heritage Site Maintenance Plan: palisade fence must be painted during the 2024/25 Fiscal Year.
- ⌘ Casey Sindi Freedom Square (Jouberton): The steel palisade fence has been damaged and vandalised many times. During National Lockdown the bronze bust of Casey Sindi was stolen but later recovered and currently being kept in storage by Museum.
Going Forward: Museum will divide renovation in phases due to budget cuts

SERVICE STATISTICS FOR THE MUSEUM			
INDICATOR	2021/22	2022/23	2023/24
MUSEUM EDUCATION			
⌘ Education programmes presented	27	40	63
⌘ Lifelong learning classes presented	8	8	8
MUSEUM COLLECTIONS			
⌘ Maintenance and care of objects	700	1 000	7500
⌘ Digitised collection documentation	152	155	150
MUSEUM EXHIBITIONS			
⌘ Temporary exhibitions presented	1	2	0
⌘ Existing exhibitions maintained	20	20	20
	6	2	1
COMMUNITY PARTICIPATION			
Consultation sessions	55	75	90
HERITAGE AWARENESS			
⌘ Heritage awareness events	5	5	9
EXPENDITURE	R104 712	R211 843	R57 847
GRANT RECEIVED FROM ACSR	R234 000	478 000	R231 00

EMPLOYEE INFORMATION

EMPLOYEES: LIBRARIES AND MUSEUM					
Job Level	2022/23	2023/24			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 - 3	1	1	1	0	0,0
4 - 6	2	3	3	0	0,0
7 - 9	8	9	7	2	22,2
10 - 12	13	14	13	1	7,1
13 - 15	39	43	38	5	11,6
16 - 18	14	15	15	0	0,0
19	1	1	1	0	0,0
Total	78	86	78	8	9,3

FINANCIAL PERFORMANCE: LIBRARIES AND MUSEUM					
R'000					
Details	2022/23	2023/24			
	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Budget
Total Operational Revenue	1 126	1 589	1 352	9 690	86%
Expenditure					
Employees	22 002	25 900	25 399	25 412	0%
Repairs and maintenance	1 471	4 116	4 828	3 598	-34%
Other	23 011	31 650	31 609	16 423	-92%
Total Operational Expenditure	70 430	61 666	61 836	45 433	-36%
Net Operational Expenditure	(69 304)	(60 077)	(60 484)	35 743)	

COMMENT ON THE PERFORMANCE OF THE MUSEUMS OVERALL

As we reflect on the accomplishments of 2023/24 we are filled with pride and gratitude. Through the support of our community and staff, we have continued to fulfil our mission of inspiring curiosity and enriching lives through history.

Highlights of the year

- ⌘ Sustainable Practices: Implemented new sustainability initiatives, reducing our energy. Consumption by installing a Solar Back up System through the conditional grant from ACSR.
- ⌘ The Kanana Freedom Square was maintained.
- ⌘ Organized a Heritage Day celebrations on 29 September 2023 at civic centre, where five cultural groups performed and two praise poets.
- ⌘ During fiscal year 2023/24 the Museum hosted internship program under the Stimulus Package, seven interns were recruited for the duration of the program receiving monthly stipends from the Art Bank of South Africa, the Agency of Department Arts and Culture from 1 November 2023 – 28 February 2024.
- ⌘ 3 935 Learners attended programs at museum – 52 school groups.
- ⌘ Several tourists from neighbour countries and overseas visiting the museum – Germany, Namibia, Botswana and Taiwan.

3.13 Cemeteries**INTRODUCTION TO CEMETERIES**

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

The top three priorities for the section are:

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

SERVICE STATISTICS FOR CEMETERIES AND AREODROME				
INDICATOR	2020/21	2021/22	2022/23	2023/24
⌘ Burials	4 137	4 491	3 351	2 726
➤ Adults	3 394	2 432	1 895	1 887
➤ Children	256	262	279	214
➤ Re-openings	487	485	408	303
⌘ Memorials	658	838	821	805
Expenditure	R1 999 992	R16 095 482	R17 688 584	R20 657 333
Income	R3 107 776	R2 944 035	R2 309 751	R1 832 004

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

EMPLOYEE INFORMATION

EMPLOYEES: CEMETERIES AND AERODROME					
Job Level	2022/23	2023/24			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 - 3	0	0	0	0	0,0
4 - 6	1	1	1	0	0,0
7 - 9	2	2	2	0	0,0
10 - 12	11	13	12	1	7,7
13 - 15	3	5	4	1	20,0
16 - 18	4	5	3	2	40,0
19	33	37	32	5	13,5
Total	54	63	54	9	14,3

FINANCIAL PERFORMANCE: CEMETERIES AND AERODROME					
<i>R'000</i>					
Details	2022/23	2023/24			
	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Budget
Total Operational Revenue	2 007	3 090	3 090	1 541	-101%
Expenditure					
Employees	19 218	13 615	13 615	13 320	-2%
Repairs and maintenance	4 610	6 607	6 217	447	-1291%
Other	28 921	435	734	646	-14%
Total Operational Expenditure	52 749	20 657	20 566	14 413	-43%
Net Operational Expenditure	(50 742)	(17 567)	(17 476)	12 872)	

COMMENTS ON THE PERFORMANCE OF CEMETERIES OVERALL

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

COMPONENT E: ENVIRONMENTAL PROTECTION

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

3.14 Parks, Faan Meintjes Nature Reserve and Aerodrome

INTRODUCTION TO BIODIVERSITY AND LANDSCAPE

Parks

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

There was no formal Annual Arbour Event Celebration, due to budget.

- ⌘ Grass cutting and bush clearing were done around the parks, pavements and open spaces around Matlosana;
- ⌘ The three top priority delivery areas are:
 - To improve the surrounding environment within the community and urban spaces about greening.
 - Beautification of Matlosana open spaces, conservation and protection of bio-diversity areas.
 - Promotion of greening and conservation awareness and preservation of biodiversity to create a sustainable environment.

Challenges

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

Faan Meintjes

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

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

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

Challenges

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

SERVICE STATISTICS FOR PARKS AND FAAN MEINTJES NATURE RESERVE				
INDICATOR	2020/21	2021/22	2022/23	2023/24
AERODROME –				
PC Pelsers Annual License	1	1	1	1
Expenditure	R4 880	R5 130	R 5 130	R 5 130
NATURE RESERVE				
☞ Day visitors	2 933	3 041	1 749	2 191
☞ Vehicles / Buses	766	530	534	625
☞ Accommodation and functions	50	48	48	31
Expenditure	R58 828 458	R1 448 547	R 45 537 794	R 2 329 247
Income	R227 603	R138 522	R 142 647	R 151 519
Income: Selling of Game	R440 795	R528 770	N/A	N/A
TREES - Trimmed	2 391	2 186	4 194	2 134

EMPLOYEE INFORMATION

EMPLOYEES: PARKS, FAAN MEINTJES NATURE RESERVE AND ORKNEY VAAL					
Job Level	2022/23	2023/24			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 – 3	0	2	1	1	50,0
4 – 6	0	3	1	2	66,7
7 – 9	9	10	9	1	10,0
10 - 12	11	14	14	0	0,0
13 - 15	36	43	35	8	18,6
16 - 18	22	31	23	8	25,8
19	81	126	78	48	38,1
Total	159	229	161	68	29,7

FINANCIAL PERFORMANCE: PARKS, FAAN MEINTJES NATURE RESERVE AND ORKNEY VAAL					
R'000					
Details	2022/23	2023/24			
	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Budget
Total Operational Revenue	352	578	578	42	-1276%
Expenditure					
Employees	40 822	36 372	46 770	39 584	8%
Repairs and maintenance	7 980	3 714	12 888	3 425	-8%
Other	3 662	12 686	19 977	8 770	-45%
Total Operational Expenditure	52 464	52 772	79 635	51 779	-2%
Net Operational Expenditure	(52 112)	(52 194)	(79 057)	(51 737)	

COMMENTS ON THE PERFORMANCE OF BIODIVERSITY AND LANDSCAPE OVERALL.

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

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

COMPONENT F: OCCUPATIONAL HEALTH CENTRE**3.15 Occupational Health Centre****INTRODUCTION TO OCCUPATIONAL HEALTH CENTRE**

In the role of an Occupational Health Nurse (OHN), the primary responsibility is to advocate for and sustain the health, safety, and overall welfare of employees within the workplace. This entails a pivotal role in the prevention of work-related injuries and illnesses, the delivery of healthcare services, and the assurance of adherence to occupational health and safety standards. The collaborative efforts with employers, employees, and fellow healthcare practitioners will be instrumental in fostering a secure and health-conscious work.

The Occupational Health and Safety Act, 1993, requires the employer to bring about and maintain, as far as reasonably practicable, a work environment that is safe and without risk to the health of the workers.

Employees-wellbeing in the workplace should be top priority to ensure it doesn't affect the organization's productivity. Hence, it's vital for a business to have occupational health nurses. But, finding the right candidate that has the needed qualifications and skills can be a daunting task.

To ensure the maintenance of a healthy workforce, to establish support functions that aim to improve employee safety and productivity and implement management systems that ensure compliance with legislation. The provision of a professional occupational health and safety system within the legal, ethical framework; Implementation of an effective occupational health program, including medical surveillance, ensuring that written and approved protocols are utilised.

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

Aims of Occupational Health Services as formulated by the World Health Organisation

- ☞ Protect workers from hazards at work (protection and prevention principle).
- ☞ Adapt work and the work environment to the capabilities of workers (adaptation principle).
- ☞ Enhance the physical, mental, and social well-being of workers (health-promotion principle) as well as their ability to conduct a socially and economically productive life.
- ☞ Minimise the consequences of occupational hazards, accidents and injuries and occupational and work-related diseases (the cure and rehabilitation principle).

- Provide general health-care services for workers and their families, both curative and preventive, at the workplace (the primary health-care principle).

KPA' s of Occupational Health Services

- Health promotion.
- Injury on duty administration.
- Medical surveillance of employees
- Fitness for work / duty assessments.
- HIV care / disease management.
- Medical evaluation of employees.
- Work incapacity or disability.
- Recurrent sick leave investigation.
- Pre-employment, periodical and exit medical examinations.
- Primary medical care of employees and injuries on duty.
- Re-integration and rehabilitation of sick employees.
- On-the-shop floor occupational health monitoring.
- Vaccinations of risk exposed employees.
- Processing of compensation fund annual assessment.
- Administration / management of indigent burials.

Challenges

- The department has a vehicle which is old, having more breakdowns, hindering the health promotions and home visits.
- One of the professional nurses was booked for a long sick leave which left the unit with one professional nurse making it very cumbersome to mend the clinic and still do health promotions.
- One professional nurse went on retirement
- The number of family planning was reduced due to the shortage of stock from the Department of Health.

Successes

- The department has created a positive and harmonious relationship with Life Anncron Clinic and Lenmed hospital, previously Wilmedpark for the treatment of injury on duty, which helps with the timeous submission to the Compensation Fund.
- Klerksdorp/Tshepong Hospital Complex is also coming on board to assist with the above though there are teething problems which will ultimately be resolved.
- Erected a memorial plaque to honour employees who succumbed to the COVID-19 related illnesses.
- A rotation system was implemented for the indigent burial service which equally benefits all the undertakers and communities. Three Undertakers were appointed to render indigent burials.

SERVICE STATISTICS: OCCUPATIONAL HEALTH CENTRE			
Service data statistics	2021/22	2022/23	2023/24
Head count to the centre	1 597	2 281	2 099
Head count at the clinics	1 644	1 293	779
Hepatitis vaccinations	297	299	205
Tetanus vaccinations	166	169	80
Health promotions	92	67	27
COVID-19 Screening and education	0	0	0
Reactive	0	3	0

SERVICE STATISTICS: OCCUPATIONAL HEALTH CENTRE			
HIV/AIDS statistics	2021/22	2022/23	2023/24
Screened	32	21	43
Counselled	32	21	39
Tested	32	21	9
Non-reactive	32	18	9
Reactive	0	3	0
TB statistics	2021/22	2022/23	2023/24
Screened	1	3	12
Sputum collected	1	3	0
Negative	0	1	0
Positive	1	2	0
Referred to clinic	13	3	0
Family planning	2021/22	2022/23	2023/24
Injectable	152	174	144
Oral contraceptives	27	66	65
Male condoms (departments)	0	0	0
CHRONIC DISEASES			
HBP / Diabetes	2021/22	2022/23	2023/24
Total patients seen	1 549	1 546	996
New diagnosis	12	13	71
Referred to hospital	215	270	159
Uncontrolled	215	228	57
On treatment	242	194	199
Defaulter	12	5	79
MINOR AILMENTS	2021/22	2022/23	2023/24
Total patients seen	43	103	78
New diagnosis	43	103	66
Referred to hospital	5	23	19
On treatment	0	0	0
INJURY ON DUTY	2021/22	2022/23	2023/24
Total patients seen	0	75	698
New diagnosis	80	75	87
Referred for treatment	80	75	87
Referred to hospital	80	75	87
Fatalities	0	0	0
Request for file re-opening	2	0	4

REPORT ON INDIGENT / PAUPER BURIALS			
INDICATOR	2021/22	2022/23	2023/24
Indigents			
⊗ Adults	133	81	94
⊗ Children	5	1	0
⊗ Babies	44	36	35
Expenditure	R906 019	R736 693	R773 473

EMPLOYEE INFORMATION

EMPLOYEES: OCCUPATIONAL HEALTH CENTRE					
Job Level	2022/23	2023/24			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 - 3	1	1	1	0	0,0
4 - 6	1	4	1	3	75,0
7 - 9	1	2	0	2	100,0
10 - 12	0	2	0	2	100,0
13 - 15	3	5	3	2	40,0
16 - 18	1	0	0	0	0,0
19	1	1	1	0	0,0
Total	8	15	6	9	60,0

FINANCIAL PERFORMANCE: OCCUPATIONAL HEALTH CENTRE					
<i>R'000</i>					
Details	2022/23	2023/24			
	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Budget
Total Operational Revenue	0	0	0	0	0%
Expenditure					
Employees	2 990	4 587	4 255	3 575	-28%
Repairs and maintenance	0	23	43	11	-109%
Other	5 522	6 288	5 588	7 174	12%
Total Operational Expenditure	8 512	10 898	9 886	10 760	-1%
Net Operational Expenditure	(8 512)	(10 898)	(9 886)	(10 760)	

COMMENTS ON THE PERFORMANCE OF OCCUPATIONAL HEALTH CENTRE OVERALL

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

- ☞ The impact of the health promotions bore positive results as employees are more vigilant about their health and come more to the clinic if not feeling well or to seek medical advice.
- ☞ Erected a memorial plaque to honour employees who succumbed to the COVID-19 related illnesses.
- ☞ A rotation system was implemented for the indigent burial service which equally benefits all the undertakers and communities. Three Undertakers were appointed to render indigent burials.

COMPONENT G: SECURITY AND SAFETY

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

3.16 Traffic, Security and Municipal Court

INTRODUCTION TO TRAFFIC, SECURITY AND MUNICIPAL COURT

The Traffic section is responsible for the following:

- ⌘ Creation of safe road environment by reducing road accidents and fatalities.
- ⌘ Promotion of safer road traffic environment.
- ⌘ Reduction of road traffic violations.
- ⌘ Ensuring maximum collection of outstanding fines from offenders.
- ⌘ Ensuring traffic information management.
- ⌘ Ensuring road safety education campaigns.
- ⌘ Investigate all road traffic related matters.
- ⌘ Enforcing of the Road Traffic Act and Municipal By-Laws.

Security section

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

Traffic Court

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

Administration section

This Section is responsible for the administration and maintenance of property and assets of the Traffic and Security Division. Activities include:

- ⌘ Processing of traffic fines issued and handling of payments thereof.
- ⌘ Applications for escorts, marches, and other public events.
- ⌘ Procurement of products and services.
- ⌘ Conciliation and management of reports, etc.

TRAFFIC SERVICE DATA			
Details	2021/22	2022/23	2023/24
Number of road traffic accidents during the year	3 621	3 063	3 001
Number of By-Law infringements addressed	2 855	1 664	-
Number of traffic officers in the field on an average day	24	24	24
Number of traffic officers on duty on an average day	24	24	24

SERVICE STATISTICS FOR TRAFFIC AND SECURITY SERVICES			
STATISTICS	2021/22	2022/23	2023/24
Traffic violations			
⌘ Section 56 summonses - Other	5 977	9 046	17 091
⌘ Section 341 Notices - Other parking offences	2 855	1 664	85
TOTAL	8 832	10 710	17 176
Total income from Traffic Court			
⌘ Admission of guilt paid (criminal)	55 850	106 150	361 200
⌘ Court fines	65 450	78 100	201 100
⌘ Provincial court fines	10 600	5 900	9 300
TOTAL INCOME	R13 900	R190 150	571 650
Summons issued			
⌘ Section 56 summonses issued – traffic officers	5 977	9 046	17 176
TOTAL	5 977	9 046	17 176
Cases withdrawn by senior public prosecutor because of representations			
⌘ Section 56 summonses	197	243	774
⌘ Section 341 Notices	188	112	41
TOTAL	385	355	818
Arrests (driving while under the influence of intoxicating liquor)			
⌘ Males	77	36	88
⌘ Females	0	1	2
TOTAL	77	37	90
Admission of guilt			
⌘ Magistrate's Court	79 150	126 450	269 350
⌘ Matlosana Traffic Court			
➤ Contempt of court	175 150	221 650	740 050
➤ Warrants of arrest	908 000	1 096 670	3 624 500
⌘ At Traffic Department - Section 56 summonses	1 040 191	1 479 565	2 061 515
TOTAL	R2 202 491	R2 924 335	R6 695 415
Total income per annum			
⌘ Traffic fines	220 2491	2 924 335	1 915 881
⌘ Accident reports	42 529	44 329	32 032
⌘ Escort fees: Abnormal loads	164 142	284 259	215 334
⌘ Temporary closing of streets	29 400	28 321	48 103
TOTAL INCOME	R2 438 602	R3 281 244	R2 211 350
Escorts / special services rendered			
⌘ Abnormal loads	123	210	151
⌘ Funerals	115	121	81
⌘ Fun runs / road races / cycle races	2	0	18
⌘ Street braai / street closure	194	176	149
TOTAL	434	507	399

EMPLOYEE INFORMATION

EMPLOYEES: TRAFFIC, SECURITY, MUNICIPAL COURT AND TECHNICAL SERVICES					
Job Level	2022/23	2023/24			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 - 3	2	2	2	0	0,0
4 - 6	3	3	3	0	0,0
7 - 9	12	16	14	2	12,5
10 - 12	40	62	55	7	11,3
13 - 15	13	35	14	21	60,0
16 - 18	22	26	21	5	19,2
19	29	31	28	3	9,7
Total	121	175	137	38	21,7

FINANCIAL PERFORMANCE: TRAFFIC, SECURITY, MUNICIPAL COURT AND TECHNICAL SERVICES					
R'000					
Details	2022/23	2023/24			
	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Budget
Total Operational Revenue	3 920	3 365	3 661	21 670	84%
Expenditure					
Employees	41 216	49 646	49 846	46 000	-8%
Repairs and maintenance	3 407	7 069	4 488	1 502	-371%
Other	60 261	53 589	66 290	63 919	16%
Total Operational Expenditure	104 884	110 304	120 624	111 421	1%
Net Operational Expenditure	(100 964)	(106 939)	(116 963)	(89 751)	

COMMENTS ON THE PERFORMANCE OF TRAFFIC AND SECURITY SERVICES OVERALL

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

There was a significant and notable improvement in revenue collection of the traffic division which was attributed to the improved traffic officer visibility and number of targeted roadblocks aimed at the service of outstanding warrants of arrests.

3.17 Fire and Disaster Management

INTRODUCTION TO FIRE AND DISASTER MANAGEMENT

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

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

- ⌘ Preventing the outbreak or spread of fire.
- ⌘ Fighting or extinguishing a fire.
- ⌘ Protection of life and property against fire or other threatening danger.
- ⌘ The rescue of life or property from a fire or other danger.
- ⌘ The performance of any other function connected with any of the matters.

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

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

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

A major achieved was the appointment of two Snr Control Room Attendants.

FIRE SERVICES DATA				
Details	2021/22	2022/23	2023/24	
	Actual No	Actual No	Estimate No	Actual No
Total fires attended in the year	819	659	475	592
Total of other incidents attended in the year	835	772	413	427
Average turnout time - urban areas	3 to 5 min	3 to 5 min	3 to 5 min	3 to 5 min
Average turnout time - rural areas	7 to 10 min	7 to 14 min	7 to 14 min	7 to 10 min
Firefighters in post at year end	71	66	67	77
Total fire appliances at year end	9	12	07	05
Average number of appliances off the road during the year	1	3	04	06

FIRE SERVICES STATISTICS			
DESCRIPTION	2021/22	2022/23	2023/24
Fire suppression	256	297	253
Public education	1	2	08
Building plans	560	441	409
Site inspections – new	13	13	29
Site inspections – re-inspections	19	2	01
Flammable liquid registrations	106	151	135
Fire hydrant maintenance/inspection	7	9	05
Grass fires	403	336	339
Transport permits	145	169	159

FIRE SERVICES STATISTICS			
DESCRIPTION	2021/22	2022/23	2023/24
Complaints	2	01	16
Pre-burn inspections	0	0	0
Pre-burns	0	0	0
Rescues	113	87	88
Building inspections	901	900	661

Disaster Management Unit

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

The Disaster Management functions as repository of and conduit for information concerning disasters, impending disasters, and disaster management in the Municipal area.

The Disaster management also function as an advisory and consultative body on issues concerning disasters and disaster management in the Municipal area for:

- ⌘ Organs of state and statutory functionaries.
- ⌘ The private sector and non-governmental organisations.
- ⌘ Communities and individual.

The disaster management exercises its powers and performs its duties with the national disaster management framework, and the disaster management framework of the province.

A municipal Council must subject to the applicable provisions of local government Municipal systems Act 2000 (Act 32 of 2000) appoint a person as head of its municipal disaster management centre.

Currently, there are two officials appointed at the unit as Disaster Officers, and they currently focus on prevention and mitigation of disasters in the 39 wards by conducting:

- ⌘ School Awareness Campaigns.
- ⌘ Public Information Education and Relations.
- ⌘ International Day of Disaster Risk Reduction.
- ⌘ Community Based Disaster Risk Assessment.
- ⌘ Public Awareness Campaigns.

Functions of the Disaster Management unit are as follows:

- ⌘ Assessing risks in the area and determine the vulnerability of the community of City of Matlosana.
- ⌘ Mitigating these risks and integrating them into the IDP to reduce vulnerability.
- ⌘ Providing public information education and relations.
- ⌘ Writing disaster risk management contingency plans.
- ⌘ Coordinating safety at events.
- ⌘ Providing disaster response and disaster relief operations.

DISASTER MANAGEMENT SERVICE STATISTICS			
DESCRIPTION	2021/22	2022/23	2023/24
Number of events	12	23	26
Social relief (fire)	161	195	183
Sink hole incidents	11	67	5
Public information, education, and relation	19	96	12
Blankets	600	556	600
Mattresses	500	446	500
Tents	3	0	0
Social relief (other incidents) sinkholes, windstorms, floods	291	198	143
Total number of households affected (Fire)	256	18	5
Total number of people affected (other incidents) windstorm, floods	53	78	106

EMPLOYEE INFORMATION

EMPLOYEES: FIRE AND DISASTER MANAGEMENT					
Job Level	2022/23	2023/24			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 - 3	1	1	1	0	0,0
4 - 6	3	4	3	1	25,0
7 - 9	24	35	23	12	34,3
10 - 12	9	23	7	16	69,6
13 - 15	45	47	46	1	2,1
16 - 18	0	1	0	1	100,0
19 - 20	3	5	3	2	40,0
Total	85	116	83	33	28,4

FINANCIAL PERFORMANCE: FIRE AND DISASTER MANAGEMENT					
<i>R'000</i>					
Details	2022/23	2023/24			
	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Budget
Total Operational Revenue	553	726	1 025	751	3%
Expenditure					
Employees	46 970	54 485	50 342	25 698	-112%
Repairs and maintenance	6 260	14 111	11 538	9 125	-55%
Other	25 349	49 614	45 136	31 553	-57%
Total Operational Expenditure	78 579	118 210	107 016	66 376	-78%
Net Operational Expenditure	(78 026)	(117 484)	(105 991)	65 625)	

COMMENTS ON THE PERFORMANCE OF FIRE SERVICES AND DISASTER MANAGEMENT OVERALL

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

SANS 10090 (community protection against fire)

⌘ **Equipment maintenance**

- Emergency vehicles should carry a complete range and quantity of equipment suitable for the specific type of vehicle and adequate for use at incidents within the fire risk categories protected.
- All equipment should be subject to replacement and procurement policies and testing, examination, checking and maintenance procedures.

⌘ **Vehicle maintenance programme**

- All emergency vehicles should be subjected to regular, documented maintenance conducted by competent persons.

⌘ **Weight and speed of response**

- The successful control and extinguishing of fires depend on sufficient appliances responding with adequate work force and arriving within a reasonable time.

⌘ **Weight of response**

- The appliances in service should, when staffed, be sufficient to provide adequate fire protection in the area protected by the fire brigade.

⌘ **Appliances shall comply with NFPA 1901.**

- In fire brigades which have only one station, the number of fire appliances shall be sufficient to meet the full demands of a first fire call to the most congested area and to provide at least one pump in reserve to respond to a second fire call.
- In the case of fire brigades that have more than one station, the number of fire appliances allocated to any substation will depend on the fire risk category in the area assigned to the station.

The municipality is in the process of appointing a service provider to do risk assessment investigation and rehabilitation of all sinkholes in Matlosana.

COMPONENT H: SPORT AND RECREATION

This component includes sports fields, stadiums, and swimming pools.

3.18 Sport and Recreation

INTRODUCTION TO SPORT AND RECREATION

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

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

The main service delivery priorities are:

- ⌘ Maintenance and preparation of sport facilities (23 Sport facilities and 5 swimming pools).
- ⌘ Facilitation of 20 lease contracts.
- ⌘ Governance and administration of Sport.
- ⌘ Promotion and development of Sport.

Together with Local Clubs, Federations and the Provincial Department of Sport & Recreation assist in the development and promotion of hosting the following:

- ⌘ Water Safety and Swimming Development Splash.
- ⌘ Woman in Sport.
- ⌘ June 16 Youth games.
- ⌘ Community Sport Tournaments.
- ⌘ Recreation Sport.
- ⌘ Sport federations programs.

SERVICE STATISTICS: SPORT AND RECREATION			
INDICATOR	2021/22	2022/23	2023/24
Swimming pools	R105 921	R100 888	R133 567
Income	R105 921	R100 888	R133 567
Recreation			
⌘ Total Major Events	0	4	4
Expenditure	R0	R95 273	R0

EMPLOYEE INFORMATION

EMPLOYEES: SPORT AND RECREATION					
Job Level	2022/23	2023/24			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 - 3	1	1	1	0	0,0
4 - 6	1	1	1	0	0,0
7 - 9	3	4	3	1	25,0
10 - 12	13	24	10	14	58,3
13 - 15	14	31	12	19	61,3
16 - 18	7	12	7	5	41,7
19 - 20	43	59	41	18	30,5
Total	82	132	75	57	43,2

FINANCIAL PERFORMANCE: SPORT AND RECREATION					
<i>R'000</i>					
Details	2022/23	2023/24			
	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Budget
Total Operational Revenue	3 402	7 353	8 903	9 004	18%
Expenditure					
Employees	23 148	24 261	24 301	22 970	-6%
Repairs and maintenance	9 980	13 858	12 762	1 382	-903%
Other	1 655	3 267	3 827	2 645	-24%
Total Operational Expenditure	34 783	41 386	40 890	24 046	-72%
Net Operational Expenditure	(31 381)	(34 033)	(31 987)	(15 042)	

COMMENTS ON THE PERFORMANCE OF SPORT AND RECREATION OVERALL

The Municipal financial constraints resulted in ensuring that the department reduced number of events as part of the Municipal Budget containment measures.

OBJECTIVES TAKEN FROM IDP (Complete Performance Report available in Chapter 3: Organisational Development Performance (Part II) on page 188; 190 and 193)

SPORT AND RECREATION OBJECTIVES TAKEN FROM THE IDP						
Service Objective	Service Indicators	2021/22	2022/23	2023/24 Target		2024/25
		Actual	Actual	Original	Adjusted	Budget
To construct a new sports complex in Khuma Ext 9 (Ward 31) (Phase 2) to provide recreational facilities for the community	Number of new Sports Complex in Khuma Ext 9 (Ward 31) (Phase 2) constructed	A new sport complex in Khuma Ext 9 (Ward 31) constructed. R25 390 299	Tender was advertised on 4 April 2023 with closing date 10 May 2023. R2 629 950	Constructing a new complex in Khuma (Ward 31) (Phase 2) according to the implementation plan by June 2024 R7 000 000	Constructing a new sport complex in Khuma Ext 9 (Ward 31) (Phase 2) according to the implementation plan by 30 June 2024 R7 000 000	Project not completed, but the following was achieved: Site establishment completed. 0,05 Km of 110mmø of HDPE pipe constructed. 0,15 Km of 32mmø - 65mmø galvanized steel pipe for fire protection constructed. Sporting codes (long jump, triple jump, discuss throw, javelin throw and shot put) constructed. Asphalt base completed R6 130 848

COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

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

3.19 Executive and Council

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

INTRODUCTION TO CORPORATE POLICY OFFICES

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

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

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

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

INTRODUCTION TO EXECUTIVE AND COUNCIL

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

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

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

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

Section 152 of the Constitution categorically and clearly spells out the objectives of local government and the powers and functions of municipalities are determined in Section 156 of the Constitution.

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

In terms of delegation of powers, certain matters may be delegated by Council to the Executive Mayor, who will in turn sub-delegate to the municipal manager. The Municipal Manager may also sub-delegate to directors, who may in turn further sub-delegate to line officials.

Section 152 of the Constitution sets among others the following objectives for local government to:

- (a) Provide democratic and accountable government for local communities.
- (b) Ensure the provision of services to communities in a sustainable manner; and
- (c) Promote social and economic development.

To ensure sustainable service delivery to the community, Council sets the top four service delivery priorities as follows to achieve good governance levels:

- ⌘ Performance management.
- ⌘ Risk management.
- ⌘ Internal audit; and
- ⌘ Accounting and auditing.

SERVICE STATISTICS FOR THE EXECUTIVE AND COUNCIL

DETAIL	2021/22		2022/23		2023/24	
	Ordinary Meetings	Special Meetings	Ordinary Meetings	Special Meetings	Ordinary Meetings	Special Meetings
Finance and Debt Normalisation	4	1	8	1	6	1
Corporate Services	4	0	8	0	6	0
Transversal Issues	3	0	8	0	6	0
Infrastructure	4	0	8	0	6	0
Public Safety	4	0	8	0	6	0
Community Services	4	0	8	0	6	0
Local Economic Development	4	0	8	0	6	0
Electrical Engineering	4	1	8	0	6	0
Planning and Human Settlements	4	1	8	0	6	1
Sport, Arts and Culture	4	0	8	0	6	0

DETAIL	2021/22	2022/23	2023/24
Section 80 Committee Meetings			
⌘ Mandating Committee: Mining houses	5	3	2
⌘ Budget Steering	6	6	6
⌘ Audit Committee	8	10	5
⌘ IDP Steering Committee	3	3	4

EMPLOYEE INFORMATION

EMPLOYEES: EXECUTIVE, MUNICIPAL MANAGER AND DIRECTORS (EXCL COUNCILLORS)					
Job Level	2022/23	2023/24			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 - 3	3	8	8	0	0
4 - 6	0	0	0	0	0
7 - 9	0	0	0	0	0
10 - 12	0	0	0	0	0
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	3	8	8	0	0

EMPLOYEES: GOVERNANCE SUPPORT (POLITICAL OFFICES) (EXCL COUNCILLORS)					
Job Level	2022/23	2023/24			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 - 3	3	3	3	0	0,0
4 - 6	15	16	16	0	0,0
7 - 9	3	3	3	0	0,0
10 - 12	15	15	15	0	0,0
13 - 15	2	4	4	0	0,0
16 - 18	3	3	3	0	0,0
19 - 20	0	0	0	0	0,0
Total	41	44	44	0	0,0

FINANCIAL PERFORMANCE: EXECUTIVE, MUNICIPAL MANAGER, DIRECTORS POLITICAL OFFICES (EXCLUDING COUNCILLORS)					
<i>R'000</i>					
Details	2022/23	2023/24			
	Actual Budget	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Budget
Total Operational Revenue	7	-	421	0	0%
Expenditure					
Employees	24 254	89 241	104 269	97 163	8%
Repairs and maintenance	804	708	495	129	-449%
Other	143 871	145 953	162 951	187 751	22%
Total Operational Expenditure	168 929	235 902	267 715	285 043	17%
Net Operational Expenditure	(168 922)	(235 902)	(267 294)	(285 043)	

INTRODUCTION TO THE OFFICE OF THE SPEAKER

The powers and functions of the Office of Speaker are twofold, i.e. Chairperson of the Council and Enforcer of the Code of Conduct. The Municipal Council has also appointed the office of the Speaker as the appeal authority in terms of the PAIA. The Speaker ensures that there is compliance of the Code of Conduct of Councillors and Rules of Order.

The Speaker also ensures community participation in legislative initiatives and communicates with the public on the performance of the Council. Duties of the Municipal Speaker include the following: Presides at meetings of the Council; Performs the duties and exercises the powers delegated to the speaker by the Council.

Strategic Objectives

- ⌘ To ensure effective Public Participation in Municipal Affairs to Communities.
- ⌘ Effective Management of Ward Committees.
- ⌘ Effective Management of Community-Based Planning.
- ⌘ Provide effective Support and Assistance to all Councillors.
- ⌘ Empower and capacitate Councillors, Ward Committees, Co-ordinators, and Field Workers to ensure optimum functionality and delivery of services.
- ⌘ Ensure Council meetings take place in accordance with agreed schedule.
- ⌘ To strive for Good Governance

Key Performance Areas

- ⌘ Petition, memorandums, and public-hearing affairs
- ⌘ Public information and awareness services
- ⌘ Policy development, implementation, and research
- ⌘ Resolution tracking and monitoring
- ⌘ Council committees, rules, and orders oversight
- ⌘ Councillor support, auxiliary service, and civic events

CHALLENGES	PROGRESS IN RESOLVING CHALLENGES
The office only has one vehicle for loud-hailing 39 wards	<ul style="list-style-type: none"> ☞ The office added the purchase of a LDV to the 2024/25 procurement plan
Office space for some Ward Councillors	<ul style="list-style-type: none"> ☞ To include office space containers on the next financial budget for Ward Councillors in need. ☞ Ward Councillors have been requested to identify land and submit same to the office so that Planning and Human Settlements can buy the land for them to use as office space for the Councillors.
Inability to reach communities in farm areas due to poor financial status of the municipality.	<ul style="list-style-type: none"> ☞ The Office of the Speaker will engage the District Speaker's Office for Partnership to cover all financial implications needed for a program.

The Office of the Speaker has participated in events and activities of the other Government Departments such as: National and Provincial Community Consultation on Bills and other legislations; number of campaigns and programs that seek to bring about positive change in the lives of our residents in the City of Matlosana:

☞ People's Assembly

On 24 January 2024 the office of the Speaker hosted the People's Assembly, which was the 1st of its kind in the Northwest Province and the purpose was to educate the community about the Municipal Calendar and the importance of making inputs on the Integrated Development Plan. This platform was also created to provide the community with the opportunity to learn about their basic rights and the primary functions of the different spheres of Government.

☞ Stakeholder ID Campaign

The Office of the Speaker in partnership with Home Affairs embarked on an ID Campaign to assist and take the services to the farm area and vast communities in the City of Matlosana:

DATE	AREA
02 and 03 February 2024	Farm areas
02 May 2023, 07 May 2024 and 10 May 2024	Wards 22 and 26 in Kanana
A mobile service unit was deployed at Extension 16 Stadium in Jouberton (Ward 14), Vuyane Mawethu primary school in Khuma (Ward 33) and Dominionville sports ground (Ward 4).	

This is however an ongoing program in partnership with the Department of Home Affairs.

☞ Service Delivery Outreached Campaign

The Office of the Speaker has embarked on a service delivery Outreach program with the purpose of drawing Municipal units within departments that the community needs assistance with such as the Indigent Subsidy Unit, Billing, Housing and electrical based on the challenges the Office would've identified based on complaints received by the Office for each specific ward. This program is ongoing and the Office attends to one ward a month.

§ Ad-Hoc Stakeholder Intervention Programme

The Office of the Speaker’s mandate is Public Participation, oversight and accountability but the Office has gone above these legislative functions and has responded to the outcry of the unemployed youth of Ward 08 by Partnering Itireleng Learning and Manufacturing Hub for skills training in line with what the Manufacturing Hub is manufacturing. The Program started on 11 December 2023 with the life skills program and proceeded in February 2024 with the actual skills training in different fields and 130 unemployed youth are currently receiving training.

§ Voter Education Drive

The purpose of this training is to enhance the capacity of trainers to deliver effective interventions to create an inclusive environment where all members feel encouraged to enhance their skills and to encourage peer-to-peer learning ZTO facilitate the transfer of knowledge among participants.

The office partnered with the IEC to rollout a Voter’s Education program in all wards around Matlosana, the program aimed to focus on the following key aspects of the Electoral Process:

- § Explanation of a section 24A vote.
- § Special Voter considerations.
- § Instructions on casting votes using three ballot papers in the 2024 election.
- § Overview of the election timetable.

In the previous financial year – 2022/2023 the following challenge was reported:

No training and capacity building programmes for both Councillors and Ward Committees undertaken	Insufficient budget
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It can be reported that fifteen (15) Councillors have already completed the programme on the Municipal Governance, NQF level 5, and that currently thirteen (13) Councillors are attending the programme on the Municipal Finance Management, NQF level 6.

§ Foresight Plans

- Cleaning Campaigns
- Municipal By-Law Workshops
- The Speaker will be establishing the Local Anti-Corruption Forum which is a coalition formed by the government, businesses and civil society to serve as a forum to discuss corruption challenges and advise the government on national policy initiatives in implementing the anti-corruption strategies.
- Anti-Corruption Awareness Campaigns will be conducted to share and educate the anti-corruption strategy to the community in the City of Matlosana.

COMMENTS ON THE PERFORMANCE OF THE OFFICE OF THE SPEAKER OVERALL

The Office of the Speaker has participated in events and activities of the other Government Departments such as: National and Provincial Community Consultation on Bills and other legislations; Campaigns.

The Speaker is also the Chairperson of the Department of Home Affairs Forum which has a responsibility to ensure that all challenges relating to access to services at the DHA Services Points.

3.20 Strategic Planning and Regulatory Matters

Strategic planning and regulatory matters stand as linchpins in the effective functioning of local governments in South Africa, especially concerning service delivery. In a nation characterized by diverse demographic and socio-economic challenges, strategic planning becomes imperative for local authorities to chart a clear course of action.

This involves identifying community needs, setting measurable objectives, and formulating comprehensive strategies to enhance service delivery. Concurrently, regulatory compliance is paramount to ensure that local governments operate within the legal framework and adhere to national policies, fostering transparency and accountability. Successful strategic planning, when coupled with adherence to regulatory requirements, directly influences the efficiency of service delivery in local communities.

The nexus between strategic planning and regulatory matters establishes a foundation for local governments to overcome obstacles, adapt to evolving circumstances, and optimize resource allocation for the betterment of service provision to South Africa's diverse population.

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

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

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

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

The Office of the Municipal Manager comprises the following units:

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

PERFORMANCE MANAGEMENT

Performance management refers to a systematic process of planning, monitoring, evaluating, and enhancing the performance of the municipality or local authority. The goal of performance management is to improve the efficiency, effectiveness, and accountability of the public sector in delivering services to the community.

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

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

The municipality is tasked with addressing a range of socio-economic challenges, performance management aims to ensure that resources are utilized effectively, services are delivered efficiently, and the needs of the community are met. It involves setting clear objectives, measuring performance against predetermined targets, and using the data gathered to inform decision-making and improve future performance. Additionally, performance management in local governments serves to enhance transparency and accountability by providing a mechanism for citizens and stakeholders to assess the performance of their local authorities.

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

The Constitution of the RSA, 1996, Section 152, dealing with the objectives of local government paves the way for Performance Management with the requirements for an "accountable government". The democratic values and principles in terms of Section 195 (1) are also linked with the concept of performance management, with reference to the principles of inter alia:

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

The Municipal Systems Act, 32 of 2000 (MSA), as amended requires municipalities to establish a performance management system. Further, the MSA and the Municipal Finance Management Act, 56 of 2003 (MFMA), as amended requires the Integrated Development Plan (IDP) to be aligned to the municipal budget and to be monitored for the performance of the budget against the IDP via the SDBIP.

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

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

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

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

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

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

In terms of section 46(1)(a) of the Systems Act (Act 32 of 2000), as amended municipality must prepare for each financial year a performance report reflecting the municipality's and any service provider's performance during the financial year, including comparison with targets of and with the performance of the previous financial year. The report must, furthermore, indicate the development and service delivery priorities and the performance targets set by the municipality for the following financial year and measures that were or are to be taken to improve performance.

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

COMMENT ON THE PERFORMANCE OF PERFORMANCE MANAGEMENT OVERALL

During the 2023/24 financial year, the municipality complied with legislation concerning the development, operation and maintenance of a performance management system.

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

- ⌘ Meeting 100% all of legislative deadlines in all areas
- ⌘ Annual Reports tabled on time since 2002.
- ⌘ Approved PMS Policy and Framework – 8 times revised.
- ⌘ Performance gives support and advice to other municipalities in the Northwest province
- ⌘ Both officials serving on the Provincial Performance Management Core Team
- ⌘ Province has adopted the City of Matlosana's basic framework of SDBIP and being introduced in province.
- ⌘ Being a pilot unit with regards to the auditing method of the Auditor General for the past 10 financial years – meaning being audited the same as Metro Council
- ⌘ 7 Unqualified Audit Opinions on Performance Management
- ⌘ 2 Consecutive Clean Audit Opinions on Performance Management (2020/21 and 2021/22)
- ⌘ Only municipality in the Northwest that has appointed competent senior managers
- ⌘ All senior managers signed Employment Contracts and Performance Agreements
- ⌘ A Mid-Year Budget and Performance Assessment in terms of section 72 of the Municipal Finance Management Act, 56 of 2003, as amended which informed the adjustment budget and revised Service Delivery and Budget Implementation Plan, was performed.

INTEGRATED DEVELOPMENT PLANNING

The process to develop the Integrated Development Plan for the period 2022 to 2027 is in line with Section 25 of the Local Government: Municipal Systems Act, 32 of 2000, as amended, [Hereafter referred to as the MSA], directs municipalities to adopt integrated development plans. The section states that;

- (1) Each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the municipality which—
 - (a) Links, integrates and co-ordinates plans and considers proposals for the development of the municipality;
 - (b) Aligns the resources and capacity of the municipality with the implementation of the plan;
 - (c) Forms the policy framework and general basis on which annual budgets must be based;
 - (d) Complies with the provisions of this Chapter; and
 - (e) Is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation.

The municipality's integrated development plan (IDP) is a participatory approach that calls for coordinated planning from all levels of government, including the community. Local municipalities and the district municipality approve the IDP process plans at the start of each fiscal year as guiding documents that detail the activities and deadlines that will take place throughout the year.

It is an integrated procedure that deals with both forecast planning and the execution of budgeted projects. The IDP and budget consultation process takes about nine months to complete before they are finalized and adopted in Council each May.

The municipality's budget adjustment is done in accordance with MFMA, section 28, and it's a procedure that allows municipalities to change the priorities listed in the IDP document to make sure that projects are implemented as planned.

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

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

This document is a product of a broad consultative process, which culminated in a successful IDP Representative Forum, held on 21 April 2023 where stakeholders confirmed and approved projects for the City of Matlosana.

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

COMMENT ON THE PERFORMANCE OF INTEGRATED DEVELOPMENT PLAN OVERALL

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

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

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

RISK MANAGEMENT**Risk management process –**

During the period under review, the City of Matlosana assessed its risks relative to its operational plans as well as strategic plans. Both internal and external conditions that may impede the achievement of the goals expressed in the operational plans were identified and evaluated.

Impact on institutional performance –

The municipality reviewed the risk registers on a quarterly basis. The municipality has not managed to implement all remedial actions as planned due to factors such as financial constraints and non-responsive bidders that led to re-advertising of tenders.

Top ten risks that were identified and managed throughout 2023/24 financial year are listed below:

- ⌘ Inability to respond to service delivery needs.
- ⌘ Inability to function as a going concern.
- ⌘ Poor planning, monitoring and evaluation of the quality of infrastructure projects.
- ⌘ Ineffective and inefficient procurement of goods and services.
- ⌘ Failure to reduce and manage prohibited expenditure (UIF&W).
- ⌘ Poor contract management.
- ⌘ Inadequate safeguarding of municipal assets.
- ⌘ Misuse of Council vehicles.
- ⌘ Inadequate maintenance of existing infrastructure.
- ⌘ Land invasion across the municipality.

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

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

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

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

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

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

The Committee shall have permanent referral of documents relating to:

- (i) *In-year reports of the municipality;*
- (ii) *Financial statements of the municipality as part of the Committee's oversight process;*
- (iii) *Audit opinion, other reports and recommendations from the Audit Committee;*
- (iv) *Information relating to compliance in terms of sections 32, 128 and 133 of MFMA;*
- (v) *Information in respect of any disciplinary action taken in terms of the MFMA where it relates to an item that is currently serving or has served before the Committee;*
- (vi) *Any other audit report from the municipality; and*
- (vii) *Performance information of the municipality.*

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

Municipal Public Accounts Committee (MPAC)

The MPAC is a (section 79 Committee elected by Council as per Council resolution) and reports directly to Council. The Committee should be seen as the Committee of Council working within the delegation framework of the Council.

The Council refers identified Unauthorised, Irregular, Fruitless and Wasteful Expenditure for verification and recommendation to Council by MPAC, after investigation by the Accounting Officer.

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

- ⊗ The Committee does not write off expenditure and it would not regularise the expenditure.
- ⊗ The expenditure could be regularised only in terms of either the SCM Policy (in line with reg. 36) or section 170 of the MFMA.

- ⌘ The MPAC has a mandate to interview any relevant person and to obtain all relevant documentation from any official or Councillors that may assist with the investigations.
- ⌘ The MPAC will submit a report on the findings and recommendations to Council after completion of its investigation.
- ⌘ The MPAC will submit its program of action to the Council for approval and consideration.

COMMENTS ON THE PERFORMANCE OF MPAC OVERALL

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

The overall performance of the Municipal Public Accounts Committee:

- ⌘ Improve Compliance with Laws and Regulations.
- ⌘ Maintaining an A-Political Status and Averting Conflict of Interests.
- ⌘ Carrying A Full and Comprehensive Oversight Mandate.
- ⌘ Interacts and Engage with Members of The Public.
- ⌘ Promote Good Governance, Transparency and Accountability in The Use of Municipal Resources.
- ⌘ Does not behave in a manner that allows maladministration, inefficiency, waste or corrupt practices.

INTERNAL AUDIT

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

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

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

Mission of internal audit

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

Risk management

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

Internal control

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

Governance Issues

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

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

Audit Committee

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

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

- ⊗ Internal financial control and internal audits.
- ⊗ Risk management.
- ⊗ Accounting policies.
- ⊗ The adequacy, reliability and accuracy of financial reporting information.
- ⊗ Performance management.
- ⊗ Effective governance.
- ⊗ Internal audit team and Audit Committee.
- ⊗ Compliance with the Act, the annual Division of Revenue Act and any other applicable legislation.
- ⊗ Performance evaluation; and
- ⊗ Any other issues referred to it by the municipality or municipal entity.

MEMBERS OF THE AUDIT COMMITTEE	
Member Name	Capacity
Ms Mpho Mathye (IAT)(PIA) (2 nd term from 01 April 2021-31 March 2024)	Chairperson
Mr Jack Ramakgolo (CCSA)(CFI) (2 nd term from 01 April 2021-31 March 2024)	Member
Ms. P Mangoma (CIA)(CISA) (01 April 2022-date)	Member
Mr. E Hlungwani (LLB) (01 April 2022-31 March 2024)	Member
Mr. S Simelane (CA) (01 April 2022 to date)	Member

Matters that served before the Audit Committee in 2023/24

- ⌘ Audit Strategy – AGSA
- ⌘ Quarterly Internal Audit Activity reports
- ⌘ Quarterly Internal Audit report on completed audits
- ⌘ Quarterly Financial reports
- ⌘ Quarterly Supply Chain Management reports
- ⌘ Quarterly Information Technology reports
- ⌘ Audit readiness plan
- ⌘ Post Audit Action Plan
- ⌘ Audit Committee Schedule of meetings
- ⌘ Internal Audit and Audit Committee Charter
- ⌘ Internal Audit Three Year Rolling Plan and One Year Plan
- ⌘ Quarterly Service Delivery and Budget Implementation Plans
- ⌘ Quarterly Human Resource reports
- ⌘ Quarterly SDBIP reports
- ⌘ Quarterly update on Fraud Cases
- ⌘ Quarterly Risk Management Report
- ⌘ Strategic and Operational Risk Registers
- ⌘ Revenue Enhancement report
- ⌘ Integrated Development Plan (IDP) 2023 - 2025
- ⌘ MTREF 2023 - 2025
- ⌘ Progress on material irregularity
- ⌘ Progress on previous UIF
- ⌘ Financial plan
- ⌘ Quarterly Litigation reports

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

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

2023/24 FIRST QUARTER	
Audits	Completed / Not Completed
<ul style="list-style-type: none"> ⌘ Performance Management Systems ⌘ Risk Management ⌘ IDP ⌘ Corporate Support ⌘ Budget Management ⌘ Financial Reporting ⌘ Safeguarding of Municipal Assets ⌘ Cleansing ⌘ Town Planning 	Completed
2023/24 SECOND QUARTER	
Audits	Completed / Not Completed
<ul style="list-style-type: none"> ⌘ Performance management systems 1st Quarter Performance Information ⌘ Traffic Fine Management ⌘ Management Request /Ad-Hoc Internal Controls 	Completed

2023/24 THIRD QUARTER	
Audits	Completed / Not Completed
<ul style="list-style-type: none"> ⌘ Performance management systems 2nd Quarter Performance Information ⌘ Expenditure – Payroll Management ⌘ Assets Management – Heritage Assets ⌘ Call Centre – Sanitation Incident Management ⌘ ICT – Application Control ⌘ ICT – IT System licenses management ⌘ SCM – Tender Processes and deviations ⌘ Fleet Management – Follow-up 	Completed
2023/24 FOURTH QUARTER	
Audits	Completed / Not Completed
<ul style="list-style-type: none"> ⌘ Performance management systems 3rd Quarter Performance Information ⌘ Water Quality Audit – Green and Blue drop ⌘ SCM – UIF&W ⌘ Project Management – Infrastructure projects ⌘ Follow-up Revenue management ⌘ Follow-up Cleansing land fill site ⌘ Internal Control – Municipal Manager’s office ⌘ Post Audit Action Plan – monitoring implementation ⌘ Management Request /Ad-Hoc Internal Controls ⌘ Review of policies 	Completed

COMMENTS ON THE PERFORMANCE OF INTERNAL AUDIT OVERALL

- ⌘ Completion of approved Internal Audit Plan timeously.
- ⌘ Performing and completing Ad-Hoc Audit requested by management.
- ⌘ Review of Post Audit Action Plan 2022/23.
- ⌘ Reviewed the adequacy and effectiveness of the internal controls relating to annual stock count process.
- ⌘ Approval of Internal Audit Plan and Charter.
- ⌘ Performing quarterly audits on Predetermined Objectives.
- ⌘ Through the efforts of Internal Audit Activity, the Audit Committee meetings are held as scheduled and legislated.
- ⌘ Providing value-adding recommendations.
- ⌘ Internal Audit represented in the Financial Disciplinary Board.

EMPLOYEE INFORMATION

EMPLOYEES: OFFICE OF THE MUNICIPAL MANAGER					
Job Level	2022/23	2023/24			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 - 3	5	5	3	2	40,0
4 - 6	7	10	6	4	40,0
7 - 9	3	3	2	1	33,3
10 - 12	1	4	2	2	50,0
13 - 15	1	1	1	0	0,0
16 - 18	0	0	0	0	0,0
19 - 20	0	0	0	0	0,0
Total	17	23	14	9	39,1

FINANCIAL PERFORMANCE: OFFICE OF THE MUNICIPAL MANAGER					
<i>R'000</i>					
Details	2022/23	2023/24			
	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Budget
Total Operational Revenue	325	0	0	0	0
Expenditure					
Employees	29 401	11 141	9 886	9 042	-0,2
Repairs and maintenance	5 896	15	45	0	-
Other	145 987	841	808	533	-0,6
Total Operational Expenditure	148 965	11 997	10 739	9 575	-0,3
Net Operational Expenditure	(148 640)	(11 997)	(10 739)	(9 575)	

3.21 Financial Services (Including Supply Chain Management)

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

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

The Finance directorate deals with the administration of finances of the municipality i.e. own budget as well as the money received from the government fiscus, i.e. allocation by government to the municipality to enhance service

delivery as in MIG and equitable shares grants. For the municipality to have effective service delivery, budget and IDP processes must be followed to ensure public participation to cover all community proposals in terms of projects.

The directorate must develop budget-related policies and By-Laws, which will govern consistent charging of moneys for services rendered to the communities. Collection of money owed to Council must also be covered in terms of policy. There have been internal and external audits to ensure management of risk and curbing of corruption while encouraging effective customer care service.

DEBT RECOVERY						
R' 000						
Details of the types of account raised and recovered	2021/22		2022/23		2023/24	
	Actual for accounts billed in year	Proportion of accounts value billed that was collected %	Actual for accounts billed in year	Proportion of accounts value billed that was collected %	Actual for accounts billed in year	Proportion of accounts value billed that was collected %
Property rates	482 057	72%	456 397	89%	417 216	71%
Electricity – B						
Electricity – C	797 713	82%	832 427	90%	712 172	68%
Water – B						
Water – C	697 956	40%	736 246	40%	665 698	32%
Sanitation	112 502	34%	141 354	64%	95 134	32%
Refuse	218 193	28%	195 291	36%	244 202	26%
Other	931 722	19%	677 481	8%	1 096 479	16%

- ⌘ Property rates billed annually have a collection rate of 71% which has decreased by 18% from 89%.
- ⌘ Electricity billed annually has a collection rate of between 68% considering electricity losses and theft.
- ⌘ Water billed annually has a collection rate of between 32% with huge water losses in the municipal area.
- ⌘ Sanitation billed annually has a collection rate of about 32% with a drop of 32%
- ⌘ Refuse billed has a collection rate of about 26% with a drop of 10%
- ⌘ Other income 16% – other income depends on the nature of the income. Example: sale of stands.

SUPPLY CHAIN MANAGEMENT

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

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

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

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

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

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

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

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

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

EMPLOYEE INFORMATION

EMPLOYEES: FINANCIAL SERVICES AND SUPPLY CHAIN MANAGEMENT					
Job Level	2022/23	2023/24			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 - 3	6	7	7	0	0,0
4 - 6	19	23	18	5	21,7
7 - 9	32	35	30	5	14,3
10 - 12	78	95	78	17	17,9
13 - 15	29	44	34	10	22,7
16 - 18	3	4	3	1	25,0
19 - 20	9	14	6	8	57,1
Total	176	222	176	46	20,7

FINANCIAL PERFORMANCE: FINANCIAL SERVICES AND SUPPLY CHAIN MANAGEMENT					
<i>R'000</i>					
Details	2022/23	2023/24			
	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Budget
Total Operational Revenue	1 313 308	1 357 986	10 030 643	1 428 601	5%
Expenditure					
Employees	79 292	82 930	88 114	108 677	24%
Repairs and maintenance	1 477	1 828	20 428	1 828	0%
Other	342 112	60 636	37 836	1 002 885	94%
Total Operational Expenditure	422 881	145 394	146 378	1 113 390	87%
Net Operational Expenditure	890 427	1 212 592	9 884 265	315 211	

COMMENT ON THE PERFORMANCE OF FINANCIAL SERVICES OVERALL

The municipality has regressed from an unqualified audit opinion in 2022/23 financial year to a qualified audit opinion in 2023/24 financial year.

The cash flow position of the municipality is a challenge due to the outstanding creditors that must be dealt with in the Medium-Term Revenue Expenditure Framework (MTREF). The largest factor contributing to this is the collection of outstanding debt and the revenue lost due to the high water and electricity losses that remains a challenge to the municipality.

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

NATIONAL KEY PERFORMANCE INDICATORS

See pages 274 - 275 for more detail.

3.22 Human Resource Services

INTRODUCTION TO HUMAN RESOURCE SERVICES

In the context of Developmental Local Government, City of Matlosana is tasked with the crucial responsibility of fulfilling the constitutional mandates delegated to it. As the staff component of any municipality is the vehicle of service delivery and ultimately responsible for compliance with the listed constitutional mandates, it is incumbent on municipalities to ensure that its human resources capacity is developed to a level where it can perform its responsibilities in an economical, effective, efficient and accountable way.

In addition to legislation typically guiding Human Resources, amongst others the Labour Relations Act (Act 66 of 1995), Basic Conditions of Employment Act (Act 75 of 1997), Employment Equity Act (Act 55 of 1998), Skills Development Act (Act 97 of 1998) and the Skills Development Levies Act (Act 9 of 1999), within the Local Government Environment Regulations, specific obligations are placed on municipalities by means of the Local Government Municipal Systems Act (Act 32 of 2000) concerning the alignment of its administration and specifically human resources with its constitutional responsibilities.

The Human Resources obligations placed on City of Matlosana municipality in terms of Section 51 of the Municipal Systems Act, as amended, is to organise its administration to:

- ⌘ Be responsive to the needs of the local community.
- ⌘ Facilitate a culture of public service and accountability amongst staff.
- ⌘ Be performance-orientated and focussed on the objectives of local government.
- ⌘ Align roles and responsibilities with priorities and objectives reflected in the Integrated Development Plan (IDP).
- ⌘ Organise structures and administration in a flexible way to respond to changing priorities and circumstances.
- ⌘ Perform functions through operationally effective and appropriate administrative units.
- ⌘ Assign clear responsibilities.
- ⌘ Maximize efficiency of communication & decision-making.
- ⌘ Delegate responsibility to the most effective level within the administration.
- ⌘ Involve staff in management - Decisions as far as is practicable.
- ⌘ Provide an equitable, fair, open and non-discriminatory working environment.

This legislative mandate concerning Human Resources is endorsed by Section 67 of the Local Government Municipal Systems Act, as amended stating, under the heading Human Resources Development, that “a municipality, in accordance with the Employment Equity Act, must develop and adopt appropriate systems and procedures to ensure fair, efficient, effective and transparent personnel administration”.

Human Resources Unit is a division that falls within the Directorate Corporate Support, and it plays a critical role in the organisation in respect:

- ⌘ Recruitment, Selection and appointment of personnel.
- ⌘ Administration and management of employees' leave, pension fund and medical aid.
- ⌘ Occupational Health and Safety.
- ⌘ Staff Establishment, Job Description and Job Evaluation.
- ⌘ Training and Development.
- ⌘ Labour Relations.
- ⌘ Organisational Development and Design.

Employee Wellness Programs.

The above-listed functions follow the Municipal Regulations on Staff establishment, September 2021. It also reinforces the white paper in HRM which requires Human resources in Public Sector (including Local Government) to be managed, utilised, and maintained efficiently and effectively.

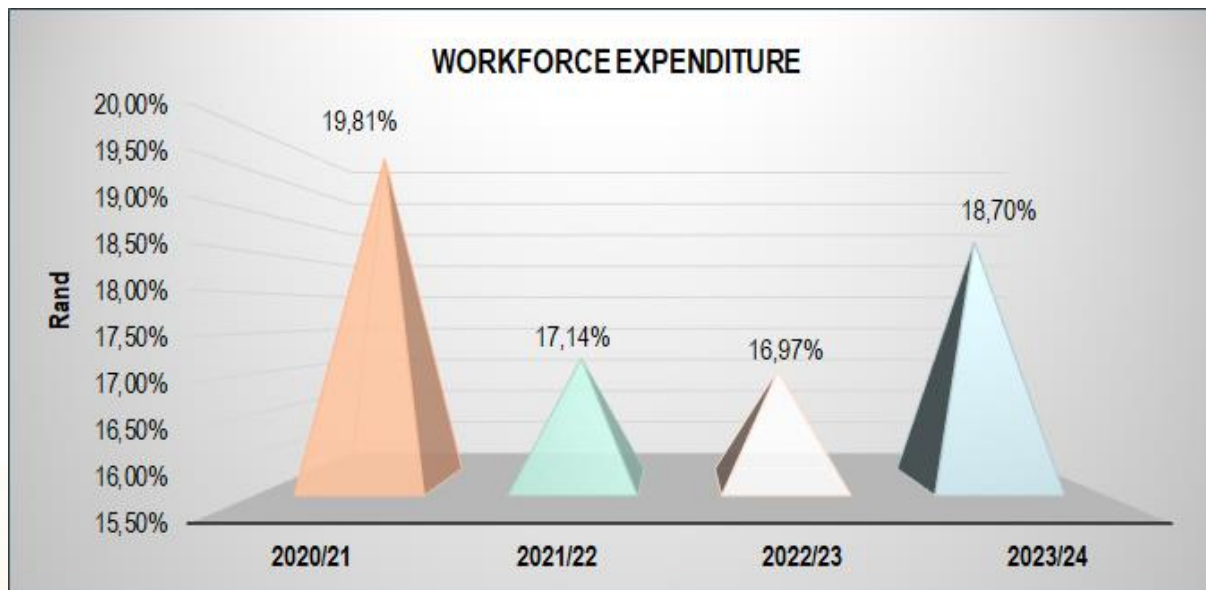
This approach would allow the City of Matlosana Municipality to manage within nationally defined parameters its own employee.

SERVICE STATISTICS FOR HUMAN RESOURCE SERVICES

Total personnel expenditure trends in the last four years

The following table reflects the total personnel expenditure trends from 2020/21 to 2023/24:

FINANCIAL YEAR	(R'000)	% OF TOTAL BUDGET
2020/21	681 194	19.81%
2021/22	676 785	17.14%
2022/23	715 926	16.97%
2023/24	774 036	18.70%

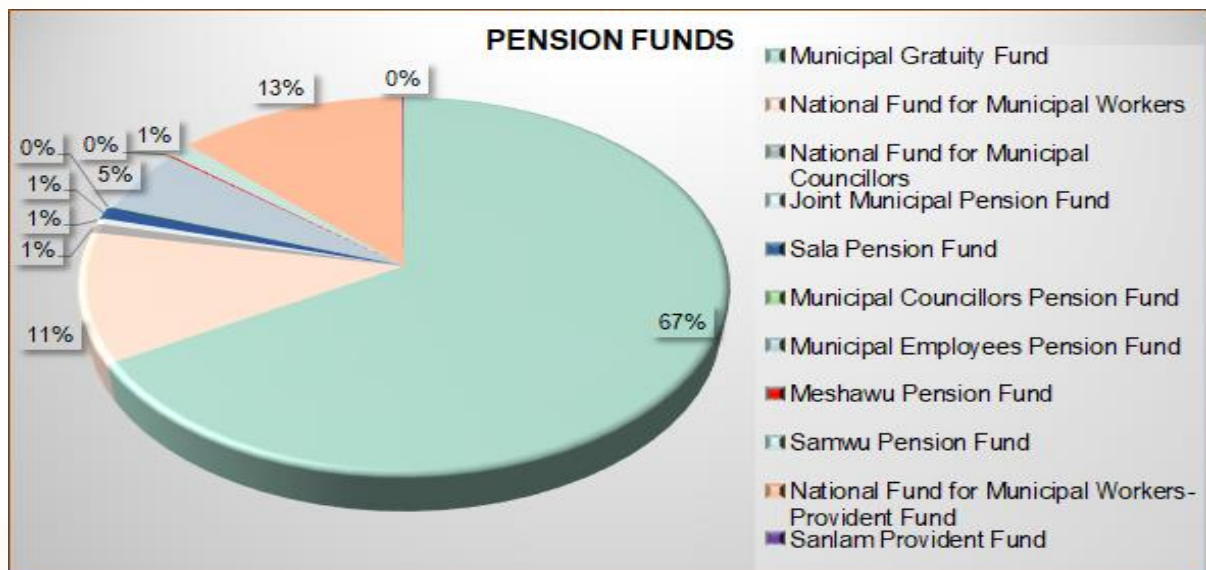


Pension and Medical Aid Funds

Pension Fund

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

PENSION FUND	NUMBER OF MEMBERS		
	2021/22	2022/23	2023/24
Municipal Gratuity Fund	1 221	1 205	1 983
National Fund for Municipal Workers	328	338	334
National Fund for Municipal Councillors	27	29	24
Joint Municipal Pension Fund	17	16	15
Sala Pension Fund	28	33	31
Municipal Councillors Pension Fund	6	6	3
Municipal Employees Pension Fund	184	174	161
Meshawu Pension Fund	3	3	3
Samwu Pension Fund	42	41	40
National Fund for Municipal Workers-Provident Fund	466	504	377
Sanlam Provident Fund	3	3	2
TOTAL	2 325	2 352	2 883



The Council’s actual pension fund expenditure towards the employer’s contribution for 2023/24 financial year totalled R123 780 513

Medical Aid Funds

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

The Council’s actual expenditure for the 2023/24 financial year as the employer’s contribution to medical aid funds was R42 314 878 while the medical aid for pensioners and provision for 2023/24 are R15 737 385 which brings the total medical aid fund to R58 052 263.

MEDICAL AID FUND		
Details	Nr of Members	Employer's Contribution (R)
Key Health	44	2 416 983
Hosmed	41	2 004 189
Bonitas	212	9 476 934
LA Health	742	25 818 448
Samwu Med	72	2 598 324
Pensioners and provision for contributions	240	15 737 385
TOTAL		R58 052 263

Outstanding Monies

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

OUTSTANDING MONIES				
Accounts in Arrear as at	Arrears June 2021	Arrears June 2022	Arrears June 2023	Arrears June 2024
	(R)	(R)	(R)	(R)
Councillors*	305 352	1 115 309	1 035 723	1 344 384
Employees	1 679 755	4 705 622**	27 350 421	30 374 176

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

** It must be noted that the outstanding amount owing by personnel has increased drastically, due to an ongoing investigation which commenced in December 2019 of personnel who are owing and not paying.

Disclosure concerning Councillors and directors

The following table reflects the remuneration for Councillors and directors:

DESIGNATION	REMUNERATION PACKAGE (R)*			
	2020/21	2021/22	2022/23	2023/24
Executive Mayor	1 127 727	933 295	1 140 377	1 222 796
Speaker	913 314	900 724	929 159	988 949
Mayoral Committee Members and Councillors	33 419 657	32 403 342	34 842 075	36 932 643
Municipal Manager	1 519 593	1 456 932	1 492 716	1 925 474
Director Budget and Treasury (CFO)	1 012 222	993 097	772 533	1 575 133
Director Corporate Support	1 236 258	1 161 592	1 111 223	1 342 883
Director Technical and Infrastructure	1 468 607	1 432 968	1 245 965	1 318 502
Director Local Economic Development	1 333 762	1 304 336	961 332	1 105 514
Director Community Development	1 340 376	1 319 699	1 213 719	1 308 740
Director Public Safety	1 245 508	1 207 951	1 134 678	1 233 157
Director Planning and Human Settlements	1 468 607	1 432 968	1 435 130	1 173 972

* See note 27 and note 28 of Annual Financial Statements for more information regarding remuneration

PERSONNEL ADMINISTRATION STATISTICS				
DETAIL	2020/21	2021/22	2022/23	2023/24
Pension	15	44	26	31
Resignations	34	24	16	20
Deaths	9	17	11	14
Other	5	10	54	68
Injuries on duty	77	80	75	87
Medical boarding in process	06	07	3	3
Medical boarding application	17	10	9	5
Death claims	15	20	25	14
Posts in Council	2 531	2 540	2 543	2 549
Posts filled	1 904	1 876	1 863	1 845
Posts vacant	627	664	642	704

Labour relations

Workforce management is almost impossible in the absence of sound discipline within the workplace. The municipality's Labour Relations section, located in the Human Resources section, is effective and well-recognised.

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

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

Employee Assistance Programme

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

Services rendered under are:

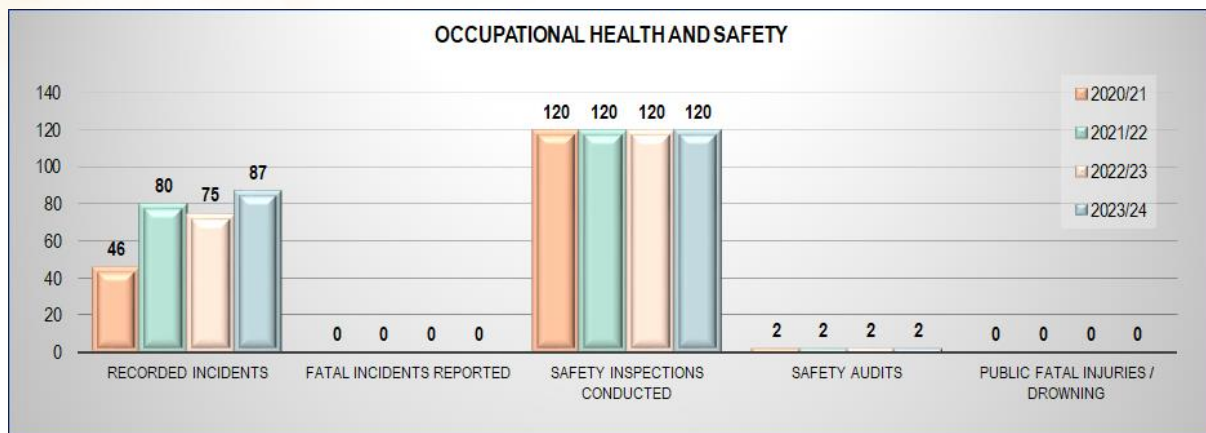
- ⌘ Work-related issues such as absenteeism.
- ⌘ Stress management.
- ⌘ Alcohol and substance abuse.
- ⌘ Ill-health management.
- ⌘ Psycho-social problems.
- ⌘ Financial life skills.

- ⌘ Trauma debriefing.
- ⌘ Marital and family distress.
- ⌘ HIV/AIDS support and counselling.

OCCUPATIONAL HEALTH AND SAFETY

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

OCCUPATIONAL HEALTH AND SAFETY STATISTICS				
DETAIL	2020/21	2021/22	2022/23	2023/24
Number of recorded incidents	46	80	75	87
Number of fatal incidents reported	0	0	0	0
Number of safety inspections conducted	120	120	120	120
Number of safety audits	2	2	2	2
Number of public fatal injuries / drowning	0	0	0	0



EMPLOYEE INFORMATION

EMPLOYEES: HUMAN RESOURCE SERVICES					
Job Level	2022/23	2023/24			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 – 3	3	3	3	0	0,0
4 – 6	10	11	7	4	36,4
7 – 9	6	6	6	0	0,0
10 - 12	10	10	9	1	10,0
13 - 15	0	1	1	0	0,0
16 - 18	0	0	0	0	0,0
19 - 20	0	0	0	0	0,0
Total	29	31	26	5	16,1

FINANCIAL PERFORMANCE: HUMAN RESOURCE SERVICES					
R'000					
Details	2022/23	2023/24			
	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Budget
Total Operational Revenue	2 561	2 020	2 020	2 941	31%
Expenditure					
Employees	49 730	10 532	8 592	8 499	-24%
Repairs and maintenance	1 256	11	6	0	-
Other	48	5 177	5 738	3 719	-39%
Total Operational Expenditure	51 034	15 720	14 336	12 218	-29%
Net Operational Expenditure	(48 473)	(13 700)	12 316	(9 277)	

COMMENT ON THE PERFORMANCE OF HUMAN RESOURCE SERVICES OVERALL

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

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

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

The municipality also focused on filling of vacancies with the right talent and promoting fairness in the recruitment and selection process, supporting opportunities to people living with disability and other designated groups. The city made efforts to promote compliance with the relevant local government legislation and Regulations on Staff Establishment. In this regard, amongst others, the city focused on the employment equity, code of conduct and policy reviews.

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

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

NATIONAL KEY PERFORMANCE INDICATORS

FINANCIAL YEAR	NO. OF APPROVED POSITIONS ON THE THREE HIGHEST LEVELS OF MANAGEMENT	NO. OF MALE POSITIONS FILLED ON THE THREE HIGHEST LEVELS OF MANAGEMENT	NO. OF FEMALE POSITIONS FILLED ON THE THREE HIGHEST LEVELS OF MANAGEMENT
2020/21	46*	27	9
2021/22	46*	29	9
2022/23	46*	30	10
2023/24	46*	32	10

* (Excluding section 54A and 56 employees)

NATIONAL KEY PERFORMANCE INDICATOR

See page 276 for detail.

3.23 Information and Communication Technology (ICT) Services

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

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

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

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

For the 2023/24 financial year, there were 782 service requests logged by users at the IT Helpdesk and all were successfully resolved within 5 working days.

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

EMPLOYEE INFORMATION

EMPLOYEES: ICT SERVICES					
Job Level	2022/23	2023/24			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 - 3	1	1	1	0	0,0
4 - 6	0	0	0	0	0,0
7 - 9	1	1	1	0	0,0
10 - 12	0	0	0	0	0,0
13 - 15	2	2	2	0	0,0
16 - 18	0	0	0	0	0,0
19 - 20	0	0	0	0	0,0
Total	4	4	4	0	0,0

FINANCIAL PERFORMANCE: ICT SERVICES					
R'000					
Details	2022/23	2023/24			
	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Budget
Total Operational Revenue	42	135	135	56	-141%
Expenditure					
Employees	2 998	2 405	3 327	3 496	31%
Repairs and maintenance	3 962	8 040	8 040	7 501	-7%
Other	10 503	10 574	10 351	1 523	-594%
Total Operational Expenditure	17 463	21 019	21 718	12 520	-68%
Net Operational Expenditure	(17 421)	(20 884)	(21 583)	(12 464)	

COMMENT ON THE PERFORMANCE OF ICT OVERALL

The following projects were successfully completed during the 2023/24 financial year:

- ⌘ A total of three network switches were replaced.
- ⌘ Four wireless access points were set up and configured for COM wireless.
- ⌘ 10 Desktop computers were upgraded. This is necessary, as the older technology is not compatible with the latest versions of the Windows Operating System as well as software in use.
- ⌘ 5 new laptops were procured for the Directors, 15 new desktops were procured and 20 new laptops.
- ⌘ 5 new servers were bought to replace the old servers and enhance network performance.
- ⌘ Wireless access points for Internet Connectivity were set up for Councillors in the Chambers.
- ⌘ The ICT Service desk is fully functional internally for IT Support calls.
- ⌘ Microsoft 365 licences were rolled out to senior staff giving full access to Teams and One Drive
- ⌘ The ICT Steering Committee sits regularly to ensure proper governance of ICT.
- ⌘ The SOLAR Financial Management system was updated to the latest RcAN version.
- ⌘ Mobile data routers and laptops were given to Customer Care to ensure clients can access their accounts on weekdays and weekends at shopping outlets
- ⌘ Audit findings were reduced from 17 in the previous financial year to four.

3.24 Legal and Administration Services

INTRODUCTION TO LEGAL SERVICES

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

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

Responsible for drafting service level agreements, memorandum of understanding and lease agreements and keeping and updating the contract register.

Description of the activity:

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

Key performance objectives:

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

Strategic objectives:

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

Key issues:

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

SERVICE STATISTICS FOR LEGAL SERVICES

INFORMATION	2020/21	2021/22	2022/23	2023/24
Cases against Council	11	6	6	6
Cases for Council	7	4	1	2
Cases won	0	0	0	0
Cases settled	0	0	0	2
Cases outstanding	18	10	0	6
Cases referred to the High Court	11	10	6	6
Town Planning matters	0	0	0	3
TOTAL EXPENDITURE	R3 296 277	R6 000 000	R12 696 000	R5 352 228

EMPLOYEE INFORMATION

EMPLOYEES: LEGAL AND ADMINISTRATION SERVICES					
Job Level	2022/23	2023/24			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 – 3	3	4	3	1	25,0
4 – 6	6	8	7	1	12,5
7 – 9	3	4	3	1	25,0
10 – 12	10	12	10	2	16,7
13 – 15	11	13	11	2	15,4
16 – 18	3	6	2	4	66,7
19 – 20	23	33	21	12	36,4
Total	59	80	57	23	28,8

FINANCIAL PERFORMANCE: LEGAL AND ADMINISTRATION SERVICES					
<i>R'000</i>					
Details	2022/23	2023/24			
	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Budget
Total Operational Revenue	225	219	219	165	0%
Expenditure					
Employees	33 459	39 325	58 445	41 695	6%
Repairs and maintenance	930	1 539	1 954	666	0%
Other	18 437	22 579	16 050	7 062	-220%
Total Operational Expenditure	52 826	63 443	76 449	49 423	-28%
Net Operational Expenditure	(52 601)	(63 224)	76 230)	(49 258)	

COMMENT ON THE PERFORMANCE OF LEGAL SERVICES OVERALL

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

COMPONENT J: ORGANISATIONAL PERFORMANCE

2023/24 Annual Performance Report



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1. INTRODUCTION

The King IV Report on Corporate Governance

Integration and alignment of reporting processes play a critical role in improving corporate governance. The King IV Report on Corporate Governance for South Africa, 2016 (King IV) highlights the importance of integrated thinking and integrated reporting in the execution of corporate governance.

Integrated thinking actively considers the relationships between an organisation's various operational and business functions, and the capital/resources (financial, manufactured, intellectual, human, social and relational, and natural) the organisation uses or affects. Integrated reporting, a process founded on integrated thinking, relates to a report about value creation issued periodically.

In the spirit of King IV and to enhance the City of Matlosana integrated reporting processes, an annual performance report is compiled each year and forms part of the annual report. The City of Matlosana is committed to continued good corporate governance, ethical leadership, its values, and fair and transparent operational procedures and reporting.

King IV introduced a municipal supplement to provide high-level guidance and direction on how the King IV code should be interpreted and applied by municipalities. In keeping with the principles of the King IV report, the supplement is primarily aimed at the governing body (defined as Council in the King IV local government supplement), it being the focal point of corporate governance within the organisation.

Good governance is essential to ensure the success of the municipality and to protect and advance interests of those whom it serves.

In addition, it enhances the functioning of leadership structures and provides arrangements that enable the Council to govern the municipality to meet its objectives. King IV follows a principle-and-outcome based approach to good governance. This means that each outcome is linked to specific principles, which are underwritten by a set of practices.

Good governance ensures that sound decisions are made at the right time about the right things, based upon a good understanding of the exposure to risks and the assurance that the information upon which the decisions taken are reliable. Good governance also assists management in making informed assessments of the City's governance and supports the value creation process in improving service delivery.

2023/24 Annual Performance report

The 2023/24 Annual Performance report is hereby submitted to Council in terms of section 121 of the Municipal Finance Management Act, (56 of 2003) as amended, read with the Municipal Systems Act, (32 of 2000) as amended, Section 46(1) and (2), as well as the Municipal Finance Management Act, Circular 11 and 63 on annual reporting.

The Municipal Planning and Performance Management Regulations (2001), Chapter 3, Section 7, stipulates that a "municipality's performance management system entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting

and improvement will be conducted, organised and managed, including determining the roles of the different role-players”.

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

Annual Performance Reports

46. (1) A municipality must prepare for each financial year a performance report reflecting –
- (a) the performance of the municipality and of each external service provider during that financial year.
 - (b) a comparison of the performances referred to in paragraph (a) with targets set for and performances in the previous financial year; and
 - (c) measures taken to improve performance.
- (2) An annual performance report must form part of the municipality's annual report in terms of Chapter 12 of the Municipal Finance Management Act.”

This the performance information from 1 July 2023 to 30 June 2024 and focuses on the implementation of the Service Delivery Budget and Implementation Plan (SDBIP), in relation to the Integrated Development Plan (IDP) and Budget.

The SDBIP and Annual Performance Report 2023/24 is arranged in terms of the five National Key Performance Areas of Local Government, which are:



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

These directorates are:

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

Senior Managers Positions

All eight senior manager positions are filled.

The positions of Municipal Manager and Chief Financial Officer are filled on a 5-Year contract, whilst the other 6 positions are permanent.

All appointees comply with prescribed minimum competency levels for senior managers in terms of the *MFMA: Municipal Regulations on Minimum Competency Level, 2007, as amended*.

2. PERFORMANCE MANAGEMENT PROCESS OVERVIEW

2.1 2023/24 MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT

The Executive Mayor approved the SDBIP, which include the municipality's key performance indicators for 2022/23, in terms of Section 53(1) (c) (ii) of the Local Government: Municipal Finance Management Act (MFMA), on 20 June 2023 (EM10/2023)

To comply with MFMA Section 72, the Municipal Budget and Reporting Regulations, 2008 (Regulation 33-35) and MFMA Circular 13, the Performance Management Unit conducted mid-year SDBIP assessments by conducting workshops with the directorates during January 2024.

Focus during these assessment sessions were placed on the following:

- ⌘ Financial constraints
- ⌘ Submission dates and flow of information
- ⌘ Adjustment of budgets
- ⌘ Adjustment of targets
- ⌘ Well defined indicators and targets
- ⌘ Vote numbers
- ⌘ Internal Audit findings
- ⌘ Auditor-General findings
- ⌘ C88 / MPAT indicators

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

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

The requested mid-year adjustments on the 2023/24 SDBIP for the 1st and 2nd quarters were approved by the Municipal Manager on 24 January 2023 (MM 38/2024), submitted to and signed-off by the Executive Mayor on 25 January 2024, as well as Council (CC 13/2024) dated 31 January 2024.

The municipality achieved 65% of the applicable key performance indicators for the first six months of the 2023/24 financial year, which is 2% better than the previous financial year.

2.2 ADJUSTMENTS FOR THE 2023/24 FINANCIAL YEAR

- ⌘ Approval for the application for roll over of unspent Conditional Grants for the 2022/23 Financial Year was granted on 19 October 2023 in terms of section 21(2) of the 2022 Division of Revenue Amendment Act, (Act No. 15 of 2022) (DoRAA).
 - The approval was in respect of the Municipal Infrastructure Grant (MIG) (7 projects) and Integrated National Electrification Programme Grant (INEP) (1 project).
- ⌘ Council approved, in terms of Council (CC 13/2024) dated 31 January 2024, the 2023/24 Mid-Year Budget and Performance Assessment.
- ⌘ On 28 February 2024, Council approved the 2023/24 Adjustment Budget in terms of CC26/2024.
- ⌘ On 20 March 2023, a revised allocation was received from NDPG and MIG, in terms Government Gazette Notice 50318 dated 20 March 2024 indicating the stopped or re-allocated projects, to accelerate progress and expenditure for 2023/24 financial year. The council adopts and approves the new revised allocation in terms of CC67/2024 dated 30/04/2024.
- ⌘ The adjustments to the 2023/24 SDBIP and 2023/24 Performance Agreements were approved by Council in terms of CC104/2024 and CC105/2024 dated 24/05/2024, respectively.
- ⌘ Council further approved a Special Adjustment Budget for the 2023/24 financial year, on 27/08/2024 (CC146/2024).

2.3 PERFORMANCE MANAGEMENT OPERATIONS

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

- ⌘ A Mid-year Budget and Performance Assessment in terms of section 72 of the Municipal Finance Management Act, which informed the adjustment budget and revised SDBIP was approved by the Municipal Manager on 24/01/2024 (MM38/2024), signed by the Executive Mayor on 25/01/2024, as well as uploaded to National Treasury on 25/01/2024. Council approved the document on 31/01/2024 (CC13/2024).
- ⌘ Quarterly performance reports with supporting evidence were prepared by various directorates.
- ⌘ Quarterly reports were submitted and approved by Council, CC177/2023 dated 29/09/2023, CC192/2023 dated 28/11/2023, CC56/2024 dated 28/03/2024 and CC109/2024 dated 24/05/2024, respectively.
- ⌘ Council tabled the 2022/23 Audited Annual Report on 31 January 2024 in terms of CC017/2024.

- ⌘ The Adjusted 2023/24 SDBIP and Adjusted 2023/24 Performance Agreements were approved by Council in terms of CC104/2024 and CC105/2024 dated 24/05/2024, respectively.
- ⌘ The Executive Mayor approved the 2024/25 Service Delivery and Budget Implementation Plan on 20 June 2024 (EM4/2024).
- ⌘ Annual Performance Agreements with performance plans were developed and signed by the senior managers from 6 June 2024 and approved by the Executive Mayor on 20 June 2024, as required by the Municipal Performance Regulations, 2006 (EM4/2024).
- ⌘ All legislated approved documents were timeously submitted to National Treasury, Provincial Treasury and relevant departments in Local Government in the province, as well as to the ICT section for publishing on Council's website; and
- ⌘ The process on the filling of the vacant positions of Senior Managers were completed in terms of and within the legislated timeframes of the Regulations on Appointment and Conditions of employment of Senior Managers (as published under Government Notice No. 21 in the Government Gazette no 37245 of 17 January 2014).
- ⌘ The appointed 6 senior managers commenced duty on 1 April 2024.

3. PERFORMANCE ASSESSMENTS

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

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

3.1 Annual Performance assessments 2022/23

Only 1 senior manager, Mr BB Choche, Director Planning and Human Settlements qualifies (employed for a full financial year) for an annual assessment. Annual Assessment not yet done.

It must though be mentioned that the other senior managers and acting senior managers did quarterly assessments.

3.2 Annual Performance assessments 2023/24

Two senior manager, Ms L Seametso, Municipal Manager and Mr NM Moabelo, Acting and Director Corporate Support qualifies (employed for a full financial year) for an annual assessment. Ms MM Phetla, CFO were also employed for a full financial year but was precautionary suspended from 15 April 2024.

Annual Assessment were not yet done. 1 – 3 Quarterly assessments were conducted during the 2023/24 financial year.

4. AUDITING OF PERFORMANCE INFORMATION

The Municipal Systems Act, 2000 as amended, section 45 requires that the results of performance measurements in terms of section 41 (1)(c), must be audited as part of the internal auditing process and annually by the Auditor-General. All auditing must comply with section 14 of the Municipal Planning and Performance Management Regulations, 2001.

The Internal Audit function is a requirement of the MFMA. Section 62 of the MFMA requires amongst others, that the accounting officer of a municipality must take all reasonable steps to ensure that the municipality has and maintains effective, efficient and transparent systems of internal audit operating in accordance with any prescribed norms and standards.

To this extent, Internal Audit operates in accordance with the Institute of Internal Auditors' (IIA's) International Professional Practices Framework (IPPF). The core mandate of Internal Audit is to provide assurance and advisory services regarding the effective and efficient functioning of risk management, governance and internal controls.

Internal Audit verifies the implementation status of its recommendations through a formalised follow-up process, checking whether corrective actions stemming from previous audits and agreed to by line management have been adequately and effectively implemented. The results of follow-up audits are used every quarter to measure the KOI "Percentage Internal Audit recommendations (findings) resolved" for the various directorates.

As part of their scope, auditing of the Performance Management was performed and reports received for each quarter in terms of the following:

- ☞ Identify non-compliance with the relevant laws and regulations in the overall performance management system, processes and procedures.
- ☞ Document the understanding obtained of the performance information system, processes and procedures.
- ☞ Document the understanding of risks that exists in the detailed performance management process per selected development priority.
- ☞ Assess, review, test and verify the consistency, measurability, relevance and presentation of planned and reported performance information.
- ☞ Review scorecards on a test basis to supporting evidence on a sample basis.
- ☞ Record the system that is used to generate the performance information.
- ☞ Ensure compliance with the requirements of the PMS Regulations.
- ☞ Ensure the accuracy and validity of the information included in the annual report based on the evidence inspected, on a sample basis.

On 21 October 2014 Council approved the merger of the Audit and the Performance Audit Committees in line with section 166 (b) of the MFMA (CC 122/2014 dated 21 October 2014).

The primary objective of the Audit Committee is to advise the municipal council, political office-bearers and assist the Accounting Officer and management staff of the municipality in the effective discharge of their responsibilities regarding performance management, risk management, internal control and governance, and the aim of the achievement of the organization's objectives.

The Audit Committee is an independent advisory body that performs its functions in terms of section 166 of the Municipal Financial Management Act (MFMA) 56 of 2003, as amended and King IV Report on Corporate Governance.

5. ISSUES RAISED IN THE 2022/23 AUDITOR-GENERAL'S REPORT

Report on the annual performance report

- 23. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objective4s for selected key performance areas presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
- 24. I selected the following key performance areas presented in the annual performance report for the year ended 30 June 2023 for auditing. I selected key performance areas that measures the municipality's performance on its primary mandated functions and that are of significant national, community or public interest.

Key performance area	Page numbers	Purpose
Service delivery and infrastructure development	178 – 194; 206 – 207; 255; and 270 - 272	To ensure sustainable services to the community, to improve access and thereby reducing backlogs. This component includes water; sanitation; roads; electricity; waste management; and housing services and free basic services.
Local economic development	257 and 273	Skills development and job creation

- 25. I evaluated the reported performance information for the selected programmes 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.
- 26. I performed procedures to test whether:
 - the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives.
 - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements.
 - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated.
 - the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents.

- the reported performance information is presented in the annual performance report in the prescribed manner.
 - there is adequate supporting evidence for the achievements reported and for the measures taken to improve performance.
27. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.
28. The material findings on the reported performance information for the selected programmes are as follows:

Service Delivery and Infrastructure Development

Km of Stormwater drainage slab constructed, and Number of reports and drawings received of taxi route paved and km of Stormwater drainage constructed in Kanana (Phase 9) (Wards 22, 23, 24 and 36)

29. There was no link between the indicator of Km of Stormwater drainage slab constructed and number of reports and drawings received of taxi route paved and km of Stormwater drainage constructed and the planned target of Laying of 0,021 km paved taxi routes and constructing 0,02km of edge beams and modifying the construction of 0.90 Km v-drains at Thandanani Road and constructing 14 Stormwater drainage slabs at Agapanthus and J Molefe Roads in Kanana

Various indicators

30. I could not determine whether the reported achievements were correct, as adequate supporting evidence was not provided for auditing. Consequently, the achievements might be more or less than reported and were not reliable for determining if the targets had been achieved.

Indicator	Target	Reported achievement
Percentage of households in the CoM area provided with access to basic level of water	Providing at least 98% of households in the CoM area with access to basic level of water	99% 182 382 Hh with access / 1 021 Hh below minimum level
Percentage of households in the CoM area provided with access to basic level of sanitation	Providing at least 92% of households in the CoM area with access to basic level of sanitation	94% 171 437 Hh with access / 11 966 Hh below minimum level
Percentage of households in the CoM area provided with access to basic level of electricity	Providing at least 92% of households in the CoM area with access to basic level of electricity	93% 170 652 Hh with access / 12 751 Hh below minimum level
Percentage of households in the CoM area provided with access to basic level of refuse removal	Providing at least 93% of households in the CoM area with access to basic level of refuse removal	93% 170 985 Hh with access to refuse removal / 12 418 Hh below minimum level

Local Economic Development

Number of permanent / sustainable jobs which exceed 3 months

31. An achievement of 102 was reported against a target of 150. I could not determine whether reported achievement was correct, as adequate supporting evidence was not provided for auditing. Consequently, the achievement might be more or less than reported and was not reliable for determining if the target had been achieved.

Other matters

32. I draw attention to the matters below.

Achievement of planned targets

33. 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.

Service delivery and infrastructure

<i>Targets achieved: 65%</i>		
<i>Budget spent: [61] %</i>		
Key service delivery indicator not achieved	Planned target	Reported achievement
Number of water pump-stations refurbished with electrical and mechanical equipment at the Matlosana area (Wards 1 - 39)	08	05
Number of new Sports Complex in Khuma Ext 9 (Ward 31) (Phase 2) constructed	01	00
Number of the existing Fresh Produce Market (Phase 2) (Ward 9) upgraded	01	00
Number of taxi ranks with facilities constructed in Jouberton Ext 19 (Ward 37)	01	00
Number of Jouberton reservoirs (Ward13) refurbished	01	00
Kilometre of outfall sewer line from Jouberton Ext 19 to Alabama (Wards 4-6) upgraded (target: Appointing a contractor and establishing the site for the upgrading sections of the sewer pipeline from Jouberton Ext 19 to Alabama (Wards 4-6) by 30 June 2023)	02	00
Number of sewer pump-stations refurbished with electrical and mechanical equipment at the Matlosana area (Wards 1 - 39)	01	00
Kilometre of taxi routes paved, and km of Stormwater drainage constructed in Khuma (Phase 9) (Wards 33,35,38)	2.21 & 2.19	00 & 00
Kilometres of line constructed in Alabama Ext 5 (Ward 4) (Phase 2)	4.9 KM MV & 16.4 KM LV	00 & 00
Number of approved households with free basic services (indigents)	25 000	16 073

Material misstatements

34. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for service delivery and infrastructure development and local economic development. Management did not correct the misstatements, and I reported material findings in this regard.

6. PROGRESS ON AUDITOR GENERAL FINDINGS

6.1 Service Delivery and Infrastructure

- ⌘ All PMU indicators were adjusted during the 2023/24 Mid-year Budget and Performance Assessment, as advised by the Auditor General not to be over-complicated and to be in terms of the implementation plan.
- ⌘ Problematic KPIs were discussed with the PMU Manager and team. KPIs were reviewed and corrected where problematic.
- ⌘ Service delivery targets not achieved
 - PMU projects - Due to various reasons such as late appointments of consultants / contractors, manufacturing delays, cashflow problems by contractors, SCM challenges, budget shortfall, poor performance and termination of contractor contracts and old connection pipes, on 15 of the 26 projects were completed – 58%.
 - Households with free basic services (indigents) - The finding was taken up with the Acting Chief Financial Officer, Assistant Director Revenue Management and team. All efforts were made to ensure correct and adequate supporting evidence.

6.2 Various Indicators - Percentage of households in the CoM area provided with access to basic services

- ⌘ As advised by the Auditor General, the 2022 Stats SA figures for household counts were utilized for counting.

6.3 Local Economic Development

- ⌘ The finding was taken up with the Director Local Economic Development and team. All efforts were made to ensure adequate supporting evidence.

7. ANNUAL PERFORMANCE INFORMATION

The Annual Performance Report will there for be presented to the Auditor-General for auditing together with the Annual Financial Statements on 31 August 2024.

The following are reported on:

- ⌘ IDP and Capital Projects
- ⌘ Operational and Compliance Indicators
- ⌘ Outcome 9 Indicators of National Government
- ⌘ National Key Performance Indicators

The Annual Performance Report for the 2023/24 financial year reflects the performance of the municipality and directorates in a table format, measured on the approved KPI's and targets, as contained the IDP and SDBIP. The respective directorates report the achievements, reasons for deviation and planned remedial action on a quarterly basis.

Data provided on the SDBIP is supported by relevant evidence captured and maintained by the directorate's proof of evidence files – (POE's).

7.1 Organisational Performance Results

The table below encapsulates the summary of the municipality's 2023/24 performance results regarding each of the development priorities:

2023/24 ORGANISATIONAL RESULTS				
Key Performance Indicators	Total No of KPI's	Targets		Annual % Met
		Achieved	Not Achieved	
<i>Basic Service Delivery & Infrastructure Development</i>	34	14	19	41%
<i>Municipal Institutional Development and Transformation</i>	35	27	8	77%
<i>Local Economic Development</i>	6	4	2	67%
<i>Municipal Financial Viability & Management</i>	50	29	21	58%
<i>Good Governance and Public Participation</i>	123	93	30	76%
TOTAL	248	167	80	67%

2023/24 DIRECTORATE RESULTS				
Key Performance Indicators	Total No of KPI's	Targets		Annual % Met
		Achieved	Not Achieved	
<i>Office of the Municipal Manager</i>	36	23	13	64%
<i>Directorate Technical and Infrastructure</i>	54	30	23	56%
<i>Directorate Budget and Treasury</i>	46	26	20	57%
<i>Directorate Corporate Support</i>	30	24	6	80%
<i>Directorate Community Development</i>	20	16	4	80%
<i>Directorate Public Safety</i>	20	18	2	90%
<i>Directorate Planning and Human Settlements</i>	20	15	5	75%
<i>Directorate Local Economic Development</i>	22	15	7	68%
TOTAL	248	167	80	67%

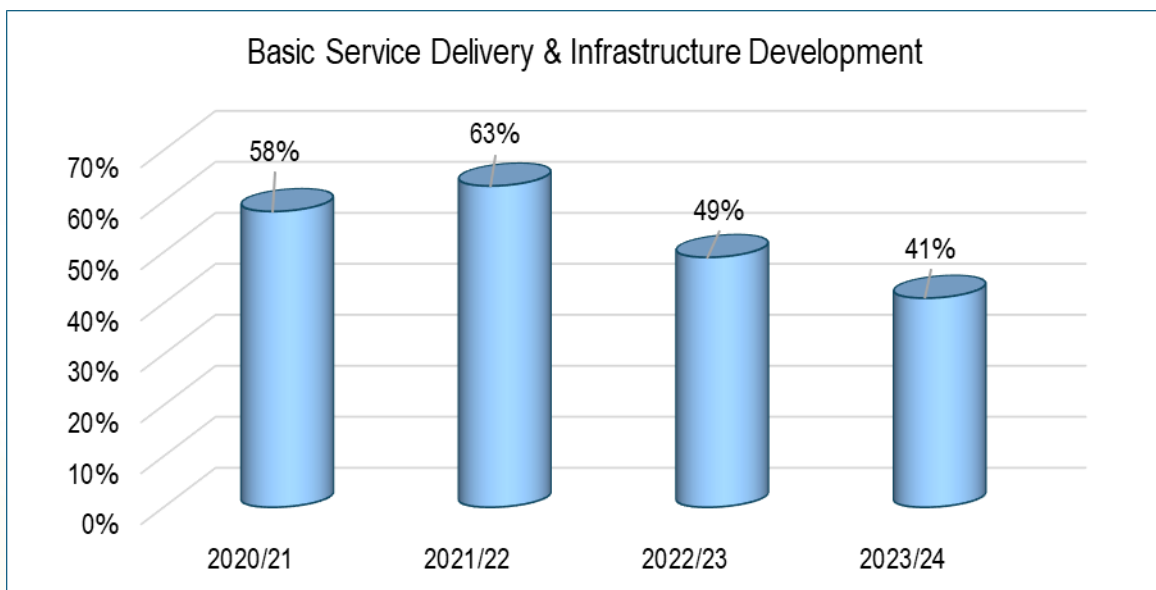
The following achievements contribute to the overall 2023/24 annual performance of the City of Matlosana:

KPA1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

The core function of the municipality is to ensure sustainable services to the community, to improve access and thereby reducing backlogs. This component includes water; sanitation; roads; electricity; waste management; and housing services.

Some projects that were completed during the financial year were as follows:

- ⊗ The construction of 3 high mast lights at Brakspruit / Nkagisang CPA's (Phase 1) completed. Testing, commissioning and handing over completed.
- ⊗ The construction of 6 high mast lights in Alabama Ext 4 & 5 (Phase 2) completed. Testing, commissioning and handing over completed.
- ⊗ Refurbishment of chlorine dosing plants at reservoirs at 7 water pump stations at Mooi street, Dawkinsville, Orkney, Alabama, Khuma Ext 8, Kanana and Oudorp, with security upgrades (Phase 1) completed.
- ⊗ Retrofitting 191 conventional streetlights and 284 high mast lights with LED lights Klerksdorp (Phase 4) completed.
- ⊗ The purchasing and delivery of specialised vehicles (1 x Tipper truck and 1 x Water tanker) for solid waste removal (Phase 2) achieved.
- ⊗ Purchasing and delivery of specialised vehicles (3 x Tipper trucks and 1 x Landfill Compactor, 2 X 20-22m³ Rear-End Loading Refuse Truck) (Phase 3) for solid waste removal achieved.
- ⊗ 1 549 Light fixtures installed in Alabama extension 5 (Ward 4) (Phase 2).
- ⊗ 20 615 Approved households with free basic services
- ⊗ 17 609 Approved households with FBAE.

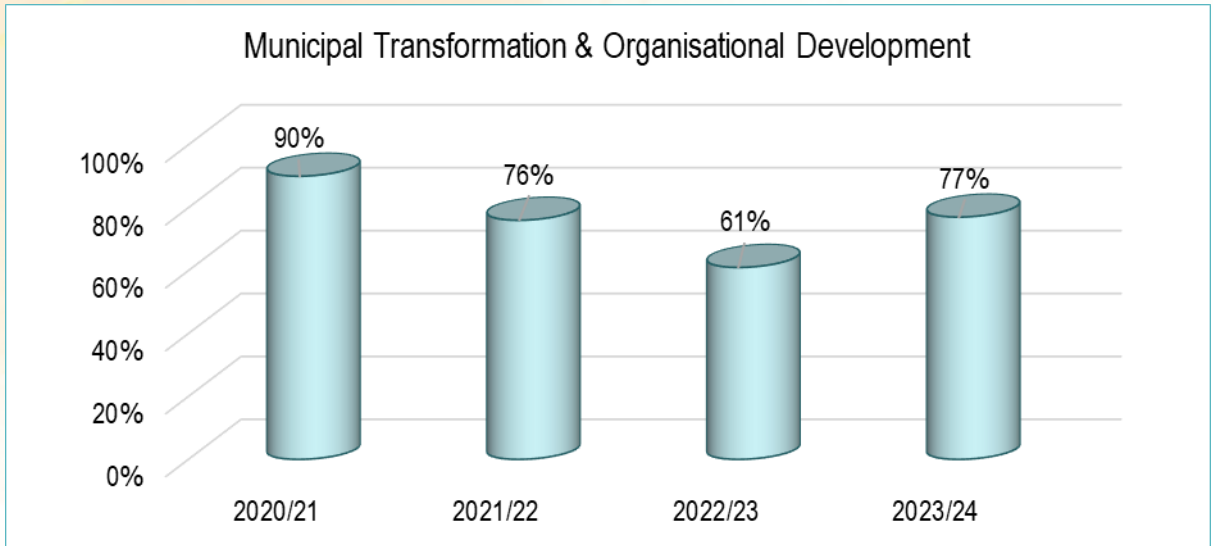


KPA2: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

Municipal Institutional Development and Transformation relates on how the institution is capacitated to exercise its duties. Skills development is implemented in accordance with the workplace skills plan, which assists in improving the capacity for staff to deliver services.

The following achievements can be reported:

- ⌘ 4 Risk Assessments conducted with all departments.
- ⌘ 120 OHS inspections conducted.
- ⌘ 2 OHS Audit conducted.
- ⌘ 2024/25 WSP and 2023/24 ATR document submitted to LGSETA on the 30 April 2024.
- ⌘ 2024/25 EE Report was submitted electronically to Department of Labour on the 15 January 2024.
- ⌘ 8 Workshops conducted / co-ordinated on employment related issues and the Collective Agreement conducted

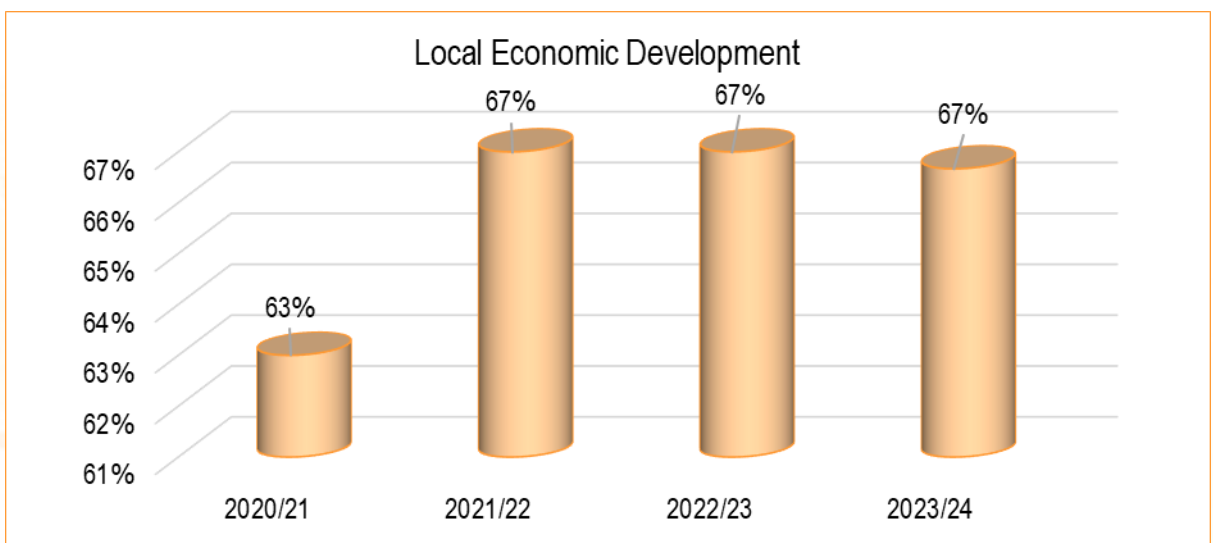


KPA3: LOCAL ECONOMIC DEVELOPMENT

Essentially the municipality aims to identify the competitive advantage of the municipal area and develop strategic initiatives to facilitate the optimisation of investment opportunities to promote sustainable economic growth and employment creation.

The following achievements can be reported:

- ⌘ 8 LED consultation meetings conducted.
- ⌘ 4 SMME workshops conducted.
- ⌘ 2 Farmers Markets facilitated.



KPA4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

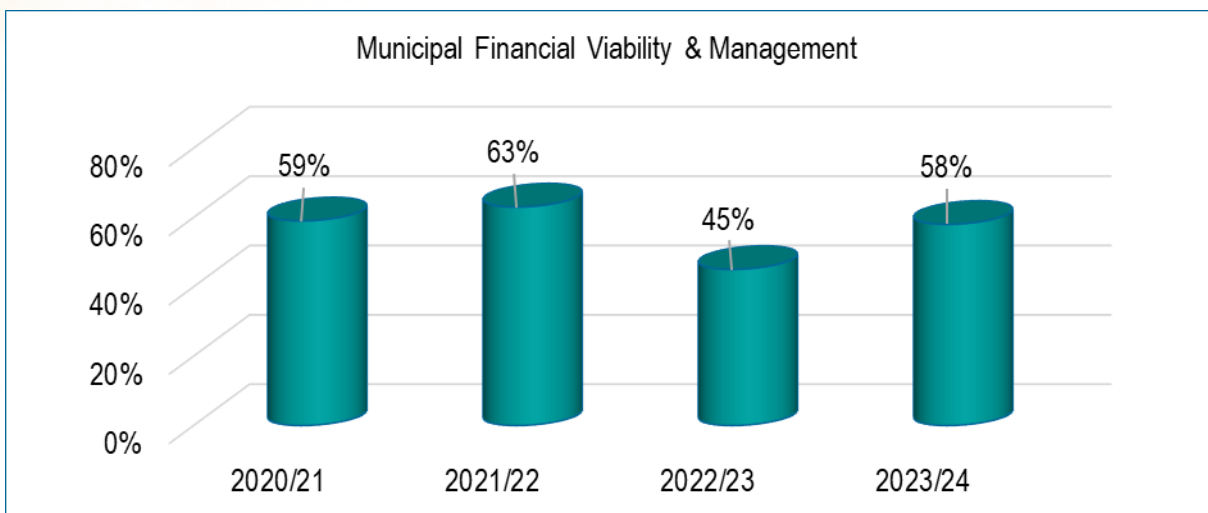
Municipal Financial Viability and Management focuses on the internal financial management processes. As such, this would focus on matters relating to budget development, supply chain management issues, asset management as well as income and expenditure management.

The City of Matlosana received an unqualified audit opinion for the 2022/23 financial year.

The municipality is facing serious financial constraints, adding to the problems is the fact that the municipality's debtor's book has significantly increased during the last 5 years.

Achievements for the year are as follows:

- ⌘ R3 161 699 spent on Skills Development (Training) for councillors, officials and interns.
- ⌘ Receiving a mandatory grant of R2 941 346 from SETA Training.
- ⌘ R7 551 435 collected from driver's licenses (excluding Prodiba fees).
- ⌘ R1 915 881 collected from traffic fines.
- ⌘ R4 154 324 collected from warrant of arrests.
- ⌘ R22 122 185 collected from market commission (dues).
- ⌘ R1 748 018 collected from ripening and cooling rooms.

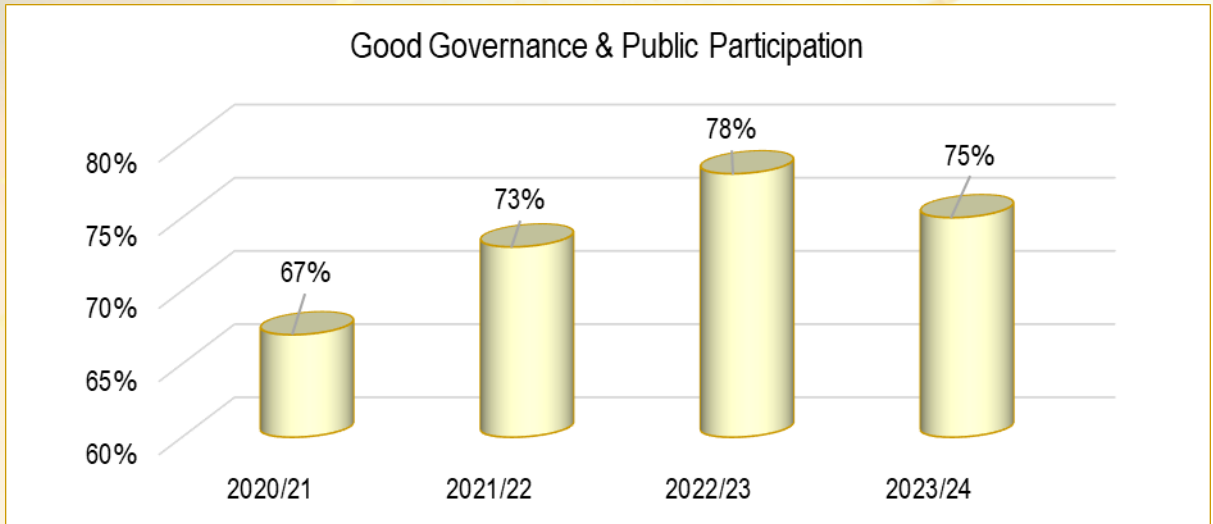


KPA5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

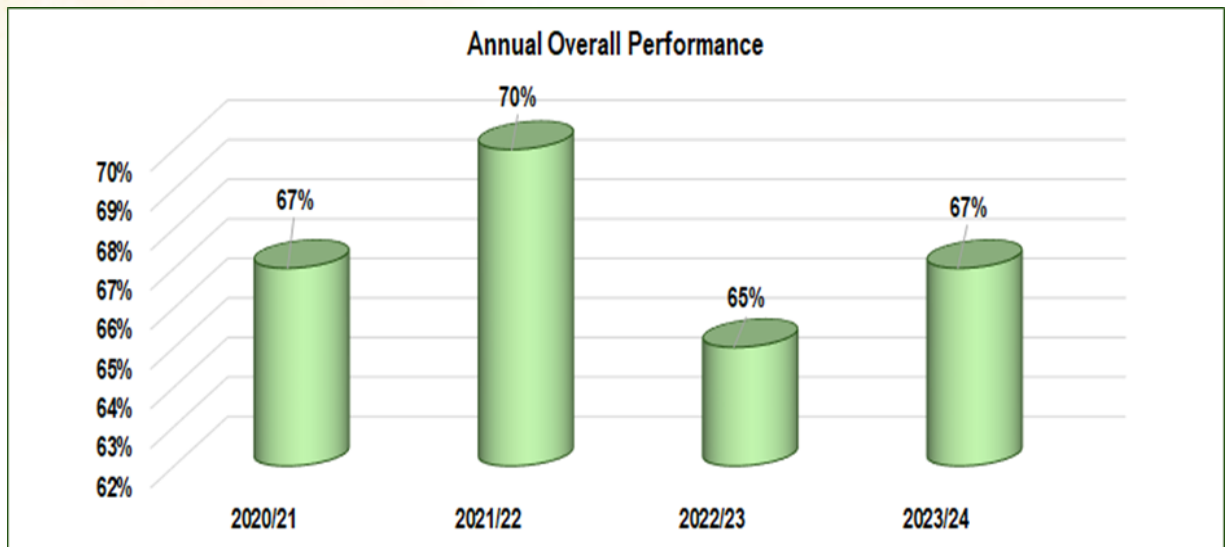
Good Governance focuses on the good governance matters such as public participation, performance management, and the effectiveness of oversight structures, internal audit matters, risk management and communications.

Achievements for the year are as follows:

- ⌘ 2022/23 Audited Annual Report tabled in Council on 31 January 2024.
- ⌘ 8 x 2024/25 Performance Agreements approved and signed by Municipal Manager and Executive Mayor on 30 June 2024.
- ⌘ 2 IDP Rep Forum meetings conducted.
- ⌘ Amended 2024/25 Process Plan tabled in Council on 31 August 2023.
- ⌘ 98% Medium voltage forced interruptions resolved.
- ⌘ 100% Electricity meter tampering investigations resolved.



7.2 Four Year Comparison on Organisational Performance Results



The annual performance comparison for the last four financial years can be seen in the table below:

ORGANISATIONAL RESULTS				
	2020/21	2021/22	2022/23	2023/24
Annual Overall Performance	67%	70%	65%	67%
Key Performance Areas				
<i>Basic Service Delivery & Infrastructure Development</i>	58%	63%	49%	41%
<i>Municipal Transformation & Organisational Development</i>	90%	76%	61%	77%
<i>Local Economic Development</i>	63%	67%	67%	67%
<i>Municipal Financial Viability & Management</i>	59%	63%	45%	58%
<i>Good Governance & Public Participation</i>	67%	73%	78%	75%

8. CONCLUSION AND APPROVAL OF BY THE MUNICIPAL MANAGER

During the 2023/24 financial year, the overall performance results currently reflect a 67% success rate caused by mixed performance results of departments in implementing the SDBIP. The 2023/24 percentage is 2% higher compared to 2022/23 financial period.

The municipality will continue improving on its performance management system by,

- ⌘ Setting Key Performance Indicators (KPI's) that are Reliable, Well-defined, Verifiable, Cost-effective, Appropriate and Relevant.
- ⌘ Developing and setting of targets that comply with the SMART principle by being Specific, Measurable, Achievable, Relevant as well as being Time-bound.
- ⌘ Ensure a clear linkage between the IDP, Budget, SDBIP and Annual Report.
- ⌘ Regular reporting on organisational performance, to aid in the monitoring of performance and to identify instances where corrective actions may be needed.

Challenges still exist on accurate and timeously performance information, as well as reporting meaningful deviations and remedial actions for all the targets not met on a quarterly basis.

The continuous support rendered by Performance Management to the various directorates quarterly, will improve the organizational culture towards performance management to eliminate the hindrances to proper planning and to enhance accurate and credible monitoring and reporting on performance.

I acknowledge the commitment of the Council, Directors and staff of the municipality and would like to thank all for their continuous efforts to contribute towards good governance of the municipality.



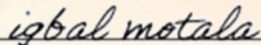
MR. BB CHOCHÉ
ACTING MUNICIPAL MANAGER

Date: 31 August 2024

9. CONCLUSION AND APPROVAL OF BY THE CHAIRPERSON OF THE AUDIT COMMITTEE

The Audit Committee reports that it has complied with its responsibilities arising from Section 166 of the Municipal Finance Management Act and Circular 65 issued by National Treasury. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter 2023/24 and it has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein, except that we have not reviewed changes in accounting policies and practices.

Audit Committee wishes to acknowledge the commitment from Council, Municipal Manager, Management and staff of the Municipality. We would also like to thank the Speaker and Executive Mayor for their support, Councillors, Senior Management for their efforts and Internal Audit and Performance Management for their contributions towards good governance of the municipality.



M.I. Motala

Acting Chairperson: City of Matlosana Local Municipality Audit Committee

31 August 2024

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IDP and Council Projects

(Grant & Council Funded)

DIRECTORATE TECHNICAL AND INFRASTRUCTURE

KEY PERFORMANCE AREA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT



SECTION: PROJECT MANAGEMENT UNIT

IDP, MIG, other Grants and Capital Projects	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year	
	2021/22	2022/23	Annual Target	Actual Performance					
NR	MEASURABLE OBJECTIVE: To improve public access to transport in Jouberton Ext 19 (Ward 37) with the construction of a new taxi rank with facilities								
PMU1	Number of taxi ranks with facilities constructed in Jouberton Ext 19 (Ward 37)	Contractor appointed on 25 November 2021. Site establishment completed. Bulk earthworks 78% completed. R14 522 166	The construction of a new taxi rank with facilities in Jouberton Ext 19 nearly completed, with the construction of 1 platform at 93% completed. 0,260Km of 160mm of UPVc sewer pipe; 0,582km of 110mm UPVc water pipe; the top structure of 1 office facility, 1 storeroom and refuse bin facility; and 0,350Km of 63mm UPVc water pipe; as well as the erection of 0.428km perimeter fence. R10 858 761	Completing construction of 1 new taxi rank with facilities in Jouberton Ext 19 (Ward 37) according to the implementation plan 31 March 2024 R21 162 000	Project not completed, but the following was achieved: The roof for one main ablution facility installed, one office facility, one trading area and two small ablution facilities completed. The extension of the column bases completed. The installation of roof trusses was 90% completed for the main taxi area. 1 856 m ² paving and nine culverts were installed. R19 399 214		The contractor was delayed by the roof supplier in terms of manufacturing and roof installation. A further delay was experienced with the installation of the paving	The contractor has been requested to fast track the progress and recover the time lost	R7 993 117

DIRECTORATE TECHNICAL AND INFRASTRUCTURE

KEY PERFORMANCE AREA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT



SECTION: PROJECT MANAGEMENT UNIT

IDP, MIG, other Grants and Capital Projects	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year	
	2021/22	2022/23	Annual Target	Actual Performance					
NR	INDICATOR	MEASURABLE OBJECTIVE:							
PMU2	Kilometre of taxi routes paved, and km of stormwater drainage constructed in Khuma Ext 11 (Phase 9) (Ward 33)	New project	New project	Paving of 4,2Km taxi route and constructing 3,592Km stormwater drainage in Skhosana Street, Khuma Ext 11 (Phase 9) (Ward 33) according to the implementation plan by 30 June 2024 R12 332 976	The project not completed, but the following was achieved: 0.5296 Km of stormwater and 0not completed, but the following was achieved: 0.5296 Km of stormwater and 0.532 km of box cutting (roadbed) laid. 0.037 Km of Stormwater drainage laid. Nine manholes constructed. 0. 3 Km of subgrade and subbase completed. A new contractor was appointed on 25 June 2024. Site establishment completed. Scope completed R10 826 348		Notice of non-compliance issued to contractor on 27 November 2023 to remedy poor performance. The contractor's contract was terminated on 5 January 2024, due to non-performance. The consultant has revised the Bill of Quantities. New scope was determined	A new contractor was appointed to remedy poor performance and to complete the project within the determined timeframe	R9 134 159
NR	INDICATOR	MEASURABLE OBJECTIVE:							
PMU3	Kilometre of outfall sewer line in Jouberton Ext 19 and 23 (Phase 1) (Wards 7, 8 & 37) upgraded	New project	New project	Upgrading sections of the sewer pipeline in Jouberton Ext 19 and 23 (Phase 1) (Wards 7, 8 & 37) by constructing 2,413km of 355mmø uPVC pipeline by 30 June 2024 R2 771 356	Project not completed, but the following was achieved: A contractor was appointed on 8 May 2024. Site hand over was conducted on 17 May 2024. Construction of 0.640km 400mm uPVC Ø pipe in Ext. 23 R2 409 471		Delays occurred with the SCM processes from 16 November 2023 to 8 May 2024, including an erratum of the tender	Due to late appointment of the contractor, contractor was requested to stick to the duration of the project which is 6 months and complete the project end of December 2024	R23 915 834

DIRECTORATE TECHNICAL AND INFRASTRUCTURE

KEY PERFORMANCE AREA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT



SECTION: PROJECT MANAGEMENT UNIT

IDP, MIG, other Grants and Capital Projects	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
	2021/22	2022/23	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE:						
PMU4	Number of cells developed for Klerksdorp landfill site (Cell 3) (Phase 1) (Ward 19)	The development of the Klerksdorp Landfill Site Cell 3 (Phase 1) (Ward 19) not completed yet. The EIA study was conducted, and a detailed design report developed and approved. Project registration letter received from COGTA on 28 March 2023. R3 496 357	Developing the Klerksdorp Landfill Site Cell 3 (Phase 1) (Ward 19) according to the implementation plan by 30 June 2024 R26 080 048	Project not completed, but the following was achieved: Contractor appointed on 12 December 2023. Site hand-over done on 28 December 2023. Site establishment and clearing of site done. Bulk excavation and stockpile of 95 962 m³ done R17 611 771		Slow progress by contractor due to delays in payment of certificates which has affected the contractors cashflow	Contractor to be advised to increase resources on site to ensure sustainable progress	R9 134 159
NR	INDICATOR	MEASURABLE OBJECTIVE:						
PMU5	Number of toilets re-constructed and refurbished in Kanana (Wards 20 & 24)	Not achieved. Preliminary Design Report submitted by the Consultant. Preliminary design paid R 1 097 061	Re-constructing and refurbishing toilets in Kanana Proper and Kanana Ext 4 (Wards 20 & 24) according to the implementation plan by 30 June 2024 R2 559 803	Project not completed, but tender process is still ongoing R2 225 083		Delays within the SCM process. The recommended bidder was higher than the available budget. Negotiating team was appointed to try to reduce the amount and the outcome was unsuccessful	SCM to readvertise the bid	R13 175 525

DIRECTORATE TECHNICAL AND INFRASTRUCTURE

KEY PERFORMANCE AREA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT


SECTION: PROJECT MANAGEMENT UNIT




IDP, MIG, other Grants and Capital Projects	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year	
	2021/22	2022/23	Annual Target	Actual Performance					
NR	MEASURABLE OBJECTIVE:		To improve the social and economic activities for the community of Jouberton						
PMU6	Number of new Youth Development Centre buildings constructed for the Jouberton Ext 19 precinct (Ward 37)	The detailed designs and tender document for the New Youth Development Centre in Jouberton Precinct for procurement of the contractor not done. R144 650	Constructing 1 New Youth Development Centre in Jouberton Ext 19 precinct (Ward 37) according to the implementation plan by 30 June 2024 R8 934 620	Project not completed R0		National treasury did not give permission to procure the contractor due to the slow progress on the Taxi Rank project.	The contractor has been requested to fast track the progress on the Taxi Rank project and recover the time lost to ensure approval from NT on the New Youth Development Centre project	R18 168 883	
NR	MEASURABLE OBJECTIVE:		To upgrade sections of the outfall sewer line in Khuma Proper to increase the capacity of the sewer system						
PMU8	Metres of outfall sewer line in Khuma Proper upgraded	The upgrading of sections of the sewer pipeline in Khuma Proper by approving and settling preliminary design report, detailed design report done and draft tender document in Khuma Proper still outstanding R1 839 081	Upgrading sections of the outfall sewer line in Khuma Proper according to the implementation plan by 30 June 2024 R4 524 620	Project not completed, but the following was achieved: The contractor was appointed on 13 May 2024. Site hand over on 27 June 2024. Site establishment completed. The contractor procured a portion of material R5 511 385		Delays with the SCM process from 17 August 2023 to 13 May 2024, which included the re-advertisement of the tender	Contractor to start with the actual construction in mid July 2024	R12 500 000	



DIRECTORATE TECHNICAL AND INFRASTRUCTURE

KEY PERFORMANCE AREA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

SECTION: PROJECT MANAGEMENT UNIT

IDP, MIG, other Grants and Capital Projects	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
	2021/22	2022/23	Annual Target	Actual Performance				
NR	MEASURABLE OBJECTIVE: To improve water supply from Jouberton Reservoir to Kanana to increase capacity to the community							
PMU7	Number of water line for Jouberton Reservoir to Kanana (Wards 6, 14 and 18) constructed	Not achieved. Preliminary Design Report submitted by the Consultant. Preliminary design paid R 1 097 061	Constructing 1 water supply pipeline from Jouberton Reservoir to Kanana Bulk water supply (Phase 1) (Wards 6, 14 and 18) according to the implementation plan by 30 June 2024 R14 000 000	Scope not completed, but the following was achieved: The contractor was appointed on 12 December 2023. Site hand over on the 10 January 2024 and site establishment on 19 January 2024 done. Construction of 3.226km of 200mm Ø water line and 1.123km of 500mm Ø water line completed R12 171 261		Delays with contractor obtaining as-built drawings (Wayleave). Wayleave was approved on 14/03/2024. Delays by contractor to procure material. Supplier did not accept the cession agreement with the City of Matlosana. The contractor managed to procure material in small quantities which also results in slow progress. The contractor had to deviated from initial programme. Community interference delayed the appointment of a sub-contractor	The Municipal Manager and Executive to intervene during community interference to remedy delays with the project. Contractor to be advised to commence timeously with the procurement of material to avoid slow progress and poor performance.	R15 467 749



DIRECTORATE TECHNICAL AND INFRASTRUCTURE										
KEY PERFORMANCE AREA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT										
SECTION: PROJECT MANAGEMENT UNIT										
IDP, MIG, other Grants and Capital Projects	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year		
	2021/22	2022/23	Annual Target	Actual Performance						
NR	INDICATOR	MEASURABLE OBJECTIVE:								
PMU9	Number of high mast lights at Brakspruit / Nkagisang constructed (Phase 1)	New project	New project	Constructing 3 high mast lights in Brakspruit / Nkagisang CPA's (Phase 1) by 30 June 2024 R 1 285 525	The construction of 3 high mast lights at Brakspruit / Nkagisang CPA's (Phase 1) completed. Testing, commissioning and handing over completed R1 112 356		-	-	N/A	
NR	INDICATOR	MEASURABLE OBJECTIVE:								
PMU10	Number of high mast lights at Alabama Ex 4 & 5 constructed (Phase 2) (Wards 4 & 5)	New project	New project	Constructing 6 high mast lights in Alabama Ext 4 & 5 (Phase 2) (Wards 4 & 5) by 30 June 2024 R2 188 652	The construction of 6 high mast lights in Alabama Ext 4 & 5 (Phase 2) completed. Testing, commissioning and handing over completed R1 903 176		-	-	N/A	
NR	INDICATOR	MEASURABLE OBJECTIVE:								
PMU13	Number of street lighting with LED lights retrofitted in Klerksdorp (Phase 4)	The project was withdrawn due to the roll-over application rejected by National Treasury and no funding was made available	471 conventional streetlights with LED lights in Klerksdorp (Phase 3) (Wards 1, 2, 27, 28, 30 and 32) retrofitted. R3 083 260	Retrofitting 206 Conventional streetlights and 264 High mast lights with LED lights Klerksdorp (Phase 4) by 30 June 2024. R4 000 000	Retrofitting 191 conventional streetlights and 284 high mast lights with LED lights Klerksdorp (Phase 4) completed R3 478 261		Fifteen conventional streetlights were already changed to LED, therefore eighteen additional high mast lights with LED lights were installed with the saving of the conventional streetlight		R5 000 000	



DIRECTORATE TECHNICAL AND INFRASTRUCTURE									
KEY PERFORMANCE AREA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT									
SECTION: PROJECT MANAGEMENT UNIT									
IDP, MIG, other Grants and Capital Projects	INDICATOR	Previous Financial Years		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
		Actual Performance	2022/23	Annual Target	Actual Performance				
PMU11	Number of feasibility studies and designs on the Jouberton substation	New project	New project	Pre-engineering of 1 x Jouberton substation according to the implementation plan by 30 June 2024 R1 732 000	Pre-engineering on 1 x Jouberton substation completed with the appointment of a consulting engineer on 30 August 2023. Investigation and development of a feasibility study report achieved. Detailed designs developed and detailed design report and costing submitted. Scope completed R1 506 087		-	-	N/A
MEASURABLE OBJECTIVE:	Pre-engineering of Jouberton substation to determine which substation the electrification of Ext 25 will draw electricity from								
NR	INDICATOR	MEASURABLE OBJECTIVE:		To refurbish chlorine dosing plants, reservoirs equipment in the Matlosana area (Wards 1 - 39) water pump-stations to maintain the desired quality of water. (Phase 1)					
PMU12	Number of water pump-stations refurbished with chlorine dosing equipment at the Matlosana area, as well as security upgrades at various pump stations (Wards 1 - 39) (Phase 1)	New project	The account for the final design fees for the refurbishment of 3 chlorine dosing plants in, reservoirs and water pump stations at Jouberton, Orkney and Kanana (Wards 1 - 39) settled R1 542 160	Refurbishment of chlorine dosing plants at reservoirs at 6 water pump stations at Jouberton, Mooi street, Dawkinsville, Orkney, Alabama, Khuma Ext 8 and Kanana. (Phase 1) (Wards 1 - 39) according to the implementation plan by 30 June 2024 R37 088 434	Refurbishment of chlorine dosing plants at reservoirs at 7 water pump stations at Mooi street, Dawkinsville, Orkney, Alabama, Khuma Ext 8, Kanana and Oudorp, with security upgrades (Phase 1) completed R32 439 952		One additional dosing building station (Ou Dorp) completed, due to available funding and excellent progress		N/A

DIRECTORATE TECHNICAL AND INFRASTRUCTURE

KEY PERFORMANCE AREA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

SECTION: PROJECT MANAGEMENT UNIT



IDP, MIG, other Grants and Capital Projects	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year	
	2021/22	2022/23	Annual Target	Actual Performance					
NR	MEASURABLE OBJECTIVE: To improve collection of refuse and maintain environmental care (Phase 2)								
PMU14	Number of specialised vehicles for solid waste removal purchased and delivered (Phase 2)	New project	New project	Purchasing and delivery of specialised vehicles (1 x Tipper truck and 1 x Water tanker) for solid waste removal (Phase2) by 30 June 2024 R5 443 525	The purchasing and delivery of specialised vehicles (1 x Tipper truck and 1 x Water tanker) for solid waste removal achieved R4 733 500		-	-	
NR	MEASURABLE OBJECTIVE: To construct a new sports complex in Khuma Ext 9 (Ward 31) (Phase 2) to provide recreational facilities for the community								
PMU15	Number of new Sports Complex in Khuma Ext 9 (Ward 31) (Phase 2) constructed	A new sport complex in Khuma Ext 9 (Ward 31) constructed. R25 390 299	Tender was advertised on 4 April 2023 with closing date 10 May 2023. R2 629 950	Constructing a new sport complex in Khuma Ext 9 (Ward 31) (Phase 2) according to the implementation plan by 30 June 2024 R7 000 000	Project not completed, but the following was achieved: Site establishment completed. 0,05 Km of 110mmø of HDPE pipe constructed. 0,15 Km of 32mmø - 65mmø galvanized steel pipe for fire protection constructed. Sporting codes (long jump, triple jump, discus throw, javelin throw and shot put) constructed. Asphalt base completed R6 130 848		Slow progress by contractor due to the delays by the Synthetic material and high mast light supplier in terms of manufacturing and installation	Consultant has been served with a letter to manage performance of the contractor to complete the remaining work	Possible Roll Over

DIRECTORATE TECHNICAL AND INFRASTRUCTURE										
KEY PERFORMANCE AREA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT										
SECTION: PROJECT MANAGEMENT UNIT										
IDP, MIG, other Grants and Capital Projects	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year		
	2021/22	2022/23	Annual Target	Actual Performance						
NR	INDICATOR	MEASURABLE OBJECTIVE:								
PMU16	Number of Jouberton reservoirs (Ward 13) refurbished	Contractor appointed on 9 December 2021. Site establishment completed. Dosing building constructed. R1 908 190	To refurbish Jouberton reservoir to maintain the existing infrastructure	Refurbishing the 26Ml Jouberton reservoir (ward 13) with the completion of the external works by 30 June 2024 R4 457 143	Project not completed, but the following was achieved: Installation of 15m of 500 mm Ø pipe from reservoir to pump house, one 350mm valve and one 500mm valve installed. Detailed condition assessment report submitted, previous existing 500mm Ø pipe excavated and chamber 2 blinding layer concrete poured R2 790 781		Contractor has had difficulties with excavations with the high strength concrete used on the chambers which has resulted in the delay of the demolition. Leaking asbestos pipe has resulted in slow progress from the contractor	The consultant was instructed to put contractor on terms to ensure completion of external works	R5 000 000	
NR	INDICATOR	MEASURABLE OBJECTIVE:								
PMU17	Number of reports and drawings payments settled for the construction of taxi routes in Jouberton (Phase 9) (Wards 5, 6, 11, 13 and 14)	Laying of 2.642 km paved taxi routes in Jouberton (Phase 9) (Wards 5, 6, 11, 13 and 14) with additional scope completed R13 779 655	To improve accessibility and mobility and control and direct the flow of stormwater and prevent road erosion in Jouberton (Phase 9) (Wards 5, 6, 11, 13 and 14)	The close-out report received, and as-built drawings finalized for the paving of taxi routes in Jouberton (Motswiri Street; 6th, JB Marks, Anthorium and David Webster Streets) (Phase 9) (Wards 5, 6, 11, 13 and 14) R250 515	The close-out report received, and as-built drawings finalized for the paving of taxi routes in Jouberton (Motswiri Street; 6th, JB Marks, Anthorium and David Webster Streets) (Phase 9) (Wards 5, 6, 11, 13 and 14) received R3 023 381			Close-out report received and final payment done R217 839	N/A	

DIRECTORATE TECHNICAL AND INFRASTRUCTURE

KEY PERFORMANCE AREA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT


SECTION: PROJECT MANAGEMENT UNIT

IDP, MIG, other Grants and Capital Projects	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
	2021/22	2022/23	Annual Target	Actual Performance				
NR	MEASURABLE OBJECTIVE:			To upgrade the Tigane Sport Field – Tigane Village to provide recreational facilities for the community				
PMU18	New project	New project	Upgrading the Tigane Sport Field – Tigane Village according to the implementation plan by 30 June 2024 R1 550 000	Preliminary Report submitted and approved. Detailed design report with drawings submitted. Scope completed R1 278 776		-	-	R9 450 000
NR	MEASURABLE OBJECTIVE:			To improve collection of refuse and maintain environmental care (Phase 3)				
PMU19	New project	New project	Purchasing and delivery of specialised vehicles (3 x Tipper trucks and 1 Landfill Compactor, 2 x 20-22m ³ Rear-End Loading Refuse Truck) for solid waste removal by 30 June 2024. (Phase 3) R22 327 803	Purchasing and delivery of specialised vehicles (3 x Tipper trucks and 1 x Landfill Compactor, 2 X 20-22m ³ Rear-End Loading Refuse Truck) for solid waste removal achieved R19 415 481		-	-	N/A

DIRECTORATE TECHNICAL AND INFRASTRUCTURE

KEY PERFORMANCE AREA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT


SECTION: PROJECT MANAGEMENT UNIT

IDP, MIG, other Grants and Capital Projects	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
	2021/22	2022/23	Annual Target	Actual Performance				
NR	MEASURABLE OBJECTIVE:		To refurbish electrical and mechanical equipment in the Matlosana area (Wards 1 - 39) water pump-stations to maintain the existing infrastructure					
PMU20	Number of water pump-stations refurbished with electrical and mechanical equipment at the Matlosana area (Wards 1 - 39)	Refurbishing electrical and mechanical equipment at 5 water pump-stations (Jouberton, Rietkuil, Park Street, Khuma ext. 8 and Loraine) in the Matlosana area (Wards 1 - 39) by the installation of 8 valves (Loraine x 4; Jouberton x 2 and Park Street x 2); replacement of 6 pumps sets (Khuma ext. 8 x 1; Loraine x 3 and Rietkuil x 2) and refurbishment of 1 MCC panel at Rietkuil	Refurbishing electrical and mechanical equipment at 3 water pump-stations (Ellaton, Khuma ext. 8, Loraine) in the Matlosana area (Wards 1 - 39) according to the implementation plan by 30 June 2024 R9 167 471	Project not completed, but the following was achieved: One soft starter installed. Contract of poor performing contractor terminated. New contractor appointed on 30 May 2024. Site establishment completed R4 313 403		The council terminated the contract of the contractor due to poor performance. A deviation report was submitted to SCM on 25 March 2024 and the process was finalized on 30 May 2024	The contractor was requested to fast track the progress during site hand over on 6 June 2024	Possible Roll Over

DIRECTORATE TECHNICAL AND INFRASTRUCTURE

KEY PERFORMANCE AREA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT



SECTION: PROJECT MANAGEMENT UNIT



IDP, MIG, other Grants and Capital Projects	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year	
	2021/22	2022/23	Annual Target	Actual Performance					
NR	MEASURABLE OBJECTIVE:								
PMU21	The refurbishing of electrical and mechanical equipment at 4 sewer pump-stations (Khuma main, Khuma ext. 6, Lerato and Republic Park) in the Matlosana area (Wards 1 - 39) completed and partially completed at 1 sewer pump-station (Swart Street) R7 500 945	To refurbish electrical and mechanical equipment in the Matlosana area (Wards 1 - 39) nearly completed with the installation of 3 pumps and 3 motors, 0.439km electrical cables, the approval of the variation order and the refurbishment of 1 conveyer belt. Transformer was not refurbished R2 798 782	Settling the final payment for the refurbishment of the electrical and mechanical equipment at 1 sewer pump-station (Swart Street) (Wards 19) by 30 June 2024 R1 386 367	Final payment for the refurbishment of the electrical and mechanical equipment at Swart Street sewer pump-station completed. Practical completion certificate received R1 205 536		-	-	N/A	

DIRECTORATE TECHNICAL AND INFRASTRUCTURE

KEY PERFORMANCE AREA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

SECTION: PROJECT MANAGEMENT UNIT



IDP, MIG, other Grants and Capital Projects	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year	
	2021/22	2022/23	Annual Target	Actual Performance					
NR	INDICATOR	MEASURABLE OBJECTIVE:							
PMU22	Number of the existing Fresh Produce Market (Phase 2) (Ward 9) upgraded	4 152m ² of roof replaced. 10 250 m ² of Asphalt layer in the parking area surfaced. 830m ² of roof is installed. Ablution facilities 93% constructed. 110 m ² Mezzanine floor 65% constructed R13 678 068	Upgrading the existing Fresh Produce Market (Phase 2) (Ward 9) not completed. The storage unit is at 79% completed and the ablution facilities is at 94% completed. 732 m ² side cladding completed. Electrical material ordered R4 345 037	Upgrading the existing Fresh Produce Market (Phase 2) (Ward 9) according to the implementation plan by 30 June 2024 R3 067 348	Project not completed. Only the outstanding 21% of the storage unit was completed R2 614 974		The contractor required a variation order to complete the works due to budget shortfall. The municipality requested additional funding from the Department of CoGTA which delayed the progress	The Department of CoGTA granted the approval for additional funding on 28/06/2024. The contractor was advised to complete the project on the 1st quarter of the 2024/25 FY	R 3 987 544
NR	INDICATOR	MEASURABLE OBJECTIVE:							
PMU23	Number of fees settled for consultant of New Sports Complex in Khuma Ext 9 (Ward 31) (Phase 2)	New project	The account for the final design fees of the consultant for the new sport complex in Khuma Ext 9 (Ward 31) (Phase 1) paid R319 903	Settling the final fees for the constructing a new sport complex in Khuma Ext 9 (Ward 31) (Phase 2) according to the implementation plan by 30 June 2024 R406 488	Payment of final certificate to consultant completed. Scope completed. R406 488		-	-	N/A

DIRECTORATE TECHNICAL AND INFRASTRUCTURE										
KEY PERFORMANCE AREA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT										
SECTION: PROJECT MANAGEMENT UNIT										
IDP, MIG, other Grants and Capital Projects	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year		
	2021/22	2022/23	Annual Target	Actual Performance						
NR	INDICATOR	MEASURABLE OBJECTIVE:								
PMU24	Number of contractors appointed with site establishment for the upgrading of the outfall sewer line from Jouberton Ext 19 to Alabama (Wards 4-6)	New project	The appointment of a contractor and establishment of the site for the upgrading sections of the sewer pipeline from Jouberton Ext 19 to Alabama (Wards 4-6) not achieved. DWS recommendation letter was received on 23 March 2023. Appraisal meeting held with CoGTA on 30 May 2023 R704 105	Appointing 1 contractor and establishing the site for the upgrading sections of the sewer pipeline from Jouberton Ext 19 to Alabama (Wards 4-6) by 30 June 2024 R2 410 220	A contractor was appointed on 18 May 2024. Site Establishment completed R2 095 844		-	-	N/A	
NR	INDICATOR	MEASURABLE OBJECTIVE:								
PMU26	Number of consulting engineers' fees settled for Klerksdorp landfill site (Cell 3) (Ward 19)	New project	To ensure the safe and disposal of urban solid waste to protect human health and to reduce the risk of environmental pollution in Klerksdorp (Ward 19)	Developing the Klerksdorp Landfill Site Cell 3 (Phase 1) (Ward 19) with the payment of consulting engineers' fees by 30 June 2024 R979 189	Final payment of consulting engineers' fees completed R851 469		-	-	N/A	

DIRECTORATE TECHNICAL AND INFRASTRUCTURE



KEY PERFORMANCE AREA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT



SECTION: PROJECT MANAGEMENT UNIT




IDP, MIG, other Grants and Capital Projects	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year	
	2021/22	2022/23	Annual Target	Actual Performance					
NR	INDICATOR	MEASURABLE OBJECTIVE:		To upgrade sections of the outfall sewer line from Jouberton to Alabama (Wards 4-6) to increase the capacity of the sewer system.					
PMU25	Kilometre of taxi routes paved, and km of Stormwater drainage constructed in Khuma Ext 11 (Phase 9) (Ward 33)	New project	The paving of 2,21km taxi route and constructing 2.19 km Stormwater drainage in Skhosana street in Khuma (Phase 9) not completed, but the following was done: 1,5 Km of box cutting / excavation completed; 0,233 km layer works completed; 0,76 Km storm water pipeline excavated; and construction (laying) of 0,750 km of Stormwater pipes completed R5 233 341	Paving of 2,21km taxi route and constructing 2.19 km Stormwater drainage in Skhosana street in Khuma (Phase 9) according to the implementation plan by June 2024 R2 779 338	Project not completed, but the following was achieved: The contractor was appointed on 25 June 2024. Site establishment completed. 0.55 Km of box cutting / excavation completed. R2 416 815		Late appointment of contractor has resulted in works not being completed and caused deviation report to be resubmitted to SCM	The contractor was advised to complete the 2023/2024 scope on the 2nd quarter of the 2024/25 financial year	Possible Roll Over
NR	INDICATOR	MEASURABLE OBJECTIVE:		To provide electrification for the new development in Alabama ext. 5 (Phase 2) (Ward 4)					
PMU27	Number of light fixtures installed in Alabama Ext 5 (Ward 4) (Phase 2)	The project was withdrawn due to the withholding of funds by Department of Mineral and Energy (DMRE)	The construction of 4,9 km of MV and 16.4 LV power lines for the electrification of Alabama extension 5 (Ward 4) (Phase 2) completed. Twelve (12) transformers were installed. Connection of 1 527 RDP houses not done R21 420 240	Finalizing the 4.9 km of MV and 16.4 LV power lines for the electrification of Alabama extension 5 (Ward 4) (Phase 2) with the installation of 1 549 light fixtures by 30 June 2024 R4 430 725	1 549 Light fixtures installed. Final payment completed R2 674 495		-	-	N/A




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Operational and Compliance Indicators




OFFICE OF THE MUNICIPAL MANAGER											
KEY PERFORMANCE AREA 2: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION											
SECTION: MUNICIPAL MANAGER											
Operational and Compliance	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year			
	2021/22	2022/23	Annual Target	Actual Performance							
NR	INDICATOR	MEASURABLE OBJECTIVE:									
MM6	Number of LLF meetings attended	7 LLF meetings attended	To attend to all LLF meetings to ensure industrial harmony	Attending 7 LLF meetings by 30 June 2024	4 LLF meetings attended		Due to urgent Eskom, Midvaal, disciplinary regulations proceedings for Snr managers and budget meetings which was in contradiction with scheduled meetings, the MM could not attend	A permanent senior member of the Office of the MM be delegated to attend LLF meetings in the absence of the MM	7 LLF meetings attended		
SECTION: RISK MANAGEMENT											
NR	INDICATOR	MEASURABLE OBJECTIVE:									
RIS2	Number of Risk Assessment conducted with Council departments on emerging risks	4 Risk Assessments conducted with all departments	To conduct risk assessments on strategic and operational risks to ensure good governance and to comply with legislation	Conducting 4 risk assessments with Council departments on emerging risks by 30 June 2024	4 Risk Assessments conducted with all departments		-	-	4 Risk Assessments conducted with all departments	4 Risk Assessments conducted with all departments	



OFFICE OF THE MUNICIPAL MANAGER									
KEY PERFORMANCE AREA 4: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT									
SECTION: MUNICIPAL MANAGER									
Operational and Compliance	INDICATOR	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
		2021/22	2022/23	Annual Target	Actual Performance				
MM1	Rand value spent on MIG grants (NDPG, EEDSM & DME included) allocated for the City of Matlosana spent	85% R150 025 704 spent	MIG (NDPG, EEDSM & DME included) funding spent to ensure the upgrading and maintenance of infrastructure in the City of Matlosana	66% R96 530 496 spent	Spending at least 70% of MIG grants (NDPG, WMIG, EEDSM; INEP; DME & roll-overs included) allocated to the City of Matlosana by 30 June 2024	81% R158 264 643		-	80%
SECTION: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE									
NR	INDICATOR	MEASURABLE OBJECTIVE:		MEASURABLE OBJECTIVE:		To investigate unauthorised, irregular, fruitless and wasteful expenditure of the municipality's performance and financial situation by conducting MPAC meetings			
MPAC5	Number of UIF&W Expenditure reports issued to council to investigate unauthorised, irregular, fruitless and wasteful expenditure of the municipality's performance and financial situation	0 Meetings conducted	2 UIF&W Expenditure reports issued to Council. CC 139/2022 dated 30/8/2022 and CC102/2023 dated 27/06/2023	Issuing 2 UIF&W Expenditure reports to council to investigate unauthorised, irregular, fruitless and wasteful expenditure of the municipality's performance and financial situation by 30 June 2024	0 UIF&W Expenditure report issued		The committee still busy with the investigation on UIF & W Expenditure register	MPAC together with Department of COGTA to start with the historical UIF & W Expenditure	4 UIF&W Expenditure reports issued



OFFICE OF THE MUNICIPAL MANAGER											
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION											
SECTION: MUNICIPAL MANAGER											
Operational and Compliance	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year			
	2021/22	2022/23	Annual Target	Actual Performance							
NR	INDICATOR	MEASURABLE OBJECTIVE: To ensure that the all the Office of the MM's KPI's are catered for									
MM5	Office of the MM's SDBIP inputs before the draft 2024/25 SDBIP is tabled	Credible 2022/23 SDBIP inputs provided	Credible 2023/24 SDBIP inputs provided	Providing the Office of the MM's SDBIP inputs before the draft 2024/25 SDBIP is submitted by 31 May 2024	Credible 2024/25 SDBIP inputs provided		-	-	Credible 2025/26 SDBIP inputs provided		
NR	INDICATOR	MEASURABLE OBJECTIVE: To ensure that the set goals of council are achieved									
MM7	Number of Top Management SDBIP meetings between MM and directors (leading to quarterly performance assessments) conducted	1 SDBIP meeting between MM and directors conducted	8 SDBIP meetings between MM and directors conducted	Conducting 9 SDBIP meetings between MM and directors (leading to quarterly performance assessments) by 30 June 2024	5 SDBIP meetings between MM and directors conducted		New Directors were only appointed on 1 April 2024 and focus was mainly on Budget preparations and service delivery matters	Directors must attend to SDBIP on monthly meetings	12 SDBIP meetings between MM and directors conducted		
NR	INDICATOR	MEASURABLE OBJECTIVE: To ensure that the set goals of council are achieved									
MM8	Number of SDBIP meetings with senior personnel in own directorate conducted	1 SDBIP meeting conducted	8 SDBIP meetings conducted	Conducting 6 SDBIP meetings with senior personnel in own directorate by 30 June 2024	9 SDBIP meetings conducted		More meetings conducted to ensure that the set goals are achieved	More meetings conducted to ensure that the set goals are achieved	12 SDBIP meetings conducted		



OFFICE OF THE MUNICIPAL MANAGER									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: PERFORMANCE MANAGEMENT									
Operational and Compliance	INDICATOR	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
		2021/22	2022/23	Annual Target	Actual Performance				
NR	INDICATOR Number of 2022/23 Annual Performance Reports (Unaudited Annual Report) approved by Municipal Manager	MEASURABLE OBJECTIVE: To approve the 2022/23 Annual Performance Report (Unaudited Annual Report) to comply with section 46 of the MSA							
PMS1	2020/21 Annual Performance Report (Unaudited Annual Report) approved by MM on 05 October 2021. CC93/2021 dated 06/10/2021 and submitted to the AG on 06/10/2021	2021/22 Annual Performance Report (Unaudited Annual Report) approved by the Municipal Manager on 31/08/2022	Approving 1 x 2022/23 Annual Performance Report (Unaudited Annual Report) by Municipal Manager by 31 August 2023	2022/23 Annual Performance Report (Unaudited Annual Report) approved by the Municipal Manager on 31/08/2023		-	-	2023/24 Annual Performance Report (Unaudited Annual Report) approved by the Municipal Manager	2024/25 Financial Year
NR	INDICATOR To table the Draft 2022/23 Annual Report to comply with section 121 and Circular 63 of MFMA	MEASURABLE OBJECTIVE: To table the Draft 2022/23 Annual Report (Unaudited) to comply with section 121 and Circular 63 of MFMA							
PMS2	Draft 2020/21 Annual Report (Unaudited) tabled. CC134/2021 dated 15/12/2021	Draft 2021/22 Annual Report (Unaudited) tabled in Council. CC192/2022 dated 29/11/2022	Tabling 1 Draft 2022/23 Annual Report (Unaudited) before Council by 30 September 2023	Draft 2022/23 Annual Report (Unaudited) tabled in Council. CC168/2023 dated 28/09/2023		-	-	Draft 2023/24 Annual Report (Unaudited) tabled in Council	2024/25 Financial Year
NR	INDICATOR Number of Draft 2024/25 SDBIP tabled in Council	MEASURABLE OBJECTIVE: To table the draft 2024/25 SDBIP to comply with legislation							
PMS5	Draft 2022/23 SDBIP tabled in Council. CC69/2022 dated 31/05/2022	Draft 2023/24 SDBIP tabled in Council. CC83/2023 dated 31/05/2023	Tabling 1 draft 2024/25 SDBIP by Council by 31 May 2024	Draft 2024/25 SDBIP tabled in Council. CC107/2024 dated 24/05/2024		-	-	Draft 2025/26 SDBIP tabled in Council	2025/26 Financial Year



OFFICE OF THE MUNICIPAL MANAGER											
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION											
SECTION: PERFORMANCE MANAGEMENT											
Operational and Compliance	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year			
	2021/22	2022/23	Annual Target	Actual Performance							
NR	INDICATOR	MEASURABLE OBJECTIVE:									
PMS4	Number of 2023/24 Mid-Year Assessment Reports approved by the Executive Mayor	2021/22 Mid-Year Assessment Report approved by Executive Mayor on 25 January 2022. MM12/2022 dated 24/01/2022. CC09/2022 dated 31/01/2022	2022/23 Mid-Year Assessment Report approved by the Executive Mayor on 23/01/2023. MM17/2023 dated 23/01/2023. CC12/2023 dated 09/02/2023	To approve the 2023/24 Mid-Year Assessment Report to comply with section 72 of the MFMA	2023/24 Mid-Year Assessment Report approved by the Executive Mayor on 25/01/2024. MM38/2024 dated 24/01/2024. CC13/2024 dated 31/01/2024		-	-	2024/25 Mid-Year Assessment Report approved by the Executive Mayor		
SECTION: INTEGRATED DEVELOPMENT PLAN											
NR	INDICATOR	MEASURABLE OBJECTIVE:									
IDP2	Number of community consultations meetings conducted	13 Community consultations meetings conducted	2 Community consultations meetings conducted	To enhance public participation to comply with legislation and obtain inputs from local community for prioritization of projects	2 Community consultations meetings conducted		-	-	2 Community consultations meetings conducted		
NR	INDICATOR	MEASURABLE OBJECTIVE:									
IDP3	Number of Rep Forum meetings conducted	2 Rep Forum meetings conducted	2 Rep Forum meetings conducted	To enhance public participation to comply with legislation and obtain inputs from external sector departments	2 Rep Forum meetings conducted		-	-	2 Rep Forum meetings conducted		


OFFICE OF THE MUNICIPAL MANAGER											
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION											
SECTION: INTEGRATED DEVELOPMENT PLAN											
Operational and Compliance	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year			
	2021/22	2022/23	Annual Target	Actual Performance							
NR	INDICATOR	MEASURABLE OBJECTIVE:									
IDP4	Number of draft 2024/25 Amended IDP tabled in Council	Draft 2022/23 IDP tabled in Council on 30/03/2022	To table the draft 2024/25 IDP Amendments to comply with legislation	Draft 2023/24 Amended IDP tabled in Council CC 43/2023 on 31/05/2023	Tabling 1 draft 2024/25 Amended IDP in Council by 31 March 2024	Draft 2024/25 Amended IDP tabled in Council. CC52/2024 dated 28/3/2024		-	Draft 2024/25 Amended IDP approved by Council		
SECTION: RISK MANAGEMENT											
NR	INDICATOR	MEASURABLE OBJECTIVE:		To submit a Risk management report to the Risk Management Committee to ensure an Effective Risk Management process							
RIS1	Number of Risk management report submitted to the Risk Management Committee to ensure an Effective Risk Management process	4 Risk management reports submitted to the Risk Management Committee	4 Risk management reports submitted to the Risk Management Committee	Submitting 4 Risk management reports to ensure an effective risk management process to the Risk Management Committee by 30 June 2024	3 Risk management reports submitted to the Risk Management Committee	Risk Management Report for 3rd quarter was prepared, but the Risk Management Committee is not functional as their term has expired		A new Risk Management Committee will be established, and the report will be submitted to the Committee	4 Risk management reports submitted to the Risk Management Committee		
NR	INDICATOR	MEASURABLE OBJECTIVE:		To revise the 2023/24 Risk Register and to approve the 2024/25 Risk Register to determine the linkage between departmental objectives and risk activity							
RIS3	Number of Risk Registers revised and to approve the (2023/24) (2024/25) to determine the linkage between departmental objectives and risk activity	2021/22 Risk Register revised, and 2022/23 Risk Register is approved by the Municipal Manager (MM175/2022 dated 28/06/2022	2022/23 revised Risk Register and 2023/24 Risk Register submitted to and approved by the Risk Committee on 27/06/2023	Revising the 2023/24 Risk Register to determine the linkage between departmental objectives and risk activity and approving the 2024/25 Risk Register by 30 June 2024	Not achieved	Risk Management Committee is not functional as their term has expired		The Risk Register for 2024/25 will be approved as soon as the new Risk Management Committee is established	2024/25 Risk Register revised, and 2025/26 Risk Register submitted to and approved by the Risk Committee		



OFFICE OF THE MUNICIPAL MANAGER									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: RISK MANAGEMENT									
Operational and Compliance	INDICATOR	Previous Financial Years		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
		Actual Performance	2022/23	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE: To develop strategic documents to ensure good governance and to comply with legislation							
RIS4	Number of Risk management strategic documents reviewed and approved by the municipal manager and Risk Committee	2021/22 Risk Management Committee Charter approved by the Municipal Manager. MM106/2021 dated 29/06/2021). 2022/23 Risk Management Implementation Plan approved by the Municipal Manager (MM175/2022 dated 28/06/2022	2022/23 Risk Management Committee Charter approved by Municipal Manager. MM 175/2022 dated 28 June 2022. CC 167/2022 dated 28/09/2022 and the 2022/23 Risk Register revised, and 2023/24 Risk Register approved by the Risk Committee on 27/06/2023	Approving 1 Risk management strategic documents (2023/24 Charter and 2024/25 implementation plan) by the municipal manager and Risk Committee by 30 June 2024	2023/24 Risk Management Committee Charter was approved by Municipal Manager. MM 186/2023 dated 28/07/2023. 2024/25 Risk Management Plan not approved.		Risk Management Committee is not functional as their term has expired	A new Risk Management Committee will be established soon, and 2024/25 Risk Management Implementation Plan will be submitted for approval	'2024/25 Risk Management Committee Charter and 2025/26 Risk Management Implementation Plan approved by municipal manager
SECTION: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE									
NR	INDICATOR	MEASURABLE OBJECTIVE: To monitor the municipality's performance and financial situation by conducting regular MPAC meetings							
MPAC1	Number of MPAC (s/129(4) of the MFMA) meetings to monitor the performance and financial situation in the City of Matlosana conducted	35 Public participation meetings conducted	32 Public participation meetings conducted	Conducting 24 public participation (s129(4) of the MFMA) meetings to monitor the performance and financial situation in the City of Matlosana by 30 June 2024	16 Public participation meetings conducted		Meetings could not be conducted due to poor attendance of the MPAC members	MPAC members to be called to order by MPAC Chairperson	30 Public participation meetings conducted



OFFICE OF THE MUNICIPAL MANAGER											
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION											
SECTION: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE											
Operational and Compliance	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year			
	2021/22	2022/23	Annual Target	Actual Performance							
NR	INDICATOR	MEASURABLE OBJECTIVE:									
MPAC2	Number of MPAC progress reports issued to council which assess the efficiency and effectiveness of performance and finances of council	4 MPAC progress reports issued	To issue MPAC progress reports to ensure compliance with legislation	Issuing 2 MPAC progress reports to council which assess the efficiency and effectiveness of performance and finances achieved by Council by 30 June 2024	2 MPAC progress reports issued		-	-	4 MPAC progress reports issued		
NR	INDICATOR	MEASURABLE OBJECTIVE:									
MPAC3	Number of public participation meetings conducted on the results of the 2022/23 Annual Report	1 Public Participation meeting conducted	To enhance public participation on the results of the Annual Report to comply with legislation	Conducting 1 public participation meeting on the results of the 2022/23 Annual Report by 31 March 2024	1 Public Participation meeting conducted		-	-	1 Public Participation meeting conducted		




OFFICE OF THE MUNICIPAL MANAGER											
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION											
SECTION: INTERNAL AUDIT											
Operational and Compliance	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year			
	2021/22	2022/23	Annual Target	Actual Performance							
NR	INDICATOR	MEASURABLE OBJECTIVE:									
IA1	Number of audits of performance information reports issued to assess the efficiency and effectiveness of performance achieved	1 Audit of performance information report issued	3 Audit of performance information reports issued	Issuing 4 audit of performance information reports to the Audit Committee to assess the efficiency and effectiveness of performance achieved by Council by 30 June 2024	4 Audit of performance information reports issued, but only 3 submitted to the Audit Committee		The committee only consist of 2 members currently, as other member's contract has expired in March 2024. Request to appoint additional members (December 2023) was submitted but a process of appointing (advertised March 2024) members by Council took longer than expected (July 2024)	Council to appoint the additional members in July 2024. The first meeting is anticipated to be held before the end of August 2024 to consider all outstanding reports	4 Audit of performance information reports issued		
NR	INDICATOR	MEASURABLE OBJECTIVE:									
IA2	Number of action plan register and progress reports on the Auditor-General's report and Internal Auditor's findings submitted to the Audit Committee	2 Progress reports completed on the updated action plan register on findings raised by the Auditor-General and Internal Audit, but not submitted to Audit Committee	1 Progress report (internal audit and AG) on the updated action plan register submitted to the Audit Committee	Submitting 2 progress reports on the updated action plan register to the Audit Committee on findings raised by the Internal Audit and Auditor-General by 30 June 2024	2 Progress report (internal audit and AG) on the updated action plan register prepared but 1 not submitted to the Audit Committee		The committee only consist of 2 members currently, as other member's contract has expired in March 2024. Request to appoint additional members (December 2023) was submitted but a process of appointing (advertised March 2024) members by Council took longer than expected (July 2024)	Council to appoint the additional members in July 2024. The first meeting is anticipated to be held before the end of August 2024 to consider all outstanding reports	2 Progress report submitted		



OFFICE OF THE MUNICIPAL MANAGER											
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION											
SECTION: INTERNAL AUDIT											
Operational and Compliance	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year			
	2021/22	2022/23	Annual Target	Actual Performance							
NR	INDICATOR	MEASURABLE OBJECTIVE:									
IA3	Number of activity reports issued to the Audit Committee on the progress of rolling out the audit plans	4 Activity reports issued	To issue activity reports to ensure good governance	Issuing 4 activity reports to the Audit Committee on the progress of rolling out the audit plans by 30 June 2024	4 Activity report prepared but only 3 submitted to AC meeting		The committee only consist of 2 members currently, as other member's contract has expired in March 2024. Request to appoint additional members (December 2023) was submitted but a process of appointing (advertised March 2024) members by Council took longer than expected (July 2024)	Council to appoint the additional members in July 2024. The first meeting is anticipated to be held before the end of August 2024 to consider all outstanding reports	4 Activity reports issued		
NR	INDICATOR	MEASURABLE OBJECTIVE:									
IA4	Number of reviewed Internal Audit Charter adopted in accordance with IIA standards	Reviewed 2022/23 Internal Audit Charter adopted by the Audit Committee	To adopt the Internal Audit Charter to comply with legislation	Adopting 1 reviewed 2024/25 Internal Audit Charter in accordance with IIA standards by 30 June 2024	2024/25 Internal Audit Charter reviewed but not submitted to Audit Committee		The committee only consist of 2 members currently, as other member's contract has expired in March 2024. Request to appoint additional members (December 2023) was submitted but a process of appointing (advertised March 2024) members by Council took longer than expected (July 2024)	Council to appoint the additional members in July 2024. The first meeting is anticipated to be held before the end of August 2024 to consider all outstanding reports	Reviewed 2025/26 Internal Audit Charter		



OFFICE OF THE MUNICIPAL MANAGER									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: INTERNAL AUDIT									
Operational and Compliance	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year	
	2021/22	2022/23	Annual Target	Actual Performance					
NR	INDICATOR								
IA5	MEASURABLE OBJECTIVE:		To submit a Risk Based Audit Plan to comply with legislative requirements						
Number of 3-Year Risk Based Audit Plan 2024/25 submitted to the Audit Committee for approval	3-Year Risk Based Audit Plan 2022/23 submitted to Audit Committee but not adopted	3-Year Risk Based Audit Plan 2023/24 approved by the Audit Committee	Submitting a 3-Year Risk Based Audit Plan 2024/25 to the Audit Committee for approval by 30 June 2024	3-Year Risk Based Audit Plan 2024/25 prepared but not submitted Audit Committee		The committee only consist of 2 members currently, as other member's contract has expired in March 2024. Request to appoint additional members (December 2023) was submitted but a process of appointing (advertised March 2024) members by Council took longer than expected (July 2024)	Council to appoint the additional members in July 2024. The first meeting is anticipated to be held before the end of August 2024 to consider all outstanding reports	3-Year Risk Based Audit Plan 2025/26	



DIRECTORATE TECHNICAL AND INFRASTRUCTURE									
KEY PERFORMANCE AREA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT									
SECTION: ROADS AND STORMWATER DRAINAGE SERVICES									
Operational and Compliance	INDICATOR	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
		2021/22	2022/23	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE: To address cleaned blockages to ensure reactive maintenance of cleaned throughout the year							
ROA2	Kilometres of open Stormwater channels cleaned	25.1 Km open Stormwater channels cleaned R8 391 386	30 Km open Stormwater channels cleaned R984 308	Cleaning 20 km of open Stormwater channels as per maintenance programme in the CoM municipal area by 30 June 2024 R5 000 000	10.40 Km open Stormwater channels cleaned R1 460 769		No yellow fleet available due to the Plant Hire tender that has expired at the end of the 2nd quarter. Unavailability of resources within the municipality to carry out the tasks. Tender at Evaluation stage	The Plant Hire tender need to be adjudicated as soon as possible and a service provider to be appointed	40 Km open Stormwater channels cleaned
NR	INDICATOR	MEASURABLE OBJECTIVE: To address main sewer blockages to ensure reactive maintenance of main sewers throughout the year							
ROA3	Kilometres of underground Stormwater pipe cleaned	20.125Km Stormwater pipes cleaned	30 Km Stormwater pipes cleaned	Cleaning 30km of Stormwater pipes as per maintenance programme in the CoM municipal area by 30 June 2024 R5 000 000	20.865 Km Stormwater pipes cleaned R1 057 235		No yellow fleet available due to the Plant Hire tender that has expired at the end of the 2nd quarter. Unavailability of resources within the municipality to carry out the tasks. Tender at Evaluation stage	The Plant Hire tender need to be adjudicated as soon as possible and a service provider to be appointed	40km of Stormwater pipes cleaned



DIRECTORATE TECHNICAL AND INFRASTRUCTURE											
KEY PERFORMANCE AREA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT											
SECTION: WATER SERVICES											
Operational and Compliance	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year			
	2021/22	2022/23	Annual Target	Actual Performance							
NR	INDICATOR	MEASURABLE OBJECTIVE:									
WAT2	Number of reservoirs in the CoM area cleaned	30 Reservoirs cleaned R944.946	15 Reservoirs cleaned R1 010 842	To clean reservoirs to comply with legislation in the CoM area	28 Reservoirs cleaned R1 415 734		No yellow fleet available due to the Plant Hire tender that has expired at the end of the 2nd quarter. Unavailability of resources within the municipality to carry out the tasks. Tender at Evaluation stage	The Plant Hire tender need to be adjudicated as soon as possible and a service provider to be appointed	27 Reservoirs cleaned		
NR	INDICATOR	MEASURABLE OBJECTIVE:									
SAN2	Kilometre of main / outfall sewers and blockages cleaned in the CoM area	43.975 Km of main / outfall sewers cleaned R1 784 244	40.857 Km of main / outfall sewers cleaned R4 093 007	To address main / outfall sewer blockages to ensure a healthy environment for the community in the CoM area	15,58 Km of main / outfall sewers cleaned R13 343 329		No yellow fleet available due to the Plant Hire tender that has expired at the end of the 2nd quarter. Unavailability of resources within the municipality to carry out the tasks. Tender at Evaluation stage	The Plant Hire tender need to be adjudicated as soon as possible and a service provider to be appointed	40 km of main / outfall sewers cleaned		



DIRECTORATE TECHNICAL AND INFRASTRUCTURE									
KEY PERFORMANCE AREA 2: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION									
SECTION: DIRECTOR TECHNICAL AND INFRASTRUCTURE									
Operational and Compliance		Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
		2021/22	2022/23	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE: To attend to all LLF meetings to ensure industrial harmony							
DT15	Number of LLF meetings attended	12 LLF meetings attended	7 LLF meetings attended	Attending 7 LLF meetings by 30 June 2024	8 LLF meetings attended		There was a need for a follow up meeting after the second meeting due to resolution taken		7 LLF meetings attended
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: DIRECTOR TECHNICAL AND INFRASTRUCTURE									
NR	INDICATOR	MEASURABLE OBJECTIVE: To ensure that the all the directorates KPI's are catered for							
DT14	Directorate's SDBIP inputs provided before the 2024/25 SDBIP is tabled	Credible 2022/23 SDBIP inputs provided	Credible 2023/24 SDBIP inputs provided	Providing the directorates SDBIP inputs before the draft 2024/25 SDBIP is submitted by 31 May 2024	Credible 2024/25 SDBIP inputs provided		-	-	Credible 2025/26 SDBIP inputs provided
NR	INDICATOR	MEASURABLE OBJECTIVE: To ensure that the set goals of council are achieved							
DT16	Number of SDBIP meetings with senior personnel in own directorate conducted	27 SDBIP meetings conducted	17 SDBIP meetings conducted	Conducting 12 SDBIP meetings with senior personnel in own directorate by 30 June 2024	10 SDBIP meetings conducted		Due to urgent service delivery issues, management could not attend to all meetings	Management will comply with annual plan of scheduled meetings in 2024/25 FY	12 SDBIP meetings conducted




DIRECTORATE TECHNICAL AND INFRASTRUCTURE											
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION											
SECTION: WATER SECTION											
Operational and Compliance	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year			
	2021/22	2022/23	Annual Target	Actual Performance							
NR	INDICATOR	MEASURABLE OBJECTIVE:									
WAT3	A minimum score of 96% of quality compliance obtained	Obtained 98% on the Department of Water and Sanitation and IRIS water compliance system	Obtained 92% on the Department of Water and Sanitation and IRIS water compliance system	Obtaining a minimum score of 96% of quality compliance on the Department of Water and Sanitation and IRIS water compliance system by 30 June 2024	Obtained 97% on the Department of Water and Sanitation and IRIS water compliance		Improved quality is due to flushing of the system and improved maintenance of the reticulation		96%		
NR	INDICATOR	MEASURABLE OBJECTIVE:									
WAT4	Percentage of water losses reduced in the CoM area	12,7% increase in water losses (41% to 53.7%) Replacing 0 malfunctioning municipal building consumption points. 2052 Consumer stuck water meters replaced. 0 Malfunctioning municipal building consumption points replaced	7% increase in water losses (51% to 58%) Replacing 0 malfunctioning municipal building consumption points. 2003 Consumer stuck water meters replaced. 18 straight connections without water meters done	Reducing water losses with 5% (58% to 53%) by replacing 2 400 consumer stuck / blocked / too deep unreadable water meters in the CoM area by 30 June 2024	1% Increase in water losses (58% to 59%). 1 168 Consumer stuck water meters replaced		Not all faulty (stuck) meters could be replaced, due to inaccurate billings, shortage of vehicles and related equipment and materials	Replacement of all stuck meters, asbestos cement pipes, procurement of vehicles and payment of service provider to release vehicles will decrease water losses	5%		


DIRECTORATE TECHNICAL AND INFRASTRUCTURE									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: WATER SECTION									
Operational and Compliance		Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
		2021/22	2022/23	Annual Target	Actual Performance				
MEASURABLE OBJECTIVE: To maintain existing infrastructure in the CoM area									
NR	INDICATOR	MEASURABLE OBJECTIVE:							
WAT5	Percentage of all water leaks and burst pipe complaints resolved in the CoM area	49% 10 875 Complaints received / 5 344 complaints resolved	66% 8 570 Complaints received / 5 643 complaints resolved	Resolving 61% of all water leaks and burst pipe complaints in the Matlosana area (telephonic, written and verbal) received within 10 working days in the CoM area by 30 June 2024	69% 8 460 Complaints received / 5 818 complaints resolved		-	-	75%
SECTION: SANITATION SERVICES									
NR	INDICATOR	MEASURABLE OBJECTIVE:							
SAN3	A percentage of minimum score of the Effluent Quality Compliance on the department of Water Sanitation IRIS/Green Drop Score compliance obtained	Obtained a score of 77% of effluent quality compliance on the Department of Water & Sanitation - IRIS/Green Drop compliance system	Obtained a score of 60% of effluent quality compliance on the Department of Water & Sanitation - IRIS/Green Drop compliance system	To obtain a minimum percentage of the Effluent Quality Compliance on the department of Water Sanitation IRIS/Green Drop Score to improve the Green Drop score for improved wastewater quality management	Obtained a score of 67% of effluent quality compliance on the Department of Water & Sanitation - IRIS/Green Drop compliance system		-	-	70%



DIRECTORATE TECHNICAL AND INFRASTRUCTURE									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: SANITATION SERVICES									
Operational and Compliance		Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
		2021/22	2022/23	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE: To maintain existing infrastructure and respond to all complaints related to sewer blockages in the CoM area							
SAN4	A percentage of all main / outfall sewers blockage complaints in the CoM area resolved within 10 working days	99% Main / outfall sewers blockage complaints resolved 7 389 Received / 7 347 Resolved	99% Main / outfall sewers blockage complaints resolved 5 480 Received / 5 428 Resolved	Resolving 96% of all main / outfall sewers blockage complaints within 10 working days in the CoM area (telephonic, written and verbal) received by 30 June 2024	95% Main / outfall sewers blockage complaints resolved 7 314 Received / 6 951 Resolved		No yellow fleet available due to the Plant Hire tender that has expired at the end of the 2nd quarter. Unavailability of resources within the municipality to carry out the tasks. Tender at Evaluation stage	The Plant Hire tender need to be adjudicated as soon as possible and a service provider to be appointed	70%
SECTION: BUILDING CONSTRUCTION									
NR	INDICATOR	MEASURABLE OBJECTIVE: To maintain existing infrastructure and respond to all sewer and waste line complaints related to all municipal building's facilities in the CoM area							
BU11	Percentage of all municipal facility default waste line complaints in the municipal facility resolved within 10 working days	New indicator	New indicator	Resolving 99% of all municipal facility default sewer and waste line complaints within 10 working days in the municipal facility (telephonic, written and verbal) received by 30 June 2024	100% of all municipal facility default sewer and waste line complaints resolved 69 Complaints received / 69 resolved within 10 working days		-	-	100%





DIRECTORATE TECHNICAL AND INFRASTRUCTURE									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: BUILDING CONSTRUCTION									
Operational and Compliance		Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
		2021/22	2022/23	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE:		To timeously execute maintain work and respond to all complaints related to all municipal building's facilities in the CoM area					
BUI2	Percentage of all municipal facility default complaints in the CoM area resolved	New indicator	New indicator	Resolving 85% of all municipal facility default complaints within 30 working days in the CoM area (telephonic, written and verbal) received by 30 June 2024	71% of all municipal facility default complaints resolved 450 Complaints received / 319 resolved within 30 working days		New indicator, no baseline information available. Backlog due to unavailability of materials in central stores and SCM delays	Frequent follow-up with SCM and routine checks on unattended job cards	75%
SECTION: ELECTRICAL AND MECHANICAL SERVICES									
NR	INDICATOR	MEASURABLE OBJECTIVE:		To resolve a percentage of low voltage complaints to maintain existing infrastructure in the CoM licensed area					
ELE3	Percentage of low voltage complaints resolved in the CoM licensed area	99.99% Low voltage complaints resolved (Received 6 644 / 6 623 Resolved within NERSA standard 154 Resolved outside NERSA standard	99.99% Low voltage complaints resolved within NERSA standard - 24 hours (7 657 received/7 656 resolved NERSA standard 1 resolved outside NERSA standard - 24 hours	Resolving 95% of all low voltage complaints in the CoM licensed area (telephonic, written and verbal) received in accordance with NRS-047-1 Electricity Supply Quality of Service (Minimum Standard) by 30 June 024 (Time to resolve customer complaints received in person/telephonic – 24 hours. Time to resolve customer written complaints - 2 weeks)	99% Low voltage complaints resolved within the NERSA standard - 24 hours (8 499 received / 8 423 resolved NERSA standard 76 resolved outside NERSA standard - 24 hours		Improved internal control of monitoring of performance		98%




DIRECTORATE TECHNICAL AND INFRASTRUCTURE									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: ELECTRICAL AND MECHANICAL SERVICES									
Operational and Compliance		Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
		2021/22	2022/23	Annual Target	Actual Performance				
NR	INDICATOR	To reduce the percentage of non-technical electricity losses to maintain existing infrastructure in the CoM licensed area							
ELE2	Percentage of non-technical electricity losses reduced in the CoM licensed area	Electricity losses increased with 4% (from 34% to 38%). Replaced 456 faulty conventional/pre-paid meters, 841 tampering inspections conducted and serviced 120 Transformers and RMU's in the CoM area	Non-technical electricity losses decreased with 10% (from 38% to 28%). Replaced 372 faulty conventional/pre-paid meters, 676 tampering inspections conducted and serviced 116 Transformers and RMU's in the CoM area	Reducing non-technical electrical losses in the CoM licensed area by replacing at 100% of faulty conventional / pre-paid meters, carrying out 800 schedule inspection on suspected tampering and illegal connections and technical losses, servicing of 120 transformers & RMU's in municipal supplied and installing 1 200 anti-tampering boxes by 30 June 2024	Non-technical electricity losses increased with 5% (from 38% to 43%). Replaced 477 faulty conventional / pre-paid meters, 793 tampering inspections conducted and serviced, 28 transformers and RMU's and zero anti-tampering boxes installed in the CoM area		Non availability of vehicles in the 4th quarter period resulted in under achievement for inspections. Depletion of maintenance budget resulted in the suspension of the servicing of TRF/RMU and a delay in the manufacturing of the anti-tampering boxes due to raw material availability caused by oversee delivery lead time	The municipality is in the process of replacing aged fleet. The repair and maintenance budget to be increased, and hopefully the installation of the anti-tampering boxes will be finalised in the 1st quarter of 2024/25 FY	5% Decrease
NR	INDICATOR	To resolve a percentage of medium voltage complaints to maintain existing infrastructure in the CoM licensed area							
ELE4	Percentage of medium voltage forced interruptions complaints resolved in the CoM licensed area	98% Medium voltage forced interruptions resolved Received 655 / 645 Resolved within NERSA standard 10 Resolved outside NERSA standard)	98% Medium voltage forced interruptions resolved 446 Received / 438 Resolved within NERSA standard 10 Resolved outside NERSA standard	Resolving 97% of all medium voltage forced interruptions within industry standard timeframes (8 hours) in the CoM licensed area in accordance with NRS-047-1 Electricity Supply Quality of Service (Minimum Standard) by 30 (Time to restore supply after a forced interruption – 24 hours. Time to restore supply after a forced interruption requiring investigative work – 2 weeks)	98% Medium voltage forced interruptions resolved 383 Received / 374 Resolved within NERSA standard 9 Resolved outside NERSA standard)		-	-	97%




DIRECTORATE TECHNICAL AND INFRASTRUCTURE									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: ELECTRICAL AND MECHANICAL SERVICES									
Operational and Compliance	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year	
	2021/22	2022/23	Annual Target	Actual Performance					
NR	INDICATOR	MEASURABLE OBJECTIVE: To resolve a percentage of streetlights complaints to maintain existing infrastructure in the CoM licensed area							
ELE5	Percentage of streetlights complaints resolved in the CoM licensed area	54% Streetlights complaints resolved (2 388 Received / 1 303 resolved)	72.56% Streetlights complaints resolved (2 460 Received / 1 785 resolved)	Resolving 55% of all streetlight's complaints in the Matlosana licensed area (telephonic, written and verbal) within a month from received by 30 June 2024	78% Streetlights complaints resolved 2 186 Received / 1 703 resolved		-	-	65%
NR	INDICATOR	MEASURABLE OBJECTIVE: To resolve a percentage of high mast lights complaints to maintain existing infrastructure in the CoM licensed area							
ELE6	Percentage of high mast light complaints resolved in the CoM licensed area	88% High mast lights complaints resolved (335 Received / 296 resolved)	95% Streetlights complaints resolved High mast lights complaints resolved (253 Received / 241 resolved)	Resolving 50% of all high mast lights complaints within 30 days in the CoM licensed area (telephonic, written and verbal) within a month from receipt by 30 June 2024	62% High mast lights complaints resolved (252 Received / 156 resolved)		-	-	50%
NR	INDICATOR	MEASURABLE OBJECTIVE: To resolve a percentage of traffic control signal complaints to maintain existing infrastructure in the CoM licensed area							
ELE7	Percentage of traffic control signals complaints resolved in the CoM licensed area	96% Traffic control signal complaints resolved (167 Received / 161 resolved)	92% Traffic control signal complaints resolved (88 Received / 81 resolved)	Resolving 65% of all traffic control signals complaints within 30 days in the CoM licensed area (telephonic, written and verbal) received by 30 June 2024	90% Traffic control signal complaints resolved (114 Received / 103 resolved)		Available resources to address backlogs		75%



DIRECTORATE TECHNICAL AND INFRASTRUCTURE						
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION						
SECTION: ELECTRICAL AND MECHANICAL SERVICES						
Operational and Compliance	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Measures Taken to Improve Performance
	2021/22	2022/23	Annual Target	Actual Performance		
NR INDICATOR	MEASURABLE OBJECTIVE: To reduce possible fraud and illegal tampering to Council's electricity network assets in the CoM licensed area					
ELE8	100% Electricity meter tampering investigations resolved (73 Received / 73 resolved)	100% Electricity meter tampering investigations resolved (105 Received / 105 resolved)	Conducting 100% of all electricity meter tampering investigations, as received from finance and community tip-offs in the CoM licensed area by 30 June 2024	100% Electricity meter tampering investigations resolved (71 Received / 71 resolved)		100%





DIRECTORATE: CORPORATE SUPPORT						
KEY PERFORMANCE AREA 2: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION						
SECTION: DIRECTOR CORPORATE SUPPORT						
Operational and Compliance	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Measures Taken to Improve Performance
	2021/22	2022/23	Annual Target	Actual Performance		
NR INDICATOR	MEASURABLE OBJECTIVE: To attend to all LLF meetings to ensure industrial harmony					
DCS5	12 LLF meetings attended	7 LLF meetings attended	Attending 7 LLF meetings by 30 June 2024	8 LLF meetings attended		There was a need for a follow up meeting after the second meeting due to resolution taken 7 LLF meetings attended
NR INDICATOR	MEASURABLE OBJECTIVE: To conduct OHS inspections to ensure legal compliance and a safe working environment					
OHS1	120 OHS inspections conducted	120 OHS inspections conducted	Conducting 120 OHS inspections in Council departments by 30 June 2024	120 OHS inspections conducted		120 OHS inspections conducted




DIRECTORATE: CORPORATE SUPPORT									
KEY PERFORMANCE AREA 2: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION									
SECTION: OCCUPATIONAL HEALTH AND SAFETY									
Operational and Compliance	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year	
	2021/22	2022/23	Annual Target	Actual Performance					
NR	INDICATOR	MEASURABLE OBJECTIVE: To conduct OHS audits to ensure that all deviations be corrected according to the Act							
OHS2	Number OHS audits conducted	2 OHS audits conducted	Conducting 2 OHS Audits by 30 June 2024	2 OHS audits conducted		-	-	2 OHS audits conducted	
SECTION: SKILLS DEVELOPMENT									
NR	INDICATOR	MEASURABLE OBJECTIVE: To comply with WSP legislation							
SKIL3	Number of Annual WSP / ATR submitted to LGSETA	2022/23 WSP and 2021/22 ATR submitted to LGSETA on 29/04/2022	Submitting the 2023/24 WSP and 2024/25 ATR to LGSETA by 30 April 2024	2024/25 WSP and 2023/24 ATR document submitted to LGSETA on the 30/04/2024		-	-	2025/26 WSP and 2024/25 ATR submitted to LGSETA	
NR	INDICATOR	MEASURABLE OBJECTIVE: To comply with EE legislation							
SKIL4	Number of Employment Equity Reports submitted to the Department of Labour	2022/23 EE report submitted to Department of Labour on 15/01/2022	Electronically submitting the 2024/25 Employment Equity Report to Department of Labour by 15 January 2024	2024/25 EE Report was submitted electronically to Department of Labour on the 15/01/2024		-	-	2023/24 EE report submitted to Department of Labour by 15/01/2025	
NR	INDICATOR	MEASURABLE OBJECTIVE: To conduct Employment Equity Consultative Forum meetings to comply with legislation and monitoring of the implementation of EE plan							
SKIL5	Number of EECF meetings conducted	4 EECF consultative meetings arranged, but only 2 conducted	Conducting 4 EECF consultative meetings by 30 June 2024	5 EECF consultative meetings arranged, but only 3 conducted		Two meeting did not materialise due to no quorum	Improve on planning of meetings	4 EECF consultative meetings conducted	





DIRECTORATE: CORPORATE SUPPORT									
KEY PERFORMANCE AREA 2: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION									
SECTION: LABOUR RELATIONS									
Operational and Compliance	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year	
	2021/22	2022/23	Annual Target	Actual Performance					
NR	INDICATOR	MEASURABLE OBJECTIVE:							
LR1	Number of LLF meetings convened	12 Successful LLF meetings convened	7 Successful LLF meetings convened	To convene LLF meetings to ensure industrial harmony	8 Successful LLF meetings convened		There was a need for a follow up meeting after the second meeting due to resolution taken	7 successful LLF meetings convened	
NR	INDICATOR	MEASURABLE OBJECTIVE:							
LR2	Number of workshops on employment related issues and the Collective Agreement conducted	4 Workshops conducted / co-ordinated on employment related issues and the Collective Agreement conducted	7 Workshops conducted / co-ordinated on employment related issues and the Collective Agreement conducted	To conduct workshops on employment related matters	8 Workshops conducted / co-ordinated on employment related issues and the Collective Agreement conducted			8 Workshops conducted / co-ordinated	
SECTION: INFORMATION COMMUNICATION AND TECHNOLOGY									
NR	INDICATOR	MEASURABLE OBJECTIVE:							
ICT1	Percentage of connectivity to all Municipal offices within 5 working days in Council resolved	New indicator	New indicator	To resolve network downtime to ensure network connectivity to all Municipal offices within the City of Matlosana	100% of network downtime to all municipal offices resolved			99%	



DIRECTORATE: CORPORATE SUPPORT									
KEY PERFORMANCE AREA 2: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION									
SECTION: INFORMATION COMMUNICATION AND TECHNOLOGY									
Operational and Compliance		Previous Financial Years		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
		Actual Performance	2022/23	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE: To ensure fully functional IT helpdesk							
ICT2	Percentage of all IT calls related to support are resolved within 5 working days in all Municipal offices within Council	New indicator	New indicator	Ensuring 90% of all IT calls related to support are resolved within 5 working days in all Municipal offices within Council by 30 June 2024	100% of all IT calls related to support in all Municipal offices resolved 782 Calls logged / 782 resolved within 5 working days		-	-	99%
NR	INDICATOR	MEASURABLE OBJECTIVE: To ensure corporate governance of IT in the City of Matlosana							
ICT3	Number of ICT Steering Committee meetings convened	New indicator	New indicator	Convening 8 ICT Steering Committee meetings by 30 June 2024	8 ICT Steering Committee meetings convened		-	-	8 ICT Steering Committee meetings convened
SECTION: POLITICAL OFFICES – OFFICE OF THE SPEAKER									
NR	INDICATOR	MEASURABLE OBJECTIVE: To submit Ward Committee reports to Council to comply with MSA Act 32 of 2000 Chapter 4 sec 17(3) and Municipal Structures Act 117 of 1998, sec 74(a) to identify and evaluate on service delivery rendered / burning issues by council							
SPE1	Number of Ward Committee reports submitted to identify and evaluate the service delivery / burning issues within the CoM municipal area	2 Ward Committee reports submitted	12 Ward Committee reports submitted	Submitting 8 Ward Committee reports to council to identify and evaluate the service delivery / burning issues within the CoM municipal area by 30 June 2024	7 Ward Committee reports submitted		Reports has not been submitted to Council due to the postponement of Portfolio's scheduled in June 2024	Report to be submitted to Council in the 1st quarter on the 2024/25 FY	4 Ward Committee reports submitted





DIRECTORATE: CORPORATE SUPPORT									
KEY PERFORMANCE AREA 2: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION									
SECTION: POLITICAL OFFICES – OFFICE OF THE SPEAKER									
Operational and Compliance		Previous Financial Years		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
		Actual Performance	2022/23	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE: Improved municipal responsiveness							
SPE2	Percentage of ward committees that are functional (meet four times a year, are quorate, and have an action plan) within the CoM municipal area	100% 39 Functional ward committees / 39 ward committee meetings conducted, and 2 reports submitted to Council	100% 39 Functional ward committees / 39 ward committee meetings conducted, and 3 reports submitted to Council	Submitting 100% functionality of Ward Committee meetings and 4 reports to council to improve municipal responsiveness by 30 June 2024	100% 39 Functional ward committees / 39 ward committee meetings conducted, and 3 reports submitted to Council		Reports has not been submitted to Council due to the postponement of Portfolio's scheduled in June 2024	Report to be submitted to Council in the 1st quarter on the 2024/25 FY	100% and 4 reports submitted
NR	INDICATOR	MEASURABLE OBJECTIVE: Improved municipal responsiveness							
SPE3	Percentage of wards that have held at least one councillor-convened community meeting	64% 39 x 2 Functional ward committees / 24 + 26 of councillor-convened community meeting. 2 Reports submitted to Council	56% 39 Councillor-convened community meeting / 22 councillor-convened community meeting. 4 Reports submitted to Council	Conducting 65% of one councillor-convened community meeting to improve municipal responsiveness by 30 June 2024	77% 39 Councillor-convened community meeting / 30 councillor-convened community meeting. 3 Reports submitted to Council		Speaker issued the letters to Councillors, and requested them to submit schedules of meeting and the office to monitor and attend community meetings		75%





DIRECTORATE: CORPORATE SUPPORT											
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION											
SECTION: DIRECTOR CORPORATE SUPPORT											
Operational and Compliance	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year			
	2021/22	2022/23	Annual Target	Actual Performance							
NR	INDICATOR	MEASURABLE OBJECTIVE:	To ensure that the all the directorates KPI's are catered for								
DCS4	Directorate's SDBIP inputs provided before the 2024/25 SDBIP is tabled	Credible 2022/23 SDBIP inputs provided	Credible 2023/24 SDBIP inputs provided	Providing the directorates SDBIP inputs before the draft 2024/25 SDBIP is submitted by 31 May 2024	Credible 2024/25 SDBIP inputs provided		-	-	Credible 2025/26 SDBIP inputs provided		
NR	INDICATOR	MEASURABLE OBJECTIVE:	To ensure that the set goals of council are achieved								
DCS6	Number of SDBIP meetings with senior personnel in own directorate conducted	12 SDBIP meetings conducted	12 SDBIP meetings conducted	Conducting 12 SDBIP meetings with senior personnel in own directorate by 30 June 2024	12 SDBIP meetings conducted		-	-	12 SDBIP meetings conducted		
SECTION: ADMINISTRATION											
NR	INDICATOR	MEASURABLE OBJECTIVE:	To conduct section 80 committees' meetings to ensure comply with legislation to take informed decisions								
ADM1	Number of sec.80 committees' meetings (portfolio meetings) conducted	41 (sec.80) committee meetings conducted	81 (sec.80) committee meetings conducted	Conducting 60 (sec.80) committees' meetings (Portfolio Meetings) by 30 June 2024	61 (sec.80) committee meetings conducted		1 Additional meeting conducted to consider writing of debt on erven and de-registrations		60 (sec.80) committee meetings conducted		
NR	INDICATOR	MEASURABLE OBJECTIVE:	To conduct Mayoral Committee meetings to comply with legislation to align with political mandate								
ADM2	Number of Mayoral Committee meetings conducted	18 Mayoral Committee meetings conducted	20 Mayoral Committee meetings conducted	Conducting 20 Mayoral Committee meetings (special meetings included) by 30 June 2024	24 Mayoral Committee meetings (special meetings included) conducted		4 Additional Special Mayo meetings needed for inter alia compliance in approving the donation for renewable energy, post office situation, approving the budget, vehicle for Whip and arrangements for Eskom arrears and smart metering		20 Mayoral Committee meetings conducted		




DIRECTORATE: CORPORATE SUPPORT											
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION											
SECTION: ADMINISTRATION											
Operational and Compliance	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year			
	2021/22	2022/23	Annual Target	Actual Performance							
NR	INDICATOR	MEASURABLE OBJECTIVE:									
ADM3	Number of ordinary council meetings conducted	20 Council meetings conducted	20 Council meetings conducted	Conducting 20 Council meetings (special meetings included) by 30 June 2024	25 Council meetings (special meetings included) conducted		5 Additional Council meetings conducted for inter alia compliance in approving matters regarding the smart metering, appointment of an acting MM in the absence of resident MM, handling disciplinary regulations proceedings for Snr managers, as well as motions against MM and CFO and resignation of the EM	20 Council meetings conducted			
SECTION: LEGAL SERVICES											
NR	INDICATOR	MEASURABLE OBJECTIVE:		MEASURABLE OBJECTIVE:							
LEG1	Contract management system managed, and relevant departments and service departments informed within 3 months of expiry of contracts	41 Notices issued and contract register updated. 3 Progress reports submitted to Council	No notices issued, as no SLAs were about to expire, and contract register updated. 8 Progress reports submitted to Council	Managing the Contract Register of Council and informing relevant departments and service providers of expiry dates of contracts within 3 months of expiry of the contract by 30 June 2024	42 Notices issued and contract register updated. 4 Progress reports submitted to Council		-	-	Notices issued. Updated Register. Progress report		
NR	INDICATOR	MEASURABLE OBJECTIVE:		MEASURABLE OBJECTIVE:							
LEG2	Percentage of SLA are drafted to all allocated tenders, as received from Office of the MM	100% 100 SLAs received / 100 SLAs drafted	100% 91 SLAs received / 91 SLAs drafted	Ensuring 100% SLA are drafted to all allocated tenders / projects as received from Office of the Municipal Manager by 30 June 2024	100% 80 SLAs received / 80 SLAs drafted		-	-	100% SLA drafted		




DIRECTORATE: CORPORATE SUPPORT									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: LEGAL SERVICES									
Operational and Compliance	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year	
	2021/22	2022/23	Annual Target	Actual Performance					
NR	INDICATOR	MEASURABLE OBJECTIVE:							
LEG3	Number of litigation cases instituted by and against the municipality	4 Litigation reports submitted to Council	To provide litigation reports to Council	Reporting 4 litigation cases instituted by and against the municipality to Council by 30 June 2024	4 Litigation reports to Council		-	6 Litigation reports to Council	
SECTION: POLITICAL OFFICES – OFFICE OF THE EXECUTIVE MAYOR									
NR	INDICATOR	MEASURABLE OBJECTIVE:							
EM1	Number of Imbizos conducted	New indicator	27 Imbizos conducted	Conducting 26 Imbizos in the Matlosana area by 30 June 2024	26 Imbizos conducted		-	24 Imbizos conducted	
NR	INDICATOR	MEASURABLE OBJECTIVE:							
EM2	Number of matric excellency awards to students in the Matlosana area to assist with education	New indicator	New indicator	To award matric excellency awards to students in the Matlosana area to assist with education	1 Matric excellency awards to students in the Matlosana area to further their studies by February 2024		-	1 Matric excellency awards conducted	
NR	INDICATOR	MEASURABLE OBJECTIVE:							
EM3	Number of Youth Day events hosted	New indicator	New indicator	To host a Youth Day event to enhance youth public participation	Hosting 1 Youth Day event by June 2024		-	1 Youth Day event hosted	




DIRECTORATE: CORPORATE SUPPORT											
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION											
SECTION: POLITICAL OFFICES – OFFICE OF THE EXECUTIVE MAYOR											
Operational and Compliance	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year			
	2021/22	2022/23	Annual Target	Actual Performance							
NR	INDICATOR	MEASURABLE OBJECTIVE:									
WH11	Number of moral re-generation workshops and events in the Matlosana area conducted	New indicator	New indicator	To conducted moral re-generations workshops and events as per national legislation to promote social development within communities		Due to poor planning and insufficient budget	Programme will start in a 1st quarter of the 2024/25 FY	3 RHR and 3 community events			
				Conducting / facilitating 3 RHR (Reconciliation, Healing and Renewal) workshops and 3 community events (as per programme) in Matlosana area by June 2024	Not done						
DIRECTORATE BUDGET AND TREASURY											
KEY PERFORMANCE AREA 2: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION											
SECTION: CHIEF FINANCIAL OFFICER											
NR	INDICATOR	MEASURABLE OBJECTIVE:									
CFO5	Number of LLF meetings attended	9 LLF meetings attended	6 LLF meetings attended	To attend to all LLF meetings to ensure industrial harmony	5 LLF meetings attended	Due to urgent financial matters such as renewable energy, post office situation, vehicle for Whip and arrangements for Eskom arrears and smart metering meetings, management could not always attend scheduled LLF meetings	CFO will ensure that a delegated always be appointed to attend the meeting	7 LLF meetings attended			
				Attending 7 LLF meetings by 30 June 2024							

DIRECTORATE BUDGET AND TREASURY									
KEY PERFORMANCE AREA 4: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT									
SECTION: BUDGET AND TREASURY OFFICE									
Operational and Compliance	INDICATOR	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
		2021/22	2022/23	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE: To ensure that all applicable budget related documents are published on the municipal website as required by the MFMA							
BUD11	Number of budget related documents published	9 Approved budget related documents published on the municipal website	9 Approved budget related documents published on the municipal website	Publishing 12 approved budget related documents on the municipal website by 30 June 2024	12 Approved budget related documents published on the municipal website		-	-	12 Approved budget related documents published on the municipal website
SECTION: ASSET MANAGEMENT									
NR	INDICATOR	MEASURABLE OBJECTIVE: To ensure that all municipal assets for the 2023/24 FY are accounted for							
ASS1	2023/24 Asset count completed and reported	2020/21 Asset count 100% completed and reported to municipal manager	2021/22 Asset count completed and report to municipal manager	Completing the 2023/24 asset count and submitting report to municipal manager by 30 June 2024	2023/24 Asset count completed and report to municipal manager		-	-	2024/25 Asset count completed and report to municipal manager
NR	INDICATOR	MEASURABLE OBJECTIVE: To enhance a clean audit							
ASS2	2022/23 Asset register 100% reconciled	2020/21 Asset Register 100% reconciled by 31/08/2021	2021/22 Asset Register 100% reconciled	Reconciling the 2022/23 asset register 100% to the financial statements by 31 August 2023	2022/23 Asset Register 100% reconciled		-	-	2023/24 Asset Register 100% reconciled
NR	INDICATOR	MEASURABLE OBJECTIVE: To comply with GRAP17							
ASS3	Percentage of all identified assets on register	100% Of all assets were registered in the asset register by 31/08/2021	100% Of all 2021/22 assets were registered in the asset register by 31/08/2022	Ensuring that 100% of all identified assets are registered in the asset register (2022/23) by 31 August 2023	100% of all 2022/23 assets registered in the asset register by 31/08/2023		-	-	100% of all 2023/24 assets registered




DIRECTORATE BUDGET AND TREASURY									
KEY PERFORMANCE AREA 4: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT									
SECTION: REVENUE MANAGEMENT									
Operational and Compliance	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year	
	2021/22	2022/23	Annual Target	Actual Performance					
NR	INDICATOR	MEASURABLE OBJECTIVE: To effectively do revenue collection to ensure sound financial matters							
REV9	Rand value revenue collected from electricity sales	R482 540 337 collected	R447 177 872 collected	Collecting R561 974 786 from electricity sales (conventional meters) by 30 June 2024	R485 445 502 collected		Plenty conventional meters are currently stuck, and clients are estimated, and this creates disputes. Administration and technical issues, such as incorrect billing and technical glitches	The municipality to apply for a grant with National Treasury for smart meters to replace all non-functional meters	R593 059 311 collected
NR	INDICATOR	MEASURABLE OBJECTIVE: To effectively do revenue collection to ensure sound financial matters							
REV10	Rand value revenue collected from pre-paid electricity sales	R7 852 338 collected	R13 839 371 collected	Collecting R15 226 500 from pre-paid electricity sales by 30 June 2024	R15 471 075 collected		-	-	R16 623 135 collected
NR	INDICATOR	MEASURABLE OBJECTIVE: To effectively do revenue collection to ensure sound financial matters							
REV11	Rand value revenue collected from water sales	R504 293 223 collected	R591 220 888 collected	Collecting R593 559 019 from water sales (conventional meters) by 30 June 2024	R594 972 833 collected		-	-	R757 423 833 collected
NR	INDICATOR	MEASURABLE OBJECTIVE: To improve the financial sustainability of the municipality and optimization of revenue							
RM2	Percentage of all identified incorrect billed properties corrected	100% 6 279 incorrect billed properties identified / 6 279 accounts corrected	100% 6 330 incorrect billed properties identified / 6 330 accounts corrected	Correcting 100% of all identified incorrect billed properties by 30 June 2024	100% 11 939 incorrect billed properties identified / 11 939 accounts corrected		-	-	100%





DIRECTORATE BUDGET AND TREASURY									
KEY PERFORMANCE AREA 4: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT									
SECTION: REVENUE MANAGEMENT									
Operational and Compliance	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year	
	2021/22	2022/23	Annual Target	Actual Performance					
NR	INDICATOR	MEASURABLE OBJECTIVE:					To improve the financial sustainability of the municipality and optimization of revenue		
RM3	Percentage of consumer accounts levied before or on 25 of each month	58% of all consumer accounts levied before or on the 25th of each month	33% of all consumer accounts levied before or on the 25th of each month (12 Months / 4 months in which accounts were levied before or on 25 of each month)	Levying 66% of all consumer accounts before or on 25 of each month by 30 June 2024	50% of all consumer accounts levied before or on the 25th of each month (12 Months / 6 months in which accounts were levied before or on 25 of each month)		Due to loadshedding in the 1st - 3rd quarters operational and technical issues with the billing system caused delays	N/A	66%
SECTION: EXPENDITURE MANAGEMENT									
NR	INDICATOR	MEASURABLE OBJECTIVE:					To control credit management to ensure timeous payment of creditors and service providers		
EXP1	Percentage of payments within 30 days from date of invoice / statement	6% settled	5% settled	Settling 25% of all payments (creditors) done within 30 days of receipt of invoice / statement by 30 June 2024	6,92% settled		Eskom attached the grant funded investment accounts that results in delay of payments and expenditure	Revenue enhancement project will address the status	25%
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: CHIEF FINANCIAL OFFICER									
NR	INDICATOR	MEASURABLE OBJECTIVE:					To ensure that the all the directorates KPI's are catered for		
CFO4	Directorate's SDBIP inputs provided before the 2024/25 SDBIP is tabled	Credible 2022/23 SDBIP inputs provided	Credible 2023/24 SDBIP inputs provided	Providing the directorates SDBIP inputs before the draft 2024/25 SDBIP is submitted by 31 May 2024	Credible 2024/25 SDBIP inputs provided		-	-	Credible 2025/26 SDBIP inputs provided





DIRECTORATE BUDGET AND TREASURY						
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION						
SECTION: CHIEF FINANCIAL OFFICER						
Operational and Compliance	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation
	2021/22	2022/23	Annual Target	Actual Performance		
NR	INDICATOR	MEASURABLE OBJECTIVE:	To ensure that the set goals of council are achieved			
CFO6	Number of SDBIP meetings with senior personnel in own directorate conducted	13 SDBIP meetings conducted	11 SDBIP meetings with senior personnel in own directorate by 30 June 2024	11 SDBIP meetings conducted		Due to urgent arrangements for Eskom arrears, management could not always honour scheduled meetings
				12 SDBIP meetings conducted		Management will comply with annual plan of scheduled meetings in 2024/25 FY
SECTION: BUDGET AND TREASURY OFFICE						
NR	INDICATOR	MEASURABLE OBJECTIVE:	To approve the 2024/25 budget to comply with legislation			
BUD5	2024/25 Draft budgets approved	2022/23 Draft Budget tabled CC44/2022 dated 30/03/2022	Draft 2023/24 Budget approved by Council. CC42/20223 dated 31/03/2023	Approving the 2024/25 draft budget in Council by 31 March 2024		2024/25 Draft budget approved by Council. CC53/2024 dated 28/03/2024
						2025/26 Draft budget approved in Council by 31 May 2025
SECTION: CENTRAL STORES						
NR	INDICATOR	MEASURABLE OBJECTIVE:	To make all requested stock items (as per approved stock item list) available to the requesting department within 3 working days available to enhance service delivery			
CST1	Percentage of all requested stock items (as per approved stock item list) be made available to the requesting department within 3 working days	New indicator	93% 879 received / 817 of stock issued with 3 working days	Ensuring 75% of all requested stock items (as per approved stock item list) be made available to the requesting department within 3 working days by 30 June 2024		63% 208 received / 130 stock issued with 3 working days
						Financial constraints Council must prioritize service delivery stock items
						80%





DIRECTORATE BUDGET AND TREASURY									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: SUPPLY CHAIN MANAGEMENT									
Operational and Compliance		Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
		2021/22	2022/23	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE:						To approve a percentage of recommendations on tenders / projects of allocated tenders to comply with legal requirements (Section 29 of the SCM Regulation) (SCM Policy of CoM)	
SCM1	Percentage of recommendations on tenders / projects of allocated tenders are approved	100% 25 Recommended / 25 forwarded	100% 11 Recommended / 11 forwarded	Ensuring 98% of all the recommendations on the allocated tenders / projects are forwarded to the Office of the Municipal Manager for approval, appointment letters and resolution by 30 June 2024	100% 17 recommended / 17 forwarded		-	-	99%
NR	INDICATOR	MEASURABLE OBJECTIVE:						To ensure that all supply chain management awards are published on the municipal website to comply with legal requirements (Section 29 of the SCM Regulation) (SCM Policy of CoM)	
SCM2	Percentage of supply chain management awarded contracts published on municipal website	100% 66 Forwarded / 66 Published	100% 11 Forwarded / 11 published	Forwarding 100% of all supply chain management contracts in terms of Section 75(1)(g) of the MFMA to the ICT section for publishing on the municipal website by 30 June 2024	100% 17 forwarded / 17 forwarded		-	-	100%
NR	INDICATOR	MEASURABLE OBJECTIVE:						To implement internal co-operation and controls to ensure compliance with legislation	
SCM3	Percentage of bid committee process plan for each advertised specification compiled	100% 30 Specification Received / 30 Bid committee process plans compiled	100% 27 Specification Received / 27 Bid committee process plans compiled	Compiling 100% of bid committee process plan for each advertised specification by 30 June 2025	100% 26 received specifications documents / 26 bid committee process plans compiled		-	-	100%




DIRECTORATE BUDGET AND TREASURY											
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION											
SECTION: SUPPLY CHAIN MANAGEMENT											
Operational and Compliance	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year			
	2021/22	2022/23	Annual Target	Actual Performance							
NR	INDICATOR	MEASURABLE OBJECTIVE:									
SCM4	Percentage of all received specifications documents advertised correctly within 14 days	81% 33 Specifications documents received / 27 received specifications documents advertised within 14 working days	94% 33 Specifications documents received / 31 received specifications documents advertised within 14 working days	To implement Internal Co-operation and Controls to ensure compliance with legislation (Section 27 of SCM Regulation)	100% Advertising 100% of all received specifications documents correctly within 14 days by 30 June 2024	100% 22 received specifications / 22 received specifications advertised within 14 working days	100%				
NR	INDICATOR	MEASURABLE OBJECTIVE:									
SCM5	Percentage of received tender documents successful evaluated within 45 working days	100% 51 Tender documents received / 51 successful evaluated within 45 working days	100% 22 Tender documents received / 22 successful evaluated within 45 working days	To implement Internal Co-operation and Controls to ensure compliance with legislation (Section 28 of SCM Regulation)	Evaluating 100% of all received tender documents successful within 45 working days by 30 June 2024	100% 15 tender documents received / 15 successful evaluated within 45 working days	100%				
NR	INDICATOR	MEASURABLE OBJECTIVE:									
SCM6	Percentage of all adjudicated tenders successful adjudicated within 45 working days	97% 40 Tender documents received / 39 successful adjudicated within 45 working days	100% 26 Tender documents received / 26 successful adjudicated within 45 working days	To implement Internal Co-operation and Controls to ensure compliance with legislation (Section 29 of SCM Regulation)	Adjudicating 100% of all adjudicated tenders successful within 45 working days by 30 June 2024	100% 15 tender documents received / 15 successful adjudicated within 45 working days	100%				

DIRECTORATE: PUBLIC SAFETY									
KEY PERFORMANCE AREA 2: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION									
SECTION: DIRECTOR PUBLIC SAFETY									
Operational and Compliance		Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
		2021/22	2022/23	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE: To attend to all LLF meetings to ensure industrial harmony							
DPS5	Number of LLF meetings attended	12 LLF meetings attended	7 LLF meetings attended	Attending 7 LLF meetings by 30 June 2024	8 LLF meetings attended		There was a need for a follow up extra meeting after the second meeting, due to a resolution taken		7 LLF meetings attended
KEY PERFORMANCE AREA 4: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT									
SECTION: LICENSING SERVICES									
NR	INDICATOR	MEASURABLE OBJECTIVE:		To effectively do revenue collection to ensure sound financial matters					
LIS1	Rand value revenue collected from driver's licenses	R8 906 583 collected	R7 242 491 collected	Collecting R7 200 00 from driver's licenses (excluding Prodiiba fees) by 30 June 2024	R7 551 435 collected		The suspension of load shedding since March 2024 resulted in a positive outcome. No interruption of services		R7 200 000 collected
NR	INDICATOR	MEASURABLE OBJECTIVE:		To effectively do revenue collection to ensure sound financial matters					
LIS2	Rand value revenue from vehicle registration and licensing / renewals	R15 796 102 collected	R15 897 221 collected	Collecting R16 000 000 commission from Vehicle Registration and Licensing / renewals which is 20% on all vehicle income by 30 June 2024	R13 464 779 collected		Revenue loss due to motorists, insurance companies and retail services online for renewal of vehicle licenses	Directorate Budget and Treasury to take online using in account during budget planning process	R16 000 000 collected


DIRECTORATE: PUBLIC SAFETY											
KEY PERFORMANCE AREA 4: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT											
SECTION: LICENSING SERVICES											
Operational and Compliance	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year			
	2021/22	2022/23	Annual Target	Actual Performance							
NR	INDICATOR	MEASURABLE OBJECTIVE:	To effectively do revenue collection to ensure sound financial matters								
LIS3	Rand value revenue collected from motor vehicle testing	R1 138 818 collected	R1 081 596 collected	Collecting R900 000 from Motor Vehicle Testing by 30 June 2024	R531 283 collected		The Orkney vehicle testing station was since June 2023 not in operation due to broken machinery and equipment	Repairs were done in the last week of April 2024. Revenue collection can now improve	R900 000		
SECTION: TRAFFIC AND SECURITY SERVICES											
NR	INDICATOR	MEASURABLE OBJECTIVE:	To collect revenue to ensure sound financial matters								
TRA3	Rand value revenue collected from outstanding traffic fines	R1 119 611 collected	R1 605 433 collected	Collecting R1 500 000 from traffic fines by 30 June 2024	R1 915 881 collected		The Traffic and Safety section embarked on an increased visibility and enforcement of traffic related legislation and By-Laws		R10 000 000 collected		
TRA4	Rand value revenue collected from warrants of arrest	R175 375 collected	R1 096 670 collected	Collecting R1 158 300 from warrant of arrests by 30 June 2024	R4 154 324 collected		The Traffic and Safety section embarked on an increased visibility and enforcement of traffic related legislation and By-Laws. More departmental roadblocks were conducted		R3 000 000 collected		
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION											
SECTION: DIRECTOR PUBLIC SAFETY											
NR	INDICATOR	MEASURABLE OBJECTIVE:	To ensure that the all the directorates KPI's are catered for								
DPS4	Directorate's SDBIP inputs provided before the 2024/25 SDBIP is tabled	Credible 2022/23 SDBIP inputs provided	Credible 2023/24 SDBIP inputs provided	Providing the directorates SDBIP inputs before the draft 2024/25 SDBIP is submitted by 31 May 2024	Credible 2024/25 SDBIP inputs provided		-	-	Credible 2025/26 SDBIP inputs provided		







DIRECTORATE: PUBLIC SAFETY									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: DIRECTOR PUBLIC SAFETY									
Operational and Compliance		Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
		2021/22	2022/23	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE: To ensure that the set goals of council are achieved							
DPS6	Number of SDBIP meetings with senior personnel in own directorate conducted	12 SDBIP meetings conducted	12 SDBIP meetings conducted	Conducting 12 SDBIP meetings with senior personnel in own directorate by 30 June 2024	12 SDBIP meetings conducted		-	-	12 SDBIP meetings conducted
NR	INDICATOR	MEASURABLE OBJECTIVE: To promote community safety							
DPS7	Number of community safety campaigns conducted	9 Community safety campaigns conducted	7 Community safety campaigns conducted	Conducting 6 community safety campaigns in the CoM municipal area according to programme by 30 June 2024	7 Community safety campaigns conducted		-	-	N/A
SECTION: FIRE AND DISASTER MANAGEMENT									
NR	INDICATOR	MEASURABLE OBJECTIVE: To adhere to Fire Codes and Regulations and comply with fire codes (SANS) and regulations in the CoM area							
FIR1	Number of fire inspections conducted in the CoM area	900 General fire inspections conducted	900 General fire inspections conducted	Conducting 660 general fire inspections according to programme in the CoM area by 30 June 2024	661 General fire inspections conducted		Telephonic request was received from Royal Terminal depot for an inspection		900 General fire inspections conducted
NR	INDICATOR	MEASURABLE OBJECTIVE: To promote fire safety in wards in the CoM area							
FIR2	Number of ward sessions conducted in the CoM area	8 Fire prevention information sessions conducted	12 Fire prevention information sessions conducted	Conducting 8 fire prevention information sessions according to programme in identified wards in the CoM area by 30 June 2024	8 Fire prevention information sessions conducted		-	-	12 Fire prevention information sessions conducted





DIRECTORATE: PUBLIC SAFETY										
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
SECTION: FIRE AND DISASTER MANAGEMENT										
Operational and Compliance	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation				
	2021/22	2022/23	Annual Target	Actual Performance						
NR	INDICATOR	MEASURABLE OBJECTIVE:	To promote fire safety at schools in the CoM area							
FIR3	Number of fire safety campaigns conducted at schools in the CoM area	3 Fire safety campaigns conducted	8 Fire safety campaigns conducted	Conducting 6 fire safety campaigns for schools in the CoM area according to programme by 30 June 2024	6 Fire safety campaigns conducted		-	-	8 Fire safety campaigns conducted	2024/25 Financial Year
NR	INDICATOR	MEASURABLE OBJECTIVE:	To ensure disaster management response is achieved in wards in the CoM area							
DM1	Number of disaster management awareness campaigns in Wards in the CoM area conducted	New indicator	New indicator	Conducting 8 disaster management campaigns in wards in the CoM area by 30 June 2024	9 Disaster management campaigns conducted		-	This was a new indicator with no baseline and an additional request was received	12 Disaster management campaigns conducted	
NR	INDICATOR	MEASURABLE OBJECTIVE:	To promote disaster management safety campaigns at schools in the CoM area							
DM2	Number of disaster management safety campaigns at schools around the CoM area conducted	New indicator	New indicator	Conducting 8 disaster management safety campaigns at schools in the CoM area by 30 June 2024	8 Disaster management campaigns conducted		-	-	8 Disaster management campaigns conducted	
SECTION: TRAFFIC AND SECURITY SERVICES										
NR	INDICATOR	MEASURABLE OBJECTIVE:	To conduct (K78) multi roadblocks with all law enforcement agencies in the CoM area to promote road safety							
TRA1	Number of (K78) multi roadblocks with all law enforcement agencies in the CoM area conducted	15 (K78) multi roadblocks conducted	20 (K78) multi roadblocks conducted	Conducting 20 (K78) multi roadblocks with all law enforcement agencies in the CoM municipal area by 30 June 2024	20 (K78) multi roadblocks conducted		-	-	60 Roadblocks conducted	



DIRECTORATE: PUBLIC SAFETY									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: TRAFFIC AND SECURITY SERVICES									
Operational and Compliance		Previous Financial Years		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
		Actual Performance	2022/23	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE:							
TRA2	Number of traffic and road safety campaigns in the CoM area conducted at schools and crèches	37 Safety campaigns conducted	To conduct traffic and road safety campaigns at schools and crèches in the CoM area to promote road safety	Conducting 44 traffic and road safety campaigns at schools and crèches in the CoM municipal area according to programme by 30 June 2024	44 Safety campaigns conducted		-	-	44 Safety campaigns conducted
NR	INDICATOR	MEASURABLE OBJECTIVE:							
SEC1	Number of performance meetings conducted with private security providers on contract with the council to ensure the compliance with the SLA	12 Performance meetings conducted	To ensure the safety of council property and employees by monitoring the performance of private security service providers on contract with the municipality	Conducting 12 performance meetings with private security service providers on contract with council to ensure the compliance with the SLA by 30 June 2024	12 Performance meetings conducted		-	-	12 Performance meetings conducted
NR	INDICATOR	MEASURABLE OBJECTIVE:							
SEC2	Number of 4 Security Forum meetings conducted with council departments to strengthen the security systems in the council	No Forum meeting conducted	To ensure the safety of council property and employees to strengthen the security systems in the council	Conducting 4 Security Forum meetings with council departments to strengthen the security systems in the council by 30 June 2024	4 Security Forum meetings conducted		-	-	4 Security Forum meetings conducted




DIRECTORATE COMMUNITY DEVELOPMENT									
KEY PERFORMANCE AREA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT									
SECTION: LIBRARY SERVICES									
IDP, MIG, other Grants and Capital Projects	INDICATOR	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
		2021/22	2022/23	Annual Target	Actual Performance				
LIB1	Shortcomings at various libraries improved according to the approved project business plan	Improving library services and maintenance at all 12 libraries by repairing 7 vacuum cleaners (1 x Orkney, 1 x Rebecca Nkae Thulo, 1 x Kanana, 1 x Khuma, 2 x Klerksdorp and 1 x Jouberton libraries); purchasing 8 office chairs for Klerksdorp library; repairing 1 laminating machine at Klerksdorp library; purchasing promotional material for all libraries; and training all senior staff members R 207 199	MEASURABLE OBJECTIVE: To address shortcomings by improving library services and maintenance	Improving library services and maintenance at all 12 libraries according to the operational activities on the approved project business plan by 30 June 2024 R216 000	Extension cords and multi plugs for all 12 libraries. Repair of the bar code zebra printer for membership cards and book cataloguing. Catering for colouring in of a code of arms competition for the disabled community of the Matlosana area and provincial Library Forum meeting R52 927	🙄	The department budgeted an amount of R90 000 for training and a quotation of R199 200 received from the UFS. Due to poor planning, the training could not be attended	Disciplinary steps were taken against the incumbent for poor performance on 5 June 2024. An item has been done on 11 July 2024 to quest a roll-over for the unspent training funds	R216 000




DIRECTORATE COMMUNITY DEVELOPMENT									
KEY PERFORMANCE AREA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT									
SECTION: LIBRARY SERVICES									
IDP, MIG, other Grants and Capital Projects	INDICATOR	Previous Financial Years		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
		Actual Performance	2022/23	Annual Target	Actual Performance				
LIB2	Supplementary improvements at various libraries done	Shortcomings and maintenance at 12 libraries improved with the waterproofing of roof dome at Klerksdorp Library; replacement of old 110mm asbestos pipes and the installation of razer wired security fence in Tigane and Rebecca Nkae Thulo libraries; installation of carperts in Kanana, Khuma and Rebecca Nkae Thulo libraries; purchased one metallic refrigerator and two 30L microwaves and the maintenance of air conditioners in Klerksdorp Library R 634 986	Repair, replacement and servicing of existing ventilation, air conditioners and cooling systems at libraries R660 719	Improving supplementary shortcoming at all 12 libraries according to the operational activities on the approved project business plan by 30 June 2024 R734 000	Replacement and servicing of four air conditioners at Alabama Library. Supply and delivery of 13 water tanks. R374 938		Underbudgeting of solar panels and maintenance of older aircons	An item has been done to quest roll-over for the unspent training funds - Awaiting resolution	R734 000
NR	INDICATOR	MEASURABLE OBJECTIVE: To address supplementary improvements (shortcomings) at various libraries							




DIRECTORATE: COMMUNITY DEVELOPMENT			
KEY PERFORMANCE AREA 2: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION			
SECTION: DIRECTOR COMMUNITY DEVELOPMENT			
Operational and Compliance	Previous Financial Years Actual Performance		2023/24 Financial Year Actual Performance
	2021/22	2022/23	Annual Target
NR	INDICATOR	MEASURABLE OBJECTIVE:	
DCD5	Number of LLF meetings attended	12 LLF meetings attended	To attend to all LLF meetings to ensure industrial harmony Attending 7 LLF meetings by 30 June 2024
		7 LLF meetings attended	8 LLF meetings attended
			
			Reason for Deviation
			Measures Taken to Improve Performance
			2024/25 Financial Year
			7 LLF meetings attended
SECTION: PARKS AND CEMETERIES			
NR	INDICATOR	MEASURABLE OBJECTIVE:	
PAR1	Number of annual PC Pelsler Airport licenses renewed	PC Pelsler Airport license renewed. R5 130 paid	To advance aviation facilities to the community and to comply with legislation Renewing the annual PC Pelsler Airport license to obtain authority to operate an airport by 30 June 2024 R5 390
		PC Pelsler Airport license renewed. R5 130 paid	PC Pelsler Airport license renewed. R5 390 paid
			
			Reason for Deviation
			Measures Taken to Improve Performance
			2024/25 Financial Year
			PC Pelsler Airport license renewed. R5 390 paid
SECTION: OCCUPATIONAL HEALTH SERVICES			
NR	INDICATOR	MEASURABLE OBJECTIVE:	
OHC1	Annual COIDA assessment process administered	Return of Earnings received. COIDA payment finalized. Awaiting letter of good standing. R2 766 181 paid	To ensure compliance with Compensation of Occupational and Injuries Diseases Act (COIDA) to prevent legal litigations Administering the annual COIDA assessment process by 30 June 2024 R3 658 987
		Return of Earnings received. COIDA payment finalized. Letter of Good Standing received. R3 265 950 paid	Return of Earnings received. COIDA payment finalized. Letter of Good Standing received. R3 984 161 paid
			
			Reason for Deviation
			Measures Taken to Improve Performance
			Return of Earnings received. COIDA payment finalized. Letter of Good Standing received.




DIRECTORATE: COMMUNITY DEVELOPMENT									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: DIRECTOR COMMUNITY DEVELOPMENT									
Operational and Compliance	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year	
	2021/22	2022/23	Annual Target	Actual Performance					
NR	INDICATOR	MEASURABLE OBJECTIVE:	To ensure that the all the directorates KPI's are catered for						
DCD4	Directorate's SDBIP inputs provided before the 2024/25 SDBIP is tabled	Credible 2022/23 SDBIP inputs provided	Credible 2023/24 SDBIP inputs provided	Providing the directorates SDBIP inputs before the draft 2024/25 SDBIP is submitted by 31 May 2024		-	-	Credible 2024/25 SDBIP inputs provided	Credible 2025/26 SDBIP inputs provided
NR	INDICATOR	MEASURABLE OBJECTIVE:	To ensure that the set goals of council are achieved						
DCD6	Number of SDBIP meetings with senior personnel in own directorate conducted	12 SDBIP meetings conducted	12 SDBIP meetings conducted	Conducting 12 SDBIP meetings with senior personnel in own directorate by 30 June 2024		-	-	12 SDBIP meetings conducted	12 SDBIP meetings conducted
SECTION: PARKS AND CEMETERIES									
NR	INDICATOR	MEASURABLE OBJECTIVE:	To manage the airport effectively to comply with legislation						
PAR2	Number of inspections conducted at the PC Pelser Airport	12 PC Pelser Airport inspections conducted	12 PC Pelser Airport inspections conducted	Conducting 12 inspections at PC Pelser Airport to ensure aviation safety by 30 June 2024		-	-	12 PC Pelser Airport inspections conducted	12 PC Pelser Airport inspections conducted
NR	INDICATOR	MEASURABLE OBJECTIVE:	To enhance and conserves the biodiversity in the City of Matlosana area						
PAR3	Percentage of biodiversity priority area within the municipality protected in the CoM area, in terms of game counting and grading of fire breaker	100% Biodiversity area 100% done (484 Game conserved / 484 Game Counted). Grading of fire breaker done	100% Biodiversity area 100% done (515 Game conserved / 515 Game Counted). Grading of fire breaker done. R72 388	Protecting 100% of the biodiversity area in the City of Matlosana area in terms of game counting and grading of fire breaker by 30 June 2024 R152 015		-	-	100% Biodiversity area 100% done (562 Game conserved / 562 Game Counted). Grading of fire breaker done. R152 015	100%




DIRECTORATE: COMMUNITY DEVELOPMENT											
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION											
SECTION: REFUSE REMOVAL SERVICES											
Operational and Compliance	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year			
	2021/22	2022/23	Annual Target	Actual Performance							
NR	INDICATOR	MEASURABLE OBJECTIVE:									
REF2	Number of plastic containers (240ℓ) for the Matlosana area and replacement of old dustbins purchased and distributed	5 000 x 85ℓ Dustbins distributed. 3 530 x 85ℓ Dustbins purchased and distributed	To purchase mass containers (240ℓ) to enhance efficiency in new promulgated areas and replace old / broken containers	Purchasing and distributing 2 591 x 240ℓ dustbins for new promulgated areas and replacement of old dustbins in the Matlosana area by June 2024 R2 000 000	2 119 x 240ℓ Dustbins purchased and distributed. 1 271 Wheel bins axels purchased	No service provider appointed yet R0		Delays with the SCM process occurred from 16 August 2023. The tender for the dustbins was advertised on 3 May 2024 with the closing date on 5 June 2024. The Bid Evaluation Committee meeting was held on 11 June 2024, whereby the tender was referred to the Bid Adjudication Committee for appointment. The Bid Adjudication Committee meeting did not take place by 30 June 2024	A Bid Adjudication meeting scheduled for 1 July 2024 to resolve on the appointment of a service provider. The dustbins will be purchased during the 2024/25 FY	2 591 x 240ℓ dustbins purchased and distributed	
SECTION: LIBRARY SERVICES											
NR	INDICATOR	MEASURABLE OBJECTIVE:									
LIB3	Number of awareness programmes presented at libraries and other venues	111 Awareness Programmes / events presented	To present awareness programmes by promoting library awareness amongst adults, learners and youth	Presenting 288 awareness programmes at libraries and other venues in the CoM municipal area by 30 June 2024	261 Awareness programmes / events presented	292 Awareness programmes presented		4 Additional programmes were requested	288 Awareness programmes presented		





DIRECTORATE: COMMUNITY DEVELOPMENT									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: MUSEUM AND HERITAGE SERVICES									
Operational and Compliance		Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
		2021/22	2022/23	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE:							
MUS1	Number of consultation sessions with educators, students, researchers and public upon request to promote heritage awareness and disseminate educational content in the CoM area conducted	55 Consultation sessions conducted	75 Consultation sessions conducted	Conducting 90 consultation sessions with educators, students, researchers and public upon request to promote heritage awareness and disseminate educational content by 30 June 2024	90 Consultation sessions conducted		-	-	90 Consultation sessions conducted
NR	INDICATOR	MEASURABLE OBJECTIVE:							
MUS2	Number of lifelong skills development programs to adults and youth to empower them to develop entrepreneurial and life skills presented	8 Lifelong skills development programs presented / facilitated	8 Lifelong skills development programs presented / facilitated	Presenting / facilitating at least 8 lifelong skills development programs to adults and youth to empower them to develop entrepreneurial and life skills by 30 June 2024	8 Lifelong skills development programs presented / facilitated		-	-	8 Lifelong skills development programs presented / facilitated
NR	INDICATOR	MEASURABLE OBJECTIVE:							
MUS4	Number of heritage awareness projects convened	5 Heritage awareness projects convened	5 Heritage awareness projects convened	Convening 9 heritage awareness projects to disseminate knowledge regarding heritage and promote cultural heritage and national unity by 30 June 2024	9 Heritage awareness projects convened		-	-	8 Heritage awareness projects convened




DIRECTORATE: COMMUNITY DEVELOPMENT									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: MUSEUM AND HERITAGE SERVICES									
Operational and Compliance		Previous Financial Years		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
		Actual Performance	2022/23	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE:	To present educational programs presented to learners and adults to expand their knowledge of SA history and cultural heritage in general and that of CoM area in particular to provide an educational service						
MUS3	Number of educational programs presented to learners and adults to expand their knowledge of SA history and cultural heritage in general and that of CoM area in particular	27 Educational programs presented	40 Educational programs presented	Presenting at least 52 educational programs to learners and adults to expand their knowledge of SA history and cultural heritage in general and that of CoM municipal area in particular by 30 June 2024	63 Educational programs presented		-	-	52 Educational programs presented
SECTION: SPORT AND RECREATION									
NR	INDICATOR	MEASURABLE OBJECTIVE:	To ensure sound sport administration						
SPO1	Number of sport council meetings conducted to ensure the smooth running of sport clubs	3 Sport Council meetings conducted	1 Sport Council meeting conducted	Conducting 4 sport council meetings to ensure the smooth running of sport clubs by 30 June 2024	3 Sport Council meetings conducted		The meeting scheduled for 22 May 2024 did not quorate	The section will draft an annual schedule to ensure adherence to scheduled dates	4 Sport Council meetings conducted
NR	INDICATOR	MEASURABLE OBJECTIVE:	To co-ordinating sport events in collaboration with sport clubs, federations and non-governmental organisations to develop sport in the CoM municipal area						
SPO2	Number of sport events in collaboration with sport clubs, federations and non-governmental organisations co-ordinated to ensure the promotion of sport in the CoM area	3 Sport events co-ordinated. R0	4 Sport events co-ordinated. R95 273	Co-ordinating 4 sport events in collaboration with sport clubs, federations and non-governmental organisations to ensure the promotion of sport in the CoM municipal area by 30 June 2024 R158 700	4 Sport events co-ordinated. R0		No expenditure due to cost containment		4 Sport events co-ordinated. R30 000




DIRECTORATE: PLANNING AND HUMAN SETTLEMENTS									
KEY PERFORMANCE AREA 2: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION									
SECTION: DIRECTOR PLANNING AND HUMAN SETTLEMENTS									
Operational and Compliance		Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
		2021/22	2022/23	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE: To attend to all LLF meetings to ensure industrial harmony							
DPHS5	Number of LLF meetings attended	12 LLF meetings attended	7 LLF meetings attended	Number of LLF meetings attended by 30 June 2024	7 LLF meetings attended		-	-	7 LLF meetings attended
KEY PERFORMANCE AREA 4: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT									
SECTION: TOWN-PLANNING AND BUILDING SURVEY									
NR	INDICATOR	MEASURABLE OBJECTIVE: To collect revenue to ensure sound financial matters							
BS4	Rand value revenue collected from building plan application	R75 165 collected	R935 540 collected	Collecting 80% of budgeted R1 215 648 from building plan applications by 30 June 2024 (R972 518)	R1 035 320 collected		-	-	R956 411 collected
NR	INDICATOR	MEASURABLE OBJECTIVE: To collect revenue to ensure sound financial matters							
TP2	Rand value revenue collected from land use / development applications	R285 620 collected	R350 645 collected	Collecting 60% of budgeted R414 076 for land use / development applications by 30 June 2024 (R248 446)	R222 231 collected		Prevailing economic conditions affect land use / development applications	National changes in Interest Rates by Reserve Bank may improve the development climate in municipalities	R300 000 collected





DIRECTORATE: PLANNING AND HUMAN SETTLEMENTS									
KEY PERFORMANCE AREA 4: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT									
SECTION: TOWN-PLANNING AND BUILDING SURVEY									
Operational and Compliance		Previous Financial Years		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
		Actual Performance	2022/23	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE:	To conduct contravention notice issued per inspection to regulate and control land use and development						
TP3	Number of contravention notice issued per inspection conducted	New indicator	New indicator	Issuing 50 contravention notices during inspections conducted by 30 June 2024	47 Contravention inspections conducted		Resource allocation challenges	Restructuring process that is currently underway will enhance performance and allocate resources evenly	60 Contravention inspections conducted
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: DIRECTOR PLANNING AND HUMAN SETTLEMENTS									
NR	INDICATOR	MEASURABLE OBJECTIVE:	To ensure that the all the directorates KPI's are catered for						
DPHS4	Directorate's SDBIP inputs provided before the 2024/25 SDBIP is tabled	Credible 2022/23 SDBIP inputs provided	Credible 2023/24 SDBIP inputs provided	Providing the directorates SDBIP inputs before the draft 2024/25 SDBIP is submitted by 31 May 2024	Credible 2024/25 SDBIP inputs provided		-	-	Credible 2025/26 SDBIP inputs provided
NR	INDICATOR	MEASURABLE OBJECTIVE:	To ensure that the set goals of council are achieved						
DPHS6	Number of SDBIP meetings with senior personnel in own directorate conducted	12 SDBIP meetings conducted	12 SDBIP meetings conducted	Conducting 12 SDBIP meetings with senior personnel in own directorate by 30 June 2024	11 SDBIP meetings conducted		The acting director could not arrange a meeting due to urgent town-planning matters	Management to honour scheduled meetings in future	12 SDBIP meetings conducted




DIRECTORATE: PLANNING AND HUMAN SETTLEMENTS											
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION											
SECTION: HOUSING SERVICES											
Operational and Compliance	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year			
	2021/22	2022/23	Annual Target	Actual Performance							
NR	INDICATOR	MEASURABLE OBJECTIVE:									
HOU2	Number of needs registered on the Matlosana Housing Needs Register	2 670 Needs registered	4 172 Needs registered	To register Matlosana Housing needs beneficiaries to establish the current housing backlog	2 800 Needs registered	2 800 Needs registered		-	-	20 000 Needs registered	
NR	INDICATOR	MEASURABLE OBJECTIVE:									
HOU3	Number of old municipal housing stock through housing subsidy programme transferred	205 Applications verification forms submitted to the Attorney, but only 183 Title Deeds Registered from the old municipal housing stock. R1 060	Forward 122 applications to attorney. 76 Title Deeds received from attorneys. 76 Transfers completed. R0	To transfer old municipal housing stock through housing subsidy programme to effectively address the housing backlog	Transferring 250 old municipal housing stock through housing subsidy programme by 30 June 2024	Forward 250 applications to attorney. 0 Title Deeds received from attorneys and therefor 0 distributed to legal owners		Budget constraints - no funding received for attorneys	Provincial Department will be requested to assist through the Title Deed Restoration Budget	1 000 Old Stock transferred	
NR	INDICATOR	MEASURABLE OBJECTIVE:									
HOU5	Number of houses in Alabama Ext 3 verified to confirm rightful occupancy (owners)	3 Settlements (Jouberton extension 24 squatters (Waterfall), Kanana Ext 5 and Jouberton extension 25 squatters (Freedom Square) assessed - 2 439 Households enumerated	The Dominionville assessment (enumerated and classified) were not conducted. No report to Council	To verify and confirm the rightful occupancy (owners) of houses in Alabama Ext 3 to contribute towards revenue enhancement	Verification of 2085 houses in Alabama Ext 3 to confirm rightful occupancy (owners) by 30 June 2024	0 Houses in Alabama Ext 3 to confirm rightful occupancy (owners). The appointment of panel (3 x service providers) was only done on 28 June 2024		Delays with the SCM process from September 2023 to 28 June 2024, which included the re-advertisement of the tender due to non-responsive bidding	Project to commence during first quarter of 2024/25 FY	2 085 houses Verified	





DIRECTORATE: PLANNING AND HUMAN SETTLEMENTS			
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION			
SECTION: HOUSING SERVICES			
Operational and Compliance	Previous Financial Years Actual Performance		2023/24 Financial Year
	2021/22	2022/23	Annual Target / Actual Performance
NR	INDICATOR	MEASURABLE OBJECTIVE:	Rating
HOU6	Number of stands in Jouberton ext. 2 (Sun City) verified to confirm rightful occupancy (owners)	New indicator To contribute towards revenue enhancement Verification of 548 stands in Jouberton Ext. 2 (Sun City) to confirm rightful occupancy (owners) by 30 December 2023	548 Stands in Jouberton Ext. 2 (Sun City) verified to confirm rightful occupancy (owners) 
SECTION: LAND AFFAIRS			
NR	INDICATOR	MEASURABLE OBJECTIVE:	Reason for Deviation
LAN1	Percentage of applications for equations of municipal land administered and finalised	92% 3-16 Acquisition applications received / Resolved	Applications were processed timeously, as circulation to internal departments and has been aligned with Council's By-Monthly meetings 
NR	INDICATOR	MEASURABLE OBJECTIVE:	Measures Taken to Improve Performance
LAN2	Percentage of all received lease applications processed and finalised	40% 114 Lease applications received / 46 applications finalised	Applications were processed timeously, as circulation to internal departments and has been aligned with Council's By-Monthly meetings 
NR	INDICATOR	MEASURABLE OBJECTIVE:	2024/25 Financial Year
LAN3	Number of compliance inspections on land leased for agricultural purposes conducted	12 Compliance inspections conducted	24 Compliance inspections conducted 




DIRECTORATE: PLANNING AND HUMAN SETTLEMENTS										
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
SECTION: TOWN-PLANNING AND BUILDING SURVEY										
Operational and Compliance	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year		
	2021/22	2022/23	Annual Target	Actual Performance						
NR	INDICATOR	MEASURABLE OBJECTIVE:								
BS1	Percentage of building contravention (to prevent submitting for legal action within 6 weeks from detection) resolved	60% 233 Building contravention received / 142 resolved	99,7% 206 detected / 187 resolved	To ensure compliance with building regulations, standards and Municipal By-Laws	96% 204 detected / 195 resolved		Several meetings were held with Inspectors, to remedy performance pitfalls	80%		
NR	INDICATOR	MEASURABLE OBJECTIVE:								
BS2	Percentage of all building plans assessed within 30 days from receipt of application and payment to finalisation of assessment	98,62% 944 of plans received / 931 of plans assessed	99,5% 595 Plans received / 606 plans assessed	To ensure that building plans are assessed within 30 working days	99% 678 Plans received / 672 plans assessed		Several meetings were held with Inspectors, to remedy performance pitfalls	96%		
NR	INDICATOR	MEASURABLE OBJECTIVE:								
BS3	Percentage of building inspections conducted within 32 working hours from the time of request of appointment	100% 2 271 Inspections booked / 2 271 attended to	100% 2 793 Plans received / 2 793 plans assessed	To attend to all requests for building inspections within 32 working hours of appointment to comply with National Building Regulations (NBR)	100% 4 813 Plans received / 4 813 plans attended to		-	100%		



DIRECTORATE: PLANNING AND HUMAN SETTLEMENTS									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: TOWN-PLANNING AND BUILDING SURVEY									
Operational and Compliance		Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
		2021/22	2022/23	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE: To ensure that land use applications are processed within 90 days							
TP1	Percentage of land use applications received, paid for and finalised within the legislated timeframe of 90 days from the date of submission	95% 172 Applications received / 164 applications finalised	100% 368 Applications received / 368 applications finalised	Finalising 96% of all land use applications within 90 days by 30 June 2024	100% 372 Applications received / 372 applications finalised		-	-	98%
DIRECTORATE LOCAL ECONOMIC DEVELOPMENT									
KEY PERFORMANCE AREA 2: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION									
SECTION: DIRECTOR LOCAL ECONOMIC DEVELOPMENT									
NR	INDICATOR	MEASURABLE OBJECTIVE: To attend to all LLF meetings to ensure industrial harmony							
DLED5	Number of LLF meetings attended	11 LLF meetings attended	7 LLF meetings attended	Attending 7 LLF meetings by 30 June 2024	7 LLF meetings attended		-	-	7 LLF meetings attended
NR	INDICATOR	MEASURABLE OBJECTIVE: To provide an enabling environment at the Matlosana Fresh Produce Market and to comply with legislation							
DLED8	Number of OHS recommendation implemented at the FPM to ensure a regulatory environment	50% 0 new recommendations received. 2 Rolled over / 1 resolved	0% 0 new recommendations received. 1 Rolled over from 2021/22 / 0 resolved	Resolving at least 80% of all Occupational Health & Safety recommendation by 30 June 2024	No OHS recommendations received for the 2023/24 FY		-	-	90%

DIRECTORATE LOCAL ECONOMIC DEVELOPMENT									
KEY PERFORMANCE AREA 2: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION									
SECTION: MARKETING AND COMMUNICATION									
Operational and Compliance		Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
		2021/22	2022/23	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE:		To promote access to information and the moral of employees by distributing internal newsletters to ensure transparency with Council					
COM3	Number of internal newsletters compiled & distributed to all employees of Council	6 internal newsletters compiled and distributed	6 internal newsletters compiled and distributed	Compiling & distributing 6 internal newsletters to all employees of Council by 30 June 2024	6 internal newsletters compiled and distributed		-	-	6 internal newsletters compiled and distributed
KEY PERFORMANCE AREA 3: LOCAL ECONOMIC DEVELOPMENT									
SECTION: LOCAL ECONOMIC DEVELOPMENT AND TOURISM									
NR	INDICATOR	MEASURABLE OBJECTIVE:		To conduct consultative meetings with various stakeholders to create synergy and strengthen intergovernmental coordination for planning of inclusive economic development between government and non-government sectors					
LED3	Number of LED consultation meetings conducted with stakeholders	12 LED consultation meetings conducted	4 LED consultation meetings conducted	Conducting 8 LED consultation meetings with stakeholders by 30 June 2024	8 LED consultation meetings conducted		-	-	12 LED consultation meetings conducted
NR	INDICATOR	MEASURABLE OBJECTIVE:		To conduct consultative meetings with various stakeholders to create synergy and strengthen intergovernmental co-ordination for planning of inclusive economic development between government and non-government sectors					
LED4	Number of SMME workshops conducted to capacitate SMME's and cooperatives	4 SMME workshops conducted	4 SMME workshops conducted	Conducting 4 SMME workshops to capacitate SMME's and cooperatives by 30 June 2024	4 SMME workshops conducted		-	-	4 SMME workshops conducted
NR	INDICATOR	MEASURABLE OBJECTIVE:		To conduct flea markets for informal traders to sell their goods and products					
LED5	Number of flea markets for informal traders to sell their goods and products conducted	New indicator	2 Farmers Markets facilitated	Conducting 2 Flea markets for informal traders to sell their goods and products by 30 June 2024	2 Flea Markets conducted		-	-	2 Flea Markets conducted

DIRECTORATE LOCAL ECONOMIC DEVELOPMENT											
KEY PERFORMANCE AREA 2: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION											
SECTION: TOURISM											
Operational and Compliance	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year			
	2021/22	2022/23	Annual Target	Actual Performance							
NR	INDICATOR	MEASURABLE OBJECTIVE:	To conduct tourism programmes to increase market penetration of local content and grow industry networks								
TOU1	Number of tourism programmes conducted to improve access to tourism	New indicator	Conducting 4 tourism programmes to improve access to tourism by 30 June 2024	4 Tourism programmes concluded		-	-	4 Tourism programmes concluded			
KEY PERFORMANCE AREA 4: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT											
SECTION: MARKETING AND COMMUNICATION											
NR	INDICATOR	MEASURABLE OBJECTIVE:	To spend on marketing activities expenditure according to Marketing Plan to create marketing initiatives in all sectors for local economic development and growth and the expansion of the tourism sector								
COM1	Rand value on marketing activities according to Marketing Plan	Branding material. Matlosana newspapers printed, and media communication conducted R608 336	Spending R688 615 on marketing activities according to Marketing Plan by 30 June 2024	Branding material. Matlosana newspapers printed, and media communication conducted. City of Matlosana Service Delivery Booklet achieved. R408 073 spent		The Director realized that procurement was done without following correct SCM processes, therefore the withdrawal of the request	Procurement will be done in July 2024	R688 615			
SECTION: FRESH PRODUCE MARKET											
NR	INDICATOR	MEASURABLE OBJECTIVE:	To collect revenue to ensure financial sustainability								
FPM4	Rand value revenue collected from rental estate	R781 007 collected	Collecting R1 500 000 from rental estate by 30 June 2024	R1 454 902 collected		Budget was too much increased during Adjustment Budget	Budget Office to enhance on proper planning in the next FY	R1 700 000 collected			

DIRECTORATE LOCAL ECONOMIC DEVELOPMENT											
KEY PERFORMANCE AREA 4: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT											
SECTION: FRESH PRODUCE MARKET											
Operational and Compliance	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year			
	2021/22	2022/23	Annual Target	Actual Performance							
NR	INDICATOR	MEASURABLE OBJECTIVE:									
FPM3	Percentage of rand value spent on fresh produce market programmes	Marketing material (branded diaries) purchased R23 850 spent	Market billboards & signage, calendars for farmers Market Day; Branded memory sticks and magnetic market info; Tents for Farmers Market Day R146 230	Spending R211 600 on fresh produce market programmes expenditure according to the approved plan by 30 June 2024	Market billboards & signage, calendars for Fresh Produce Market information; Branding material with market info, Tents, tables, chairs, table clothes and entertainment for Farmers Market Day R151 194 spent		-	-	R211 600		
NR	INDICATOR	MEASURABLE OBJECTIVE:									
FPM5	Rand value revenue collected from ripening and cooling rooms	R 1 414 788 collected	R1 803 772 collected	Collecting R1 700 000 from ripening & cooling rooms by 30 June 2024	R1 748 018 collected		Maintenance of ripening and cooling rooms improved and that brought confidence to farmers		R1 900 000 collected		
NR	INDICATOR	MEASURABLE OBJECTIVE:									
FPM6	Rand value revenue collected from market commission (dues)	R16 645 610 collected	R19 959 610 collected	Collecting R21 000 000 from market commission (dues) by 30 June 2024	R22 122 185 collected		Maintenance of ripening and cooling rooms improved and that brought confidence to farmers		R20 837 118 collected		
NR	INDICATOR	MEASURABLE OBJECTIVE:									
FPM7	Rand value revenue collected from rental of carriages	R86 313 collected	R148 919 collected	Collecting R70 000 from rental of carriages by 30 June 2024	R61 332 collected		Lack of trolleys & number of damaged pallet jacks	To procure new trolleys & pallet jacks	R350 000 collected		



DIRECTORATE LOCAL ECONOMIC DEVELOPMENT									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: DIRECTOR LOCAL ECONOMIC DEVELOPMENT									
Operational and Compliance	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year	
	2021/22	2022/23	Annual Target	Actual Performance					
NR	INDICATOR	MEASURABLE OBJECTIVE: To ensure that the all the directorates KPI's are catered for							
DLED4	Directorate's SDBIP inputs provided before the 2024/25 SDBIP is tabled	Credible 2022/23 SDBIP inputs provided	Credible 2023/24 SDBIP inputs provided	Providing the directorates SDBIP inputs before the draft 2024/25 SDBIP is submitted by 31 May 2024	2024/25 SDBIP inputs provided		-	-	Credible 2025/26 SDBIP inputs provided
NR	INDICATOR	MEASURABLE OBJECTIVE: To ensure that the set goals of council are achieved							
DLED6	Number of SDBIP meetings with senior personnel in own directorate conducted	12 SDBIP meetings conducted	10 SDBIP meetings conducted	Conducting 12 SDBIP meetings with senior personnel in own directorate by 30 June 2024	12 SDBIP meetings conducted		-	-	12 SDBIP meetings conducted
NR	INDICATOR	MEASURABLE OBJECTIVE: To promote employment, advance social and economic welfare, and ensure that mining companies contribute to the development of the areas where they are operating							
DLED7	Number of reports on Corporate Social Investment /Social Labour Plan projects implemented submitted to Council by 30 June 2024	4 Reports regarding the Social Labour Plan submitted to the Municipal Manager	3 Reports regarding the Social Labour Plan submitted to Council	Submitting 4 reports on Corporate Social Investment /Social Labour Plan projects progress report to Council by 30 June 2024	4 Reports regarding the Social Labour Plan submitted to Council		-	-	4 Reports regarding the Social Labour Plan submitted to Council






DIRECTORATE LOCAL ECONOMIC DEVELOPMENT											
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION											
SECTION: MARKETING AND COMMUNICATION											
Operational and Compliance	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year			
	2021/22	2022/23	Annual Target	Actual Performance							
NR	INDICATOR	MEASURABLE OBJECTIVE:									
COM2	Number of external newsletters compiled and distributed regarding Council affairs to the community	6 External newsletters compiled and distributed	6 External newsletters compiled and distributed	Compiling and distributing 6 external newsletters regarding Council affairs to the community by 30 June 2024	4 External newsletters compiled and distributed		The Director realized that procurement was done without following correct SCM processes, therefore the withdrawal of the request	Procurement will be done in July 2024	6 External newsletters compiled and distributed		
SECTION: FRESH PRODUCE MARKET											
NR	INDICATOR	MEASURABLE OBJECTIVE:									
FPM1	The Fresh Produce Market Strategy approved	Not achieved	Reviewing and approving the Fresh Produce Market Policy not done	Developing Fresh Produce Market Turnaround Strategy to be approved by the Municipal Manger by 30 June 2024	Fresh Produce Market Strategy Developed but not workshopped and therefore not approved by the Municipal Manager		The document was not submitted in time to be workshopped	The document will be submitted timeously in the 1st quarter of the 2024/25 FY	N/A		

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Outcome 9



Indicators from National Government

SERVICE DELIVERY										
DIRECTORATE TECHNICAL AND INFRASTRUCTURE										
Roads and Stormwater Drainage (KPA 1: Service Delivery & Infrastructure Development)										
Outcome 9	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year		
	2021/22	2022/23	Annual Target	Actual Performance						
NR INDICATOR	MEASURABLE OBJECTIVE: To grade roads to maintain the existing road infrastructure									
ROA1	Kilometres roads graded in the CoM municipal area	100,015 Km roads graded R7 356 527	120 Km roads graded R7 556 521	Grading of 75 km roads in the KOSH as per maintenance programme by 30 June 2024 R8 630 203	38,71 Km roads graded R3 610 357		No yellow fleet available due to the Plant Hire tender that has expired at the end of the 2nd quarter. Unavailability of resources within the municipality to carry out the tasks. Tender at Evaluation stage	The Plant Hire tender need to be adjudicated as soon as possible and a service provider be appointed	100 km Graded R8 630 203	
FINANCIAL, ADMINISTRATIVE AND CAPACITY										
OFFICE OF THE MUNICIPAL MANAGER AND ALL DIRECTORATES										
Financial Management (KPA 2: Municipal Institutional Development and Transformation)										
NR INDICATOR	MEASURABLE OBJECTIVE: To ensure an effective external audit process (Exception report) within the Office of the MM's									
MM2	Percentage of external audit queries as per the Office of the MM's answered within required time frame	100% 5 AG exception queries received / 5 answered	98% 47 Audit queries received / 46 audit queries answered	Answering 100% of all the Office of the MM's external audit queries (exception report / communications) received from the Auditor-General within the required time frame by 31 December 2023	100% 6 Audit queries received / 6 audit queries answered		-	-	100%	

FINANCIAL, ADMINISTRATIVE AND CAPACITY										
OFFICE OF THE MUNICIPAL MANAGER AND ALL DIRECTORATES										
Outcome 9	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year		
	2021/22	2022/23	Annual Target	Actual Performance						
Financial Management (KPA 2: Municipal Institutional Development and Transformation)										
NR	INDICATOR	MEASURABLE OBJECTIVE:		To ensure an effective external audit process (Exception report) within the directorate						
DT11	Percentage of external audit queries as per directorate answered within required time frame	100% 2 AG exception queries received / 2 answered	100% Nr. of 2 audit queries received / 2 Nr of audit queries answered	100% 3 of audit queries received / 3 of audit queries answered		-	-	100%		
DCS1		100% 5 AG exception queries received / 5 answered	100% 7 AG exception queries received / 7 answered	100% 5 AG exception queries received / 5 answered		-	-	100%		
CFO1		97% 79 AG exception queries received / 77 answered	100% 81 AG exception queries received / 81 answered	70% 40 audit queries received / 28 audit queries answered		Some issues required finances to resolve and due to financial constraints, it cannot be resolved. Poor revenue collection remains an issue. The AG was not satisfied with some answers	Some issues will be resolved in the 2024/25 FY. Poor revenue collection will remain an issue	100%		
DPS1		No AG queries (exception report / communications) received	No AG queries (exception report / communications) received	100% 1 AG exception queries received / 1 audit queries answered		-	-	100%		
DPHS1		100% 3 AG exception queries received / 3 answered	100% 3 of audit queries received / 3 of audit queries answered	100% 1 AG exception queries received / 1 audit queries answered		-	-	100%		

FINANCIAL, ADMINISTRATIVE AND CAPACITY


OFFICE OF THE MUNICIPAL MANAGER AND ALL DIRECTORATES

Outcome 9	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
	2021/22	2022/23	Annual Target	Actual Performance				
Financial Management (KPA 2: Municipal Institutional Development and Transformation)								
NR	INDICATOR	MEASURABLE OBJECTIVE: To ensure an effective external audit process (Exception report) within the directorate						
DCD2	Percentage of external audit queries as per directorate answered within required time frame	100% 1 AG exception queries received / 1 answered	No AG queries (exception report / communications) received	Answering 100% of all the directorate's external audit queries (exception report / communications) received from the Auditor-General within the required time frame by 31 December 2023		-	No AG queries (exception report / communications) received	100%
DLED1		100% 9 AG exception queries received / 9 answered	No AG queries (exception report / communications) received			-	100% 4 audit queries received / 4 audit queries answered	100%

LED / ENABLING ENVIRONMENT

DIRECTORATE: LOCAL ECONOMIC DEVELOPMENT






Local Economic Development (KPA 3: Local Economic Development)




NR	INDICATOR	MEASURABLE OBJECTIVE:		To ensure alignment between LED strategies and NDP Vision 2030 to synergize the communication between the three spheres of government					
LED2	Number of cooperatives and SMME's established / resuscitated in the CoM area	1 Cooperative and 2 SMMEs resuscitated and functional. R149 999 spent	2 Cooperatives and 6 SMME's in the Matlosana area resuscitated and functional. R1 148 211 spent	Establishing / resuscitating 2 functional cooperatives and 4 SMME's in the CoM area by 30 June 2024 R1 000 000	2 Cooperatives and 4 SMMEs appointed on the 8th of March 2024. Coaching and mentoring achieved. Not yet 100% sustainable R817 114 spent		Due to delays with the appointment of Cooperatives and SMMEs (8 March 2024) by SCM, there was no time to ensure that they are 100% sustainable	The office will commence earlier with the SCM processes to avoid late appointment of Cooperatives and SMMEs	4 Cooperatives and 8 SMMEs

FINANCIAL, ADMINISTRATIVE AND CAPACITY

DIRECTORATE BUDGET AND TREASURY

Revenue Management (KPA 4: Municipal Financial Viability & Management)



Outcome 9	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
	2021/22	2022/23	Annual Target	Actual Performance				
NR	MEASURABLE OBJECTIVE: To identify the grants received as revenue to better service delivery							
BUD9	98.43% R649 203 000 received	98.96% R696 706 000 received	Receiving 100% of grants as revenue received per DORA by 31 March 2024	97,14% R764 066 000		Grants received as per DORA Grants with held	Special Adjustment Budget will be submitted	100%
NR	MEASURABLE OBJECTIVE: To control debt management to ensure financial sustainability							
REV1	36.81% R2 439 685 897 outstanding	30,57% R2 398 516 829 outstanding	Having at the most 30% of debtors outstanding of own revenue (gross debtors) by 30 June 2024	29,64% R2 680 884 619 outstanding		More intensive credit control actions		30%
NR	MEASURABLE OBJECTIVE: To control debt management to ensure financial sustainability							
REV2	25.71% R1 704 512 647 collected	21.6% R1 703 349 880 collected	Collecting at least 25% of debt of money owed to the municipality by 30 June 2024	19,52% R1 766 101 930 collected		Confusion and disputes over billing and payment procedures. Disagreement with the quality of service rendered and illegal reconnections	Clear communications with clients regarding payment pay-points. Disputes to be resolved timeously	25%
NR	MEASURABLE OBJECTIVE: To increase Payments Received vs. Monthly Levies (Collection rate of billings)							
REV3	5.89% Increase (From previous 63.4% to 69,29	7.6% Increase from previous 63,4% to 71%	Increasing 2.1% (63,4% to 65.5%) in annual service debtors collection rate by 30 June 2024	3.52% Increase from previous 63,4% to 66,92%		-	-	2.5%
NR	MEASURABLE OBJECTIVE: To increase Payments Received vs. Monthly Levies (Collection rate of billings)							
RM1	104% R349 305 590 collected	102% R356 974 433 collected	Collecting 100% of the budgeted R 242 897 318 for property rates by 30 June 2024	160% R387 633 462 collected		Total to be reviewed as per adjusted GO40.	-	100%

FINANCIAL, ADMINISTRATIVE AND CAPACITY										
DIRECTORATE BUDGET AND TREASURY										
Expenditure Management (KPA 4: Municipal Financial Viability & Management)										
Outcome 9	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year		
	2021/22	2022/23	Annual Target	Actual Performance						
NR	INDICATOR	MEASURABLE OBJECTIVE:								
BUD2	Percentage of operational budget spent on repairs and maintenance	5% R206 162 348 spent	7.3% R291 564 209 spent	Spending 6% of R3 927 624 978 on repairs and maintenance by 30 June 2024 (R235 567 499)	6.23% R245 081 371 spent		-	-	26%	
NR	INDICATOR	MEASURABLE OBJECTIVE:								
BUD3	Rand value of MIG expenditure as a percentage of the annual allocation	104% R97 195 456 spent	56,82% R50 676 776 spent	Spending 75% of R 195 856 548 on the annual MIG expenditure (NDPG, WMIG, EEDSM; INEP; DME & roll-overs included) allocation by 30 June 2024 (R146 892 411)	96,85% R192 057 012 spent		-	-	80%	
NR	INDICATOR	MEASURABLE OBJECTIVE:								
BUD10	Number of section 71 report submitted to National Treasury	12 Electronic version of the section 71 report submitted	12 Electronic version of the section 71 report submitted	Submitting 12 electronic version of the section 71 report to the National Treasury database by 30 June 2024	14 Electronic version of the section 71 report submitted		Budget was re-approved and MIG funding was amended	12 Electronic version of the section 71 report submitted		

FINANCIAL, ADMINISTRATIVE AND CAPACITY

OFFICE OF THE MUNICIPAL MANAGER AND ALL DIRECTORATES




Financial Management (KPA 5: Good Governance and Public Participation)




Outcome 9	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
	2021/22	2022/23	Annual Target	Actual Performance				
	MEASURABLE OBJECTIVE: To ensure that all audit findings related to the Office of the MM's raised in the AG Report and Management Report are assigned, monitored and executed effectively and consistently							
NR	INDICATOR	MEASURABLE OBJECTIVE:						
MM3	Percentage of assigned audit findings related to the Office of the MM's raised in the AG Report and Management Report resolved	80% 2 audit findings received, and 2 findings resolved 100% (2020/21 FY) 5 Assigned audit findings received / 3 assigned audit findings resolved 60% (2021/22 FY) and 11 Assigned audit findings received / 6 assigned audit findings resolved 54% (2022/23 FY)	Resolving 90% of all the Office of the MM's assigned audit findings raised in the 2021/22 and 2022/23 AG Report and Management Report by 30 June 2024 (PAAP)	57% 5 Assigned audit findings received / 3 assigned audit findings resolved 60% (2021/22 FY) and 11 Assigned audit findings received / 6 assigned audit findings resolved 54% (2022/23 FY)		4 related to UIF&W expenditure. The UIF&W expenditure committee not yet established. 1 x finding on the lack of implementation of combined assurance plan by internal audit, but two members of the Audit Committee's contracts has expired in March 2024 (no quorum) and the plan was not yet approved	CoGTA to be requested to assist with IF&W expenditure and to appoint a committee to assist MPAC to deal with the investigations. Council appointed the additional members in July 2024 on the Audit Committee	90%
NR	INDICATOR	MEASURABLE OBJECTIVE:						
DT12	Percentage of assigned audit findings related to the directorate, raised in the AG Report and Management Report resolved	100% 4 Assigned audit findings received / 4 assigned audit findings resolved (2019/20 FY) 100% 3 Assigned audit findings received / 3 assigned audit findings resolved (2020/21 FY) 100%	Resolving 90% of the directorate's assigned audit findings raised in the 2021/22 and 2022/23 AG Report and Management Report by 30 June 2024 (PAAP)	94% 9 Assigned audit findings received / 9 assigned audit findings resolved (2021/22) 100% and 8 Assigned audit findings received / 7 assigned audit findings resolved (2022/23) 88%		-	-	90%

FINANCIAL, ADMINISTRATIVE AND CAPACITY

OFFICE OF THE MUNICIPAL MANAGER AND ALL DIRECTORATES

Financial Management (KPA 5: Good Governance and Public Participation)




Outcome 9	Previous Financial Years		Annual Target	2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
	2021/22	2022/23		Actual Performance	Actual Performance				
NR	MEASURABLE OBJECTIVE:								
DCS2	Percentage of assigned audit findings related to the directorate, raised in the AG Report and Management Report resolved	70% 6 Assigned audit findings received / 6 assigned audit findings resolved (2019/20) 100% and 4 Assigned audit findings received / 1 assigned audit findings resolved (2020/21) 25%	48% 20 Assigned audit findings received / 9 assigned audit findings resolved (2020/21) 45% and 38 Assigned audit findings received / 19 assigned audit findings resolved (2021/22) 50%	Resolving 90% of the directorate's assigned audit findings raised in the 2021/22 and 2022/23 AG Report and Management Report by 30 June 2024 (PAAP)	9% 18 Assigned audit findings received / 0 assigned audit findings resolved (2021/22) 0% and 17 Assigned audit findings received / 3 assigned audit findings resolved (2022/23) 18%		The findings can only be rectified in the next audit	Management will monitor PAAP on a weekly basis and resolve findings	90%
CFO2	56% 102 Assigned audit findings received / 58 Assigned audit findings resolved (2019/20) (2020/21) FY	35% 86 Assigned audit findings received / 46 assigned audit findings resolved (2020/21) 53% and 81 Assigned audit findings received / 13 assigned audit findings resolved (2021/22) 16%			25% 86 Assigned audit findings received / 36 assigned audit findings resolved (2021/22) FY) 42 % and 34 Assigned audit findings received / 03 assigned audit findings resolved (2022/23 FY) 9%		Management prioritised the critical findings that has the biggest impact on the 2023/24 audit but continues to attend to the other as well	Continuous improvement of systems and controls	90%
DPS2	No assigned audit finding for 2019/20 or 2020/21 received	100% No assigned audit finding for 2020/21 received 1 Assigned audit findings received / 1 assigned audit findings resolved (2021/22 FY)			100% 3 Assigned audit findings received / 3 assigned audit findings resolved (2021/22 FY) and 1 Assigned audit findings received / 1 assigned audit findings resolved (2022/23 FY)		-	-	90%




FINANCIAL, ADMINISTRATIVE AND CAPACITY										
OFFICE OF THE MUNICIPAL MANAGER AND ALL DIRECTORATES										
Financial Management (KPA 5: Good Governance and Public Participation)										
Outcome 9	Previous Financial Years Actual Performance		2022/23		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
	2021/22	2022/23	Annual Target	Actual Performance						
NR	INDICATOR	MEASURABLE OBJECTIVE:								
DPHS2	Percentage of assigned audit findings related to the directorate, raised in the AG Report and Management Report resolved	100% 1 Assigned audit finding for received/ 1 Assigned audit finding resolved (2019/20). No assigned audit finding received for 2020/21	100% No assigned audit finding for 2020/21 received 1 Assigned audit findings received / 1 assigned audit findings resolved (2021/22 FY)	Resolving 90% of the directorate's assigned audit findings raised in the 2021/22 and 2022/23 AG Report and Management Report by 30 June 2024 (PAAP)		No assigned audit finding received for 2020/21 and 2022/23			-	90%
DCD2	1 Assigned audit finding for received/ 1 Assigned audit finding resolved (2019/20). No assigned audit finding received for 2020/21	100% 1 Assigned audit finding for received/ 1 Assigned audit finding resolved (2019/20). No assigned audit finding received for 2020/21	No assigned audit finding for 2020/21 or 2021/22 received			No assigned audit finding received for 2020/21 and 2022/23			-	90%
DLED2	31% 2 Assigned audit findings received / 2 assigned audit findings resolved 100% (2019/20 FY) and 11 Assigned audit findings received / 2 assigned audit findings resolved 18% (2020/21 FY)	30% 12 Assigned audit findings received / 2 assigned audit findings resolved 16% (2020/21 FY) and 9 Assigned audit findings received / 4 assigned audit findings resolved % (2021/22 FY)			80% 5 Assigned audit findings received / 3 assigned audit findings resolved (2021/22 FY) 60% and 2 Assigned audit findings received / 2 of assigned audit findings resolved (2022/23 FY) 100%			Material irregularity of Fresh Produce Market still ongoing		




FINANCIAL, ADMINISTRATIVE AND CAPACITY

DIRECTORATE BUDGET AND TREASURY

Financial Management (KPA 5: Good Governance and Public Participation)

Outcome 9	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
	2021/22	2022/23	Annual Target	Actual Performance				
NR	MEASURABLE OBJECTIVE: To submit the 2022/23 Financial Statements on time to comply with legislation							
CFO7	2020/21 Financial Statements submitted to the AG on 06/10/2021	2020/21 Financial Statements submitted to the Auditor-General on 31/08/2022	Submitting the 2022/23 financial statements to the Auditor-General by 31 August 2023	2022/23 Financial Statements submitted to the Auditor-General by 31 August 2023		-	-	2023/24 Financial Statements submitted to the Auditor-General by 31 August 2024
NR	MEASURABLE OBJECTIVE: To approve the 2024/25 Budget planning process to comply with legislation							
BUD4	2022/23 Budget Process Plan was tabled in Council. CC87/21 dated 06/10/2021	2023/24 Budget Process Plan tabled. CC141/2022 dated 30/08/2022	Tabling the 2024/25 budget planning process timetable by 31 August 2023	2024/25 Budget Process Plan tabled. CC148/2023 dated 29/08/2023		-	-	2025/26 Budget Process Plan tabled by 31 August 2024
NR	MEASURABLE OBJECTIVE: To approve the final 2024/25 budget to comply with legislation							
BUD6	Final 2022/23 Budget approved. CC88/2022 dated 15/06/2022	2023/24 Budget approved by Council. CC 77/2023 dated 31/05/2023	Approving the final 2024/25 budget in Council by 31 May 2024	2024/25 Budget approved by Council. CC114/2024 dated 25/06/2024		The Budget was approved on 24 May 2024. However, the DA question the approval as there was not a 50% majority. Therefore, it was re approved on 25/06/202	No remedial acting required from administration. The Speaker must ensure the correct majority when approving budget items	2025/26 Budget approved in Council by 31 May 2025




FINANCIAL, ADMINISTRATIVE AND CAPACITY											
DIRECTORATE BUDGET AND TREASURY											
Financial Management (KPA 5: Good Governance and Public Participation)											
Outcome 9	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year			
	2021/22	2022/23	Annual Target	Actual Performance							
NR	INDICATOR	MEASURABLE OBJECTIVE: To approve the 2024/25 Budget related policies to comply with legislation									
BUD7	2024/25 Budget related policies approved	Final 2022/23 Budget policies & tariffs approved. CC388/2022 dated 15/06/2022	Final 2023/24 Budget Policies & Tariffs approved by Council. CC 77/2023 dated 31/05/2023	Approving the final 2024/25 budget related policies and tariffs in Council by 31 May 2024	Final 2024/25 Budget policies & tariffs approved by Council. CC114/2024 dated 25/06/2024		The Budget was approved on 24 May 2024. However, the DA question the approval as there was not a 50% majority. Therefore, it was re-approved on 25/06/2024	No remedial action required from administration. The Speaker must ensure the correct majority when approving budget items	Final 2025/26 Budget policies & tariffs approved in Council by 31 May 2025		
NR	INDICATOR	MEASURABLE OBJECTIVE: To approve the 2023/24 Adjustment Budget to comply with legislation									
BUD8	2023/24 Adjustment Budget approved	2021/22 Adjustment Budget approved CC36/2022 dated 18/03/2022	2022/23 Adjustment Budget approved by Council. CC25/2023 dated 28/02/2023	Approving the 2023/24 adjustment budget in Council by 29 February 2024	2023/24 Adjustment Budget approved. CC26/2024 dated 28/02/2024		-	-	2024/25 Adjustment Budget approved in Council by 28 February 2025		
NR	INDICATOR	MEASURABLE OBJECTIVE: To implement a Supply Chain Management policy to comply with legislation									
SCM7	Number of SCM reports submitted to Council on the SCM policy implementation	3 Reports submitted to Council	5 Reports submitted to Council	Submitting 4 quarterly reports on the implementation of SCM policy to council by 30 June 2024	4 Reports submitted to Council		-	-	4 Reports submitted to Council		

FINANCIAL, ADMINISTRATIVE AND CAPACITY									
DIRECTORATE PLANNING AND HUMAN SETTLEMENTS									
Disputes (KPA 5: Good Governance and Public Participation)									
Outcome 9	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year	
	2021/22	2022/23	Annual Target	Actual Performance					
NR	INDICATOR	MEASURABLE OBJECTIVE:	To resolve housing disputes to provide basic municipal housing services and to curb financial losses						
HOU4	Percentage of housing disputes resolved in the CoM area	100% 19 Housing disputes received / 19 disputes resolved	100% 21 Housing disputes received / 21 disputes resolved	Resolving 100% of all housing disputes in the Matlosana area by June 2024	100% 24 Housing disputes received / 24 disputes resolved		-	100%	
PERFORMANCE MANAGEMENT AND INTEGRATED DEVELOPMENT PLANNING									
OFFICE OF THE MUNICIPAL MANAGER									
Performance Management (KPA 5: Good Governance and Public Participation)									
NR	INDICATOR	MEASURABLE OBJECTIVE:	To table the 2022/23 Audited Annual Report to comply with section 121 of MFMA						
PMS3	Audited 2022/23 Annual Reports tabled before Council	2020/21 Audited Annual Report tabled. CC37/2022 dated 18/03/2022	2021/22 Audited Annual Report tabled in Council. CC9/2023 dated 31/01/2023	Tabling the Audited 2022/23 Annual Report before Council by 31 January 2024	2022/23 Audited Annual Report tabled in Council. CC17/2024 dated 31/01/2024		-	2023/24 Audited Annual Report tabled in Council	
NR	INDICATOR	MEASURABLE OBJECTIVE:	To approve the final 2024/25 SDBIP to ensure compliance with legislation						
PMS6	Final 2024/25 SDBIP approved by Executive Mayor	Final 2022/23 SDBIP approved. MM18/2022 dated 30/06/2022. EM5/2021 dated 30/06/2022	Final 2023/24 SDBIP approved by the Executive Mayor. MM142/2023 dated 13/06/2023. EM10/2023 dated 20/06/2023. CC114/2023 dated 12/07/2023	Approving the final 2024/25 SDBIP by Executive Mayor (28 days after approval of budget) by 30 June 2024	Final 2024/25 SDBIP approved by the Executive Mayor. MM161/2024 dated 06/06/2024. EM4/2024 dated 20/06/2024		-	Final 2025/26 SDBIP approved by the Executive Mayor	

PERFORMANCE MANAGEMENT AND INTEGRATED DEVELOPMENT PLANNING

OFFICE OF THE MUNICIPAL MANAGER


Integrated Development Planning (KPA 5: Good Governance and Public Participation)

Outcome 9	Previous Financial Years		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
	Actual Performance		Actual Performance					
	2021/22	2022/23	Annual Target	Actual Performance				
NR	MEASURABLE OBJECTIVE: To give effect to the amended 2024/25 IDP Process Plan							
IDP1	Amended 2024/25 IDP Process Plan tabled in Council	2022/23 IDP Process Plan tabled in Council. CC87/2021 dated 06/10/2021	Amended 2023/24 Process Plan tabled in Council. CC-14/1/2022 dated 30/8/2022	Tabling the amended 2024/25 IDP Process Plan in Council by 31 August 2023	Amended 2024/25 IDP Process Plan tabled in Council. CC 148/2023 dated 29/8/2023		-	Amended 2025/26 IDP Process Plan tabled in Council
NR	MEASURABLE OBJECTIVE: To invite public comments after the tabling of the draft IDP to comply with legislation and to obtain inputs from the community							
IDP5	Public comments invited by Council after tabling of the draft 2024/25 Amended IDP	Public comments invited on 25 March 2022 in Klerksdorp Record newspaper	Public comments invited 07/04/2023	Inviting public comments after the tabling of the draft 2024/25 Amended IDP for inputs from the community by 30 April 2024	Public comments invited 02/04/2024		-	Public comments invited
NR	MEASURABLE OBJECTIVE: To approve the 2024/25 Amended IDP to comply with legislation							
IDP6	Final 2024/25 Amended IDP approved by Council	Final 2022/23 Revised IDP approved by Council. CC86/2022 dated 15/06/2022	Final 2023/24 Amended IDP approved by Council. CC 78/2023 on 31/05/2023	Approving the final 2024/25 Amended IDP by Council by 31 May 2024	Final 2024/25 Amended IDP approved by Council. CC102/2024 dated 24/05/2024		-	Final 2025/26 Amended IDP approved by Council by 31 May 2025

PERFORMANCE MANAGEMENT AND INTEGRATED DEVELOPMENT PLANNING

OFFICE OF THE MUNICIPAL MANAGER


Reduce Corruption (KPA 5: Good Governance and Public Participation)

Outcome 9	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
	2021/22	2022/23	Annual Target	Actual Performance				
NR	MEASURABLE OBJECTIVE: To table the 2022/23 Oversight Report to comply with s. 129(1) of the MFMA							
MPAC4	2020/21 Oversight Report tabled before Council: CC90/2022 dated 15/6/2022	2021/2022 Oversight Report tabled in Council. CC 56/2023 dated 21/04/2023	Tabling the 2022/23 Oversight Report before Council by 31 March 2024	Not achieved		MPAC Interviews postponed till further notice due to the resignation of the Executive Mayor and dissolution of the members of the Mayoral committee	Report will be tabled during the 1st quarter of the 2024/25 FY	2023/24 Oversight Report tabled

LABOUR RELATIONS




OFFICE OF THE MUNICIPAL MANAGER



Good Governance (KPA 5: Good Governance and Public Participation)



MEASURABLE OBJECTIVE:		To sign the 2024/25 Performance Agreements to comply with legislation						
NR	INDICATOR	MEASURABLE OBJECTIVE:						
PMS7	Number of 2024/25 Performance Agreements with section 54A and 56 employees signed	8 x 2022/23 Performance Agreements approved. MM18/1/2022 dated 30/06/2022. EM5/2021 dated 30/06/2022	Eight 2023/24 Performance Agreements signed with section 54A & 56 employees	Signing 8 x 2024/25 Performance Agreements with section 54A & 56 employees by 30 June 2024	Eight 2024/25 Performance Agreements signed with section 54A & 56 employees. MM161/2024 dated 06/06/2024. EM4/2024 dated 20/06/2024		-	Signing 8 x 2025/26 Performance Agreements with section 54A & 56 employees

13

National Key Performance Indicators

DIRECTORATE LOCAL ECONOMIC DEVELOPMENT										
KEY PERFORMANCE AREA 3: LOCAL ECONOMIC DEVELOPMENT										
SECTION: LOCAL ECONOMIC DEVELOPMENT										
National Key Performance Indicator	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year		
	2021/22	2022/23	Annual Target	Actual Performance						
NR	MEASURABLE OBJECTIVE: To provide an enabling environment to create jobs through the local economic development activities to reduce unemployment									
LED1	102 Permanent / sustainable jobs which exceed 3 months created	102 Permanent / sustainable jobs which exceed 3 months created	Creating 60 permanent / sustainable jobs through the Municipality's local economic development initiatives and enabling environment, which exceed 3 months, including capital projects by 30 June 2024	0 Permanent / sustainable jobs created		Due to the poor economy and vandalism at project sites, no additional jobs can be created	Create a conducive environment for investor through establishing a Business Chamber of Commerce	1 Job		
DIRECTORATE CORPORATE SUPPORT										
KEY PERFORMANCE AREA 4: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT										
SECTION: SKILLS DEVELOPMENT										
NR	MEASURABLE OBJECTIVE: To spend a percentage of municipality's budget on implementing its workplace skill plan									
SKIL1	Rand value spent on Skills Development (Training) expenditure for 2024/25	R1 284 039 spent	R1 795 678 spent	Spending 100% of allocated R2 000 000 on Skills Development (Training) for 2024/25 by 30 June 2024	R3 161 699 spent		More training legislative arranged	R2 000 000 spent		
NR	MEASURABLE OBJECTIVE: To obtain revenue from a mandatory grant from SETA Training Income/Rec of municipality's budget on implementing its workplace skill plan									
SKIL2	Rand value income received from SETA Training Income/Rec for 2023/2024	R1 077 582 received	R2 561 218 received	Receiving a mandatory grant of R2 020 000 from SETA Training Income/Rec for 2023/24 by 30 June 2024	R2 941 346 received		LGSETA uses its discretion when disbursing grants based on Municipality's quality of WSP & ATR and implementation of programmes	R1 000 000 collected		






DIRECTORATE TECHNICAL AND INFRASTRUCTURE									
KEY PERFORMANCE AREA 4: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT									
SECTION: WATER SERVICES									
National Key Performance Indicator		Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
		2021/22	2022/23	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE: To provide basic municipal services in the CoM area							
WAT1	Percentage of households in the CoM area provided with access to basic level of water	99% 183 834 Hh with access / 1 020 Hh below minimum level	99% 182 382 Hh with access / 1 021 Hh below minimum level	Providing at least 92% of households in the CoM area with access to basic level of water by 30 June 2024	94% 123 902 Hh with access / 7 531 Hh below minimum level		-	-	94%
SECTION: SANITATION SERVICES	INDICATOR	MEASURABLE OBJECTIVE: To provide basic municipal services in the CoM area							
SAN1	Percentage of households in the CoM area provided with access to basic level of sanitation in the CoM area	92.7% 171 328 Hh with access / 13 526 Hh below minimum level	94% 171 437 Hh with access / 11 966 Hh below minimum level	Providing at least 92% of households in the CoM area with access to basic level of sanitation by 30 June 2024	94.5% 124 234 Hh with access / 7 199 Hh below minimum level		-	-	92%

DIRECTORATE TECHNICAL AND INFRASTRUCTURE											
KEY PERFORMANCE AREA 4: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT											
SECTION: ELECTRICAL SERVICES											
National Key Performance Indicator	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year			
	2021/22	2022/23	Annual Target	Actual Performance							
NR	INDICATOR	MEASURABLE OBJECTIVE: To provide basic municipal services in the CoM area									
ELE1	Percentage of households in the CoM area provided with access to basic level of electricity	92% 170 537 Hh with access / 14 317 Hh below minimum level	93% 170 652 Hh with access / 12 751 Hh below minimum level	Providing at least 87% of households in the CoM area with access to basic level of electricity by 30 June 2024	89% 117 197 Hh with access / 14236 Hh below minimum level		-	-	89%		
SECTION: REFUSE REMOVAL SERVICES											
NR	INDICATOR	MEASURABLE OBJECTIVE: To provide basic municipal services in the CoM area									
REF1	Percentage of households in the CoM area provided with access to basic level of refuse removal	92% 170 798 Hh with access to refuse removal / 14 056 Hh below minimum level	93% 170 985 Hh with access to refuse removal / 12 418 Hh below minimum level	Providing at least 87% of households in the CoM area with access to basic level of refuse removal by 30 June 2024	89% 117 463 Hh with access to refuse removal / 13 970 Hh without access to refuse removal		-	-	89%		

DIRECTORATE BUDGET AND TREASURY

KEY PERFORMANCE AREA 4: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT

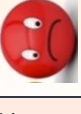

SECTION: REVENUE MANAGEMENT

National Key Performance Indicator	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
	2021/22	2022/23	Annual Target	Actual Performance				
NR	MEASURABLE OBJECTIVE: Indigent Subsidy for Free Basic Services allocations to comply with legislation							
REV4	Rand value spend on free basic services R206 774 602 spent	R140 342 008 spent	Spending R236 182 806 on free basic services by 30 June 2024 - (Account Holders)	R199 237 367 spent		Limited awareness by Councilors for indigent consumers to come and apply	Councilors are encouraged to mobilise community members to apply for indigent subsidy when they qualify	R233 490 179
REV5	22 886 Approved households with free basic services (indigents)	16 073 Approved households with free basic services	Approving at least 20 000 households with free basic services (indigents) by 30 June 2024	20 615 Approved households with free basic services		Indigent section together with ward councilors and speakers' office are continuously working on the registration campaign in different wards to reach more indigent applications		25 000 Approved households
REV6	Percentage of households registered earning less than R4 190 per month	20.36%	Registering at least 20% of households earning less than R4 190 per month by 30 June 2024 - (vs. total active accounts).	17,76%		Limited awareness by Councilors for indigent consumers to come and apply	Councilors are encouraged to mobilise community members to apply for indigent subsidy when they qualify	20%
REV7	Rand value spend on free basic alternative services	R49 445 614 spent	Spending R72 700 916 on free basic alternative services by 30 June 2024	R58 134 016 spent		Less is proved to be approved	Councilors are encouraged to mobilise community members to apply for free basic alternative energy when they qualify	R20 000 000
REV8	Number of households with free basic alternative energy approved (indigents)	15 329 Approved households with free basic alternative energy	Approving at least 15 000 households with free basic alternative energy (indigents) by 30 June 2023	17 609 Approved households with FBAE		More consumers that were on FBAE are now electrified and this has reduced the number	Councilors are encouraged to mobilise community members to apply for free basic alternative energy when they qualify	17 000 Approved households

DIRECTORATE BUDGET AND TREASURY

KEY PERFORMANCE AREA 4: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT



SECTION: BUDGET AND TREASURY OFFICE



National Key Performance Indicator	Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
	2021/22	2022/23	Annual Target	Actual Performance				
NR	MEASURABLE OBJECTIVE: To control expenditure management to ensure financial sustainability							
BUD1	77% R174 996 503 spent	51% R104 307 269 spent	Spending 80% of planned R216 856 548 by 30 June 2024 (R173 485 238)	72,19% R156 549 300 spent		Insufficient budget, contractor terminated due to poor performance and delays in appointments by SCM	Speed up SCM process on appointments	80% of R236 250 000 (R189 000 000)
NR	MEASURABLE OBJECTIVE: Financial Viability expressed							
CFO8	0.24:1	0.11:1	Calculating the cost coverage ratio at 1:1 for 2023/24 by 30 June 2024 A=(B+C)/D Where: "A" represents cost coverage "B" represents all available cash at a particular time "C" represents investments "D" represents monthly fixed operating expenditure	0.18:1		The Cost Coverage is unfavourable due to low collection and creditors	Financial Recovery Plan activities are implemented over and above the credit control measures to improve the cash flow challenges	1:1

DIRECTORATE BUDGET AND TREASURY

KEY PERFORMANCE AREA 4: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT

SECTION: BUDGET AND TREASURY OFFICE

National Key Performance Indicator		Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
		2021/22	2022/23	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE:							
CFO9	Ratio for Debt coverage for 2023/24	298:1	254:1	Calculating the debt coverage ratio at 60:1 for 2023/24 by 30 June 2024 A=(B-C) / D Where: "A" represents debt coverage "B" represents total operating revenue received "C" represents operating grants "D" represents debt service payments (i.e. interest + redemption) due within the financial year	278.94:1		New loans can only be considered if the costing indicates that it could be advantageous to finance a project		60:1
NR	INDICATOR	MEASURABLE OBJECTIVE:							
CFO10	Percentage of Outstanding Service Debtors to Revenue ratio for 2023/24	233%	264%	Calculating the outstanding service debtors to revenue ratio at 150% for 2023/24 by 30 June 2024 A=B/C Where: "A" represents outstanding service debtors to revenue "B" represents total outstanding service debtors "C" represents annual revenue received for services	283%		Debtors accruing due to non-payment	Debt collection should be improved, and irrecoverable debt should be written off	150%

OFFICE OF THE MUNICIPAL MANAGER									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: PERFORMANCE MANAGEMENT									
National Key Performance Indicator		Previous Financial Years Actual Performance		2023/24 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2024/25 Financial Year
		2021/22	2022/23	Annual Target	Actual Performance				
NR	INDICATOR	The number of people from employment equity target groups employed in the first three highest levels of management							
PMS8	Number of male employees on the first three highest levels of management	29 Male employees Black - 25 White - 2 Coloured - 1 Indian - 1	30 Male employees employed Black - 26 White - 2 Coloured - 1 Indian - 1	Employing 30 male employees on the first three highest levels of management by 30 June 2024 (Excluding section 54A and 56 employees)	32 Male employees employed Black - 28 White - 2 Coloured - 1 Indian - 1		-	-	30 Male employees employed
NR	INDICATOR	The number of people from employment equity target groups employed in the first three highest levels of management							
PMS9	Number of female employees on the first three highest levels of management	9 Female employees Black - 8 White - 1 Coloured - 0 Indian - 0	10 Female employees employed Black - 9 White - 1 Coloured - 0 Indian - 0	Employing 10 female employees on the first three highest levels of management by 30 June 2024 (Excluding section 54A and 56 employees)	10 Female employees employed Black - 9 White - 1 Coloured - 0 Indian - 0		-	-	11 Female employees employed

14. REPORT OF THE AUDIT COMMITTEE

CITY OF MATLOSANA LOCAL MUNICIPALITY AUDIT COMMITTEE (AC) REPORT ON ANNUAL PERFORMANCE REPORT FOR PERIOD ENDED 30 JUNE 2024

1. AUDIT COMMITTEE FIDUCIARY DUTIES

We are pleased to present our report for the financial year ended 30 June 2024. The report is signed by the current acting chair who assumed office on the 13 August 2024. The contents of this report were considered by the two members namely Ms. P. Mangoma and Mr. S. Simelane who were members of the Audit Committee for the period under review and approved.

In terms of Section 166 of the Municipal Finance Management Act (No. 56 of 2003), the Audit Committee must:

- (a) advise the Municipal Council, the political office-bearers, the Accounting Officer and the management staff of the municipality on matters relating to:-
 - (i) Internal financial controls and internal audit;
 - (ii) Risk management;
 - (iii) Accounting policies;
 - (iv) The adequacy, reliability and accuracy of financial reporting and information;
 - (v) Performance management;
 - (vi) Effective governance;
 - (vii) Compliance with the MFMA, the DORA and any other applicable legislation;
 - (viii) Performance evaluation; and
 - (ix) Any other issues referred to it by the municipality
- (b) review the annual financial statements to provide the council of the municipality with an authoritative and credible view of the financial position of the municipality, its effectiveness and its overall level of compliance with the MFMA, the DORA and any other applicable legislation;
- (c) respond to the Council on any issues raised by the Auditor-General in the audit report;
- (d) carry out such investigations into the financial affairs of the municipality as the council of the municipality may request;
- (e) perform such other functions as may be prescribed

The principles of King IV Report, customised to municipal environment also advise that the Audit Committee should:

- 3.5 ensure that a combined assurance model is applied to provide a coordinated approach to all assurance activities;
- 3.6 satisfy itself of the expertise, resources and experience of the municipality's finance function;
- 3.7 be responsible for overseeing of internal audit; and
- 3.8 be an integral component of the risk management process

2. PURPOSE

The Audit Committee reports that it has complied with its responsibilities arising from Section 166 of the Municipal Finance Management Act and Circular 65 issued by National Treasury. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter 2023/2024, and it has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

3. ATTENDANCE OF AC MEETING

The Audit Committee, consisting of independent outside members, meets at least four times per annum as per its approved terms of reference, although additional special meetings may be called as the need arises.

The Audit Committee did not attend all the meeting scheduled as the term of the previous committee lapsed on the 31 March 2024 and a new committee was appointed in July 2024.

4. EFFECTIVENESS OF INTERNAL CONTROL

Our review of the internal control environment revealed that there has been a room for improvement in the system of internal control of the municipality and reducing the matters of emphasis paragraph contained in the municipality audit report. Furthermore, there are several deficiencies in the system of internal controls identified and reported by both the Internal Auditors and the Auditor-General in their reports. However, the Audit Committee noted Management's commitment and action plan to correct deficiencies throughout the financial year.

5. IN-YEAR MANAGEMENT AND MONTHLY / QUARTERLY REPORTING

The municipality has monthly and quarterly reporting system to the Council as required by the Municipal Finance Management Act (MFMA). Monitoring and reviews of performance information were done periodically in the year under review. The Internal Audit quality assurance review and auditing of performance information was performed throughout the year.

6. RISK MANAGEMENT

The Audit Committee is of the opinion that municipality's risk management has improved for the better of the year, and the municipality did implement a comprehensive risk management strategy and related policies. Management has however established Risk Management Committee to assist in the strengthening of sound and effective approach in developing strategic risk management plans and there is a sense of appreciation of the impact of the municipality's risk management framework on the control environment. There is a room for improvement in so far as risk monitoring and fraud prevention.

7. COMPLIANCE WITH LAWS AND REGULATIONS

Several non-compliance with the enabling laws and regulations were identified during the year. Thus far there is a room for improvement in so far as establishing an effective system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of non-compliance. The Audit Committee recommended that Management should develop a compliance management system that includes the following amongst others:

- ⌘ development of compliance management policy and compile the compliance universe.
- ⌘ consider using the internal resources to coordinate the activities of the compliance officer i.e. Risk Manager to be considered to assist Management with reports to be presented to The Audit Committee for oversight.

8. INTERNAL FINANCIAL CONTROLS AND INTERNAL AUDIT

The Audit Committee is satisfied with the effectiveness of Internal Audit and recommends that Management and Council should capacitate this unit. The above conclusion is based on:

- ⌘ Timeous approval the internal audit charter, strategic and operational plans, internal audit activities, staffing (including competence and qualifications), and organizational structure of the Internal Audit Unit;
- ⌘ Satisfactorily implementation of the approved the annual internal audit plan and all major changes to the plan.
- ⌘ There were no unjustified restrictions or limitations on work of the internal audit.
- ⌘ Compliance with the IIA's international standards for the professional practice by Internal Auditing unit
- ⌘ Partial implementation of remedial action plan on internal audit findings by management. The Internal Auditors to be provided training on ethics as that has now become compulsory for all registered members of the Institute of Internal Auditors South Africa.
- ⌘ Improved implementation of the Continuous Professional Development for Auditors.

9. EXTERNAL AUDIT

- 9.1 The Audit Committee did review the Auditor-General 's proposed audit scope and approach, including coordination of audit effort with internal audit in respect of 2022/23 financial year; and during 2023/24 AGSA was invited to Audit Committee meetings on a regular basis, to discuss any matters that the committee or auditors believe should be discussed privately during in-committee.
- 9.2 The Audit Committee evaluated management responses to the reports or findings of the Auditor-General (Action plan to address prior year findings) on a quarterly basis and gave input and advice on how best to address the findings raised by the AGSA.
- 9.3 The Audit Committee interacted with Final Audit and Management Letter issued by AGSA.
- 9.4 The Post Audit Action Plan was developed and presented to the Audit Committee during the 04th Quarter of the financial year for noting and monitoring of the implementation of corrective measures. There is still room for improvement regarding the timeous implementation of the Management's action plans on a web-based Action Plan.

10. FINANCIAL PERFORMANCE

The Audit Committee reviewed the quality, accuracy, usefulness, reliability and appropriateness of monthly, quarterly and annual financial reporting and observed that there is a serious room for improvement in so far as compliance with section 122 of the MFMA and management's review and monitoring of financial reports.

The Audit Committee considered the quarterly finance report during the financial year recommended as follows:

- ⌘ Management should develop an audit action plan to address the under-performance (revenue collection and creditors payments) /overall implementation of revenue enhancement strategy.
- ⌘ Data cleansing should be conducted.
- ⌘ Accounting Officer Investigations on the prohibited expenditures be shared with the Audit Committee that includes the deviations incurred that could end up being irregular expenditures and be presented to relevant stakeholders including AGSA.
- ⌘ Finance reports should be audited monthly by risk and internal audit.
- ⌘ Disciplinary board matters be fast-tracked as the board experienced a delay in submission of supporting information for the cases reported to the Board.

11. PERFORMANCE MANAGEMENT

The Audit Committee reviewed functionality of the performance management system, and it appears to be functional, however there is a room for improvement in so far as achievement of planned targets is concerned and submission of portfolio of evidence timeously i.e.

- ⊗ A few POE does not align with KPI
- ⊗ From time to time no measures to improve targets

Management should develop an action plan to address the under-performance. Performance evaluation of Senior Managers for 2022/23 financial year was concluded in line with the PMS framework / policy.

12. LITIGATIONS

The Audit Committee noted that the municipality is a defendant in several claims, and they are opposing some of these claims. The ultimate outcome of these matters cannot presently be determined due to the nature of these litigations, the majority of which are outstanding for a long period. However, there is room for improvement in so far as monitoring and evaluations of legal service providers.

13. CONSEQUENCE MANAGEMENT FRAMEWORK

Council to foster and integrate the culture of accountability in the municipality. The Audit Committee recommends development and implementation of a consequence management framework.

14. IMPLEMENTATION OF AUDIT COMMITTEE RECOMMENDATIONS BY MANAGEMENT

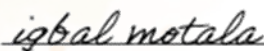
A material number of Audit Committee recommendations to Management were implemented. There is still room for improvement in this regard.

15. LEADERSHIP

The Municipal Council did provide somewhat effective leadership based on a culture of honesty and good governance. However, there is room for improvement in so far as Management's oversight on the Financial Statements, Performance Reporting and Compliance with Laws and Regulations governing the Municipality.

16. CONCLUSION

The Audit Committee wishes to acknowledge the commitment from Council, Municipal Manager, Management and Staff of the Municipality. We would also like to thank the Speaker and Executive Mayor for their support, Councillors, Senior Management for their efforts and Internal Audit and Performance Management for their contributions towards good governance of the municipality.



M.A. Motala

Acting Chairperson: City of Matlosana Local Municipality Audit Committee

31 August 2024

Chapter 4



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

INTRODUCTION

In terms of the approved top structure (CC64/2017 dated 21 April 2017), the municipality consists of the Office of the Municipal Manager and seven directorates, namely Corporate Support, Budget and Treasury, Community Development, Public Safety, Local Economic Development, Technical and Infrastructure and Planning and Human Settlements.

Several workshops were conducted since 27 May 2022, to expedite the process plan effectively and efficiently to finalization of the organisational structure as prescribed in the Local Government: Municipal Systems Act, 2000 (Act No: 32 of 2000). Local Government: Municipal Staff Regulations dated 20 September 2021.

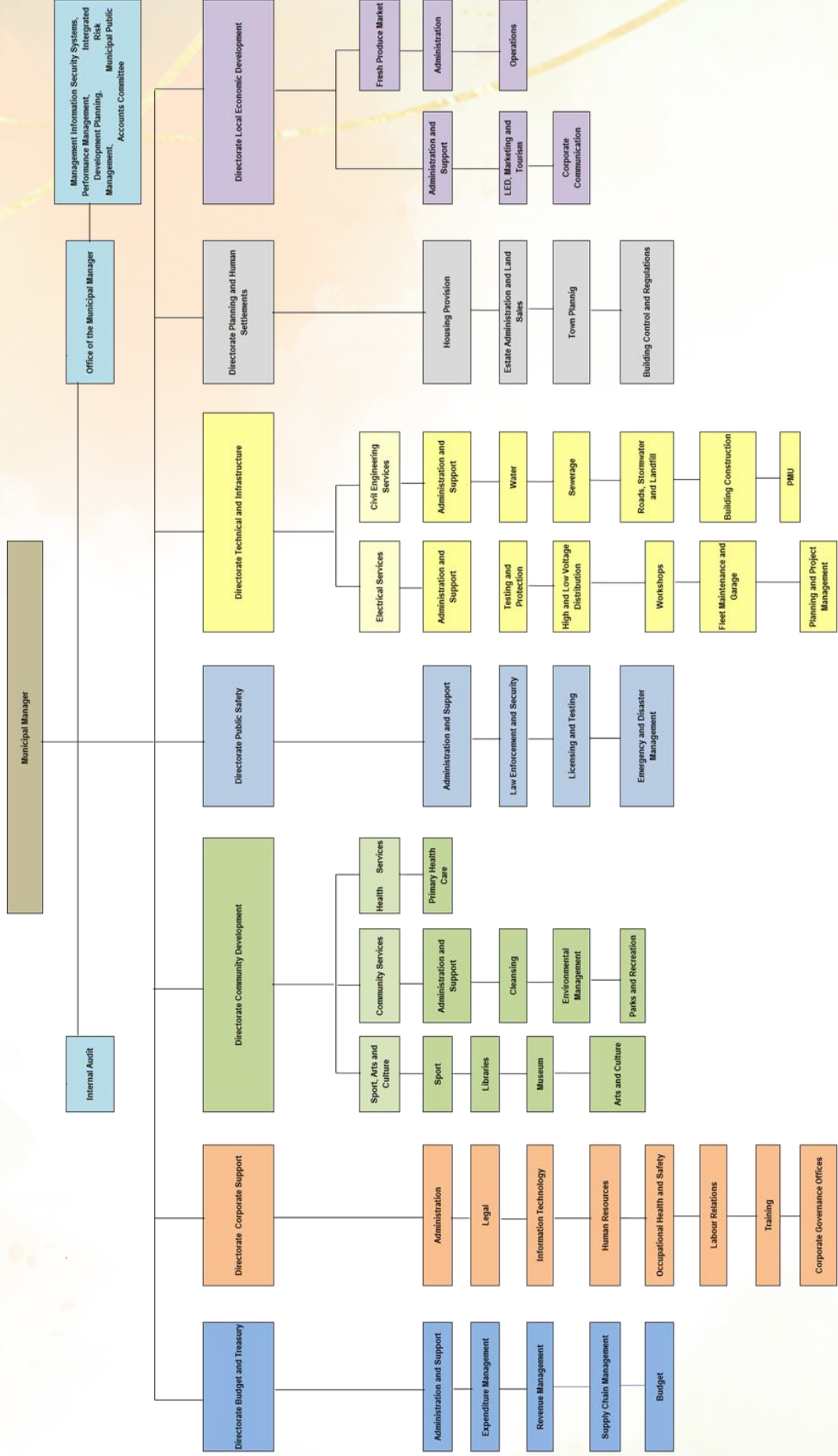
Workshops were conducted on:

- ⌘ 14 – 17 February 2023 – Concerns regarding strategic workshop recommendations were not addressed.
- ⌘ 12 April 2023 – Draft structure with amendments were presented.
- ⌘ 18 May 2023 - Strategic workshop to finalize the organogram.
- ⌘ 12 July 2023 – Submitted to Council, CC120/2023, but referred.
- ⌘ August 2023 – Re-workshopped with suggestions of post name and level corrections and streamlining directorates with the business of the day and to accommodate new extensions.
- ⌘ 22 November 2023 – Presentation of organizational structure
- ⌘ 27 November 2023 – Serve in Council – CC193/2023
- ⌘ 26 March 2024 – Serve in Council again - CC42/2024 – transfers and Local Government approved name changes were approved – revoked later.
- ⌘ 2 July 2024 – Another meeting held – process still ongoing

The City of Matlosana currently has approved personnel complement of 2 548 posts of which 1 850 were filled on 30 June 2024.

The municipality's top structure is as follows:

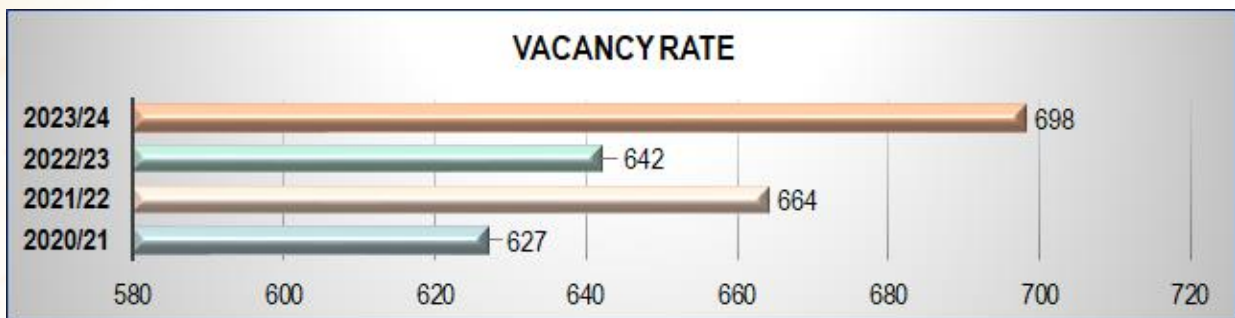
**CITY OF MATLOSANA
OVERHEAD STRUCTURE**



COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 Employee Totals, Turnover and Vacancies

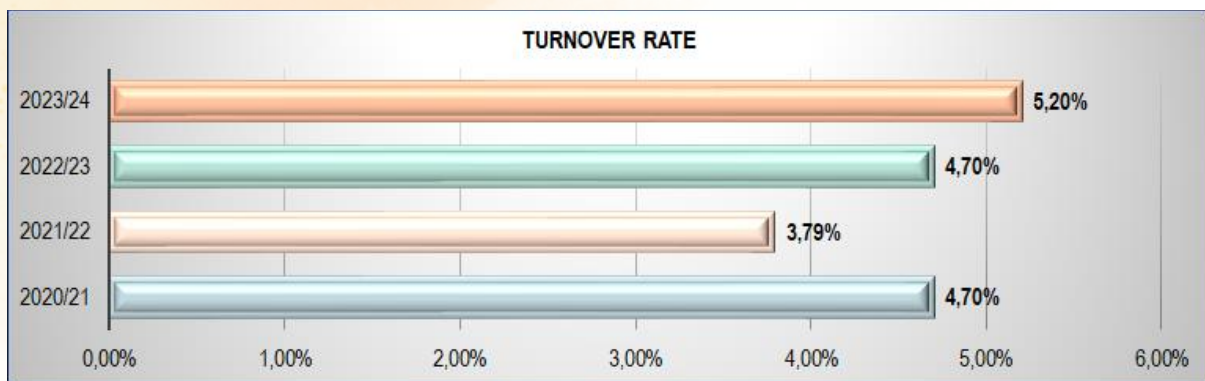
EMPLOYEES					
DESCRIPTION	2022/23	2023/24			
	Employees	Approved Posts	Employees	Number of Vacancies	% of Vacancies
	No	No	No	No	%
Water Services	99	125	97	28	22%
Sanitation Services	174	242	151	91	38%
Electrical and Mechanical Engineering	122	151	117	34	23%
Solid Waste Management Services	209	336	224	112	33%
Human Settlements	18	23	18	5	22%
Roads and Stormwater Drainage	131	183	122	61	33%
Licensing Services	102	127	98	29	23%
Civil Administration, Building Construction and PMU	50	51	37	14	27%
SPLUMA and Land Administration	-	26	24	2	8%
Local Economic Development	14	19	17	2	11%
Fresh Produce Market	25	45	27	18	40%
Libraries and Museum	78	86	78	8	9%
Cemeteries and Aerodrome	54	63	54	9	14%
Parks, Open Spaces, Faan Meintjes and Orkney Vaal	159	219	152	67	31%
Sport and Recreation	82	133	76	57	43%
Occupational Health Centre	8	15	6	9	60%
Traffic, Security, Fire and Disaster Management	206	291	220	71	24%
Strategic and Regulatory (PMS, IDP, IA, MPAC and Risk Management)	17	23	14	9	39%
Corporate Policy Offices and Other	315	390	318	72	18%
TOTAL	1 863	2 548	1 850	698	27%



TURN-OVER RATE: 2023/24				
Year	Total approved posts	New appointments*	Terminations during the financial year**	Turnover rate
2020/21	1 904	30	112	4,70%
2021/22	2 540	97	95	3,79%
2022/23	2 543	96	107	4,70%
2023/24	2 548	116	133	5.20%

* Figures does not include internal appointments

** Figurers includes resignations, retirements, deceased, dismissals, medical board and expired contract



VACANCY RATE: 2023/24			
Designations	Total approved posts	Vacancies (total time that vacancies exist using full-time equivalents)	Vacancies (as a proportion of total posts in each category)
Municipal Manager	1	0	0%
CFO	1	0	0%
Other s56 Managers (excluding Finance posts)	6	0	0%
Other s56 Managers (Finance posts)	0	0	0%
Safety and Security Officers	29	3	10%
Fire fighters	47	1	2%
Senior management: Levels 1 - 3 (excluding Finance posts)	39	2	5%
Senior management: Levels 1 - 3 (Finance posts)	6	0	0%
Highly skilled supervision: levels 4 - 6 (excluding Finance posts)	115	21	18%
Highly skilled supervision: levels 4 - 6 (Finance posts)	22	4	11%
TOTAL	266	31	11.7%

COMMENTS ON VACANCIES AND TURNOVER

The overall vacancy rate at the close of the financial year was 27%, which is 2% higher than 2022/23. The filling of vacancies remains a challenge due to the financial situation of the municipality. Vacant critical positions are however being given priority for filling.

The turnover rate for 2023/24 is at 5.2% which represents 116 new personnel appointments and 133 personnel terminations. The number seems higher than 2022/23, but the change in the Executive Mayoral position had a direct impact on the officials appointed in terms of “term of Executive Mayor”.

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE**INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT**

The City of Matlosana acknowledges that its most important assets are its employees. The onus therefore is on the municipality to ensure that these assets are developed, maintained and motivated to ensure that the municipal workforce services are sustained.

This is achieved through proper human resource processes and procedures aligned to Section 67 of the Municipal Systems Act (Act 32 of 2000) as amended which ensures compliance with the development and adoption of appropriate systems and procedures to ensure fair, efficient, effective and transparent personnel administration.

Municipal workforce management is achieved through the HR Strategy, adherence to and compliance with applicable legislation and reviewing policies, procedures and processes aimed at regulating the workplace.

4.2 Policies

HR AND OTHER POLICIES AND PLANS: 2023/24				
NAME OF POLICY		COMPLETED	REVIEWED	DATE ADOPTED BY COUNCIL
		%	%	
1	Affirmative Action			
2	Attraction and Retention	100%	100%	04 September 2012
3	Code of Conduct for employees	100%	100%	25 September 2013
4	Delegations, Authorisation and Responsibility	100%	100%	05 February 2009
5	Disciplinary Code and Procedures	100%	100%	04 September 2012
6	Essential Services			
7	Employee Assistance / Wellness	100%	100%	25 September 2013
8	Employment Equity	100%	100%	25 September 2013
9	Exit Management			
10	Grievance Procedures	100%	100%	29 November 2012
11	HIV/Aids	100%	100%	04 September 2012
12	Human Resource and Development			
13	Information Technology	100%	100%	25 July 2023
14	Job Evaluation	100%	N/A	05 July 2016
15	Leave	100%	100%	29 November 2012

HR AND OTHER POLICIES AND PLANS: 2023/24				
NAME OF POLICY		COMPLETED	REVIEWED	DATE ADOPTED BY COUNCIL
		%	%	
16	Occupational Health and Safety	100%	100%	4 September 2012
17	Official Housing			
18	Official Journeys	100%	100%	29 November 2012
19	Official Transport to attend Funerals	100%	100%	04 September 2012
20	Official Working Hours	100%	100%	28 February 2023
21	Organisational Rights	100%	100%	25 September 2013
22	Payroll Deductions			
23	Performance Management	100%	100%	24 May 2024
24	Recruitment, Selection and Appointments	100%	90%	28 February 2023
25	Remuneration Scales and Allowances			
26	Resettlement			
27	Sexual Harassment	100%	100%	04 September 2012
28	Skills Development	100%	100%	28 February 2023
29	Smoking	100%	100%	04 September 2012
30	Special Skills			
31	Work Organisation			
32	Uniforms and Protective Clothing	100%	100%	04 September 2012
33	Telephone	100%	80%	31 July 2018
34	Retirement Planning	100%	100%	04 September 2012
35	Records Management	100%	100%	25 November 2014
36	Legal Services	100%	100%	29 November 2012
37	National Fresh Produce Market	100%	100%	29 November 2012
38	Billboards	100%	100%	29 November 2012
39	Internet	100%	100%	29 November 2012
40	Server Security	100%	100%	29 November 2012
41	Workstation Security	100%	100%	29 November 2012
42	E-mail Use	100%	100%	29 November 2012
43	Study and Bursary	100%	100%	25 September 2013
44	Web Content Management	100%	100%	25 September 2013
45	Project Management Framework Policy	100%	100%	25 September 2013
46	Corporate Identity	100%	100%	25 September 2013
47	Risk Management	100%	100%	31 May 2021
48	Risk Management Strategy	100%	100%	25 September 2013
49	Fraud and Corruption Prevention Strategy	100%	100%	31 May 2021
50	Investigation Policy	100%	100%	25 September 2013
51	Use of Council Vehicle	100%	100%	25 September 2013
52	Media Policy	100%	100%	25 September 2013
53	Administration of Immovable Property	100%	100%	25 November 2014
54	Induction	100%	100%	04 September 2012

HR AND OTHER POLICIES AND PLANS: 2023/24				
NAME OF POLICY		COMPLETED	REVIEWED	DATE ADOPTED BY COUNCIL
		%	%	
55	Investors	100%	100%	29 November 2012
56	Public Private Partnerships	100%	100%	29 November 2012
57	Expanded Public Works Programme	100%	100%	29 November 2012
58	Software Installation Services	100%	100%	29 January 2016
59	Password Protection	100%	100%	29 January 2016
60	Back-up Management	100%	100%	29 January 2016
61	User Account Management	100%	100%	29 January 2016
62	Co-operative	100%	100%	29 January 2016
63	Informal Trading	100%	100%	29 January 2016
64	Vehicle Replacement	100%	100%	30 May 2017
65	Leave of absence for Councillors	100%	100%	28 November 2017
66	Admission of Public to meetings of Council	100%	100%	28 November 2017
67	Uniform standing disciplinary procedure for Councillors	100%	100%	28 November 2017
68	Leasing of Council Halls	100%	100%	31 July 2018
69	Overtime	100%	100%	30 August 2022
70	Appointment of Consultants	100%	100%	26 November 2019
71	Danger Allowance	100%	100%	30 June 2020
72	Occupational Health and Safety	100%	100%	30 June 2020
73	Land Management Policy	100%	100%	30 June 2020
74	Framework and Risk Management Policy	100%	100%	31 May 2021
75	Fraud and Corruption Prevention Policy	100%	100%	31 May 2021
74	Whistle Blowing Policy and Procedure	100%	100%	31 May 2021
75	Electrical Infrastructure Maintenance Policy	100%	100%	29 November 2022
76	Acting Allowance Policy	100%	100%	28 February 2023
77	Information Technology Security	100%	100%	25 July 2023
78	Medical Surveillance Policy	100%	100%	25 July 2023
79	Injury on duty Policy	100%	100%	25 July 2023
80	Fitness for duty Policy	100%	100%	25 July 2023
81	Asset Management Policy	100%	100%	1 July 2022

COMMENT ON WORKFORCE POLICY DEVELOPMENT

The municipality has developed an Integrated Human Resources Management Strategy (IHRMS) with a focus on the importance of all municipal employees.

It is directly linked to our 2023/24 Integrated Development Plan priorities and will act as the blueprint to build on City of Matlosana's many strengths and skills, plus anticipate and develop new ones.

The municipality needs to ensure that employees are motivated, safe, well-informed, well-rewarded, and proud of where they work.

The Integrated Human Resources Management Strategy will be continually evolving and regularly updated; and it will position the municipality to meet future workforce needs and serve the community better as well as provide a more integrated approach to leadership and people management.

The strategy features initiatives such as Business Leadership, Motivate and Engage, Attraction Management, the further development of the Employee Assistance Programs, HR Policies and Practices, which are industry competitive, and the provision of opportunities for career and personal development.

Through a commitment to encouraging innovation, developing, and recognizing staff, communication as well as shared leadership, we aim to grow the future leaders of our organization.

4.3 Injuries, Sickness and Suspensions

NUMBER OF INJURIES ON DUTY DURING 2023/24				
Type of injury	Injury leave taken	Employees using injury leave	Proportion employees using sick leave	Average Injury leave per employee
	Days	No	%	Days
Required basic medical attention only	104	56	72.7%	1.8
Temporary total disablement	165	21	27.3%	7.8
Permanent disablement	0	0	-	-
Fatal	0	0	-	-
TOTAL	333	46		

- ⌘ Short periods of sick leave taken by 56 employees = 104 days
- ⌘ Longer periods of sick leave taken by 21 employees = 165 days
- ⌘ Required basic medical attention without leave taken by 10 employees = 0 days
- ⌘ Total injuries on duties = 87 employees

SICK LEAVE

NUMBER OF DAYS OF SICK LEAVE (EXCLUDING INJURIES ON DUTY) DURING 2023/24				
Salary band	Total sick leave	Employees using sick leave	Total employees in post*	*Average sick leave per Employees
	Days	No.	No.	Days
Municipal Managers and Directors	36	51	8	6.38
Deputy Directors and Assistant Directors	80	187	40	4.38
Coordinators and Senior Administrators	80	2 239	137	16.34
Officers and Clerks	80	2 366	257	9.21
Secretaries and PAs	80	76	18	4.22
Supervisors and tradesmen	80	2 152	418	5.15
General Workers	80	2 619	964	2.25
Total		9 927	1 842	5.39

COMMENTS ON INJURY AND SICK LEAVE

The widespread health education on WCA including completion of all forms; extra copies and certified items, needed; where to report; where to hand in all documents; especially notifying the OHC about an accident at work which is responsible for registration of the claim, is now bearing results. Most employees know how to fill in the forms and submission to Compensation fund happens within the first 48 hours.

The section attended a seminar arranged by the Compensation fund which assisted in the improvement on the administration of the IOD.

INTRODUCTION TO LABOUR RELATIONS

The Labour Relations role in the municipality is to ensure a harmonious relationship between management and officials and maintenance of disciplined workforce. Through this unit the municipality is ready to instil a culture of discipline and execute swift, consistent and decisive consequence management to drive proper accountability.

Workforce management is almost impossible in the absence of sound discipline within the workplace. The municipality's Labour Relations section, located in the Human Resources Department, is effective and well-recognised.

NUMBER AND PERIOD OF SUSPENSIONS

As part of mitigating risks, certain allegations of misconduct against officials such as fraud, dishonesty and theft require that precautionary suspensions be affected on these officials to prevent further misconduct.

In line with Disciplinary Procedure and Collective agreement the undermentioned officials were suspended pending investigations of the alleged misconduct and finalization of the disciplinary hearings.

NUMBER AND PERIOD OF SUSPENSIONS 2023/24				
Position	Nature of alleged misconduct	Date of Suspension	Details of disciplinary action taken or status of case	Date Finalised
Project Manager	Failure to spend on conditional grants.	12 January 2024 – 24 March 2024	Suspension uplifted. Investigation cleared the employee	24 March 2024
Assistant Director Traffic & Security	Failure to conduct himself with honesty and integrity.	11 January 2024 – 15 May 2024	Disciplinary action finalised. Sanction – employee dismissed	03 September 2024
Operations Supervisor - Market	Gross Dishonesty	17 November 2023 -	Charged with alleged misconduct of gross dishonesty. Both parties closed their cases. The Presiding Officer requested that an inspection in loco by conducted on the 18 th of September before issuing a verdict	Ongoing

Deputy Director Income & Expenditure	Insubordination & Assault	10 May 2024 – 12 August 2024	Recommendation that he be charged.	Ongoing
Assistant Director Libraries	Gross Insubordination & Insolence.	13 June 2024 – 13 September 2024	Disciplinary Hearing to commence on 23 September 2024	Ongoing
Cashier - Market	Theft	21 February 2024 – 22 May 2024.	The investigator found that there is no prima facie evidence warranting that the employee be subjected to disciplinary process.	15 May 2024

DISCIPLINARY ACTION TAKEN ON CASES OF FINANCIAL MISCONDUCT

There are no cases reported for financial misconduct during the period under review.

4.4 Performance Rewards

PERFORMANCE REWARDS

In accordance with the Local Government: Municipal Performance Regulation for Municipal Managers and Managers directly accountable to Municipal Managers, 2006, regulation 32, a performance bonus, based on affordability, may be paid to an employee, after –

- (1) the annual report for the financial year under review has been tabled and adopted by the municipal Council;
- (2) an evaluation of performance in accordance with the provisions of regulation 23; and
- (3) approval of such evaluation by the municipal Council as a reward for outstanding performance.

The evaluation of the performance of Section 54A and 56 managers forms the basis for rewarding outstanding performance.

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

In terms of Skills Development Act 97 of 1998, every organization is obliged to develop skills of its workforce through various training interventions to improve productivity in a workplace. Organizations must also encourage workers to participate in leadership and other training programmes

To capacitate and develop skills of its workforce, the City of Matlosana is using various training interventions i.e. skills programmes, learnerships and apprentices. Training interventions are therefore implemented regularly in an orderly way as planned in the Workplace Skills Plan (WSP).

The Municipality conducts skills audit process to identify individual skills gaps and consult with Local Government Sector Education and Training Authority, (LGSETA) Strategic Plan to determine Sectoral skills needs. Based on

the outcomes of the two processes the Training and Development Unit will develop municipal skills needs and come up with training interventions to address all identified training needs/ gaps.

Local Government Sector Education and Training Authority (LGSETA) and other stakeholders i.e. SALGA, COGTA and Provincial Treasury also provide the City of Matlosana with various training interventions for implementation and that is funded by those stakeholders.

In terms of the Training and Development Act, Municipalities must submit Workplace Skills Plan and Annual Training Report (WSP&ATR) on or before the 30th of April to Local Government Sector Education and Training Authority (LGSETA) annually to qualify for Mandatory and Discretionary Grants.

NATIONAL KEY PERFORMANCE INDICATOR

See page 270 for details.

4.5 Skills Development and Training

SKILLS MATRIX: 2023/24												
Management Level	Gender	Employees in post as of 30 June 2024	Number of skilled employees required and actual as of 30 June 2024								Total	
			Learnerships		Skills programmes and other short courses		Other forms of training (Internship)		Actual: End of 2022/23	Actual: End of 2023/24	Actual: End of 2022/23	Actual: End of 2023/24
			Actual: End of 2022/23	Actual: End of 2023/24	Actual: End of 2022/23	Actual: End of 2023/24	Actual: End of 2022/23	Actual: End of 2023/24				
No												
MM and s 56	Female	3	0	0	0	0	0	0	0	0	0	0
	Male	5	0	0	0	0	0	0	0	0	0	0
Councillors, senior officials and managers	Female	42	8	19	4	7	0	0	0	0	12	26
	Male	72	4	7	5	5	0	0	0	0	9	12
Technicians and associate professionals	Female	66	12	21	21	44	0	0	0	0	33	67
	Male	118	13	72	28	54	0	0	0	0	41	142
Professionals	Female	20	25	38	85	60	13	58	110	156	104	249
	Male	22	15	38	69	56	8	10	84	104	178	258
Sub total	Female	131	55	78	110	111	13	60	178	249	142	258
Male	217	32	117	102	8	115	8	26	142	258	142	258
TOTAL		348	87	195	212	226	21	86	320	507	320	507

SKILLS DEVELOPMENT EXPENDITURE: 2023/24												R'000
Management level	Gender	Employees as of 30 June 2024	Original Budget and Actual Expenditure on Skills Development 2023/24				Skills programmes and other short courses		Other forms of training		Total	
			Learnerships		Actual		Original Budget	Actual	Original Budget	Actual	Original Budget	Actual
			Original Budget	Actual	Original Budget	Actual						
MM and s56	Female	3	0	0	0	0	0	0	0	0	0	R0
	Male	5	0	0	0	0	0	0	0	0	0	R0
Legislators, senior officials and managers	Female	10	0	0	50 000	50 000	0	0	50 000	50 000	0	R50 000
	Male	32	0	0	100 000	100 000	0	0	100 000	100 000	0	R100 000
Professionals	Female	20	100 000	100 000	200 000	200 000	0	0	300 000	300 000	0	R300 000
	Male	22	100 000	100 000	200 000	150 000	0	0	300 000	250 000	0	R250 000
Technicians and associate professionals	Female	66	200 000	100 000	120 000	120 000	0	0	320 000	320 000	0	R320 000
	Male	118	200 000	100 000	200 000	140 173	0	0	400 000	240 173	0	R240 173
Clerks	Female	288	200 000	60 000	250 000	250 000	0	0	240 000	240 000	0	R310 000
	Male	97	100 000	50 000	200 000	200 000	0	0	300 000	250 000	0	R250 000
Service and sales workers	Female	39	0	0	100 000	100 000	0	0	100 000	100 000	0	R100 000
	Male	92	0	0	0	0	0	0	0	0	0	R0
Plant and machine operators and assemblers	Female	5	100 000	0	80 000	80 000	0	0	180 000	180 000	0	R80 000
	Male	100	300 000	200 000	150 000	150 000	0	0	450 000	450 000	0	R350 000
Elementary occupations	Female	215	300 000	200 000	150 000	150 000	0	0	450 000	450 000	0	R350 000
	Male	575	400 000	251 699	200 000	200 000	0	0	600 000	451 699	0	R451 699
Subtotal	Female	646	900 000	460 000	950 000	950 000	0	0	1 850 000	1 850 000	0	R1 410 000
	Male	1 041	1 100 000	701 699	1 050 000	940 173	0	0	2 150 000	1 641 872	0	R1 641 872
TOTAL		1 687	2 000 000	1 161 699	2 000 000	1 890 173	R0	R0	R4 000 000	R3 051 872	R0	R3 051 872

FINANCIAL COMPETENCY DEVELOPMENT: PROGRESS REPORT FOR 2023/24

Description	Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	Competency assessments completed (Regulation 14(4)(b) and (d))	Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials				
Accounting Officer	1	1	1	1
Chief Financial Officer	1	1	1	1
Senior managers*	6	6	6	6
Any other financial officials	126	0	0	39
Supply Chain Management Officials				
Heads of Supply Chain Management units	1	0	0	3
Supply Chain Management senior managers	0	0	0	0
TOTAL	135	8	8	50

COMMENTS ON SKILLS DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY REGULATIONS

During the 2023/24 Financial Year, the Training and Development unit conducted skills audit process for level 1-6 officials from various departments within the municipality, i.e. Financial Services, Planning and Human Settlement, Technical and Infrastructure and Corporate Support. The process assisted in determining individual and department training needs. The municipal training plan for 2023/24 is developed based on the outcomes of the process.

The City of Matlosana annually submits a Workplace Skills and an Annual Training Report (Plan (WSP & ATR) as required by the Skills Development Act of 1998 to the Local Government Sector Education and Training Authority (LGSETA). Training / Skills programmes are implemented on a regular basis in an orderly way as planned in the Workplace Skills Plan (WSP).

In terms of Regulation 14 of the Financial Competency, municipalities are required to train Budget and Treasury officials on prescribed finance competency skills to meet prescribed competency levels: Regulation 14:(4)(e).

During the 2023/24 Financial Year, five hundred and seventy (507) officials were trained on various skills programmes.

COMPONENT D: MANAGING WORKFORCE EXPENDITURE

4.6 Workforce Expenditure

INTRODUCTION TO WORKFORCE EXPENDITURE

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

There is a strong national drive for creating employment and municipalities are one arm of government that normally feel the pressure to create new jobs in its sphere. Although we support the creation of employment and we understand the expectation of the communities in this regard, the financial viability of the City of Matlosana must be considered. The creation and filling of posts are budgeted for and measured against the approved budget and operational requirements.

The remuneration part of the employment costs is determined through the bargaining Council and therefore out of our hands.

Three variables that we must keep monitoring and control are the vacancy rate, employee performance and overtime paid. We have put a lot of emphasis on the monitoring and control of overtime worked, as we believe that overtime is only necessary in specific circumstances and can indicate inefficiency or staff shortages (including high absenteeism).

Performance management is of the utmost importance to increase the efficiency and thus output out of the workforce. There is still a way to go to implement the necessary measures and controls with the necessary buy-in of employees.

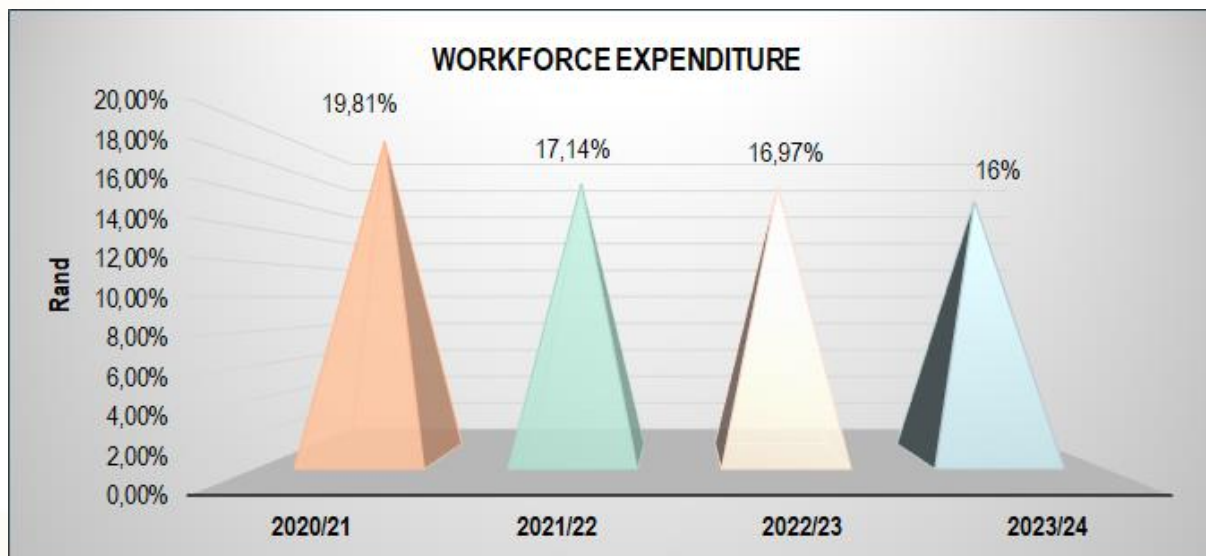
COMMENT ON WORKFORCE EXPENDITURE

Levels of municipal employment have declined, while vacancy rates and the average cost of employment have risen. However, there exist divergent employment and personnel expenditure trends within and between the different categories of municipalities that are masked by the aggregate figures.

Municipal employees and the skills they bring to the workplace are a critical input in the delivery of all services a municipality delivers.

The objective of managing municipal personnel is therefore not necessarily to minimize the “wage bill”, but rather to ensure that people with the required skills are recruited, retained and appropriately deployed. The proper management of personnel is therefore critical to the effective and efficient functioning of the municipality and must be prioritized across all municipal functions.

Municipal expenditure on personnel should comprise 35% of aggregated operational expenditure as guided by National Treasury.



UPGRADED POSTS 2023/24	
Number of employees whose salaries were increased due to their positions being upgraded	None
Employees whose salary levels exceed the grade determined by job evaluation	None
Employees appointed to posts not approved	None

DISCLOSURES OF FINANCIAL INTERESTS

In terms of the requirements of the Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers, 2006 disclosures were made by Councillors and senior managers concerning their financial interests (see **Appendix J**).

COMPONENT E: OVERSIGHT REPORTING

4.7 Staff Establishment

STAFF ESTABLISHMENT: 2023/24	
Does the City of Matlosana have an approved staff establishment?	Yes, it was approved in terms of CC 66/2012 dated 31 July 2012. A new top structure was approved on 21 April 2017 (CC64/2017)
Does the staff establishment provide for permanent and fixed posts?	Yes All senior manager positions are from 15 January 2023 CC2/2023) permanent. Only the position of the Municipal Manager is still on a fixed term
If yes, provide details of the approved senior manager posts (permanent and fixed posts).	Municipal Manager Chief Financial Officer Director Corporate Support Director Community Development Director Public Safety Director Local Economic Development Director Technical and Infrastructure Director Planning and Human Settlement
Was the staff establishment consulted with the MEC before approval by Council?	N/A
If no, provide reasons	The Municipal Systems Amendment Act, 7 of 2011, stipulates that the posts provided for on the organogram must be approved by the Municipal Council
Were the recommendations of the MEC incorporated into the approved structure?	N/A
If no, provide reasons	N/A

4.8 Appointment of Senior Managers

APPOINTMENT OF MUNICIPAL MANAGER AND SENIOR MANAGERS DIRECTLY ACCOUNTABLE TO THE MUNICIPAL MANAGER: 2023/24							
Post Title	Annual Salary	Term of Employment		Highest Qualifications	Was the senior manager subject to competence assessment?	Does the senior manager hold political office?	Does the senior manager have a misconduct / criminal record?
		From	To				
Municipal Manager	R1 581 405	01/01/2023	31/12/27	B Legume	Yes	No	No
Chief Financial Officer	R1 283 670	01/01/2023	31/12/27	B Tech Internal Auditing Postgraduate Diploma in Accounting Science	Yes	No	No
Director Planning and Human Settlements	R1 283 670	01/04/2024	Permanent	B Tech Town and Regional Planning. Postgraduate Diploma in Business Management	Yes	No	No
Director Corporate Support	R1 283 670	01/04/2024	Permanent	B Tech Internal Auditing Postgraduate Diploma in Accounting Science	Yes	No	No
Director Community Development	R1 283 670	01/04/2024	Permanent	BA Public Governance & Law BA Honours in Public Governance Master of Administration and Management	Yes	No	No

APPOINTMENT OF MUNICIPAL MANAGER AND SENIOR MANAGERS DIRECTLY ACCOUNTABLE TO THE MUNICIPAL MANAGER: 2023/24

Post Title	Annual Salary	Term of Employment	Highest Qualifications	Was the senior manager subject to competence assessment?	Does the senior manager hold political office?	Does the senior manager have a misconduct / criminal record?
Director Public Safety	R1 283 670	01/04/2024 Permanent	B Tech Traffic Safety Management BA Hons Technology Master of Management	Yes	No	No
Director Technical and Infrastructure	R1 283 670	01/04/2024 Permanent	B Ing (Mechanical & Material) Master of Business Administration	Yes	No	No
Director Local Economic Development	R1 283 670	01/04/2024 Permanent	B Tech Economic Management Analysis M Tech Comparative Local Development PhD Economic and Management Science	Yes	No	No

4.9 Employment Contracts

EMPLOYMENT CONTRACTS FOR MUNICIPAL MANAGERS AND SENIOR MANAGERS DIRECTLY ACCOUNTABLE TO THE MUNICIPAL MANAGER: 2023/24		
Post title	Has the senior manager signed the employment contract with the municipality before commencement of duty?	Has the contract been submitted to the MEC within the prescribed period?
Municipal Manager	Yes, 01 January 2023	Yes
Chief Financial Officer	Yes, 01 January 2023	Yes
Director Planning and Human Settlements	Yes, 26 February 2019	Yes
Director Corporate Support	Yes, 01 April 2024	Yes
Director Community Development	Yes, 01 April 2024	Yes
Director Public Safety	Yes, 01 April 2024	Yes
Director Technical and Infrastructure	Yes, 01 April 2024	Yes
Director Local Economic Development	Yes, 01 April 2024	Yes

4.10 Performance Agreements

STAFF ESTABLISHMENT (SECTION 54A AND 56 EMPLOYEES) FOR 2023/24						
Post Title	Has the senior manager concluded a performance agreement with the municipality within the stipulated timeframe?	Has the performance agreement been submitted to the MEC within the prescribed period?	Is the performance agreement aligned to the SDBIP of the municipality?	Is the SDBIP aligned to the IDP of the municipality?	Did the senior manager receive a performance bonus for the previous year?	
Municipal Manager	Yes	Yes	Yes	Yes	No	
Chief Financial Officer	Yes	Yes	Yes	Yes	No	
Director Planning and Human Settlements	Yes	Yes	Yes	Yes	No	
Director Corporate Support	Yes	Yes	Yes	Yes	No	
Director Community Development	Yes	Yes	Yes	Yes	No	
Director Public Safety	Yes	Yes	Yes	Yes	No	
Director Technical and Infrastructure	Yes	Yes	Yes	Yes	No	
Director Local Economic Development	Yes	Yes	Yes	Yes	No	

4.11 Minimum Competency Requirements

MUNICIPAL MANAGER AND DIRECTORS (SECTION 54A AND 56 MANAGERS)

DESCRIPTION	REQUIREMENTS	MUNICIPAL MANAGER MS. L SEAMETSO	CHIEF FINANCIAL OFFICER MS. MM PETHLA	DIRECTOR PLANNING AND HUMAN SETTLEMENTS MR. BB CHOICHE	DIRECTOR CORPORATE SUPPORT MR. NM MOABELO
Higher Education Qualification	At least NQF Level 7 (S 54A) and Level 8 (S 56) in fields of senior management position	B Legume	B Tech Internal Auditing Postgraduate Diploma in Accounting Science	B Tech Town and Regional Planning. Postgraduate Diploma in Business Management	B Tech Internal Auditing Postgraduate Diploma in Accounting Science
Work-Related Experience	Minimum of two years at senior and five years at middle management level	Seven years in senior and five years in middle management	Seven years in senior and nine months in middle management	Thirteen years in senior and three months in middle management	11 years in senior and 4 years in middle management
Core Managerial and Occupational Competencies	As described in the Performance Regulations	Yes	Yes	Yes	Yes
Financial and Supply Chain Management Competency Areas:	Required Minimum Competency Level in Unit Standards = CPMF	Yes	Yes	Yes	Yes
<ul style="list-style-type: none"> ⊗ Strategic Capability and Leadership ⊗ Operational financial management ⊗ Governance, ethics and values in financial management ⊗ Financial and performance reporting ⊗ Risk and change management ⊗ Legislation, policy and implementation ⊗ Stakeholder relations ⊗ Supply Chain Management ⊗ Project management ⊗ Audit and assurance 					

DESCRIPTION	REQUIREMENTS	DIRECTOR TECHNICAL AND INFRASTRUCTURE MR. SN MOGALE	DIRECTOR PUBLIC SAFETY MR. KID BOIKANYO	DIRECTOR COMMUNITY DEVELOPMENT MR. PS SETONA	DIRECTOR LOCAL ECONOMIC DEVELOPMENT DR. BJ TEBEJANE
Higher Education Qualification	At least NQF Level 8 in fields of senior management position	B Ing (Mechanical & Material) Master of Business Administration	B Tech Traffic Safety Management BA Hons Technology Master of Management	BA Public Governance & Law BA Honours in Public Governance Master of Administration and Management	B Tech Economic Management Analysis M Tech Comparative Local Development PhD Economic and Management Science
Work-Related Experience	Minimum of two years at senior and five years at middle management level	3 years in senior and 5 years in middle management	22 years in senior and 3 years in middle management	6 years in senior and 2 years in middle management	6 years in senior and 1 year in middle management
Core Managerial and Occupational Competencies	As described in the Performance Regulations	Yes	Yes	Yes	Yes
Financial and Supply Chain Management Competency Areas:	Required Minimum Competency Level in Unit Standards = CPMF	N/A	N/A	N/A	N/A
<ul style="list-style-type: none"> ⊗ Strategic Capability and Leadership ⊗ Operational financial management ⊗ Governance, ethics and values in financial management ⊗ Financial and performance reporting ⊗ Risk and change management ⊗ Legislation, policy and implementation ⊗ Stakeholder relations ⊗ Supply Chain Management ⊗ Project management ⊗ Audit and assurance 					

Chapter 5



CHAPTER 5 – FINANCIAL PERFORMANCE

INTRODUCTION

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

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

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

INTRODUCTION TO FINANCIAL STATEMENT

The City of Matlosana posted a net audited deficit of R996.51 million which compares to the 2022/23 deficit of R905.49 million as per the financial summary. This was mainly due to the debt impairment that was finalized after year-end, and which exceeded the budgeted amount.

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

5.1 Statements of Financial Performance

FINANCIAL SUMMARY						
						R' 000
Description	2022/23	2023/24			2023/24 Variance	
	Actual	Original	Adjusted	Actual	Original %	Adjustments %
<u>Financial performance</u>						
Property rates	456 397	561 076	546 000	507 434	0,11	0,08
Service charges	1 905 317	2 305 667	2 110 047	2 032 913	0,13	0,04
Investment revenue	15 304	9 761	9 761	617 784	(0,98)	(0,98)
Transfers recognised operational	551 494	616 921	615 961	607 945	0,01	0,01
Other own revenue	824 481	720 890	643 484	192 976	2,74	2,33
Total revenue (excl. capital transfers and contributions)	3 752 993	4 214 315	3 925 253	3 959 051	0,06	(0,01)
Employee costs	722 331	785 821	770 975	774 036	0,02	(0,00)
Remuneration of Councillors	36 912	41 586	43 497	39 039	0,07	0,11
Depreciation & asset impairment	379 302	1 019 319	1 482 421	327 402	2,11	3,53
Finance charges	249 907	10 711	10 708	276 183	(0,96)	(0,96)
Materials and bulk purchases	1 478 574	1 550 025	1 550 025	1 557 186	(0,00)	(0,00)
Transfers and grants	0	0	0	0	0	0
Other expenditure	1 873 146	784 829	778 241	2 094 572	(0,63)	(0,63)
Total expenditure	4 740 172	4 192 291	4 635 867	5 068 418	(0,17)	(0,09)
Surplus/(Deficit)	(987 179)	22 024	(710 614)	(1 109 367)	(1,02)	(0,36)

FINANCIAL SUMMARY (Continued)						
R' 000						
Description	2022/23	2023/24		2023/24 Variance		
	Actual	Original	Adjusted	Actual	Original %	Adjustments %
Transfers recognised - capital	107 437	191 469	167 054	187 163	0,02	(0,11)
Contributions recognised - capital and contributed assets	–	–	–	–	0%	0%
Surplus/(Deficit) after capital transfers and contributions	(871 717)	213 463	(543 550)	(579 252)	(0)	(0)
Share of surplus/ (deficit) of associate	–	–	–	–	0%	0%
Surplus/(Deficit) for the year	(871 717)	213 463	(543 550)	(579 252)	(1,37)	(0,06)
Capital expenditure						
Capital expenditure	110 228	231 469	188 054	208 163		
Transfers recognised - capital	103 175	191 469	167 054	187 163	2%	-11%
Public contributions and donations	–	–	–	–	0%	0%
Borrowing	–	–	–	–	0%	
Internally generated funds	7 053	40 000	21 000	21 000		500000000%
Total sources of capital funds	110 228	231 469	188 054	208 163	11%	-10%
Financial position						
Total current assets	905 426	383 583	1 313 089	1 182 924	-68%	11%
Total non-current assets	5 506 021	4 119 658	4 100 570	5 395 219	-24%	-24%
Total current liabilities	3 587 431	230 387	2 038 064	3 634 058	-94%	-44%
Total non-current liabilities	470 132	81 274	81 274	1 449 191	-94%	-94%
Community wealth / Equity	2 353 884	4 390 597	3 633 584	1 494 895	194%	143%
Cash flows						
Net cash from (used) operating	116 100	218 461	(565 703)	2 497 118	-91%	-123%
Net cash from (used) investing	(192 205)	(231 461)	(231 461)	240 003	-196%	-196%
Net cash from (used) financing	(44 801)	(2 300)	(2 300)	8 434	-127%	-127%
Cash/cash equivalents at the year end	(120 906)	197 692	(493 793)	169 210	17%	-392%
Cash backing/surplus reconciliation						
Cash and investments available	92 679	197 692	522 893	169 210	17%	209%
Application of cash and investments	213 584	(60 798)	1 214 280	920 400	-107%	32%
Balance - surplus (shortfall)	(120 905)	–	–	1 089 610	-100%	-100%
Asset management						
Asset register summary (WDV)	5 094 979	4 119 625	4 100 537	503 830	718%	714%
Depreciation and asset impairment	379 302	440 000	420 000	327 402	34%	28%
Renewal of existing assets	0	30 944	51 587	–	0%	0%
Repairs and maintenance	174 309	278 402	301 165	132 133	111%	128%

FINANCIAL SUMMARY (Continued)						
R' 000						
Description	2022/23	2023/24			2023/24 Variance	
	Actual	Original	Adjusted	Actual	Original %	Adjustments %
Free services						
Cost of free basic services provided	204	194 798	194 798	271 967	-28%	-28%
Revenue cost of free services provided	93	97 933	183 007	78 339	25%	134%

FINANCIAL PERFORMANCE OF OPERATIONAL SERVICES						
R '000						
Description	2022/23	2023/24			2023/24 Variance	
	Actual	Original	Adjusted	Actual	Original	Adjustment
Operating cost						
Water	899 660	561 739	1 775 172	1 127 450	50,2%	-57,5%
Waste-water (Sanitation)	234 838	177 598	171 473	335 744	47,1%	48,9%
Electricity	1 892 306	1 458 678	1 444 575	1 398 521	-4,3%	99,9%
Waste management	199 569	152 715	171 473	241 478	36,8%	29,0%
Housing	38 183	40 033	16 175	12 521	-219,7%	-29,2%
Component A: sub-total	3 264 556	2 390 763	2 135 738	3 115 714	23,3%	31,5%
Stormwater drainage	-	-	-	-	0,0%	0,0%
Roads	342 574	278 044	275 871	190 138	-46,2%	-45,1%
Transport	-	-	-	-	0,0%	0,0%
Component B: sub-total	342 574	278 044	275 871	190 138	-46,2%	-45,1%
Planning	-	-	-	-	0,0%	0,0%
Local Economic Development	24 020	13 388	33 160	29 670	54,9%	-11,8%
Component C: sub-total	24 020	13 388	33 160	29 670	54,9%	-11,8%
Community and Social Services	105 213	117 152	120 765	87 317	-34,2%	-38,3%
Environmental Protection	-	-	-	-	0,0%	0,0%
Health	8 512	10 183	9 744	10 651	4,4%	8,5%
Security and Safety	243 361	276 521	274 725	221 240	-25,0%	-24,2%
Sport and Recreation	81 267	103 052	102 366	69 304	-48,7%	-47,7%
Corporate Policy Offices and Other	670 667	003 218	1 678 905	1 492 053	32,8%	-12,5%
Component D: sub-total	1 109 020	1 510 126	2 186 505	1 880 565	19,7%	-16,3%
TOTAL EXPENDITURE	4 740 170	4 192 321	4 635 857	5 191 075	16,60%	10,7%

COMMENT ON FINANCIAL PERFORMANCE

The City of Matlosana posted a net audited deficit of R996.51 million for the year under review (2023/24), while the 2022/23 deficit was R905.49 million. The following are the largest contributors to the increase in the deficit:

Contracted Services

Contracted services are mandated services in terms of the Local Government: Municipal Structures Act 117 of 1998, a municipal By-Law or the integrated development plan, and that the municipality is expected to have the capacity and expertise to deliver. These services are, however, being outsourced instead, due to capacity challenges, both in terms of human and financial resources.



General Expenses

Increase in the following general expenses items is has been noted:

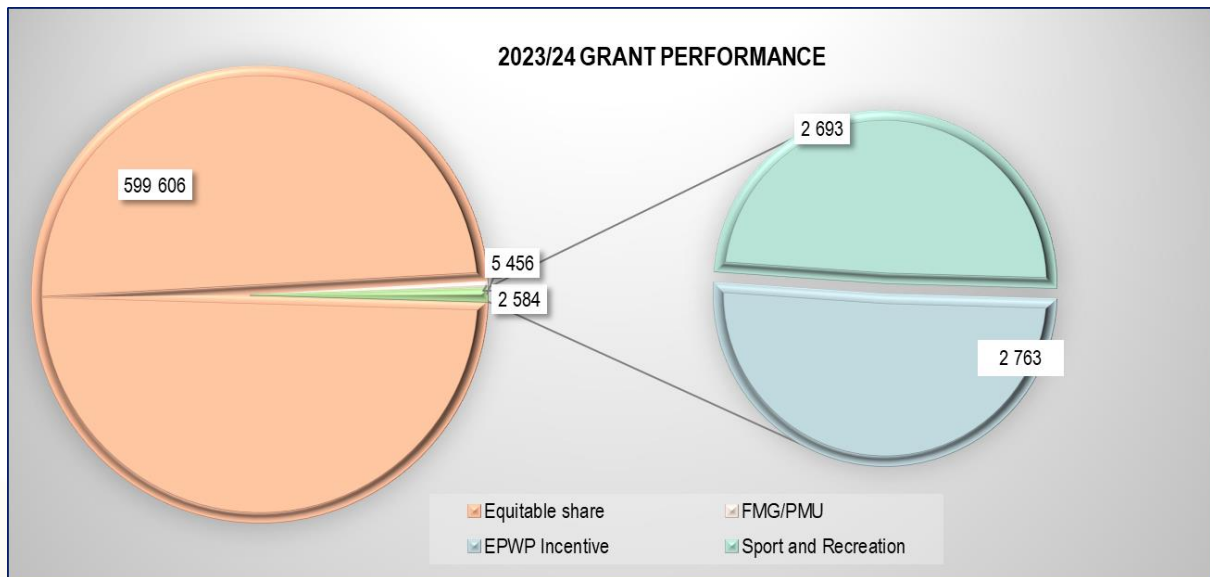
EXPENDITURE COMPONENT	COMPARATIVE ANALYSIS			Percentage
	2024	2023	Variance	
Indigent cost	57 615 241	87 122 112	(29 506 871)	-70%
Insurance	31 245 804	907 514	8 338 290	-80%
Postage and courier	1 108 353	3 714 722	(2 606 369)	-60%

The following are contributing factors on the above general expense components, which had a major impact towards the increase of the municipality’s deficit in the 2022/23 financial year:

- ⌘ **Indigent Cost:** The costs around the acquisition and distribution (transport) of paraffin has become unsustainable for the municipality.
- ⌘ **Insurance:** The insurance costs increased mainly due to theft and vandalism of infrastructure and new acquisition.
- ⌘ **Postage and courier:** The municipality is concerned about the poor services being provided by the Post Office, which has become dysfunctional due to its poor financial situation. The municipality is, however, compelled to budget for these costs, since the Post Office hold the licence in terms of the law. The capacitation of the ICT division, to explore other options of distributing monthly consumer statements, through SMS and emails, would make a huge impact as an alternative to the Post Office.

5.2 Grants

GRANT PERFORMANCE						
R' 000						
Description	2022/23	2023/24		2023/24 Variance		
	Actual	Budget	Adjusted	Actual	Original (%)	Adjustment (%)
Operating Transfers and Grants						
National Government	550 458	615 503	614 780	604 952	-1,74%	-1,62%
Equitable share	545 270	599 104	599 104	599 606	0,08%	0,08%
FMG/PMU	3 007	3 100	3 100	2 584	-19,97%	-19,97%
EPWP Incentive	2 181	3 512	2 789	2 763	-27,13%	-0,96%
MIG Operational						
EEDS		4 000	4 000			
Provincial Government	1 037	1 418	1 181	2 993	52,62%	60,54%
Fire Grant	-	-	-	300	100%	100%
Sport and Recreation	1 037	1 418	1 181	2 693	1%	1%
TOTAL	551 494	616 921	615 961	607 945		



COMMENT ON OPERATING TRANSFERS AND GRANTS

Grants were reported as per the DORA and the payment schedule received from National Treasury and the national and provincial departments.

Additional conditional grant funding in the third quarter of the financial year, resulted in unspent grants for which the municipality had to apply for roll-overs.

5.3 Asset Management

INTRODUCTION TO ASSET MANAGEMENT

Sentech assists Council with the unbundling of new projects and the verification of existing assets. As a result, Council obtained an unqualified audit opinion on assets management. A fully fleshed Asset Unit is needed to gradually reduce asset management consultant fees and reliance on consultants.

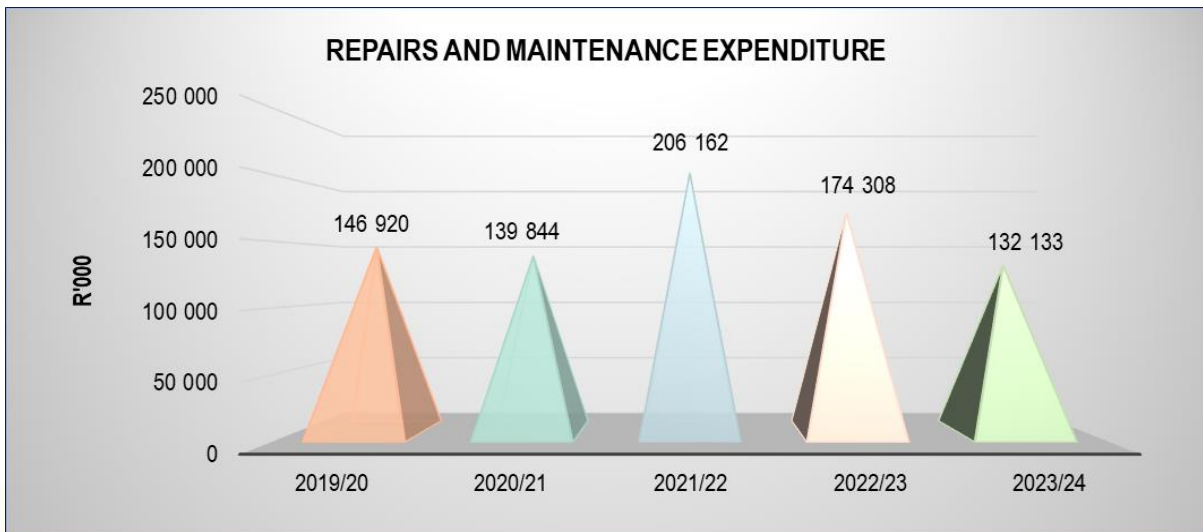
TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED 2023/24				
Asset 1				
Name	MIG purchase of transport Assets for Service Delivery			
Description	MIG purchase of Transport Assets for Service Delivery			
Asset Type	Transport assets moveable's			
Key Staff Involved	All departments			
Staff Responsibilities	All departments			
Asset Value	2020/21	2021/22	2022/23	2023/24
	–	–	–	20 791
Capital Implications	None			
Future Purpose of Asset	Providing proper service delivery			
Describe Key Issues	Service delivery			
Policies in Place to Manage Asset	Yes			
Asset 2				
Name	Refurbishment of mechanical and electrical equipment for sewer pump stations in the Matlosana area			
Description	Refurbishment of mechanical and electrical equipment for sewer pump stations in the Matlosana area			
Asset Type	Infrastructure sewer			
Key Staff Involved	Sewer section			
Staff Responsibilities	Maintain sewer infrastructure			
Asset Value	2020/21	2021/22	2022/23	2023/24
	19 450	7 369	2 799	1 291
Capital Implications	None			
Future Purpose of Asset	Bulk infrastructure			
Describe Key Issues	Service delivery			
Policies in Place to Manage Asset	Yes			
Asset 3				
Name	Electrification of Alabama Extension 5 (Phase 2)			
Description	Electrification of Alabama Extension 5 (Phase 2)			
Asset Type	Infrastructure electrical			
Key Staff Involved	Electrical Section			
Staff Responsibilities	Maintain Electrical Infrastructure			

Asset Value	2020/21	2021/22	2022/23	2023/24
	–	–	21 362	1 774
Capital Implications	None			
Future Purpose of Asset	Bulk Infrastructure Service Delivery			
Describe Key Issues	Service Delivery			
Policies in Place to Manage Asset	Yes			

COMMENTS ON ASSET MANAGEMENT

The PMU unit manages the roll out and implementation of municipal projects mainly funded by CoGTA and other National transferee departments. The assets are grant-funded, and the budget was approved for these capital projects. The assets were signed off with completion certificates obtained from the various contractors before these projects could be signed-off for completeness.

REPAIR AND MAINTENANCE EXPENDITURE: 2023/24				
<i>R' 000</i>				
Description	Original	Adjusted	Actual	Budget variance
Repairs and Maintenance Expenditure	278 402	301 165	132 133	4%



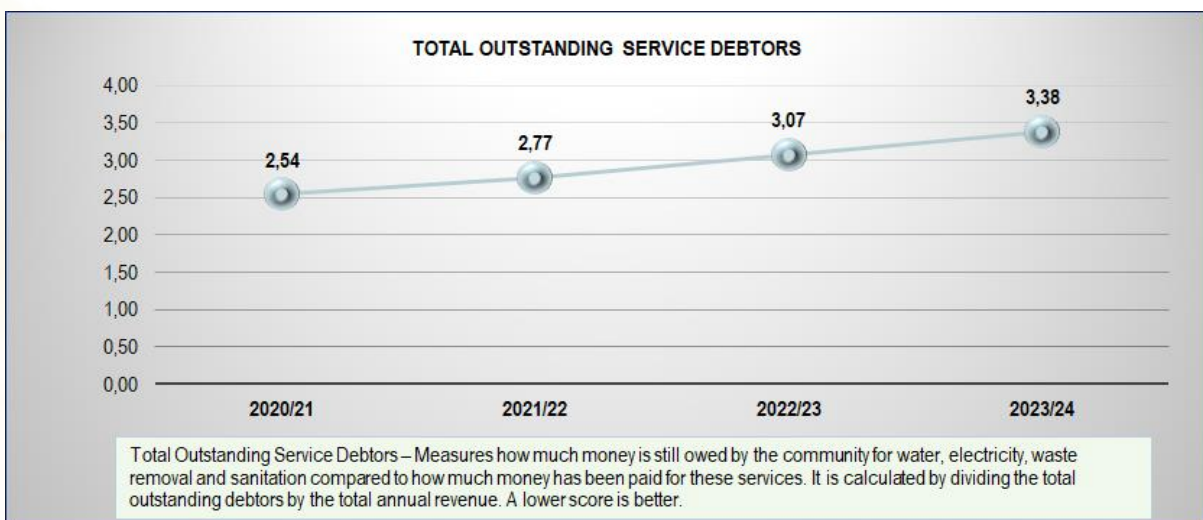
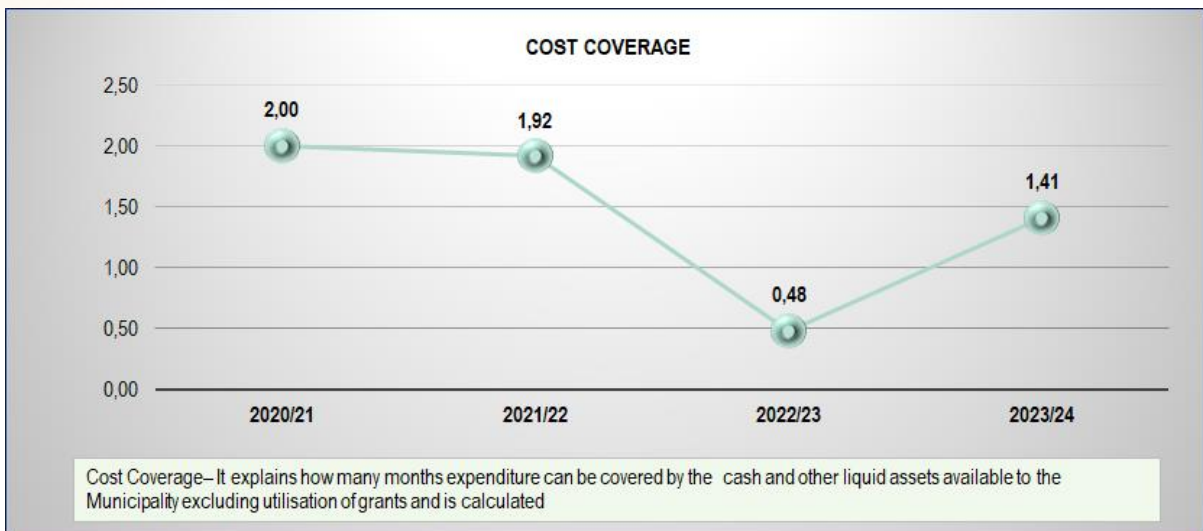
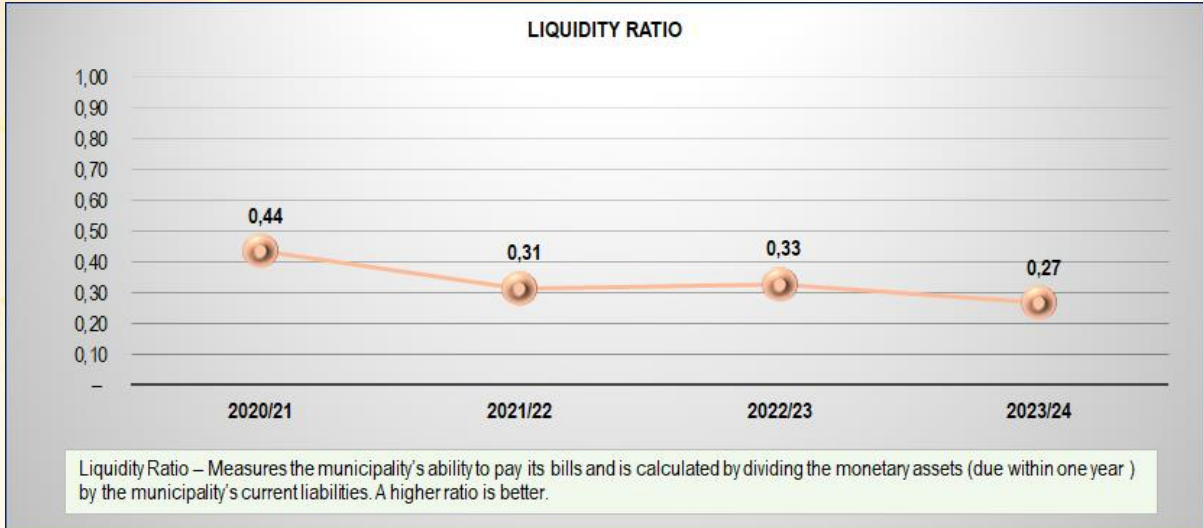
COMMENTS ON REPAIR AND MAINTENANCE EXPENDITURE

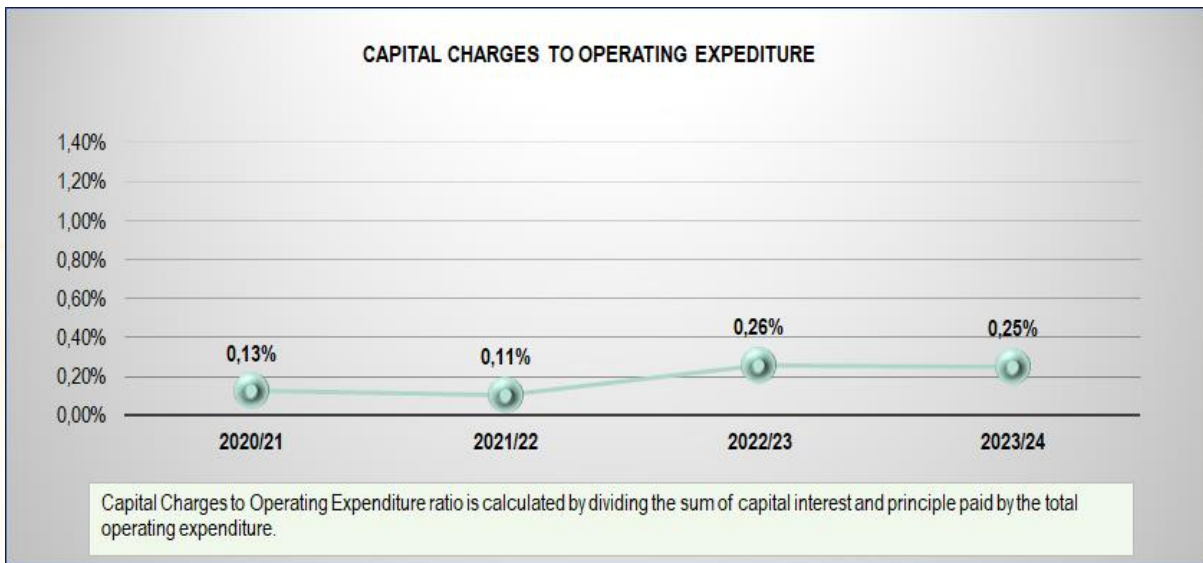
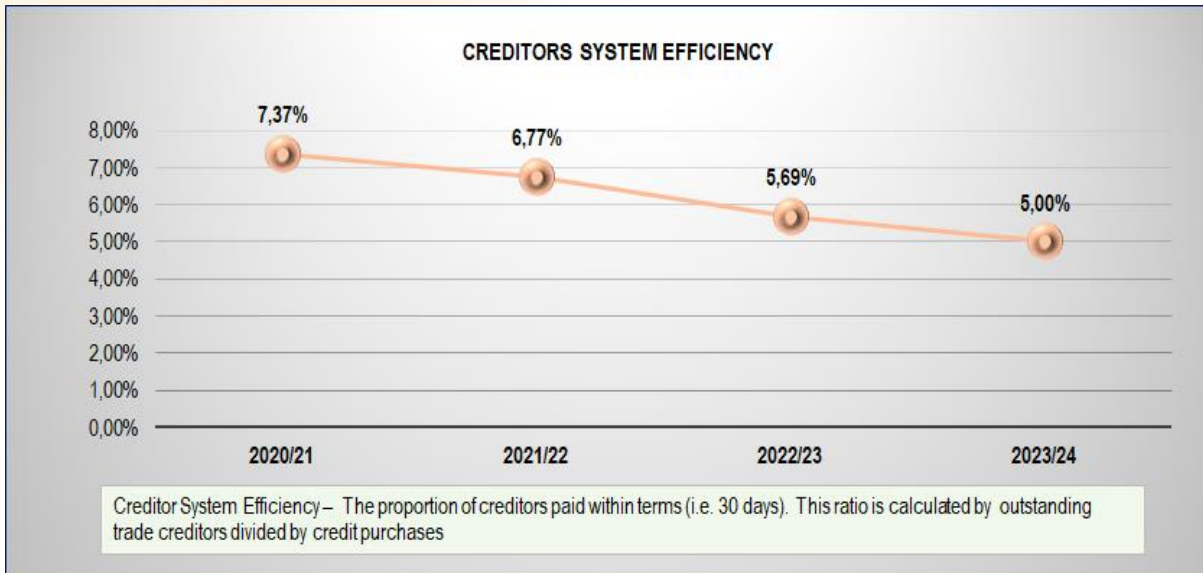
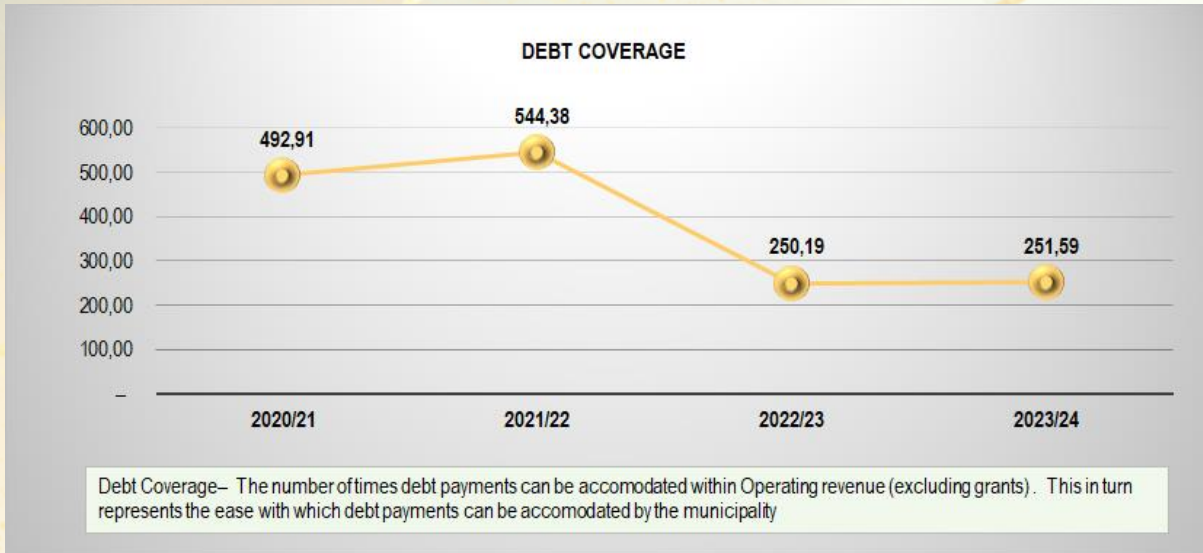
Expenditure on repair and maintenance was 4% of the total expenditure budget compared to the National Treasury norm of 8% of the municipality’s operational budget.

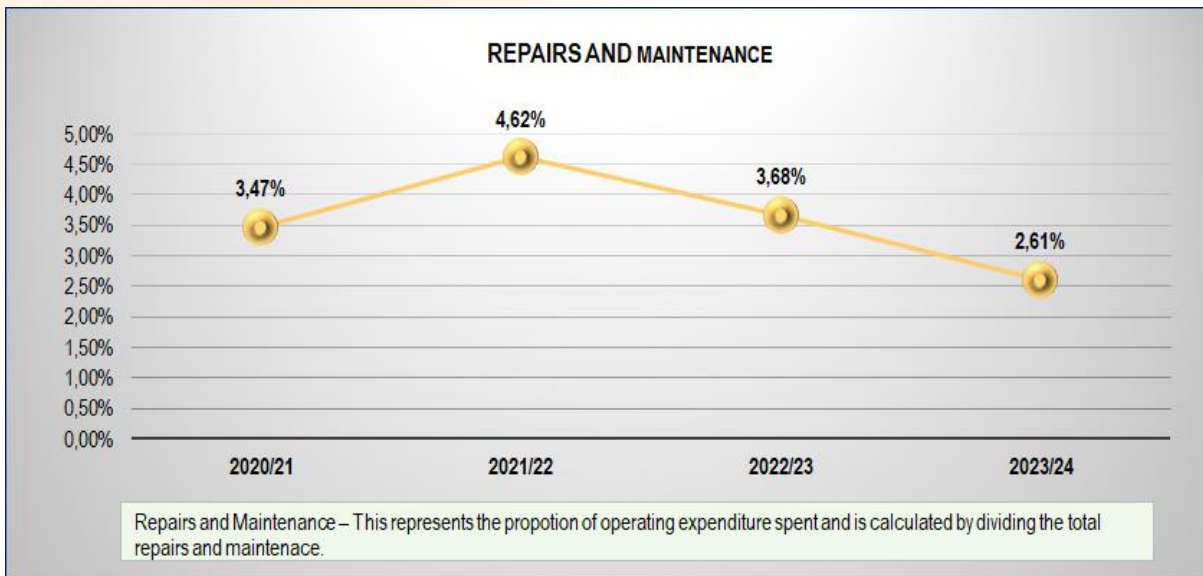
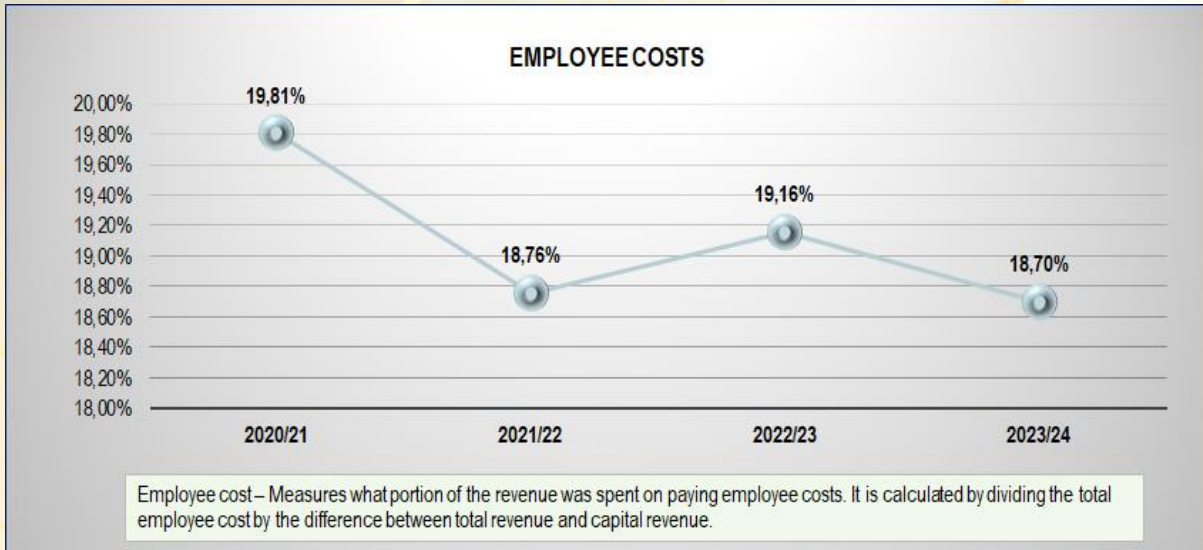
It must be noted that the salary cost of repair and maintenance is excluded from the 8%. Going forward the municipality need to increase the budget and expenditure to prevent further deterioration of our infrastructure assets. The municipality has the challenge of aged infrastructure and fleet, which contribute towards high repairs and maintenance, and the hiring of contracted services on refuse removal and plant equipment. The replacements thereof require huge capital investments, which are not provided for in the annual allocation of Municipal Infrastructure Grants (MIG). The municipality is currently using its own revenue generated funds to acquire new

fleet. VAT recovery funds are a major contributor towards the replacement of old vehicles that have become uneconomical to repair.

5.4 Financial Ratios Based on Key Performance Indicators







COMMENTS ON THE FINANCIAL RATIO

The liquidity ratio is unfavourable, and the lower ratio is mostly reflective of the increase in payables. The low liquidity ratio does require a major improvement in the bottom line as reflected on the statement of financial performance to rectify and bring the ratio in line with the norm. The recovery is dependent on the budget constraints and the higher debtors' impairment realised.

A higher cost coverage ratio is necessary in a highly fluctuating income environment as it indicates the ability to cover monthly fixed operational expenditure costs if there is a sudden loss of income. The current year increase is mostly attributable to the higher cash at hand.

The total outstanding services debtors' ratio remains unfavourable in the last period, and it can be attributed to the low collection rate. Unrecoverable debts should also be written off to keep the ratio comparable between years.

The debt coverage ratio is stable as there were no material changes in debt liability. The ratio is still positive and should improve again in the next financial year.

The financial performance of the municipality can be measured in the lower creditors' efficiency ratio. The municipality must work towards a cash positive budget to ensure that creditors can be serviced. The ratio stays on a negative trend.

The low reliance on capital funding is reflected in the ratio of capital charges to operational expenditure. The ratio slightly increased due to short term debt redemption commitment.

The ratio of employee cost to revenue is relatively constant and falls in the ranges that are experienced in the local government sector.

The lower rate for repairs and maintenance is a factor of both the lower actual spend on repairs and maintenance as well as the increase in total operating expenditure. This low rate remains a concern as it is lower than what is expected of a municipality as to ensure the assets are kept in service. It must be noted that the salary cost of repair and maintenance is not included and will increase the percentage if included.

Management must implement revenue enhancement and recovery strategies while ensuring that other non-essential costs are reduced and managed to enable the municipality to recover and improve the ratios and improve service delivery.

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

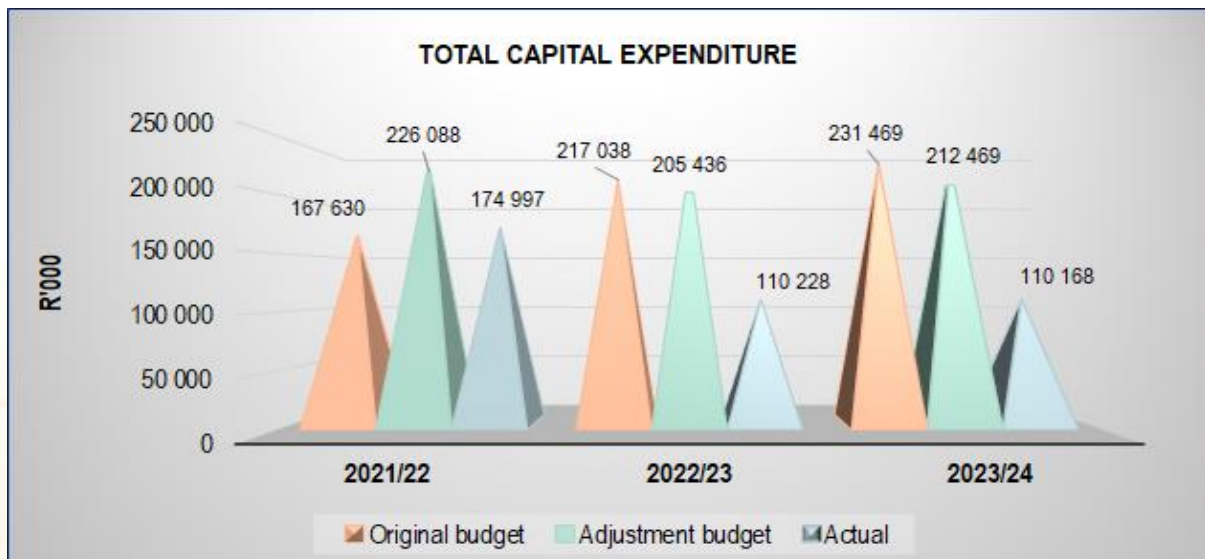
The Municipal Infrastructure Grant (MIG), Integrated National Electrification Programme (INEP), Water Services Grant (WSG) and the Neighbourhood Development Partnership Grant (NDPG) mainly funded capital. For the year under review, more than 91% of MIG-funded capital budget was spent. NDPG also record spending of more than 100%. INEP and WSG grant recorded expenditure of only 94%.

Please note that the outlines of capital expenditure relating to the new works and renewal programmes, the full programme of capital projects and alignment of projects in wards are in **Appendices M, N and O** respectively.

5.5 Capital Expenditure

CAPITAL EXPENDITURE 2023/24					
					R'000
R million	Original	Adjustment	Audited	Original Budget variance	Adjusted Budget Variance
Capital expenditure	231 469	212 469	110 168	52,4%	48,1%
Operating expenditure	4 192 291	4 635 867	5 068 418	-20,9%	-9,3%
Total expenditure	4 192 291	4 635 867	5 068 418	-20,9%	-9,3%
Water and sanitation	739	1 947	1 463	-97,9%	24,8%
Electricity	1 458 678	1 444 575	1 398 521	4,1%	3,2%
Housing	40 033	16 175	10 760	73,1%	33,5%

R million	Original	Adjustment	Audited	Original Budget variance	Adjusted Budget Variance
Roads, pavements, bridges, and stormwater	278	276	190	31,6%	31,1%
Other	3	3	4	-34,2%	-15,0%
Grants and subsidies	-	-	-	0%	0%
Property rates	561 076	546 000	507 434	9,6%	7,1%
Service charges	2 305 667	2 110 047	2 032 913	11,8%	3,7%
Other own revenue	1 347 272	1 269 206	1 605 868	-19,2%	-26,5%
Employee related costs	785 821	770 975	774 036	1,5%	-0,4%
Repairs and maintenance	440 738	440 738	132 133	70,0%	70,0%
Bulk purchases	1 109 287	1 109 286	1 577 186	-42,2%	-42,2%
Other expenditure	1 856 475	2 314 858	2 585 064	-39,2%	-11,7%
Service charges: Electricity	1 100 940	1 071 668	958 434	12,9%	10,6%
Employee related costs: Electricity	50	45	50	1,0%	-10,3%
Service charges: Water	787 552	677 106	731 613	7,1%	-8,1%
Grants & subsidies: Water	-	-	-	0%	0%

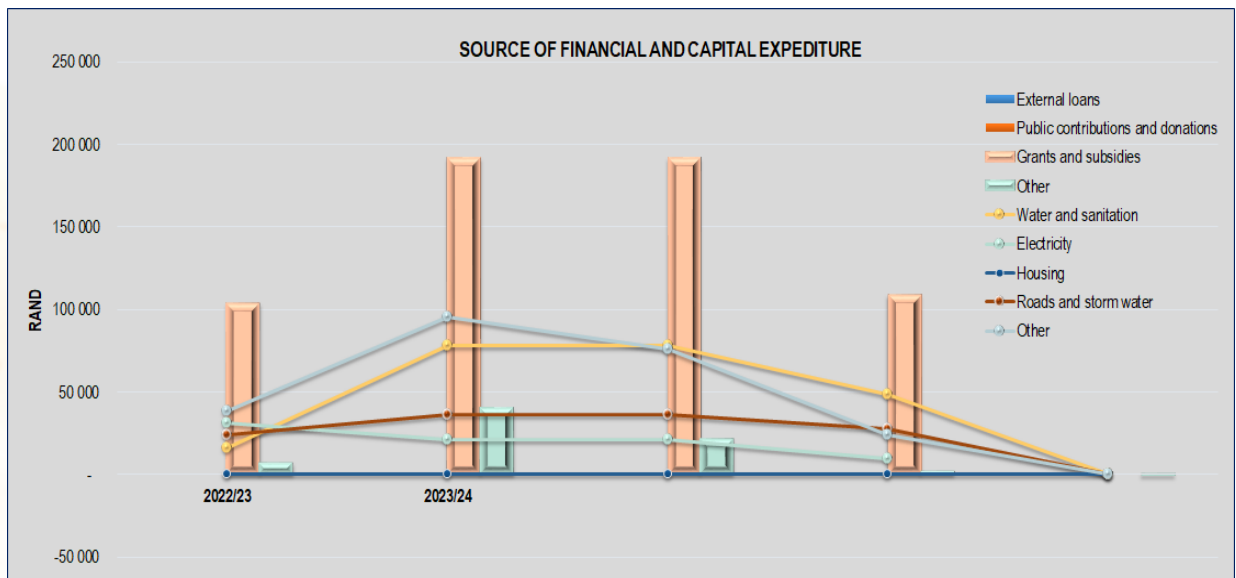


COMMENTS ON CAPITAL EXPENDITURE

As can be seen in the table below, the capital spending is above 90% of the total allocation for the year. Municipal spending on all essential services has reported high spending.

5.6 Sources of Finance

CAPITAL EXPENDITURE - FUNDING SOURCES - 2023/24						
R' 000						
Details	2022/23	2023/24			2023/24 Variance	
	Actual	Original (OB)	Adjustment	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
Source of finance						
External loans	-	-	-	-	0%	0%
Public contributions and donations	-	-	-	-	0%	0%
Grants and subsidies	103 176	191 469	191 382	108 670	-0,05%	-43,24%
Other	7 052	40 000	21 000	1 496	-47,50%	-96,26%
Total	110 228	231 469	212 382	110 166	-47,55%	-139,50%
Percentage of finance						
External loans	-	-	-	-	0%	0%
Grants and subsidies	-	-	-	-	0%	0%
Other	-	-	-	-	0%	0%
Capital expenditure						
Water and sanitation	16 312	78 365	78 365	48 808	0,00%	-37,72%
Electricity	31 424	21 336	21 336	9 455		
Housing	0	-	-	-	0,00%	0,00%
Roads and stormwater	23 808	36 524	36 524	27 860	0,00%	-23,72%
Other	38 684	95 244	76 157	24 043	-20,04%	-74,76%
Total	110 228	231 469	212 382	110 166	-20,04%	-136,19%



COMMENT ON SOURCES OF FUNDING

The Municipal Infrastructure Grant (MIG), Integrated National Electrification Programme (INEP), Water Services Grant (WSG) and the Neighbourhood Development Partnership Grant (NDPG) mainly funded capital.

There were no Council's own funded capital projects.

5.7 Capital Spending on Five Largest Projects

CAPITAL SPENDING ON FIVE LARGEST PROJECTS - 2023/24				
				R' 000
Name of Project	2023/24			Variance
	Original Budget	Adjustment Budget	Actual Expenditure	Adjustment variance (%)
A. Upgrade taxi rank Jouberton	22 227	21 162	19 399	5%
B. Paving of taxi routes and stormwater drainage in Khuma (Phase 9)	21 457	15 112	13 243	30%
C. Jouberton / Kanana bulk water supply (Phase 1) bulk water line	19 000	14 000	12 171	26%
D. Development of cell 3 of the Klerksdorp Landfill Site	35 471	27 059	18 463	24%
E. Refurbishment of chlorine dosing plants in the Matlosana area	11 418	37 088	32 436	-225%
<i>Projects with the highest capital expenditure in 2023/24</i>				
Name of Project - A	UPGRADE TAXI RANK JOUBERTON			
Objective of Project	Infrastructure for public transport			
Delays	None			
Future Challenges	None			
Anticipated citizen benefits	Public transport infrastructure			
Name of Project - B	PAVING OF TAXI ROUTES AND STORMWATER DRAINAGE IN KHUMA (PHASE 9)			
Objective of Project	New sewer infrastructure			
Delays	None			
Future Challenges	None			
Anticipated citizen benefits	Bulk sewer line			
Name of Project - C	JOUBERTON / KANANA BULK WATER SUPPLY (PHASE 1) BULK WATER LINE			
Objective of Project	New water infrastructure line			
Delays	None			
Future Challenges	None			
Anticipated citizen benefits	Water supply			

Name of Project - D	DEVELOPMENT OF CELL 3 OF THE KLERKSDORP LANDFILL SITE
Objective of Project	Refuse dumping site
Delays	None
Future Challenges	None
Anticipated citizen benefits	Dumping site for rubbish
Name of Project - E	REFURBISHMENT OF CHLORINE DOSING PLANTS IN THE MATLOSANA AREA
Objective of Project	Chlorine systems for better water quality
Delays	None
Future Challenges	None
Anticipated citizen benefits	Clean water

COMMENTS ON CAPITAL PROJECTS

The budget allocation for the development of basic infrastructure services is a constraint as there are increasing demands for new infrastructure due to the growth of the city in comparison to the available allocation. The only challenge that does exist in all Council projects is that we have a lot of WIP projects and the issue that Council is facing is the shortage of funding to complete all WIP projects

5.8 Basic Service and Infrastructure Backlogs - Overview

INTRODUCTION TO BASIC SERVICE AND INFRASTRUCTURE BACKLOGS

The City of Matlosana faces significant challenges in providing basic services and maintaining its infrastructure. This phenomenon has resulted in backlogs that negatively impact the quality of life for residents.

The city's water supply, sanitation, electricity, and refuse removal services are inadequate, posing health risks and inconvenience to citizens. The infrastructure, including roads, public facilities, and waste management systems, is in disrepair, hindering economic growth and development.



The closure of mines and migration of families from farming settlements to urban areas has put pressure on the upgrading of bulk infrastructure and increased settlement on unproclaim areas. The backlog will affect the municipality negatively.

The development of master plans for water, sewer, roads and electricity will assist in assessment of backlogs as well as submission of reports for counter funding.

The repeated seismic incidents put more stress on the existing and old infrastructure in all areas of the municipality especially on the asbestos-cement pipes. Application for funding for the development of the various master plans is under consideration by the Development Bank of Southern Africa (DBSA). The application made to the DBSA for development of Master Plans was approved.

The Grant Agreement between DBSA and City of Matlosana has been signed and procurement of services provider is in the process.

SERVICE BACKLOGS AS AT 30 JUNE 2024				
Households (Hhs)				
Services	*Service level and above minimum standard		**Service level below minimum standard	
	No Hhs	% Hhs	No Hhs	% Hhs
Water	123 902	94%	7 531	6%
Sanitation	124 234	95%	7 199	5%
Electricity	117 197	89%	14 236	11%
Waste management	117 463	89%	13 970	11%
% Hhs are the service level and above / below minimum standard as a proportion of total Hhs.				

MUNICIPAL INFRASTRUCTURE GRANT (MIG)* EXPENDITURE - 2023/24 ON SERVICE BACKLOGS					
R' 000					
Details	Budget	Adjusted	Actual	Variance	
				Budget	Adjustment
Infrastructure - Road Transport	21 457	(6 344)	15 112		
Paving of taxi route and Stormwater drainage	21 457	(6 344)	15 112	42%	-142%
Infrastructure - Electricity	3 474	-	3 474		
High masts	3 474	-	3 474	0%	-100%
Infrastructure - Water	19 000	4 167	23 167		
Jouberton / Kanana bulk water supply (Phase 1) - Bulk water line	19 000	(5 000)	14 000	36%	-136%
Refurbishment of electrical and mechanical equipment in the water pump stations in the Matlosana area	-	9 167	9 167	-100%	0%
Infrastructure - Sanitation	19 000	(12 432)	6 567		
Upgrading of the Outfall Sewer in Jouberton and Alabama Extensions	19 000	(13 818)	5 181	267%	-367%
Refurbishment of electrical and mechanical equipment in the sewer pump stations in the Matlosana area	-	1 386	1 386	-100%	0%
Other Specify: Sport	7 000	1 956	8 956		
Upgrading of Tigane Sport Field	-	1 550	1 550	-100%	0%
New Complex Khuma	7 000	406	7 406	-5%	-95%

MUNICIPAL INFRASTRUCTURE GRANT (MIG)* EXPENDITURE - 2023/24 ON SERVICE BACKLOGS					
R' 000					
Details	Budget	Adjusted	Actual	Variance	
				Budget	Adjustment
Other Specify: Local Economic Development	-	3 067	3 067		
<i>Upgrading of Fresh Produce Market (Phase 2)</i>	-	3 067	3 067	-100%	0%
Infrastructure - Landfill Site	40 013	14 816	54 829		
<i>Development of Cell 3 of the Klerksdorp Landfill Site (Phase 1)</i>	35 471	(8 412)	27 059	31%	-131%
<i>Procurement of Specialised Vehicles for Solid Waste Removal (Phase 2)</i>	4 542	901	5 443	-17%	-83%
<i>Procurement of Specialised Vehicles for Solid Waste Removal (Phase 3)</i>	-	22 327	22 327	-100%	0%
Infrastructure - Other	5 786	-	5 786		
PMU fees	5 786	-	5 786	0%	-100%
TOTAL	115 730	5 230	120 958	-4%	-96%

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

COMMENTS ON BACKLOGS

The City of Matlosana must further implement two major projects for water supply to strengthen the existing supply to various communities and to unlock further development which already eminent. The implementation of a further bulk sanitation project will unlock among others the development on the east of Klerksdorp.

Lack of funding on capital projects by the municipality and the ageing infrastructure remains a challenge for the quicker strengthening of bulk services to support development.

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS

The municipality's cash flow is monitored daily and is a major challenge as indicated by the various ratios. A cash flow committee sits on a weekly basis to discuss the payments for the week going forward. The municipality's investments consist mainly of government grants of which the MIG is the main contributor and some securities.

During each month, investments are made and withdrawn as part of the cash flow management process.

The Municipality has established a cash flow management committee that sits every week to monitor the cash flow and monitor payments to service providers, of which bulk service providers is priorities.

5.9 Cash Flow

CASH FLOW OUTCOMES				
R'000				
Description	2022/23	2023/24		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts	2 608 218	3 243 533	2 459 311	2 908 043
Ratepayers and other	1 656 248	2 317 428	1 533 206	1 763 385
Government - operating	547 682	197 256	197 256	172 841
Government - capital	150 382	611 134	611 134	595 525
Interest	139 888	9 761	9 761	143 981
Othe receipts	114 018	107 954	107 954	232 311
Payments	(2 492 763)	(3 025 072)	(3 037 389)	(2 583 074)
Suppliers and employees	(2 252 708)	(3 025 072)	(3 037 389)	(2 371 488)
Finance charges	(240 191)	-	-	(218 915)
Vat Received	136	-	-	7 328
NET CASH FROM/(USED) OPERATING ACTIVITIES	115 455	218 461	(578 078)	324 968
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts	(191 559)	-	-	(240 003)
Purchase PPE	(190 695)	-	-	(238 940)
Proceeds on disposal of PPE	6	-	-	-
Decrease (Increase) in non-current debtors	-	-	-	-
Decrease (increase) other non-current receivables	(870)	-	-	(1 041)
Decrease (increase) in non-current investments	-	-	-	(22)
Payments	-	-	-	-
Capital assets	-	-	-	-
NET CASH FROM/(USED) INVESTING ACTIVITIES	(191 559)	-	-	(240 003)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts	(6 295)	500	500	4 671
Short term loans	(11 022)	-	-	1 299
Borrowing long term/refinancing				
Increase (decrease) in consumer deposits	4 727	500	500	3 372
Payments				
Repayment of borrowing/NT Liabilities	(38 506)	(4 800)	(4 800)	(13 106)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(44 801)	(4 300)	(4 300)	(8 434)

CASH FLOW OUTCOMES				
R'000				
Description	2022/23	2023/24		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
NET INCREASE/ (DECREASE) IN CASH HELD	(120 905)	(17 308)	(813 848)	76 531
Cash/cash equivalents at the year-begin:	213 584	(213 000)	(92 679)	92 679
Cash/cash equivalents at the year-end:	92 679	(230 308)	(906 526)	169 210

COMMENT ON CASH FLOW OUTCOMES

The municipality's cash flow remains under pressure due to a low collection rate in areas where Eskom supplies electricity. The current economic climate is also a contributing factor. The available cash is actively managed daily to ensure that the necessary basic services delivery objectives are achieved. A cash flow committee that sits on a weekly basis was established to assist in managing the payment of outstanding creditors.

The Municipality has established a cash flow management committee that sits every week to monitor the cash flow and monitor payments to service providers, of which bulk service providers is a priority.

5.10 Borrowing and Investments

INTRODUCTION TO BORROWING AND INVESTMENTS

No new loans were taken up in the past financial year. The loan book is reducing constantly as loans are serviced.

The municipality's investments consist mainly of government grants of which the Equitable Share grant, MIG, INEP and NDPG grants is the main contributor and some securities.

ACTUAL BORROWINGS: 2021/22 TO 2023/24			
R' 000			
Instrument	2021/22	2022/23	2023/24
Municipality			
Long-Term Loans (annuity/reducing balance)	12 866	9 363	5 474
MUNICIPALITY TOTAL	12 866	9 363	5 474

MUNICIPAL INVESTMENTS			
R' 000			
Investment type	2021/22	2022/23	2023/24
	Actual	Actual	Actual
Deposits – Bank	189 970	74 665	108 138
Guaranteed Endowment Policies (sinking)	11 338	12 094	13 071
TOTAL	201 308	86 759	121 209

COMMENTS ON BORROWING AND INVESTMENTS

No new loans were taken up in the past financial year. The current loan book is reducing as loans are serviced.

Municipal annual deposits have decreased from R201 million to R21 million.

The municipality's investments consist mainly of government grants of which the MIG, NDPG and Equitable Share grants are the main contributor.

5.11 Public-Private Partnerships**PUBLIC PRIVATE PARTNERSHIPS**

Council does not have any Public Private Partnerships.

COMPONENT D: OTHER FINANCIAL MATTERS**5.12 Supply Chain Management****SUPPLY CHAIN MANAGEMENT**

The Council developed a Supply Chain Management Policy and practices, in compliance with the guidelines set down by Supply Chain Management legislation and regulations. The policy is being reviewed on an annual basis and tabled with each year's budget. The reviews are done in line with the applicable amendments to SCM related legislation and regulations.

In terms of the municipal Supply Chain Management Policy, and section 117 of the Municipal Finance Management Act, no Councillor may be a member of a municipal bid committee or any other committee evaluating or approving tender, quotations, contracts or other bids, nor attend any such meeting as an observer.

5.13 GRAP Compliance**GRAP COMPLIANCE**

The City of Matlosana applies General Recognised Accounting Practices (GRAP) in the compilation of its financial statements.

Chapter 6



CHAPTER 6 – AUDITOR-GENERAL'S AUDIT FINDINGS**INTRODUCTION**

The audited 2023/24 Annual Report, including the Annual Financial Statements and Annual Performance Report was submitted to the Auditor-General on 31 August 2024 for auditing.

COMPONENT A: AUDITOR-GENERAL'S OPINION OF FINANCIAL STATEMENTS 2022/23**6.1 Auditor-General Report 2022/23****AUDITOR-GENERAL'S OPINION ON FINANCIAL PERFORMANCE - 2022/23****Unqualified opinion – Financial Performance**

"In my opinion, the financial statements present fairly, in all material respects, the financial position of the City of Matlosana as at 30 June 2023, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 4 of 2020 (DoRA)."

Qualified opinion – Predetermined objectives

"I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for service delivery and infrastructure development and local economic development. Management did not correct the misstatements, and I reported material findings in this regard."

COMMENTS ON AUDITOR-GENERAL'S OPINION ON FINANCIAL PERFORMANCE - 2022/23

Management is pleased that the municipality again obtained an Unqualified audit opinion for the financial statements.

Management is also aware that to not regress and to improve the opinions going forward, that attention to matters noted in the audit must be addressed. It will therefore formulate the post audit action plan which will be monitored by the audit steering committee on a regular basis.

The municipality is currently busy with the implementation of the Post Audit Action Plan (PAAP), after receipt of the final Audit and Management Report. The Provincial Treasury has introduced the Web-based Post Audit Action Plan (PAAP), to assist the municipalities to report progress timeously.

COMMENTS ON AUDITOR-GENERAL'S OPINION ON PERFORMANCE MANAGEMENT - 2022/23

Performance Management received Qualified audit opinion from the Auditor-General. Management is also aware the regression and will strive to improve the opinions going forward. Attention to matters noted in the audit must be addressed. It will therefore formulate the post audit action plan which will be monitored by the audit steering committee on a regular basis.

COMPONENT B: AUDITOR-GENERAL'S OPINION 2023/24**6.2 Auditor-General's Report 2023/24**AUDITOR-GENERAL
SOUTH AFRICA*Auditing to build public confidence***Report of the auditor-general to the Northwest Provincial Legislature and the Council on the City of Matlosana****Report on the audit of the financial statements****Qualified Opinion**

1. I have audited the financial statements of the City of Matlosana Local Municipality set out on pages 392 to 478, which comprise the statement of financial position as at 30 June 2024, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget information with actual information for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, except for the 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 City of Matlosana 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 Practice (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**General Expenses**

3. I was unable to obtain sufficient appropriate audit evidence for indigent cost included in general expenditure due to the status of the accounting records and adequate records for receipt of goods and services was not maintained. I was unable to confirm the indigent cost by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to indigent cost included in general expenses stated at R57 615 241, in note 36 to the financial statements.



Context for opinion

4. 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.
5. 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.
6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Material uncertainty relating to going concern

7. I draw attention to the matter below. My opinion is not modified in respect of this matter.
8. I draw attention to note 58 to the financial statements, which indicates that a net loss of R996 513 801 was incurred during the year ended 30 June 2024, and as of that date, the total current liabilities exceeded its total current assets by R3 036 672 082. As stated in note 58, these events or conditions, along with other matters set forth in the note, indicate that a material uncertainty exists that may cast significant doubt on the municipality's ability to continue as a going concern.

Emphasis of matters

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

Material impairments – consumer debtors

10. As disclosed in note 11 to the financial statements, material allowance for impairment of R 8 691 159 072 (2023: R7 513 286 491) was recognised which represents 94% (2023: 94%) of total consumer debtors.
11. As disclosed in note 32 to the financial statements, impairment of consumers debtors of R1 444 949 121 (2023: R1 381 465 877) as a result of significant impairment of debtors.

Material losses – water and electricity

12. As disclosed in note 33 to the financial statements, the municipality incurred distribution losses on electricity and water in excess of the norms of 43% (2023: 38%) and 59% (2023: 58%) respectively.



Uncertainty relating to the future outcome of exceptional litigation

13. With reference to note 50 to the financial statements, the municipality is the defendant in a number of lawsuits. The municipality is opposing the claims amounting to R620 933 606. The ultimate outcome of the matters could not be determined and no provision for any liability that may result has been made in the financial statements.

Other matters

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

Unaudited disclosure notes

15. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA. This disclosure requirement did not form part of the audit of the financial statements and accordingly I do not express an opinion on them.

Responsibilities of the accounting officer for the financial statements

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

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

18. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
19. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 16, forms part of our auditor's report.



Report on the annual performance report

20. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for selected development priorities presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
21. I selected the following development priorities presented in the annual performance report for the year ended 30 June 2024 for auditing. I selected development priorities that measures the municipality's performance on its primary mandated functions and that are of significant national, community or public interest.

Key performance area	Page numbers	Purpose
KPA 1: Basic service delivery and infrastructure development	181 – 195 208 – 209 237 – 238 256	To ensure sustainable services to the community, to improve access and thereby reducing backlogs. This component includes water; sanitation; roads; electricity; waste management; and housing services and free basic services.
KPA 3: Local economic development	250 258 270	Skills development and job creation
KPA 4: Municipal financial viability and management	270 – 275 230 – 231 259 - 260	Focuses on budget development, supply chain management issues, asset management as well as income and expenditure management.

22. I evaluated the reported performance information for the selected programmes against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the municipality's planning and delivery on its mandate and objectives.
23. I performed procedures to test whether:
- the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives
 - 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
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable
- there is adequate supporting evidence for the achievements reported and for the measures taken to improve performance.

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

25. I did not identify any material findings on the reported performance information for the selected programmes.

Other matters

26. I draw attention to the matters below.

Achievement of planned targets

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

28. 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. The measures taken to improve performance are included in the annual performance report on pages 181 to 195 and 208 to 209.

Basic service delivery and infrastructure

<i>Targets achieved: 29%</i>		
<i>Budget spent: 70%</i>		
Key service delivery indicator not achieved	Planned target	Reported achievement
Number of taxi ranks with facilities constructed in Jouberton Ext 19 (Ward 37)	1	0
Number of cells developed for Klerksdorp landfill site (Cell 3) (Phase 1) (Ward 19)	1	0



Number of toilets re-constructed and refurbished in Kanana (Wards 20 & 24)	100	0
Kilometre of outfall sewer line in Jouberton Ext 19 and 23 (Phase 1) (Wards 7, 8 & 37) upgraded	1	0
Number of water line for Jouberton Reservoir to Kanana (Wards 6, 14 and 18) constructed	1	0
Number of water line for Jouberton Reservoir to Kanana (Wards 6, 14 and 18) constructed	1	0
Metres of outfall sewer line in Khuma Proper upgraded	705	0
Number of new Sports Complex in Khuma Ext 9 (Ward 31) (Phase 2) constructed	1	0
Number of Jouberton reservoirs (Ward13) refurbished	1	0
Number of water pump-stations refurbished with electrical and mechanical equipment at the Matlosana area (Wards 1 - 39)	3	0
Kilometre of taxi routes paved, and km of storm-water drainage constructed in Khuma Ext 11 (Phase 9) (Ward 33)	4.4	0
Kilometres roads graded in the CoM municipal area	75	38.7
Kilometres of open storm-water channels cleaned	20	10.4
Kilometres of underground storm-water pipe cleaned	30	20.865
Kilometre of main / outfall sewers and blockages cleaned in the CoM area	40	14.35
Number of reservoirs in the CoM area cleaned	30	28
Number of taxi ranks with facilities constructed in Jouberton Ext 19 (Ward 37)	1	0

Material misstatements

29. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for service delivery and infrastructure development and local economic development. Management subsequently corrected all the misstatements, and I did not include any material findings in this report.



Report on compliance with legislation

30. 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.
31. 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.
32. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the municipality, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
33. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual financial statements

34. 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 liabilities, revenue and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records were provided subsequently, but the uncorrected material misstatements and supporting records that could not be provided resulted in the financial statements receiving qualified audit opinion.

Expenditure management

35. Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA.
36. Reasonable steps were not taken to ensure that the municipality implements and maintains an effective system of expenditure control, including procedures for the approval of funds, as required by section 65(2)(a) of the MFMA.
37. Reasonable steps were not taken to prevent unauthorised expenditure of R1 126 875 482, as disclosed in note 46 to the financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the unauthorised expenditure was caused by overspending of the budget.



38. Reasonable steps were not taken to prevent irregular expenditure of R248 623 592, as disclosed in note 47 to the annual financial statements, as required by section 62(1)(d) of the MFMA. The majority of the irregular expenditure was caused by the municipality not adhering to supply chain regulations.
39. Reasonable steps were not taken to prevent fruitless and wasteful expenditure of R104 864 745, as disclosed in note 48 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the disclosed fruitless and wasteful expenditure was caused by interest incurred on amounts owed to Eskom and Midvaal.

Procurement and contract management

40. Some of the goods and services within the prescribed transaction value for competitive bids were procured without inviting competitive bids, as required by SCM Regulation 19(a). Deviations were approved by the accounting officer even though it was not impractical to invite competitive bids, in contravention of SCM Regulation 36(1).
41. Some of the contracts were awarded to bidders based on points given for legislative requirement that were not stipulated in the original invitation for bidding, in contravention of SCM regulations 21(b) and 28(1)(a)(i) and the Preferential Procurement Regulations.
42. Some of the contracts were awarded to providers whose tax matters had not been declared by the South African Revenue Service to be in order, in contravention of SCM Regulation 43.
43. Some of the contracts and quotations were awarded to bidders based on preference points that were not allocated and/or calculated in accordance with the requirements of section 2(1)(a) of the Preferential Procurement Policy Framework Act and its regulations.
44. Some of the contracts and quotations were awarded to bidders that did not score the highest points in the evaluation process, as required by section 2(1)(f) of Preferential Procurement Policy Framework Act and 2022 Preferential Procurement Regulation 4(4) and 5(4).
45. Sufficient appropriate audit evidence could not be obtained that construction contracts were awarded to contractors that were registered with the Construction Industry Development Board (CIDB) and qualified for the contract] in accordance with section 18(1) of the CIDB Act and CIDB Regulations 17 and 25(7A).
46. Sufficient appropriate audit evidence could not be obtained that some contracts were extended or modified with the approval of a properly delegated official as required by SCM Regulating 5.

Consequence management

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



48. 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.

Human resource management

49. 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 Municipal Systems Act.

Strategic Planning and Performance

50. The SDBIP for the year under review did not include monthly revenue projections by source of collection as required by section 1 of the MFMA.
51. The performance management system and related controls were inadequate as it did not describe how the performance monitoring and measurement processes should be conducted and managed, as required by Municipal planning and performance management regulation 7(1).

Other information in the annual report

52. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report, which includes the audit committee's report. The other information does not include the financial statements, the auditor's report thereon and the selected key performance area presented in the annual performance report that have been specifically reported on in this auditor's report.
53. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.
54. My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected key performance area presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
55. I did not receive the other information prior to the date of this auditor's report. After I receive and read this information, and if I conclude that there is a material misstatement, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.



Internal control deficiencies

56. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance thereon. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on compliance with legislation included in this report.

- The leadership failed to ensure the implementation of adequate policies and procedures that would support the understanding and execution of internal controls, processes, and responsibilities. This oversight resulted in material findings related to the financial statements, a recurrence of significant issues regarding performance information, and non-compliance with laws and regulations.
- Non-compliance with laws and regulations could have been prevented if proper reviews and monitoring of compliance had been conducted, and if appropriate control measures had been put in place. Additionally, the action plans developed to address prior year audit findings were not adequately implemented or monitored.
- Management lacks a comprehensive risk strategy to address the identified risks in supply chain management. Moreover, the effectiveness of the audit committee and internal audit as assurance providers was undermined by management's failure to adequately address or respond to internal audit's findings and recommendations, as well as by the ongoing non-compliance with laws and regulations.

Material irregularities

57. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit and on the status of material irregularities as previously reported in the auditor's report.

Status of previously reported material irregularities

Pollution of water resource not prevented: Orkney wastewater treatment works

58. The municipality did not take reasonable measures at Orkney Wastewater Treatment works to prevent pollution or degradation of the environmental and water resources from occurring, continuing or recurring as required by section 28(1) of the National Environmental Management Act and section 19(1) of the National Water Act. The wastewater treatment works have not been properly functional for more than three years, with overflows causing some serious pollution to the site and surroundings. This is due to vandalism, stolen equipment and dilapidated infrastructure. The non-compliance is likely to cause substantial harm to the communities exposed to, and dependent on, the contaminated water resources.



59. The accounting officer was notified of the MI on the 28 November 2022 and due to change in accounting officer, the MI was re-issued on the 24 January 2023. The Accounting Officer agreed with the MI and provided response to the re-issued notification on the 24 February 2023, and 11 May 2023 with an action plan to respond to the material irregularity. A determination letter on appropriate action taken was submitted to the accounting officer on the 29 June 2023, based on the written submissions received and assessed. However, based on follow-up visit in October 2023, it was evident that there is no progress made to resuscitate the WWTW and get critical components functional. Further, little to no progress has been made on the overall refurbishment of the WWTW where major issues such as the non-functioning installations at the plant are not being addressed. The lack of progress results in untreated effluent from the WWTW being discharged into the environment.
60. I received a response and substantiating documentation from the accounting officer on 27 October 2023 and 31 January 2024 and considered the representations made. Based on the evaluation of the action taken, I concluded that appropriate actions are not being taken to address the material irregularity.
61. I am in the process of determining the most suitable action to take.

Market dues not collected

62. The municipality has a market where fresh produce are sold on a daily basis and market dues are payable to the municipality at an agreed percentage of the total turnover. All money due to the municipality for the sales at the fresh produce market were not collected, which is in contravention with section 65(2)(f) of the MFMA, which requires that the accounting officer must take all reasonable steps to ensure that the municipality has and maintains a system of internal control in respect of debtors and revenue. This non-compliance resulted in a material financial loss of R43 323 273 to the municipality for the financial years 2017-18, 2018-19, 2019-20 and 2020-21. In the current year, a further loss of R3 149 521 was incurred as disclosed in note 37 to the financial statements.
63. The accounting officer was notified of the material irregularity on 31 March 2021 and invited to make a written submission on the actions taken or to be taken to address the matter. The accounting officer indicated that the following actions have been taken or planned to address the material irregularity:
- An independent service provider was appointed to conduct an investigation to determine the cause of the loss and which officials should be held liable. The investigation was concluded during April 2021.
 - The accounting officer subsequently initiated disciplinary steps against all ten implicated officials based on the outcome of the investigation, after which two officials were dismissed, three resigned and three received final written warnings coupled with monthly repayments of shortages. The disciplinary process of the remaining two other officials are still in progress and the municipality indicated that the process will be finalised by 15 December 2022.



- Immediately after the dismissal of the two officials and the resignation of the other three officials mentioned above, the municipality instructed the attorneys to initiate legal action to attach the employees' pension fund against the five officials for the recovery of the losses. At the date of this report, the matter was still ongoing and was expected to be finalised within the next three months.
 - Investigation reports relating to the matter were also referred to the Directorate for Priority Crime Investigation (Hawks) for further action and it is ongoing at the date of this report.
64. I received the response and substantiating documentation on 05 October 2023 and considered the representations made.
65. As the accounting officer failed to implement appropriate actions, consequently, I recommended that the accounting officer should take the following actions to address the material irregularity, which should be implemented by 9 August 2024. The recommendations were as follows:
66. The financial loss relating to the extension of credit to the buyers should be quantified and all person(s) liable for the losses should be identified and appropriate action should commence to recover the financial loss. The recovery process should not be unduly delayed.
67. Appropriate action should commence to recover the financial loss relating to the lack of reconciliations from officials responsible for the loss.
68. Appropriate action should be taken to develop and commence with the implementation of an action plan to prevent further losses and should as a minimum include the following:
- Provide training to staff members responsible for loading customer's cards and performing market dues reconciliations.
 - All direct deposits must first be confirmed in the bank account before the customer's card is loaded.
 - Daily reconciliations between the till cash and deposits against the actual amounts loaded.
 - Both the cashier and the supervisor must sign-off on the reconciliations.
 - Cash shortages should be recovered from the cashier and the supervisor as specified in the job descriptions.
69. All pending disciplinary proceedings previously instituted against implicated officials should be finalised without undue delay.
70. Where appropriate, further criminal proceeding should be instituted, against any other official who has allegedly committed an act of financial misconduct or an offence, as required by section 62(1)(e) of the MFMA and in the manner prescribed by the Municipal Regulations on Financial misconduct procedures and Criminal Proceedings.



71. I received a response and substantiating documentation from the accounting officer on the 13 August 2024, however there was information outstanding to complete the assessment of the implementation of the recommendations which was requested on 26 August 2024 and the accounting officer had to submit this information by 29 August 2024. To date I have not received the requested information.
72. I am in the process of making a decision on further actions to be taken.

Municipal accounts not paid within 30 days – Midvaal

73. The accounting officer did not take all reasonable steps to ensure that payments for bulk water purchases were made within 30 days of receiving the relevant invoice or statement, contrary to section 65(2)(e) of the MFMA. This contravention resulted in a material financial loss for the municipality due to interest of R100 598 837 levied on the outstanding balance at 30 June 2021. During the 2021-22 financial year, the municipality incurred further interest of R53 917 924. The fruitless and wasteful expenditure was disclosed in note 48 of the 2022 financial statements.
74. The accounting officer was notified of the material irregularity on 19 February 2021 and invited to make a written submission on the actions taken and that will be taken to address the matter. The accounting officer indicated that the municipality is unable to settle creditors within 30 days due to cash flow concerns, although a payment arrangement was entered into, this is only honoured by the municipality when cash is available to pay.
75. As the accounting officer failed to implement appropriate actions, consequently, I recommended that the accounting officer should take the following actions to address the material irregularity, which should be implemented by 1 March 2023. The recommendations were as follows:
76. Appropriate action should be taken to enhance the existing financial plan and to commence with implementation of the revised financial plan to address the financial problems of the municipality that are preventing it from paying Midvaal within 30 days, as required by MFMA section 65(2)(e). The revised financial plan should include realistic timeframes and milestones to be achieved and include as a minimum strategy to:
- increase revenue
 - increase the collection of revenue
 - efficiently manage the available resources of the municipality to optimise costs
 - reduce water distribution losses
 - Negotiate a reasonable payment arrangement with Midvaal and properly budget for the amounts to be paid.



77. The accounting officer requested an extension for the implementation date of the recommendations as contained in audit report on the 8 March 2023. The due date to implement the recommendations was extended to 30 September 2023.
78. On the 05 October 2023 the accounting officer submitted a progress report and substantiating documents to indicate progress being made with implementation of the recommendations.
79. As most of the actions being implemented by the accounting officer are still in progress, an additional six-month extension was granted on 29 November 2023 to allow accounting officer time to fully implement the recommendations.
80. A final response was received on the implementation of the recommendations on 7 August 2024, but the response had shortcomings and was not supported by substantiating documentation. After a follow-up with the AO on 17 August 2024, a supplementary response with substantiating documentation was received which were duly assessed. Based on the outcome of the assessment, it was concluded that the recommendations were not adequately implemented.
81. I am in the process of making a decision on further actions to be taken.

Municipal accounts not paid within 30 days – Eskom

82. The accounting officer did not take all reasonable steps to ensure that payments for bulk electricity purchases were made within 30 days of receiving the relevant invoice or statement, contrary to section 65(2)(e) of the MFMA. This contravention resulted in a material financial loss for the municipality due to interest of R202 009 476 levied on the outstanding balance 30 June 2021. During the 2021-22 financial year, the municipality incurred further interest of R58 784 952. The fruitless and wasteful expenditure was disclosed in note 48 of the 2022 financial statements.
83. The accounting officer was notified of the material irregularity on 19 February 2021 and invited to make a written submission on the actions taken and that will be taken to address the matter. The accounting officer indicated that the municipality is unable to settle creditors within 30 days due to cash flow concerns, although a payment arrangement was entered into, this is only honoured by the municipality when cash is available to pay.
84. As the accounting officer failed to implement appropriate actions, consequently, I recommend that the accounting officer should take the following actions to address the material irregularity, which should be implemented by 1 March 2023 The recommendations are as follows:
85. Appropriate action should be taken to enhance the existing financial plan and to commence with implementation of the revised financial plan to address the financial problems of the municipality that are preventing it from paying Eskom within 30 days, as required by section 65(2)(e) of the MFMA. The revised financial plan should include realistic timeframes and milestones to be achieved and include as a minimum strategy to:



- increase revenue
 - increase the collection of revenue
 - efficiently manage the available resources of the municipality to optimise costs
 - reduce electricity distribution losses
 - Negotiate a reasonable payment arrangement with Eskom and properly budget for the amounts to be paid.
86. The accounting officer requested an extension for the implementation date of the recommendations as contained in audit report on the 8 March 2023. The extension request was granted to take effect on the 30 September 2023.
87. On the 05 October 2023 the accounting officer submitted a progress report and substantiating documents to indicate progress being made with implementation of the recommendations.
88. As most of the actions being implemented by the accounting officer are still in progress, an additional six-months extension was granted on 29 November 2023 to allow accounting officer time to fully implement the recommendations.
89. A final response was received on the implementation of the recommendations on 7 August 2024 but the response had shortcomings and was not supported by substantiating documentation. After a follow-up with the AO on 17 August 2024, a supplementary response with substantiating documentation was received which were duly assessed. Based on the outcome of the assessment, it was concluded that the recommendations were not adequately implemented.
90. I am in the process of making a decision on further actions to be taken.

Other reports

91. In addition to the investigations relating to material irregularities, I draw attention to the following engagements conducted by various parties that had, or could have, an impact on the matters reported in the municipality's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

Investigations

92. The South African Police Service are conducting several investigations into the awarding of tenders by the municipality, prompted by the accounting officer during 2020. These investigations were still ongoing at the date of this report.



93. During 2015, a consulting firm was requested by the Northwest Office of the Premier to conduct an investigation into allegations of financial misconduct at the municipality. The investigation was completed and a report with recommendations issued to the Office of the Premier, but at the date of this report, it has not been tabled in the council. In addition, the accounting officer referred the report to the Directorate for Priority Crime Investigations (Hawks) for further action, which was still on going at the date of this report.

AUDITOR GENERAL

Rustenburg

30 November 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

1. As matters part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements, and the procedures performed on reported performance information for selected key performance area and on the municipality's compliance with respect to the selected subject

Financial statements

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



Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and where applicable, related safeguards.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act 56 of 2003 (MFMA)	Section 1 (a), (b) & (d) of the definition: irregular expenditure Section 1 Definition of SDBIP Sections 11(1); 13(2); 14(1); 14(2)(a); 14(2)(b); 15 Sections 24(2)(c)(iv); 29(1); 29(2)(b); 32(2) Sections 32(2)(a); 32(2)(a)(i); 32(2)(a)(ii); 32(2)(b) Sections 32(6)(a); 32(7); 53(1)(c)(ii); 54(1)(c) Sections 62(1)(d); 62(1)(f)(i); 62(1)(f)(ii); 62(1)(f)(iii) Sections 63(2)(a); 63(2)(c); 64(2)(b); 64(2)(c); 64(2)(e) Sections 64(2)(f); 64(2)(g); 65(2)(a); 65(2)(b); 65(2)(e) Sections 72(1)(a)(ii); 95(a); 112(l)(iii); 112(1)(j) Sections 116(2)(b); 116(2)(c)(ii); 117; 122(1); 122(2) Sections 126(1)(a); 126(1)(b); 127(2); 127(5)(a)(i) Sections 127(5)(a)(ii); 129(1); 129(3); 133(1)(a) Sections 133(1)(c)(i); 133(1)(c)(ii); 170; 171(4)(a); 171(4)(b)
LG: MFMA: Municipal budget and reporting regulations, 2009	Regulations 71(1); 71(2); 72
LG: MFMA: Municipal investment regulations, 2005	Regulations 3(1)(a); 3(3); 6; 7; 12(2); 12(3)
LG: MFMA: Municipal regulations on financial misconduct procedures and criminal proceedings, 2014	Regulations 5(4); 6(8)(a); 6(8)(b); 10(1)
LG: MFMA: Municipal supply chain management (SCM) regulations, 2017	Regulations 5; 12(1)(b); 12(1)(c); 12(3); 13(b); 13(c); 13(c)(i) Regulations 16(a); 17(1)(a); 17(1)(b); 17(1)(c); 19(a) Regulations 21(b); 22(1)(b)(i); 22(2); 27(2)(a); 27(2)(e) Regulations 28(1)(a)(i); 28(1)(a)(ii); 29(1) (a) and (b) Regulations 29(5)(a)(ii); 29(5)(b)(ii); 32; 36(1) Regulations 38(1) (c); 38(1)(d)(ii); 38(1)(e); 38(1)(g)(i) Regulations 38(1)(g)(ii); 38(1)(g)(iii) Regulations 43; 44; 46(2)(e); 46(2)(f)
Municipal Systems Act 32 of 2000 (MSA)	Sections 25(1); 26(a); 26(c); 26(i); 26(h); 27(1) Sections 29(1)(b)(ii); 29(2)(a); 29(2)(c); 29(3)(b); 34(a); 34(b); Sections 38(a); 41(1)(a); 41(1)(b); 41(1)(c)(ii); 42; 43(2) Sections 56(a); 57(2)(a); 57(4B); 57(6)(a) Sections 66(1)(a); 66(1)(b); 67(1)(d); 74(1) Sections 93B(a); 93B(b); 93C(a)(iv); 93C(a)(v); 96(b)



Legislation	Sections or regulations
LG: MSA: Municipal planning and performance management regulations, 2001	Regulations 2(1)(e); 2(3)(a); 3(3); 3(4)(b); 3(5)(a); 7(1); 8 Regulations 9(1)(a); 10(a); 12(1); 15(1)(a)(i); 15(1)(a)(ii)
LG: 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)
LG: MSA: Regulations on appointment and conditions of employment of senior managers, 2014	Regulations 17(2); 36(1)(a)
LG: MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations 5(2); 5(3); 5(6); 8(4)
Annual Division of Revenue Act (DoRA)	Sections 11(6)(b); 12(5); 16(1); 16(3)
Construction Industry Development Board Act 38 of 2000 (CIDB)	Section 18(1)
CIDB regulations	Regulations 17; 25(7A)
Municipal Property Rates Act 6 of 2004 (MPRA)	Section 3(1)
Preferential Procurement Policy Framework Act 5 of 2000 (PPPFA)	Sections 2(1)(a); 2(1)(f)
Preferential Procurement regulations (PPR), 2017	Regulations 5(1); 5(3); 5(6); 5(7) Regulations 6(1); 6(2); 6(3); 6(5); 6(6); 6(8) Regulations 7(1); 7(2); 7(3); 7(5); 7(6); 7(8) Regulations 8(2); 8(5); 9(1); 10(1); 10(2); 11(1)
Preferential Procurement regulations (PPR), 2022	Regulations 3(1) Regulations 4(1); 4(2); 4(3); 4(4) Regulations 5(1); 5(2); 5(3); 5(4)
Prevention and Combating of Corrupt Activities Act 12 of 2004 (PRECCA)	Section 34(1)

COMMENTS ON AUDITOR-GENERAL'S OPINION ON FINANCIAL PERFORMANCE – 2023/24

City of Matlosana obtained a qualified audit opinion, this is a regress from an unqualified audit opinion in 2022/23 financial year.

The municipality has received the detailed Management Report and has prepared the Post Audit Action Plan (PAAP) for implementation. The Provincial Treasury has introduced the Web-based Post Audit Action Plan (PAAP), to assist the municipalities to report progress timeously. The PAAP will be submitted to council by 31 January 2025. It will therefore be monitored by the audit steering committee on a regular basis.

Management is committed to improve the audit opinions going forward. Matters noted in the audit report will be addressed and recurrence will be avoided where possible.

COMMENTS ON AUDITOR-GENERAL'S OPINION ON PERFORMANCE MANAGEMENT - 2023/24

Performance Management is pleased that the municipality again obtained an Unqualified audit opinion from the Auditor-General.

Management is conscious not to relapse and will strive to improve the opinions going forward.

Glossary



GLOSSARY	
ACCESSIBILITY INDICATORS	Explore whether the intended beneficiaries can access services or outputs.
ACCOUNTABILITY DOCUMENTS	Documents used by executive authorities to give “full and regular” reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year, and Annual Reports.
ACTIVITIES	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe, “what we do”.
ADEQUACY INDICATORS	The quantity of input or output relative to the need or demand.
ANNUAL REPORT	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
APPROVED BUDGET	The annual financial statements of a municipality as audited by the Auditor-General and approved by Council or a provincial or national executive.
BASELINE	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
BASIC MUNICIPAL SERVICE	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that 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 Development ☞ Municipal Institutional Development and Transformation ☞ Local Economic Development ☞ Municipal Financial Viability & Management ☞ Good Governance and Public Participation

GLOSSARY	
OUTCOMES	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
OUTPUTS	The final products or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunisation or a service such as processing an application) that contributes to the achievement of a Key Result Area.
PERFORMANCE INDICATOR	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes, and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered).
PERFORMANCE INFORMATION	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
PERFORMANCE STANDARDS	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this 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 period.
SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN	Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
VOTE	<p>One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area.</p> <p>Section 1 of the MFMA defines a "vote" as:</p> <p><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></p> <p><i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned.</i></p>

Appendices



APPENDIX A – COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE - 2023/24					
Council Members	Full Time / Part Time	Committees Allocated	* Ward and / or Party Represented	% of Council Meetings Attended	% Apologies for non-attendance
	FT/PT				
Cllr SOC Barrends	FT	MMC Infrastructure	ANC Ward 4	85%	15%
¹ Cllr JN Bangani	FT	MPAC Chairperson	F4SD	80%	15%
² Cllr JA Basson	PT	Community Services	DA Ward 16	95%	5%
Cllr CJ Bester	PT	Community Services Infrastructure	DA Ward 28	90%	10%
³ Cllr A Bonga	PT	Public Safety Transversal Issues	ANC Ward 1	100%	0%
Cllr PH Booth	PT	Community Services Infrastructure	VF+	95%	5%
Cllr JGR Bornman	PT	Electrical Engineering Public Safety	DA Ward 29	85%	15%
Cllr PZM Burrell	PT	Corporate Services Local Economic Development	DA	85%	10%
Cllr RRB Buys	PT	Community Services Electrical Engineering Planning & Human Settlement Sport, Arts & Culture Transversal Issues	PA	75%	25%
⁴ Cllr TV Chabalala	FT	MMC Community Services	ANC	90%	10%
Cllr M Coetzee	PT	Community Services Infrastructure	DA	85%	15%
⁵ Cllr A Combrinck	PT	Community Services Transversal Issues	DA	100%	0%
Cllr GLJ Cromhout	PT	Public Safety Sport, Arts & Culture	DA	85%	15%
Cllr SJ Dial	PT	Corporate Services Infrastructure Planning & Human Settlement Transversal Issues	ACDP	75%	25%
Cllr MA Dude	PT	Planning & Human Settlement Public Safety	EFF	60%	40%
Cllr PA du Preez	PT	Infrastructure Public Safety	VF+ Ward 30	75%	25%
Cllr BS Faku	PT	Finance & Debt Normalization	EFF	60%	40%
Cllr VO Foboke	PT	Electrical Engineering Local Economic Development	ANC Ward 36	100%	0%
Cllr PN Robbertze (Fourie)	PT	Planning & Human Settlement	VF+	95%	5%
Cllr N Holleran (Gelderblom)	PT	Corporate Services Sport, Arts & Culture	DA	90%	10%

APPENDIX A – COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE - 2023/24					
Council Members	Full Time / Part Time	Committees Allocated	* Ward and / or Party Represented	% of Council Meetings Attended	% Apologies for non-attendance
	FT/PT				
Cllr JR Griffin	PT	Corporate Services Electrical Engineering	VF+	80%	20%
Cllr PA Hlekiso	PT	Transversal Issues	EFF	60%	40%
Cllr AC Holtzhausen	PT	Finance & Debt Normalization Local Economic Development	VF+	100%	0%
⁶ Cllr LV Itebogeng	PT	Public Safety	ANC	100%	0%
Cllr SL Jonas	PT	Corporate Services	ANC Ward 5	95%	5%
Cllr KB Kali	PT	Electrical Engineering Local Economic Development	EFF	50%	50%
Cllr F Kasonkomona	PT	Electrical Engineering Public Safety	DA	95%	5%
⁷ Cllr EM Kgang	PT	Community Services	ANC	100%	0%
Cllr OE Kgwabane	PT	Corporate Services	ANC Ward 24	100%	0%
Cllr JT Kgwasi	PT	Community Services Infrastructure	ANC Ward 10	95%	5%
⁸ Cllr TG Khoza	FT	MMC Public Safety	ANC	80%	20%
⁹ Cllr SP Kloppers	PT	MPAC	VF+	90%	10%
Cllr ML Kodisang	FT	MMC Local Economic Development	ANC	85%	15%
Cllr KR Latha	PT	Sport, Arts & Culture	ANC Ward 33	100%	0%
Cllr JJ le Grange	PT	Finance & Debt Normalization Local Economic Development	DA Ward 19	100%	0%
Cllr KM Lethoko	PT	Finance & Debt Normalization Local Economic Development Infrastructure	PA	80%	20%
Cllr KE Mabebe	FT	MMC Transversal Issues	ANC Ward 7	90%	10%
Cllr MI Mache	PT	Community Services	EFF	70%	30%
Cllr FC Mahlophe	FT	MMC Electrical Engineering	ANC	95%	5%
Cllr ML Mahumapelo	FT	MMC Sport, Arts & Culture	ANC Ward 23	95%	5%
Cllr SJ Majiji	PT	MPAC	ANC Ward 31	95%	5%
Cllr MI Mangesi	PT	MPAC	ANC Ward 11	95%	5%
Cllr MI Maseko	FT	MMC Corporate Services	ANC Ward 9	80%	20%

APPENDIX A – COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE - 2023/24					
Council Members	Full Time / Part Time	Committees Allocated	* Ward and / or Party Represented	% of Council Meetings Attended	% Apologies for non-attendance
	FT/PT				
Cllr MN Mbele	PT	MPAC	ANC Ward 8	95%	5%
¹⁰ Cllr ML Mbona	PT	Finance & Debt Normalization Planning & Human Settlement Local Economic Development	F4SD	95%	5%
Cllr AB Mdyali	PT	Infrastructure	EFF	55%	45%
Cllr CK Modise	PT	Sport, Arts & Culture	EFF	65%	35%
Cllr MA Mokgatla	PT	Sport, Arts & Culture	ANC Ward 26	100%	0%
Cllr IM Mokhele	PT	Infrastructure Sport, Arts & Culture	ANC Ward 27	100%	0%
Cllr NP Mokoto	PT	Public Safety	ANC Ward 14	100%	0%
Cllr PM Molutsi	PT	Sport, Arts & Culture Transversal Issues	DA	80%	20%
Cllr SL Mondlane-Ngwenya	FT	Speaker	ANC	90%	10%
Cllr AM Morake	PT	Finance & Debt Normalization Public Safety	ANC Ward 32	95%	5%
¹¹ Cllr MM Mosiako	FT	MPAC Chairperson	F4SD	10%	90%
Cllr JM Mosupa	FT	MMC Human Settlement	ANC	100%	0%
Cllr M Mosweu	PT	Corporate Services	EFF	15%	85%
Cllr A Mothupi	PT	Community Services Public Safety	ANC Ward 2	95%	5%
Cllr PY Mtshawulana	PT	MPAC	ANC Ward 12	85%	15%
Cllr SR Mulhanga	PT	Community Services Electrical Engineering Transversal Issues	ANC Ward 6	100%	0%
Cllr K Ndincede	FT	Single Whip	ANC Ward 21	100%	0%
Cllr ZE Ntshanga	PT	MPAC	ANC Ward 34	95%	5%
Cllr FD Oortman	PT	MPAC	EFF	75%	25%
Cllr MS Pelele	PT	MPAC	ANC Ward 13	100%	0%
Cllr T Pheto	PT	MPAC	DA	85%	15%
Cllr BM Plaatjie	PT	Electrical Engineering Infrastructure Local Economic Development	ANC Ward 37	95%	5%

APPENDIX A – COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE - 2023/24					
Council Members	Full Time / Part Time	Committees Allocated	* Ward and / or Party Represented	% of Council Meetings Attended	% Apologies for non-attendance
	FT/PT				
¹² Cllr EM Postma	PT	Corporate Services Planning & Human Settlement	DA Ward 17	100%	0%
Cllr AM Ramphele	FT	MMC Finance & Debt Normalization	ANC	90%	10%
Cllr K Ross	PT	Planning & Human Settlement Transversal Issues	DA	85%	15%
Cllr L Scott	PT	Sport, Arts & Culture Transversal Issues	VF+	95%	5%
Cllr TS Seabeng	PT	Finance & Debt Normalization	ANC Ward 22	95%	5%
Cllr MN Seitisho	PT	Corporate Services Transversal Issues	ANC Ward 18	95%	5%
Cllr KV Seitshero	PT	Sport, Arts & Culture	ANC Ward 35	100%	0%
Cllr RM Sello	PT	Planning & Human Settlement Sport, Arts & Culture	ANC Ward 20	95%	5%
¹³ Cllr TE Sepale	PT	Planning & Human Settlement Electrical Engineering	ANC Ward 25	0%	100%
Cllr S Sesana	PT	MPAC	DA	40%	60%
¹⁴ Cllr AG Strydom	PT	Corporate Services Planning & Human Settlement	DA Ward 17	95%	5%
Cllr PJ Swart	PT	Finance & Debt Normalization	DA Ward 15	70%	30%
Cllr FI Tagaree	PT	MPAC	ANC Ward 3	85%	15%
Cllr OR Thabanchu	PT	Finance & Debt Normalization Local Economic Development	ANC	95%	5%
Cllr NJ Tsolela	FT	Executive Mayor	ANC	90%	10%
¹⁵ Cllr W Wallhorn	PT	MPAC	DA Ward 39	85%	15%
Cllr WG Zitwane	PT	Community Services Planning & Human Settlement	DA Ward 38	90%	10%

APPENDIX A – COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Notes to the above

COUNCIL MEMBER	END DATE	REPLACEMENT
Cllr II Modisenyane	Replaced on 27 June 2023	¹ Cllr JN Bangani
³ Cllr A Bonga	Resigned 01 May 2024	By-elections Ward 1 scheduled for 17 July 2024
⁴ Cllr TV Chabalala	Passed away 31 May 2024	⁷ Cllr EM Kgang
⁵ Cllr A Combrinck	Resigned 01/08/2023	² Cllr JA Basson
⁸ Cllr TG Khoza	Resigned 28 June 2024	⁶ Cllr LV Itebogeng
⁹ Cllr SP Kloppers	Resigned 28 June 2024	
¹¹ Cllr MM Mosiako	Dismissed by the Forum 4 Service Delivery 24 January 2024	¹⁰ Cllr ML Mbona
¹² Cllr EM Postma	Resigned 01/08/2023	¹⁴ Cllr AG Strydom
¹³ Cllr TE Sepale	EXPULSION CC77/2024 08/05/2024	By-elections Ward 1 scheduled for 17 July 2024
¹⁵ Cllr W Wallhorn	Resigned 13 June 2024	By-elections Ward 39 scheduled for 11 September 2024
¹⁴ Cllr AG Strydom	Elected as Ward Councillor, Ward 17, effective from 11 October 2023	

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

MAYORAL AND OTHER COMMITTEES AND PURPOSES OF COMMITTEES - 2023/24	
COMMITTEE	PURPOSE OF COMMITTEE
Finance and Debt Normalization Committee	<ul style="list-style-type: none"> ⌘ Regulated by the LG: MFMA
Planning and Human Settlements	<ul style="list-style-type: none"> ⌘ Building Regulations ⌘ Municipal Planning ⌘ Pontoons, ferries, jetties, piers and harbours
Local Economic Development	<ul style="list-style-type: none"> ⌘ Local Tourism ⌘ Markets ⌘ Street trading ⌘ Billboards and the display of advertisements in public places
Community Services	<ul style="list-style-type: none"> ⌘ Childcare facilities ⌘ Municipal Health services – not executed by the Provincial department of Health. ⌘ Municipal airports ⌘ Amusement facilities ⌘ Cemeteries, funeral parlours, and crematoria ⌘ Cleansing ⌘ Facilities for the accommodation, care, and burial of animals ⌘ Local amenities ⌘ Municipal abattoirs ⌘ Municipal parks and recreation ⌘ Pounds ⌘ Public places ⌘ Refuse removal, refuse dumps and solid waste disposal
Corporate Services	<ul style="list-style-type: none"> ⌘ Records Management ⌘ Legal Services ⌘ Communication ⌘ HR Administration ⌘ HR Development and Training ⌘ Labour Relations ⌘ Administration of staff benefit schemes ⌘ Administration of employment equity policy ⌘ Keeping of personnel records ⌘ Disciplinary procedures administration ⌘ Administration of SETA ⌘ Committee to develop system and procedures providing for fair, efficient, effective, and transparent personnel administration including: <ul style="list-style-type: none"> ➤ Conduct of disciplinary hearings ➤ Representation of Council on the Local Bargaining Committee ⌘ System for the monitoring, measuring, and evaluating staff performance ⌘ System for capacity building and training ⌘ Recruitment, selection, transfer, and appointment of personnel ⌘ Promotion and demotion

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

MAYORAL AND OTHER COMMITTEES AND PURPOSES OF COMMITTEES - 2023/24	
COMMITTEE	PURPOSE OF COMMITTEE
Public Safety	<ul style="list-style-type: none"> ☞ Firefighting services ☞ Municipal public transport ☞ Trading regulations ☞ Control of public nuisances ☞ Licensing of dogs ☞ Licensing and control of enterprises that sell food to the public ☞ Noise pollution ☞ Traffic and parking ☞ Control of enterprises that sell liquor to the public
Sport, Arts and Culture	<ul style="list-style-type: none"> ☞ Sports stadia and recreational activities
Infrastructure	<ul style="list-style-type: none"> ☞ Municipal public works ☞ Stormwater management systems ☞ Water and sanitation services ☞ Fencing and fences ☞ Municipal roads
Electrical Engineering	<ul style="list-style-type: none"> ☞ Electricity and gas reticulation ☞ Street lighting
Transversal Issues	<ul style="list-style-type: none"> ☞ Deal with all Transversal Issues in the Office of the Executive Mayor ☞ Administer women, youth, disabled and elderly matters
Mandating Committee: Mining houses	<ul style="list-style-type: none"> ☞ To facilitate, intervene and assess progress, developments, challenges and based on reports to chart a way forward to achieve the sustainable development of communities in the Matlosana Council jurisdiction area aligned with Mining Houses sustainable development objectives ☞ To discuss the transfer of certain properties of Mining Houses to the Council ☞ To mandate the Implementation Committee to proceed on a strategic drive, e.g., the incorporation of assets ☞ To make recommendations to Council about joint LED projects
Midvaal Water Committee	<ul style="list-style-type: none"> ☞ To represent Council on the Midvaal Water Companies Management Structure

APPENDIX C –THIRD-TIER ADMINISTRATIVE STRUCTURE

THIRD TIER STRUCTURE - 2023/24	
TITLE	NAME
Deputy Director: Office of the Municipal Manager	Marumo ME
Chief Risk Officer	Vacant
Chief Audit Executive	Marobane N
Security Manager (MISS)	Botsheleng M
Deputy Director: Mechanical Services	Rannona KD
Deputy Director: Public Safety	Marais AJS
Deputy Director: Community Services	Masilo MJ
Deputy Director: Sport, Arts and Culture	Morebodi MG
Deputy Director: Corporate Services	Vacant
Deputy Director: Human Resource and Labour Relations	Malongoa TF
Deputy Director: Office of the Executive Mayor	Mbakaca AM
Deputy Director: ICT	Shaikhnag M
Deputy Director: Income and Expenditure	Kgoete BO
Deputy Director: Budget and Treasury Office	Sekgala TO
Assistant Manager: Internal Audit	Molelekwa PT
Assistant Director: LED	Vacant
Assistant Director: Corporate Communication	Makgetha ND
Market Master	Ramokanate MV
PMU Manager	Ntsie MMR
Assistant Director: Water	Tau LJ
Assistant Director: Sewerage	Pilusa JJ
Assistant Director: Roads, Stormwater and Landfill	Matsi WP
Assistant Director: Development Planning and Building	Selomoseng LD
Assistant Director: Housing Services	Phala SP
Assistant Director: Planning and Project Management	Akkers ME
Assistant Director: High and Low Voltage Distribution	Mabaso SA
Assistant Director: Municipal Services, Garage and Mechanical Workshop	Matsaola PO
Assistant Director: Traffic and Security	Nkgapele MA
Assistant Director: Licensing	De Jongh PR
Assistant Director: Fire and Rescue	Mapato PS
Assistant Director: Primary Health Care	Motsoenyane NM
Assistant Director: Refuse Removal and Cleansing	Du Plessis TW
Assistant Director: Parks and Cemeteries	Vacant
Assistant Director: Library Services	Mampana NS
Assistant Director: Administration	Jansen Van Rensburg JE
Assistant Director: Legal Services	Mokansi MG
Records Manager	Motlhoiwa GD
Assistant Director: Human Resource Management and Development	Mbotshane AT
Assistant Director: Labour Relations	Sebetlele AJ
Assistant Director: Office of the Speaker	Moholoeng TE
Assistant Director: Office of the Whip	Mogakwe PK
Assistant Director: Expenditure Management	Lethoo JG
Assistant Director: Supply Chain Management	Motileni TB
Assistant Director: Debt Management	Gouwe EN
Assistant Director: Revenue Management	Kegakilwe TN
Assistant Director: Budgeting and Planning	Rossouw HS

APPENDIX D – FUNCTIONS OF MUNICIPALITY

MUNICIPAL FUNCTIONS - 2023/24	
CONSTITUTION SCHEDULE 4, PART B FUNCTIONS:	(YES / NO)
Air pollution	Yes
Building regulations	Yes
Childcare facilities	No
Electricity and gas reticulation	Yes
Firefighting services	Yes
Local tourism	Yes
Municipal airports	Yes
Municipal planning	Yes
Municipal health services	No
Municipal public transport	No
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	Yes
Pontoons, ferries, jetties, piers, and harbours, excluding the regulation of international and national shipping and matters related thereto	Yes
Stormwater management systems in built-up areas	Yes
Trading regulations	Yes
Water and sanitation services limited to potable water supply systems and domestic wastewater and sewage disposal systems	Yes
Beaches and amusement facilities	No
Billboards and the display of advertisements in public places	Yes
Cemeteries, funeral parlours, and crematoria	Yes
Cleansing	Yes
Control of public nuisances	Yes
Control of undertakings that sell liquor to the public	Yes
Facilities for the accommodation, care and burial of animals	Yes
Fencing and fences	Yes
Licensing of dogs	Yes
Licensing and control of undertakings that sell food to the public	Yes
Local amenities	Yes
Local sport facilities	Yes
Markets	Yes
Municipal abattoirs	Yes
Municipal parks and recreation	Yes
Municipal roads	Yes
Noise pollution	No
Pounds	Yes
Public places	Yes
Refuse removal, refuse dumps and solid waste disposal	Yes
Street trading	Yes
Street lighting	Yes
Traffic and parking	Yes

APPENDIX E - WARD REPORTING

FUNCTIONALITY OF WARD COMMITTEES - 2023/24					
Ward Name (Number)	Name of Ward Councillor and elected Ward Committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speaker's Office on time	Number of quarterly public ward meetings held during year
Ward 01	Cllr BONGA A Mogothwane G Seekolo ME Leeto KE Mathamela S Pitso J Kewana NM Phiri DD Letshoenyo K Ntsie LJ Majelenyane SI	Yes	12	12	1
Ward 02	Cllr MOTHUPI A Wanyane S Ngwenya H Diamond G Jars M Mmusi HB Mogapi MR Mokonopi MK Nombewu DM Seitisho B Namane S	Yes	12	12	3
Ward 03	Cllr TAGAREE I Swartz B Magardie RC Nortjie P Botes AL Jumar H Loots P Moses R Nhlapo PV Ditshabaditshaba J Le Ray C	Yes	12	12	2
Ward 04	Cllr BARREND'S SOC Radebe C Christie C Maitland RT Taunyane L Masefu C Misapitso CT Molefe IK Shabangu S Mosadi MH (Visagie) Letebele IE	Yes	12	12	3
Ward 05	Cllr JONAS SL Molefi MA Ngake B Molaioa TS Gaanakgomo B Taunyana N Madikane S Nkonqa EM Shwabane KA Molefe A Mothibedi M (Replaced) Molapisi MN (Elected in Aug 2023)	Yes	12	12	0
Ward 06	Cllr MULHANGA SR Khambula M Khumalo V Senyasamore M Moses LP Matusse LC Rankokwadi S Moloi L Letsape MB Mano M Monogwe B	Yes	12	12	2
Ward 07	Cllr MABEBE KE Selebalo JJ Tomose Z Makame I Mabe LS Mabokae KH Katlego HM Shabalala D Moseme DM Mtolo RK Mosala M	Yes	12	12	5

APPENDIX E - WARD REPORTING

FUNCTIONALITY OF WARD COMMITTEES - 2023/24					
Ward Name (Number)	Name of Ward Councillor and elected Ward Committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speaker's Office on time	Number of quarterly public ward meetings held during year
Ward 08	Cllr MBELE MN Leshupe E Gaolebe SE Dube OP Thango B Thamane R Ramatisa OM Letsape T Dwane MT Mokoena MC Mokoеле I	Yes	12	12	4
Ward 09	Cllr MASEKO NM Mkuyane R Bangani LR Matthews TP Shuping TP Rorotyi M Mokoto RK Ngcetani S Molefe W Ntsane MM Ithole C (Replaced) Sthembiso N (Elected in Feb 2024)	Yes	12	12	3
Ward 10	Cllr KGWASI JT Setlhodi WD Kamele MM Nche TJ Motlhabane NR Taunyane MM Mokgosi L Faku LN Rathebe R Norman NE Mxaku N	Yes	12	12	6
Ward 11	Cllr MANGESI MI Lethuri L Mabale NG Ngobeni S Dire MY Mosiwathaga W Ndleleni PT Moselane B Mothibi SE Mokoena A Titshala P (Replaced) Mafikela P (Elected in Aug 2023)	Yes	12	12	4
Ward 12	Cllr MTSHAWULANA PY Moremi IJ Mzibedi LD Mabuda VG Motaung P Nonkonyama E Mnanzana MT Sapepa MM Masena M Mokonopi LI Tulman RM	Yes	12	12	3
Ward 13	Cllr PELELE MS Masawe I Makume AA Mathiba TC Lethebe T Mtyhuda T Mafaesa K Gwele K Maleho MD Mooketsi S Warona B	Yes	12	12	5

APPENDIX E - WARD REPORTING

FUNCTIONALITY OF WARD COMMITTEES - 2023/24					
Ward Name (Number)	Name of Ward Councillor and elected Ward Committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speaker's Office on time	Number of quarterly public ward meetings held during year
Ward 14	Cllr MOKOTO NP Mohitshane TJ Medupe TS Jaars SN Scheepers C Moashetsi KM April BM Maropeng MM Shuping JR Leshomo J Lekhale SP(Replaced) Seleke LP (Elected in Nov 2023)	Yes	12	12	2
Ward 15	Cllr SWART PJ Burger CM Johanna MM Brenkman NG Almeida PA Kgalapa LN Kleinhans JF Lebele ML Maamogwa E (Replaced) William JS (Elected in Feb 2024) Baepi D (Replaced) Ndindola E (Elected in Sep 2023) Bokwane L (Replaced) Kloppers J (Elected in Nov 2023)	Yes	12	12	0
Ward 16	Cllr BASSON JA Maichu DG Machine PJ Knoetze H Baas TA Symington SB Smit SL Sekete OF Nelson KO Van Zyl SA Bosch JA (Replaced) De Jager M (Elected in Oct 2023)	Yes	12	12	0
Ward 17	Cllr STRYDOM AG Smit JJ Hattingh CJ Moleko PH Ntsizi TC Hattingh J Kasonkomona T Strydom HE Warren S Strydom AJ (Replaced) Schmidt M (Elected in Apr 2024) Jooste G (Replaced) Powrie OC (Elected in Apr 2024)	Yes	12	12	0
Ward 18	Cllr SEITISHO MN Madikane S Sebape ML Phokela MD Kopakae T Moraladi M Lephadi KL Mei MI Mokopanele DS Makhetha TA Moeng MM	Yes	12	12	3

APPENDIX E - WARD REPORTING

FUNCTIONALITY OF WARD COMMITTEES - 2023/24					
Ward Name (Number)	Name of Ward Councillor and elected Ward Committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speaker's Office on time	Number of quarterly public ward meetings held during year
Ward 19	Ciir LE GRANGE JJ Nyaqela KL Bester A Van Der Merwe J Lubbe Z Nel AP Scholtz MH Fourie BT Setsosa E Le Grange MC Scholtz MC	Yes	12	12	0
Ward 20	Ciir SELLO RM Motsiri MA Nkatsoana M Botsielo T Mbebane PJ Makaekae MJ Modiakgotla S Monyau NA Modisadife R Oageng T Lomo LR (Replaced) Teboho S (Elected in Mar 2024)	Yes	12	12	2
Ward 21	Ciir NDINCEDE K Mopeli MM Stengel Q Njikelana S Gasas S Welishi D Mqwebevu N (Replaced) Mzinzi N (Elected in Jul 2023) Maswabi G (Replaced) Mzoku NM (Elected in Jul 2023) Dlokwana L (Replaced) Tshembe X (Elected in Jul 2023) Gwangxu A (Replaced) Cenge Z (Elected in Jul 2023) Mnqanqeni N (Replaced) Dlokwana N (Elected in Jul 2023)	Yes	12	12	4
Ward 22	Ciir SEABENG TS Matlala TM Khalapa DL Cungwa PJ Mafata NA Magano MR Thubisi KM Lipholo MS Betha UR Maleme SM Kalamore G	Yes	12	12	10
Ward 23	Ciir MAHUMAPELO MP Nyathela M Tjeko B Dlobela V Xakatha M Meko L Maphalala M Gaanakgomo M Mpheqeke V Mphatse NJ Madlala A	Yes	12	12	3

APPENDIX E - WARD REPORTING

FUNCTIONALITY OF WARD COMMITTEES - 2023/24					
Ward Name (Number)	Name of Ward Councillor and elected Ward Committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speaker's Office on time	Number of quarterly public ward meetings held during year
Ward 24	Cllr KGWABANE OE Bojosi MS Seleke BJ Ratima MS Mofokeng BL Kepadisa SL Mvala M Dipholo TA Mhlungu DJ Ngeni KI Kgoro PT	Yes	12	12	4
Ward 25	Cllr SEPALLE TE Nonjola PA Maine R Mtshoniswa L Riet A Makae E Mohorosi Nt Ntsheare SM Taunyane SJ Semoeng KS Tokwane SG	Yes	12	12	0
Ward 26	Cllr MOKGATLA MA Mofokeng E Sechumi PE Gciva HN Mahlalela MW Resentsoere M Ndindwa MN Gooster VN Konyana MD Mkekula M Moleta MQ	Yes	12	12	6
Ward 27	Cllr MOKHELE IM Moiwa MV Molefe SM Kwaso ML Ngwenya M Nyamane PP Mathoka EM Mohlomi P Galeboe DL Nyakiso MW Ncapayi DM	Yes	12	12	6
Ward 28	Cllr BESTER CJ Kubeka ST Bothma A Malahlela NM Sehlabaka A Motswana BM Botha AW Booth MC Pii MS Bornman JR Mamapule BF (Replaced) Mongale PS (Elected in Aug 2023)	Yes	12	12	0
Ward 29	Cllr BORNMAN JGR Groenewald BE Ngxangane KM Deysel EH Gojane M Zikhali BV Molalogi JS Ntsoahae PG Slinger CJ Khwaza K Makoakoa MM	Yes	12	12	0

APPENDIX E - WARD REPORTING

FUNCTIONALITY OF WARD COMMITTEES - 2023/24					
Ward Name (Number)	Name of Ward Councillor and elected Ward Committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speaker's Office on time	Number of quarterly public ward meetings held during year
Ward 30	Cllr DU PREEZ PA Madlala BP Marais PS Lamb CJ Botha JJ Trollip M Marais FR Koekemoer PJ Stander FR (Replaced) Meyer AE (Replaced) Du Preez M (Elected in Jan 2024) Swanepoel PJ (Replaced) Swart CW (Replaced) Buys SJE (Elected in Jun 2024) Sandham RH (Replaced) Engelbrecht MC (Elected in Apr 2024)	Yes	12	12	1
Ward 31	Cllr MAJJI SJ Tanga SA Zihle M Mandla SL Mabaso KK Matebele NC Majola NK Metshe TN Peter SS Phatedi RI Mdanka S (Replaced) Tsunke NL (Elected in Sep 2023)	Yes	12	12	0
Ward 32	Cllr MORAKE AM Moletsane M Oompie FE Khimbiti ZP Vangkolor S Modise RN Magosi JB Keboneliwe KE Le Roux MT Manyela MM Mosia BM	Yes	12	12	1
Ward 33	Cllr LATHA KR Ntshanga NL Role No Tshabalala DJ Mali PL Sereko MD Khalipa NE Masobebele NF Makgale GD Fuba PJ	Yes	12	12	5
Ward 34	Cllr NTSHANGA ZE Sigade SR Mongi FC Muyane BD Shongwe PZ Phiri P Malope BP Leokaoko ME Mothibi MD Makgele JR Ximba TD	Yes	12	12	0

APPENDIX E - WARD REPORTING

FUNCTIONALITY OF WARD COMMITTEES - 2023/24					
Ward Name (Number)	Name of Ward Councillor and elected Ward Committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speaker's Office on time	Number of quarterly public ward meetings held during year
Ward 35	Cllr SEITSHERO KV Tyolo DB Nomazele BK Dondolo S Silinda JM Mogale GM Lengana DP Oliphant SO Mdleleni AF Lenkoe MD Msikinya TE	Yes	12	12	0
Ward 36	Cllr FOBOKE VO Tatai M Manyobe ME Lehihi ED Motsie PJ Shomang M Maine MG Galeboe B Scheepers MJ Moleje TC Theljane MA (Replaced) Leshomo ML (Elected in Mar 2024)	Yes	12	12	2
Ward 37	Cllr PLAATJIE BM Mzizi PE Setshaba ST Mvundlela DD Motshweni RB Sebopelo PD Busakwe MG Motlhaku T Bakaqane N Tladi MF Sekwati M	Yes	12	12	5
Ward 38	Cllr ZITWANE WG Mahloane KP Sello RK Tlisane E Sebohuli M Mogale GR Sebetlela SS Otsile MF Thwala PD Mahlophe A Satyo NM	Yes	12	12	7
Ward 39	Cllr WALLHORN W Diedericks AS Strydom NH Erasmus S De Villiers H Cronje C Botha JA Faul HAD Maddonni G Diedericks WE Coetzee JH (Replaced) Strydom HG (Elected in Sep 2023) Cronje E (Replaced) Le Roux M (Elected in Feb 2024)	Yes	12	12	0

APPENDIX F – WARD INFORMATION

WARD TITLE: WARD NAME (NUMBER)				
Capital Projects: Seven Largest in 2023/24 (Full List at Appendix O)				
				R' 000
No.	Project Name and detail	Start Date	End Date	Total Value
1	Upgrade Jouberton Taxi Rank	02/06/2016	2024/06/2024	69 068
2	Paving of Taxi Routes and Stormwater Drainage in Khuma (Phase 9)	27/07/2022	2024/06/2024	18 477
3	Jouberton / Kanana Bulk Water Supply (Phase 1) Bulk Water Line	21/02/2023	2024/06/2024	15 678
4	Development of Cell 3 of the Klerksdorp Landfill Site	28/03/2023	2024/06/2024	21 960
5	Refurbishment of Chlorine Dosing Plants in the City of Matlosana area	29/06/2023	2024/06/2024	33 978
6	Construction of Sports Complex in Khuma - Phase 2	23/10/2023	2024/06/2024	6 441
7	Specialised vehicle solid waste phase 3	01/07/2023	2024/06/2024	20 791

BASIC SERVICE PROVISION 2023/24				
DETAIL	WATER	SANITATION	ELECTRICITY	REFUSE
Households with the minimum service level and above	123 902	124 234	117 197	117 463
Households below minimum service level	7 531	7 199	14236	13 970
Total Households*	131 433	131 433	131 433	131 433
*Including informal settlements				

APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE

MUNICIPAL AUDIT COMMITTEE RECOMMENDATIONS		
Date of Committee	Committee Recommendations During 2023/24	Recommendations Adopted
13 November 2023	a) The Chief Financial Officer indicated that the 1 st quarter report on UIF&W is not yet submitted to Council and MPAC for further investigation, therefore, progress will be provided in the next meeting.	Adopted
14 February 2024	b) That the engagements ensue with the Provincial Executive Representative (PER) for the finalization of the Combined assurance model and a report be tabled in the next meeting. c) That the 2022/2023 Annual Report be recommended to council for approval without reservation. d) That the report on the possible offsite back-up be provided in the next meeting. e) That the UIF report be tabled to council and referred to MPAC for investigations. f) That the progress on the implementation of the remedial actions be provided in the next meeting. g) That the appointment of Directors be fast tracked. h) That the Contract management committee be resuscitated.	Adopted

APPENDIX H - LONG-TERM CONTRACTS

LONG TERM CONTRACTS (LARGEST CONTRACTS ENTERED INTO DURING 2023/24)				
Name of service Provider	Description of services rendered by the service provider	Starting date of contract	Expiry date of contract	Project manager
<ul style="list-style-type: none"> ⌘ Khabikedi Waste Management (Pty) LTD 	Appointment of service provider for operation and maintenance of Klerksdorp landfill site, Orkney transfer station and the management of the re-cyclers at the Klerksdorp landfill site and Orkney transfer station for a period of three years (36 months)	01 September 2023	01 September 2026	Community Services
<ul style="list-style-type: none"> ⌘ Lekau Consulting Engineering & Project Manager ⌘ MWB Consulting Engineers & Projects ⌘ Civbiz Group ⌘ Korone Eginers ⌘ Econ Pulse ⌘ Ntiyiso Consulting (Pty) Ltd ⌘ Lihuzu Projects (Pty) Ltd ⌘ Majuba Energy Technologies ⌘ Pholisani Capital ⌘ Envirodylistics (Pty) Ltd ⌘ Percy Lethabong Developers ⌘ The Efficiency Group ⌘ Spectrum Utility Management (Pty) Ltd ⌘ Fypson (Pty) Ltd 	Request for proposal for the establishment of panel to provide capital raising for the financing of infrastructure projects, to provide revenue enhancement proposal and to appoint an investor to develop Matlosana PC Pelser airport into international cargo port and domestic passenger port and to implement warehousing on risk for City of Matlosana for a period of thirty-six (36) months on as and when required basis.	18 October 2023	18 October 2026	LED
<ul style="list-style-type: none"> ⌘ 20 Elecation and Landscaping CC ⌘ JV ⌘ Sneathemba Consultants (Pty) Ltd 	Invitation to bid for development of Cell 3 Klerksdorp landfill site for a period of thirty-six (36) months	12 December 2023	12 December 2025	Community Services
<ul style="list-style-type: none"> ⌘ Molebogeng Trading 	Lease of 16 refuse trucks for a period of thirty-six (36)	20 December 2023	20 December 2026	Community Services
<ul style="list-style-type: none"> ⌘ 018 Bokamoso Engineers JV ⌘ Tm Electrical 	Supply installation and commissioning of high mast light in Alabama Ext 4 & 5 phase 2	23 February 2024	23 December 2024	Electrical Services

APPENDIX H – LONG TERM CONTRACTS

LONG TERM CONTRACTS (LARGEST CONTRACTS ENTERED INTO DURING 2023/24)				
Name of service Provider	Description of services rendered by the service provider	Starting date of contract	Expiry date of contract	Project manager
<ul style="list-style-type: none"> ⌘ MNB Chartered Accountants Inc ⌘ FTMG Africa Business Advisory Services ⌘ Maine Management and Chartered Accountants Inc ⌘ MKIVA Accountants and Auditors Inc 	Appointment of additional panel of 4 internal audit service providers for the remainder of the existing tender period.	12 January 2024	11 May 2026	Internal Audit
<ul style="list-style-type: none"> ⌘ Molathwa Investments Holdings 3 (Pty) Ltd 	Invitation to bid for leasing of five (5) refuse removal trucks for a period of six (6) months	24 April 2024	24 October 2024	Community Services
<ul style="list-style-type: none"> ⌘ Pfukani-Kusile Consulting CC 	Invitation to bid to GRAP complaint land audit and supply and maintenance of a web base spatial planning for period of thirty-six (36) months	01 June 2024	31 May 2027	Land Affairs
<ul style="list-style-type: none"> ⌘ Syntell (Pty) Ltd 	Appointment of service provider for the supply and installation of a comprehensive traffic contravention management system and traffic law enforcement equipment for a period of thirty-six (36) months	01 June 2024	31 May 2027	Traffic

APPENDIX I – MUNICIPAL SERVICE PROVIDER PERFORMANCE SCHEDULE

SERVICE PROVIDER PERFORMANCE SCHEDULE							
Purpose	Service Indicators	2022/23		2023/24		2024/25	
		Target	Actual	Target	Actual	Target	
To improve public access to transport in Jouberton Ext 19 (Ward 37) with the construction of a new taxi rank with facilities	Number of taxi ranks with facilities constructed in Jouberton Ext 19 (Ward 37)	Constructing a new taxi rank with facilities in Jouberton Ext 19 by: constructing of 1 platform; constructing 0,260Km of 160mm of UPVc sewer pipe; constructing 0,582 Km of 110mm UPVc water pipe; constructing the top structure of 1 office facility; constructing 1 storeroom; erecting of structural steel and installing 4,917m ² of Safintra Safflock roof covering; constructing 1 refuse bin facility; erecting 1,04km perimeter fence; construction of 0,350Km of 63mm UPVc water pipe by 30 June 2023 R19 786 641	The construction of a new taxi rank with facilities in Jouberton Ext 19 nearly completed, with the construction of 1 platform at 93% completed. 0,260Km of 160mm of UPVc sewer pipe; 0,582km of 110mm UPVc water pipe; the top structure of 1 office facility, 1 storeroom and refuse bin facility; and 0,350Km of 63mm UPVc water pipe; as well as the erection of 0.428km perimeter fence. R10 858 761	Completing construction of 1 new taxi rank with facilities in Jouberton Ext 19 (Ward 37) according to the implementation plan 31 March 2024 R21 162 000	Project not completed, but the following was achieved: The roof for one main abluition facility installed, one office facility, one trading area and two small abluition facilities completed. The extension of the column bases completed. The installation of roof trusses was 90% completed for the main taxi area. 1 856 m ² paving and nine culverts were installed. R19 399 214	Constructing 1 new taxi rank with facilities in Jouberton Ext 19 (Ward 32) according to the implementation plan by 31 December 2024. R7 993 117	R0

APPENDIX J - DISCLOSURES OF FINANCIAL INTERESTS

DISCLOSURES OF FINANCIAL INTERESTS - 2023/24		
Position	Name	Description of Financial interests* (None or details)
EXECUTIVE TEAM		
Executive Mayor	ClIr NJ Tsolela	Dan Construction - 100% Robert & James - 50% BeydinBuild - 100% MGF & NMWF Pension Fund
Speaker of Council	ClIr SL Mondlane-Ngwenya	Black Pearl Pty Ltd - 100% Mainstream - 100%
Single Whip of Council	ClIr K Ndincede	None
MEMBERS OF MAYORAL COMMITTEE		
Corporate Services	ClIr IM Maseko	Tsegang Bomne - 2009/001403124
Transversal Issues	ClIr KE Mabebe	Gethe Trading Enterprise-25%
Planning & Human Settlement	ClIr JM Mosupa	Mosupa Family Trust -2016/019671/07 - 100%
Sport, Arts and Culture	ClIr ML Mahumapelo	None
Finance and Debt Normalization	ClIr AM Ramphele	None
Local Economic Development	ClIr ML Kodisang	Phacha Enterprise Pty Ltd-100%-2019/343164/07
Public Safety	ClIr TG Khoza	National Fund for Municipal Workers
Community Services	ClIr TO Chabalala	None
Infrastructure	ClIr SOC Barrends	Ya Rona Karona Trading Enterprise LTD PTY - 2015/003823/7 - 100%
Electrical Engineering	ClIr FC Mahlophe	Old Mutual Retirement Fund Old Mutual Investment
COUNCILLORS		
MPAC Chairperson	ClIr Bangani JN	Noliban Enterprise Pty Ltd - 100%
Ward Councillor W16	ClIr Basson JA	None
Ward Councillor W28	ClIr Bester CJ	Councillors Pension Fund
Ward Councillor W1	ClIr Bonga A	None
PR Councillor	ClIr PH Booth	None
Ward Councillor Ward 29	ClIr JGR Bornman	None
PR Councillor	ClIr Burrell PZM	Optimum NW Services - K2017490554 – Director Optimum Cleaning Services - K2012174383 - Director Community Against Crime - K2023605994 – Director KSA Stokvel
PR Councillor	ClIr RRB Buys	Ponelopele Promotions Enterprise - 5%
PR Councillor	ClIr Coetzee M	None
PR Councillor	ClIr Cromhout GLJ	LC Auto Sales - 1703294190016 - 100%
PR Councillor	ClIr Dial SJ	SJ Dial Trading Enterprise - 100%
Ward Councillor W30	ClIr Du Preez PA	BravoPlex32000 - 2011/061312/23 - 100%
PR Councillor	ClIr Dude MA	None
PR Councillor	ClIr Faku BS	Kanana Arts Centre (NPO)-Chair

APPENDIX J - DISCLOSURES OF FINANCIAL INTERESTS

DISCLOSURES OF FINANCIAL INTERESTS - 2023/24		
Position	Name	Description of Financial interests* (None or details)
COUNCILLORS		
Ward Councillor Ward36	ClIr Foboke VO	Convic Detroy Pty Ltd - 2015/443280/07-100%
PR Councillor	ClIr Fourie PN	None
PR Councillor	ClIr Gelderblom N	Liberty Life
PR Councillor	ClIr Griffin JR	None
PR Councillor	ClIr Hlekiso PA	None
PR Councillor	ClIr Holtzhausen AC	None
PR Councillor	ClIr Itebogeng LV	None
Ward Councillor Ward5	ClIr Jonas SL	None
PR Councillor	ClIr Kali KB	Dogs of the Road Cabs (Taxi Industry) – Owner Member of NFMW
PR Councillor	ClIr Kasonkomona F	Cadillac Business Solutions - 2010/105293/23 - 100% Nkumbu Trading - 2009/123266/23 - 40%
PR Councillor	ClIr Kgang EM	
Ward Councillor Ward24	ClIr Kgwabane OE	Kgwabane Trading Enterprise Pty Ltd
Ward Councillor Ward 10	ClIr Kgwasi JT	Tshepang Rehlohonolo Trading & Project -100% Nerje Construction - 2001/065939/23 - 40%
PR Councillor	ClIr Kloppers SP	Wonder Transport - 60%
Ward Councillor Ward33	ClIr Latha KR	None
Ward Councillor W19	ClIr le Grange JJ	Mitchell & Le Grange Property – 40% Mitchell & Le Grange Property – 50% JJ Le Grange Financial Services – Accounting Member of the MCPF
PR Councillor	ClIr Lethoko KM	None
PR Councillor	ClIr Mache MI	None
Ward Councillor Ward31	ClIr Majiji SJ	None
Ward Councillor W11	ClIr Mangesi MI	Thamalalang Close Corporation-80%-2009/119906/23
Ward Councillor W8	ClIr Mbele MN	Barungwa Trading Enterprise Pty Ltd - K2014015339 - 100% Welela Tech Solutions - K2018626285 - 100% Mayibuye Ifrica Investments - K2014087597 - 10% Matlosana Black Business Chamber of Commerce & Industry-K2019266272- Morao MS Industries - K2021515250 MBBCCI Tsa Rona Investment - K2020591556
PR Councillor	ClIr Mbona ML	None
PR Councillor	ClIr Mdyali AB	Bublebayeza Diamond Cutting Works (Pty) Ltd - 2014/758140/07 - Director
PR Councillor	ClIr Modise CK	None
Ward Councillor Ward26	ClIr Mokgatla MA	None

APPENDIX J - DISCLOSURES OF FINANCIAL INTERESTS

DISCLOSURES OF FINANCIAL INTERESTS - 2023/24		
Position	Name	Description of Financial interests* (None or details)
COUNCILLORS		
Ward Councillor Ward27	ClIr Mokhele IM	None
Ward Councillor Ward14	ClIr Mokoto NP	None
PR Councillor	ClIr Molutsi PM	None
Ward Councillor Ward32	ClIr Morake AM	None
PR Councillor	ClIr Mosiako MM	The Mongezi Sam Trust
		Bokgone House Based Care NPO - 50%
PR Councillor	ClIr Mosweu ME	None
Ward Councillor Ward2	ClIr Mothupi A	None
Ward Councillor Ward12	ClIr Mtshawulana PY	None
Ward Councillor Ward6	ClIr Mulhanga SR	Eddietom Trading Enterprise (Pty) Ltd - 2014/046801/07 - 100%
Ward Councillor Ward34	ClIr Ntshanga ZE	Golden Nation Fuel-Director-2020/696198/07 - Director
PR Councillor	ClIr Oortman FD	Fileng Trading - 100%
Ward Councillor Ward13	ClIr Pelele MS	Mothusi Enterprise - 100%
PR Councillor	ClIr Pheto T	None
Ward Councillor Ward37	ClIr Plaatjie BM	Happy Plaatjie Enterprise - 100% - 2016/421482/07
PR Councillor	ClIr Ross K L	None
PR Councillor	ClIr Scott L	None
Ward Councillor W22	ClIr Seabeng T S	None
Ward Councillor W18	ClIr Seitisho M N	None
Ward Councillor W35	ClIr Seitshero KV	Patradesa - 2007/164705/23 - 100%
Ward Councillor Ward20	ClIr Sello RM	None
Ward Councillor Ward25	ClIr Sepale TE	None
PR Councillor	ClIr Sesana S P	Sesana Phakoe Associates - 50%
Ward Councillor Ward 17	ClIr Strydom AG	Real Time Investments 348 CC - 2002/036157/23 - 20%
Ward Councillor W15	ClIr Swart P J	Member of the Fusion funds Sanlam
Ward Councillor Ward3	ClIr Tagaree FI	Member of Old Mutual Pension Fund
PR Councillor	ClIr Thabanchu OR	Thabelanang Trading Ent (Pty) Ltd - 100% Reflexoo Medical (Pty) Ltd - 50% Ka Lerato Guesthouse (Pty) Ltd - 5%
Ward Councillor Ward39	ClIr Wallhorn W	Choje Enviro CC - 50%
Ward Councillor Ward38	ClIr Zitwane WG	None

APPENDIX J - DISCLOSURES OF FINANCIAL INTERESTS

DISCLOSURES OF FINANCIAL INTERESTS 2023/24		
Position	Name	Description of Financial interests* (None or details)
SENIOR MANAGERS		
Municipal Manager	Ms L Seametso	House, Flamwood
Director Budget and Treasury (CFO)	Ms MM Phetla	Angles of Mercy Resources (Pty) Ltd – Accounting and General
Director Planning and Human Settlements	Mr BB Choche	Erf 5236, Kuruman Erf 4613, Kuruman Erf 12532, Kuruman Erf 6225, Mothibistad Erf 2392, Stilfontein 6 Garwood, Bloemfontein
Director Corporate Support	Mr NM Moabelo	M & K Holdings Brainchild Creations Townhouse, Doringkruin
Director Community Development	Mr PS Setona	28 Villa Martino, Bed & Breakfast, Krugersdorp House, Krugersdorp House, Krugersdorp
Director Technical and Infrastructure	Mr SN Mongale	House, Vanderbijlpark
Director Public Safety	Mr KID Boikanyo	Capital Concepts CC – not active Erf 525, Ellaton ITLMPOSA - Secretary
Director Local Economic Development	Dr BJ Roberts-Tebejane	House, Potchefstroom House, Mahikeng

APPENDIX K: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

APPENDIX K (i): REVENUE COLLECTION PERFORMANCE BY VOTE

REVENUE COLLECTION PERFORMANCE BY VOTE 2023/24						
R' 000						
Vote description	2022/23	2023/24		2023/24 Variance		
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments
1.1 - Executive & Council	332	-	421	-	-	-
1.2 - Budget & Treasury Office	1 313 350	1 358 121	1 358 121	1 428 657	-0,05	-0,05
1.3 - Corporate Service	3 211	2 239	2 239	3 106	-0,28	-0,28
2.1 - Roads	39 026	55 664	44 694	51 317	0,08	-0,13
2.2 - Water	989 977	855 828	998 715	928 640	-0,08	0,08
2.3 - Sewer	141 144	242 313	154 558	177 090	0,37	-0,13
2.4 - Electricity	973 030	1 167 557	1 129 248	1 067 753	0,09	0,06
2.5 - Housing	12 666	41 057	15 788	13 002	2,16	0,21
3.1 - LED	15 811	22 948	24 385	28 596	-0,20	-0,15
3.2 - Market						
4.1 - Community & Social Services	2 359	3 668	3 668	1 583	1,32	1,32
4.2 - Sport & Recreation	4 528	8 942	10 255	18 694	-0,52	-0,45
4.3 - Public Safety	27 837	31 778	28 844	43 977	-0,28	-0,34
4.4 - Health	-	-	-	-	-	-
4.5 - Cleansing	345 934	424 440	154 558	383 799	0,11	-0,60
Total Revenue by Vote	3 869 205	4 214 555	3 925 494	4 146 214	2,72	-0,46

APPENDIX K (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE

REVENUE COLLECTION PERFORMANCE BY SOURCE 2023/24						
R '000						
Description	2022/23	2023/24		2023/24 Variance		
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments
Property rates	456 397	561 076	546 000	507 434	-11%	-8%
Property rates - penalties & collection charges						
Service Charges - electricity revenue	832 427	1 100 940	1 071 668	958 434	-15%	-12%
Service Charges - water revenue	736 246	787 552	677 106	731 613	-8%	7%
Service Charges - sanitation revenue	141 373	162 319	141 273	145 663	-11%	3%
Service Charges - refuse revenue	195 291	254 856	220 000	197 202	-29%	-12%
Service Charges - other		8	8	22	0%	0%
	19 960	971	971	122		
Rentals of facilities and equipment		9	9	4	-115%	-112%
	4 135	300	149	322		
Interest earned - external investments		9	9	12	0%	0%
	15 305	761	761	918		
Interest earned - outstanding debtors		558	508	604	8%	16%
	550 754	181	181	866		
Dividends received	-				0%	0%
Fines		3	3	21	86%	86%
	8 869	104	054	752		
Licences and permits		8	8	7	-19%	-18%
	7 219	959	909	551		
Agency services	14				0%	0%
Transfers recognised - operational		616	615	607	-1%	-1%
	559 520	921	961	945		
Other revenue		132	105	137	3%	23%
	234 259	615	461	228		
Gains on disposal of PPE	-				0%	0%
Environmental Protection	-				0%	0%
Total Revenue (excluding capital transfers and contributions)	3 761 769	4 214 554	3 925 494	3 959 051	-6,45%	0,85%

COMMENTS ON REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

Revenue collection as well as water and electricity losses remain the biggest challenge for the municipality to be financial sustainable. Especially in those areas where Eskom provides electricity. Ward Councillors in these wards also do not assist as they should. The municipality struggle to maintain a collection rate higher than 60%. Property rates is the service with the best collection.

APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

CONDITIONAL GRANTS: EXCLUDING MIG 2023/24					
<i>R' 000</i>					
Details	Budget	Adjustments Budget	Actual	Variance	
				Budget	Adjustments Budget
Neighbourhood Development Partnership Grant	31 162	21 162	21 098	10	
Fire Grant		300	300	()	
<i>Other Specify: WSIG</i>	48 630	48 630	45 510	3	3
<i>Library</i>	950	950	2 186	(1)	(1)
<i>Museum</i>	231	231	507		
<i>EEDSM</i>	4 000	4 000	3 992		
<i>Sport & Recreation</i>					
<i>EPWP</i>	3 512	2 789	2 763	1	
<i>INEP</i>	1 732	1 732	6 163	(4)	(4)
<i>Local Government Equitable share</i>	599 104	599 104	599 606	(1)	(1)
<i>EPWP INCENTIVE</i>					
<i>FMG</i>	3 100	3 100	2 584	1	1
TOTAL	692 421	681 998	684 709		

COMMENTS ON CONDITIONAL GRANTS AND GRANTS RECEIVED FROM OTHER SOURCES

Grants were reported as per the DORA and the payment schedule received from National Treasury and the national and provincial departments.

APPENDIX M: CAPITAL EXPENDITURE

NEW & UPGRADE / RENEWAL PROGRAMMES

APPENDIX M (i): CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME

Capital Expenditure - New Assets Programme* 2023/24						
						R '000
Description	2022/23	2023/24			Planned Capital expenditure	
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2024/25	2025/26
Capital expenditure by Asset Class						
Infrastructure - Total	110	232	212	110		
Infrastructure: Road transport - Total	24	37	37	28		
<i>Roads, Pavements & Bridges</i>	23 808	36 524	36 524	27 860		
Infrastructure: Electricity - Total	31	21	21	9		
<i>Generation</i>	31 424	21 336	21 336	9 455		
Infrastructure: Water - Total	10	65	65	35		
<i>Water purification</i>	9 728	64 713	64 713	35 276		
Infrastructure: Sanitation - Total	7	11	14	14		
<i>Sewerage purification</i>	6 584	11 417	13 652	13 533		
Infrastructure: Other - Total	21	35	55	13		
<i>Waste Management</i>	20 828	35 471	54 830	13 463		
Community - Total	18	62	21	10		
<i>Parks & gardens</i>	0	2 400	2 400	0		
<i>Sports fields & stadia</i>	0	7 000	8 956	7 965		
<i>Recreational facilities</i>	2 950	0	0	0		
<i>Other</i>	14 907	52 770	9 490	2 190		
TOTAL CAPITAL EXPENDITURE ON NEW ASSETS	110	232	212	110		

APPENDIX M (ii): CAPITAL EXPENDITURE - UPGRADE/RENEWAL PROGRAMME

No budget available for upgrade / renewal programme due to financial constraints.

APPENDIX N – CAPITAL PROGRAMME BY PROJECT

CAPITAL PROGRAMME BY PROJECT: 2023/24					
					R' 000
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
WATER	19 000	64 713	35 275	-83%	46%
ELECTRICITY	8 111	21 337	9 455	-126%	14%
SANITATION / SEWERAGE	11 418	13 652	13 533	-1%	16%
ROADS AND STORMWATER	21 457	36 524	27 860	-31%	23%
SPORTS, ARTS & CULTURE	7 000	8 956	7 965	-12%	12%
ENVIRONMENT	22 227	24 000	-	0%	0%
REFUSE REMOVAL	35 471	54 831	13 463	-307%	-163%
ICT AND OTHER	4 543	72 169	37 890	-90%	88%
TOTAL	110 228	231 469	110 166	-110%	0%

APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD

CAPITAL PROGRAMME BY PROJECT BY WARD: 2023/24		
Capital Project	Ward(s) affected	Works completed (Yes/No)
WATER		
Jouberton / Kanana Bulk Water Supply (Phase 1) Bulk Water Line	Wards 6, 14 and 18	No
Refurbishment of Chlorine Dosing Plants in City of Matlosana	Wards 1 - 39	No
SANITATION		
Specialised vehicle solid waste phase 3	Wards 1 - 39	Yes
STORMWATER		
Paving of Taxi Routes and Stormwater Drainage in Khuma (Phase 9)	Ward 33	No
REFUSE REMOVAL		
Development of Cell 3 of the Klerksdorp Landfill Site	Ward 19	No
SPORTS, ARTS & CULTURE		
Construction of Sports Complex in Khuma - Phase 2	Ward 31	No
ECONOMIC DEVELOPMENT		
Upgrade Jouberton Taxi Rank	Ward 37	No

APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

ALL SCHOOLS ARE COVERED BY PUBLIC WORKS

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

The electricity access backlog in the ESKOM jurisdiction is as follows:

- ⌘ Tigane (including farms and CPA Ward 18)
- ⌘ Khuma
- ⌘ Kanana
- ⌘ Mine villages and private lands

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

No loans or grants were made by the City of Matlosana during the 2023/24 financial year

List of Acronyms



LIST OF ACRONYMS	
Acronym	Description
ABSA	Absa Group Limited
AC	Audit Committee
ACDP	African Christian Democratic Party
AFS	Annual Financial Statements
AG	Auditor-General
AGSA	Auditor-General of South Africa
ANC	African National Congress
AO	Accounting Officer
AOPO	Audit of Performance Information
APR	Annual Performance Report
AR	Annual Report
ASSA	Actuarial Society of South Africa
BAC	Bid Adjudication Committee
BCX	Business Connexion Ltd
BCEA	Basic Conditions of Employment Act
BEC	Bid Evaluation Committee
BEP	Bucket Eradication Programme
BSC	Bid Specification Committee
BTO	Budget and Treasury Office
CBD	Central Business District
CBP	Community Based Plan
CC	Closed Corporation
CC	Council Committee resolution
CCTV	Closed-circuit television
CFO	Chief Financial Officer
CIDB	Construction Industry Development Board
COID	Compensation for Occupational Injuries and Diseases
COIDA	Compensation for Occupational Injuries and Diseases Act
CoM	City of Matlosana
COPE	Congress of the People
COVID-19	Corona Virus Infectious Disease 2019
CWP	Community Work Programme
CPA	Community Property Association
CRR	Capital Replacement Reserve
CRU	Community Residential Unit
CSI	Corporate Social Investment
CSF	Community Safety Forum
DA	Democratic Alliance
DAMG	Disaster Assessment Management Grant
DBSA	Development Bank of South Africa
DCD	Director Community Development
DCS	Director Corporate Support
DDM	District Development Model
DEFF	Department of Environment, Forestry and Fisheries
DoE	Department of Energy
DKKDM	Dr Kenneth Kaunda District Municipality
DLCA	Driving License Card Account
DLED	Director Local Economic Development

LIST OF ACRONYMS	
Acronym	Description
DMRE	Department of Mineral Resources and Energy
DoRA	Division of Revenue Act
DPHS	Director Planning and Human Settlements
DPS	Director Public Safety
DPSA	Department of Public Service Administration
DRP	Disaster Recovery Plan
DRM	District Risk Management
DTI	Director Technical and Infrastructure
DTI	Department of Trade and Industry
DWAF	Department of Water Affairs
DWS	Department of Water and Sanitation
EAP	Employee Assistance Programme
EECF	Employment Equity Consultative Forum
EEDSM	Energy Efficiency Demand and Supply Management program
EFF	Economic Freedom Fighters
EFT	Electronic Fund Transfer
ELRS	Electricity Loss Reduction Strategy
EPWP	Extended Public Works Programme
ERA	Electricity Regulatory Authority
ESCOM	Electricity Supply Commission
Ext	Extension
FF+	Freedom Front Plus
FFC	Financial and Fiscal Commission
F4SD	Forum 4 Service Delivery
FIFO	First-in, first-out
FMG	Financial Management Grant
FMG	Financial Markets Group
FNB	First National Bank
GAMAP	Generally Accepted Municipal Accounting Practice
GIS	Geographical Information System
G/L	General Ledger
GRAP	Generally Accepted Accounting Practice
HDA	Housing Development Agency
HDF	Housing Development Fund
HHs	Households
IA	Internal Audit
IAS	International Accounting Standards
ICT	Information Communication Technology
IDP	Integrated Development Plan
IESBA	International Code of Ethics for Professional Accounts
IGR	Inter-governmental Relations
IHRMS	Integrated Human Resources Management Strategy
IMFO	Institute of Municipal Finance Officers
INEP	Integrated National Electrification Program
IOD	Injury on Duty
IPSAS	International Public Sector Accounting Standards
IT	Information Technology
ITC	Information and Communication Technology

LIST OF ACRONYMS	
Acronym	Description
JV	Joint Venture
LLF	Local Labour Forum
KPA	Key Performance Areas
KPI	Key Performance Indicators
LED	Local Economic Development
LGSETA	Local Government Sector Education and Training Authority
LUMS	Land Use Management Scheme
MATLOSANA	Klerksdorp, Orkney, Stilfontein and Hartbeesfontein
MFPM	Matlosana Fresh Produce Market
MAYCO	Mayoral Committee
mSCOA	Municipal Standard Chart of Accounts
ME's	Municipal Entities
MEC	Member of the Executive Council
MEGF	Municipal Employee Gratuity Fund
MCPF	Municipal Councillors Pension Fund
MI	Material Irregularities
MIG	Municipal Infrastructure Grant
MISA	Municipal Infrastructure Support Agent
MFMA	Municipal Financial Management Act, as Amended
MM	Municipal Manager
MMC	Member of the Mayoral Committee
MPAC	Municipal Public Accounts Committee
MPRA	Municipal Property Rates Act, as Amended
MSA	Municipal Systems Act. As Amended
MTREF	Medium-Term Revenue Expenditure Framework
NAFCOC	National African Federated Chamber of Commerce
NFPA	National Fire Protection Association
NCOP	National Council of Provinces
NDPG	Neighbourhood Development Partnership Grant
NERSA	National Energy Regulator of South Africa
NFMW	National Fund for Municipal Workers
NRS	National Regulatory Standard
NW	Northwest
OHC	Occupational Health Centre
OHS	Occupational Health and Safety
PAA	Public Audit Act of South Africa
PAAP	Post Audit Action Plan
PAC	Performance Audit Committee
PFMC	Pension Fund for Municipal Councillors
PGDS	Provincial Government Development Sector
PMS	Performance Management System
POE	Portfolio of Evidence
PPE	Personal Protective Equipment
PR	Proportional Representation
PRV	Pressure Reducing Valves
PPPF	Public Private Partnership Forum
(Pty) Ltd	Proprietary Limited

LIST OF ACRONYMS	
Acronym	Description
RDP	Rural Development Plan
RMU	Ring Main Unit
ROI	Return on Investment
RTMC	Road Traffic Management Corporation
SAFA	South African Football Association
SA GAAP	South African Statements of Generally Accepted Accounting Practice
SALA PF	South African Local Authorities Pension Fund
SALGA	South African Local Government Association
SALGBC	South African Local Government Bargaining Council
SANRAL	South African National Roads Agency Limited
SANS	Escal Institute of Advanced Technologies
SAPS	South African Police Service
SARS	South African Revenue Service
SCM	Supply Chain Management
SDBIP	Service Delivery and Budget Implementation Plan
SDF	Spatial Development Framework
SDL	Skills Development Levy
SEDA	Small Enterprise Development Agency
SETA	Sector Education and Training Authority
SITA	State Information Technology Agency
SLA	Service Level Agreement
SLP	Sustainable Livelihood Program
SMME	Small, Medium and Micro Enterprises
SPLUMA	Spatial Planning and Land Use Management
STR	Small Town Regeneration
TLB	Tractor-Loader-Backhoes
TRMC	Road Traffic Management Corporation
UIFW	Unauthorised, Irregular, Fruitless and Wasteful
VAT	Value Added Tax
VF+	Vryheidsfront Plus
VMR	Village Main Reef
VTSD	Villages, Townships and Small Dorpies
WACC	Weighted Average Cost of Capital
WCA	Workers Compensation Assistance
WSA	Water Service Authority
WSIG	Water Services Infrastructure Grant
WSP	Workplace Skills Plan
WWTP	Wastewater Treatment Plant

VOLUME II

Annual Financial Statements for the year ended 30 June 2024



City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

General Information

Nature of business and principal activities

To provide democratic and accountable government to the local communities,
To ensure sustainable service delivery to communities,
To promote social and economic development,
To promote a safe and healthy environment and
To encourage the involvement of communities and community organisations in the matters of local government.

The entity's operations are governed by the Local Government: Municipal Structures Act 117 of 1998, the Local Government: Municipal Systems Act 32 of 2000, the Local Government: Municipal Finance Management Act 56 of 2003, and various other acts and regulations.

The City of Matlosana is a Grade 5 rated municipality.

Mayoral committee

Executive Mayor

Speaker

Councillors

F.C Mahlophe

S.L. Mondlane

K. Ndincede (Chief Whip)

M.L Kodisang

K.E Mabebe

J.M Mosupa

F.C Mahlophe

M.L Mahumapelo

A.M Ramphele

N.M Maseko

S.O.C Barrends

Chief Financial Officer (CFO)

T.O. Sekgala (Acting)

Accounting Officer

B.B. Choche (Acting)

Registered office

Bram Fischer Street

Klerksdorp

2571

Business address

Bram Fischer Street

Klerksdorp

2570

Postal address

P.O. Box 99

Klerksdorp

2570

Bankers

ABSA Bank Limited

Investec Bank Limited

First National Bank

Nedbank Limited

Auditors

Auditor General of South Africa

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

Index

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

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Statement of Comparison of Budget and Actual Amounts	399 - 404
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Abbreviations used:

COID	Compensation for Occupational Injuries and Diseases
DBSA	Development Bank of South Africa
GRAP	Generally Recognised Accounting Practice
MIG	Municipal Infrastructure Grant (Previously CMIP)
ME	Municipal Entities
MEC	Member of the Executive Council
MFMA	Municipal Finance Management Act
EPWP	Expanded Public Works Programme

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

Accounting Officer's Responsibilities and Approval

The accounting officer is required by the Municipal Finance Management Act (Act 56 of 2003), to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the accounting officer to ensure that the annual financial statements fairly present the state of affairs of the municipality as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements and was given unrestricted access to all financial records and related data.

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The accounting officer acknowledges that she is ultimately responsible for the system of internal financial control established by the municipality and place considerable importance on maintaining a strong control environment. To enable the accounting officer to meet these responsibilities, she sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the municipality and all employees are required to maintain the highest ethical standards in ensuring the municipality's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the municipality is on identifying, assessing, managing and monitoring all known forms of risk across the municipality. While operating risk cannot be fully eliminated, the municipality endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

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

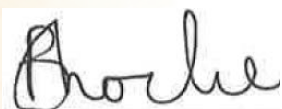
The accounting officer has reviewed the municipality's cash flow forecast for the year to 30 June 2025 and, in the light of this review and the current financial position, she is satisfied that the municipality has or has access to adequate resources to continue in operational existence for the foreseeable future.

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

Although they are primarily responsible for the financial affairs of the municipality, they are supported by the municipality's external auditors.

The external auditors are responsible for independently reviewing and reporting on the municipality's annual financial statements. The annual financial statements have been examined by the municipality's external auditors and their report is presented on page 395.

The annual financial statements set out on page 395, which have been prepared on the going concern basis, were approved by them on 31 August 2024 and were signed on its behalf by:



B.B. Choche
Acting Accounting Officer

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

Statement of financial position as at 30 June 2024

Figures in Rand	Note(s)	2024	2023 Restated*
Assets			
Current Assets			
Inventories	7	57 911 715	52 414 101
Receivables from exchange transactions	8	10 598 685	8 880 188
VAT receivable	10	430 430 902	305 541 996
Consumer debtors	11	514 773 340	450 734 124
Cash and cash equivalents	12	169 209 692	92 678 877
		1 182 924 334	910 249 286
Non-Current Assets			
Investment property	2	344 974 776	345 682 384
Property, plant and equipment	3	4 984 022 394	5 102 328 240
Intangible assets	4	-	1 297 383
Heritage assets	5	9 942 744	9 967 364
Other financial assets	6	13 070 921	12 094 383
Eskom Deposit		41 444 911	40 403 414
Nature reserve wildstock		1 763 150	1 597 200
		5 395 218 896	5 513 370 368
Total Assets		6 578 143 230	6 423 619 654
Liabilities			
Current Liabilities			
Other financial liabilities	13	12 714 144	11 415 109
Eskom Debt Relief Liability	20	848 065 047	323 488 309
Deferred gain on Eskom Debt Relief		216 750 766	108 375 383
Payables from exchange transactions	14	3 036 394 951	2 044 447 905
Consumer deposits	15	49 873 847	46 501 593
Employee benefit obligation	17	26 265 000	21 397 000
Unspent conditional grants and receipts	16	29 532 661	56 274 736
		4 219 596 416	2 611 900 035
Non-Current Liabilities			
Other financial liabilities	13	1 432 905	14 538 487
Eskom Debt Relief Liability	20	420 428 401	789 216 471
Deferred gain on Eskom Debt Relief		108 375 384	216 750 767
Employee benefit obligation	17	325 910 000	305 833 468
Provisions	18	163 293 915	149 760 416
		1 019 440 605	1 476 099 609
Total Liabilities		5 239 037 021	4 087 999 644
Net Assets		1 339 106 209	2 335 620 010
Accumulated surplus		1 339 106 209	2 335 620 010
Total Net Assets		1 339 106 209	2 335 620 010

* See Note 53 & 54

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

Statement of Financial Performance

Figures in Rand	Note(s)	2024	2023 Restated*
Revenue			
Revenue from exchange transactions			
Market dues		22 122 185	19 959 610
Service charges	21	2 032 912 713	1 905 316 850
Rental of facilities and equipment		4 322 298	4 135 017
Licences and permits		7 551 435	7 218 936
Commissions received	39	13 464 779	13 830 750
New Connection Fees		495 151	701 040
Reconnection Fees		39 613 587	43 478 419
Rental income		3 765 776	4 494 325
Insurance Fees		2 325 938	4 948 236
Other income		17 929 470	18 288 278
Interest received - investment	22	617 784 274	566 058 651
Total revenue from exchange transactions		2 762 287 606	2 588 430 112
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	23	507 433 747	456 396 936
Interest from Property Rates		52 760 735	50 406 437
Donations	26	6 872 422	98 146 072
Transfer revenue			
Government grants & subsidies	24	795 108 073	666 956 617
Fines, Penalties and Forfeits		21 752 008	8 868 764
Total revenue from non-exchange transactions		1 383 926 985	1 280 774 826
Total revenue	25	4 146 214 591	3 869 204 938
Expenditure			
Employee related costs	27	(774 035 837)	(715 925 854)
Remuneration of councillors	28	(39 039 461)	(37 016 072)
Depreciation and amortisation	29	(327 401 728)	(364 508 794)
Finance costs	31	(276 183 495)	(249 906 775)
Rental and lease expenditure		(108 739 553)	(116 596 183)
Debt Impairment	32	(1 458 946 971)	(1 386 491 357)
Bulk purchases	33	(1 577 185 700)	(1 304 265 142)
Contracted services	34	(115 962 232)	(106 244 472)
Repairs and maintenance	35	(132 133 064)	(180 727 784)
General expenses	36	(258 790 238)	(289 657 954)
Total expenditure		(5 068 418 279)	(4 751 340 387)
Operating deficit		(922 203 688)	(882 135 449)
Loss on disposal of assets and liabilities		(11 321 901)	(27 110 728)
Finance cost on Employee Benefits		(38 604 000)	(39 017 000)
Actuarial gains/losses	17	3 882 000	49 234 000
Gain/(Loss) on biological assets		165 950	(434 499)
PPE Impairment loss	30	(20 573 695)	(3 649 828)
Inventories (losses)/gains		(4 594 070)	933 702
Revenue loss from market	37	(3 264 398)	(3 314 944)
		(74 310 114)	(23 359 297)
Deficit for the year		(996 513 802)	(905 494 746)

* See Note 53 & 54

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

Statement of Changes in Net Assets

Figures in Rand	Accumulated surplus / deficit	Total net assets
Opening balance as previously reported	3 238 421 666	3 238 421 666
Adjustments		
Correction of errors 54	2 693 090	2 693 090
Balance at 01 July 2022 as restated*	3 241 114 756	3 241 114 756
Changes in net assets		
Surplus for the year	(905 494 746)	(905 494 746)
Total changes	(905 494 746)	(905 494 746)
Restated* Balance at 01 July 2023	2 335 620 011	2 335 620 011
Changes in net assets		
Surplus for the year	(996 513 802)	(996 513 802)
Total changes	(996 513 802)	(996 513 802)
Balance at 30 June 2024	1 339 106 209	1 339 106 209

* See Note 53 & 54

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

Cash Flow Statement

Figures in Rand	Note(s)	2024	2023 Restated*
Cash flows from operating activities			
Receipts			
Receipts from customers		1 763 384 683	1 656 247 722
Grants		768 365 998	698 094 002
Interest income		143 980 578	139 887 887
Other receipts		232 311 357	113 988 109
		<u>2 908 042 616</u>	<u>2 608 217 720</u>
Payments			
Employee costs		(829 139 182)	(769 558 630)
Suppliers		(1 542 348 349)	(1 483 149 013)
Finance costs		(218 914 919)	(240 191 215)
VAT received		7 328 305	135 889
		<u>(2 583 074 145)</u>	<u>(2 492 762 969)</u>
Net cash flows from operating activities	38	<u>324 968 471</u>	<u>115 454 751</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(238 940 287)	(190 694 949)
Proceeds from sale of property, plant and equipment	3	-	5 500
Purchase of heritage assets	5	(21 580)	-
Eskom deposits		(1 041 497)	(869 586)
		<u>(240 003 364)</u>	<u>(191 559 035)</u>
Cash flows from financing activities			
Movement of other financial liabilities		1 299 035	(11 021 662)
Movement in consumer deposits		3 372 254	4 726 696
Movement in HDA		(13 105 582)	(38 505 544)
		<u>(8 434 293)</u>	<u>(44 800 510)</u>
Net increase/(decrease) in cash and cash equivalents		76 530 814	(120 904 794)
Cash and cash equivalents at the beginning of the year		92 678 877	213 583 670
Cash and cash equivalents at the end of the year	12	<u>169 209 691</u>	<u>92 678 876</u>

* See Note 53 & 54

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Sale of goods	19 863 792	1 136 208	21 000 000	22 122 185	1 122 185	
Service charges	2 253 372 606	(197 386 208)	2 055 986 398	2 032 912 713	(23 073 685)	Note 1
Rental of facilities and equipment	4 496 145	(87 950)	4 408 195	4 322 298	(85 897)	
Licences and permits	8 700 000	(1 500 000)	7 200 000	7 551 435	351 435	
Commissions received	17 605 267	(1 605 267)	16 000 000	13 464 779	(2 535 221)	
Connections Disconnections	81 293 079	1 776 906	83 069 985	39 613 587	(43 456 398)	Note 2
Rental income	4 792 193	(84 327)	4 707 866	3 765 776	(942 090)	
Discount received	1 300 000	-	1 300 000	2 325 938	1 025 938	
Recoveries	(11 199)	(3 326 857)	(3 338 056)	-	3 338 056	
Other income	48 062 234	(25 558 702)	22 503 532	17 929 470	(4 574 062)	Note 3
New connection Fees	882 164	-	882 164	495 151	(387 013)	
Interest received	537 941 472	(49 999 554)	487 941 918	617 784 274	129 842 356	Note 4
Total revenue from exchange transactions	2 978 297 753	(276 635 751)	2 701 662 002	2 762 287 606	60 625 604	
Revenue from non-exchange transactions						
Taxation revenue						
Property rates	561 076 166	(15 071 699)	546 004 467	507 433 747	(38 570 720)	Note 5
Interest on property rates	54 756 000	-	54 756 000	52 760 735	(1 995 265)	
Donation from Dept of Human Settlements	33 201	-	33 201	6 872 422	6 839 221	
Transfer revenue						
Government grants & subsidies	808 390 000	(25 375 000)	783 015 000	795 108 073	12 093 073	Note 6
Fines, Penalties and Forfeits	3 459 155	278 930	3 738 085	21 752 008	18 013 923	
Total revenue from non-exchange transactions	1 427 714 522	(40 167 769)	1 387 546 753	1 383 926 985	(3 619 768)	
Total revenue	4 406 012 275	(316 803 520)	4 089 208 755	4 146 214 591	57 005 836	
Expenditure						
Personnel	(776 794 751)	(76 771 321)	(853 566 072)	(774 035 837)	79 530 235	Note 7
Remuneration of councillors	(41 586 467)	(1 910 826)	(43 497 293)	(39 039 461)	4 457 832	
Depreciation and amortisation	(440 000 000)	20 000 000	(420 000 000)	(327 401 728)	92 598 272	Note 8
Finance costs	(10 710 640)	3 000	(10 707 640)	(276 183 495)	(265 475 855)	Note 9
Lease rentals on operating lease	(51 522 765)	(6 495 798)	(58 018 563)	(108 739 553)	(50 720 990)	Note 10
Debt Impairment	(424 042 062)	(419 976 723)	(844 018 785)	(1 458 946 971)	(614 928 186)	Note 11
Bulk purchases	(1 441 815 940)	-	(1 441 815 940)	(1 577 185 700)	(135 369 760)	Note 12
Contracted Services	(182 014 751)	20 460 165	(161 554 586)	(115 962 232)	45 592 354	Note 13
Repairs and maintenance	(362 012 592)	30 985 709	(331 026 883)	(132 133 064)	198 893 819	Note 14
General Expenses	(401 888 682)	37 604 312	(364 284 370)	(258 790 238)	105 494 132	Note 15
Total expenditure	(4 132 388 650)	(396 101 482)	(4 528 490 132)	(5 068 418 279)	(539 928 147)	
Operating deficit	273 623 625	(712 905 002)	(439 281 377)	(922 203 688)	(482 922 311)	
Loss on disposal of assets and liabilities	-	-	-	(11 321 901)	(11 321 901)	Note 16

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Impairment loss/ Reversal of impairments	-	-	-	(3 650 921)	(3 650 921)	
Fair value adjustments	-	-	-	(38 604 000)	(38 604 000)	Note 16
Actuarial gains/losses	(155 306 516)	(63 095 271)	(218 401 787)	3 882 000	222 283 787	Note 16
Gain on biological assets and agricultural produce	-	-	-	165 950	165 950	Note 16
Inventories losses/write-downs	-	-	-	(4 594 070)	(4 594 070)	Note 16
Loss from transfer of functions between entities not under common control	-	-	-	(3 264 398)	(3 264 398)	Note 16
	(155 306 516)	(63 095 271)	(218 401 787)	(57 387 340)	161 014 447	
Deficit before taxation	118 317 109	(776 000 273)	(657 683 164)	(979 591 028)	(321 907 864)	
Capital expenditure	231 469 401	(19 087 854)	212 381 547	110 167 732	(102 213 815)	
Actual amount on comparable basis as presented in the budget and actual comparative statement	(113 152 292)	(756 912 419)	(870 064 711)	(1 089 758 760)	(219 694 049)	

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

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

Note 1 - The loadshedding and distribution losses resulted in less revenue being realised than was originally budgeted for.

Note 2 - The service provider who was appointed to do the connections and reconnections was not active throughout the full 12 months due contract issues and hence the actual revenue was less than originally budgeted.

Note 3 - There was a surge in property sales in the current year and this was not originally anticipated and hence the higher than budgeted revenue from other income.

Note 4 - Due to the growing debtors book due to non-payments from consumers, the interest charged on overdue amounts continued to rise in the current year.

Note 5 - The anticipated growth in property rates did not materialise and only a marginal growth from the prior year was actually realised.

Note 6 - There was significant under-spend on the capital grants than was originally anticipated.

Note 7 - There was more vacancies in the current year than were originally anticipated, especially at senior management level.

Note 8 - The WIP is included in the budget. The variance is due to projects that are not yet finalised. Impairment and write-offs also reduced the depreciation amount

Note 9 - As a result of the interest levied by Eskom and Midvaal on the overdue accounts, the municipality has more than anticipated finance costs.

Note 10 - The municipality needed to hire more equipment than was originally budgeted in order to facilitate service delivery.

Note 11 - Due to the non payment by consumers the municipality has had to impair more of the debt and this is putting strain on the municipality's liquidity.

Note 12 - There was less incurred on electricity due to the on-going loadshedding crisis and there might have been more budgeted that was actually necessary.

Note 13 - There was better management of the contracted services in the current year and this led to savings in the expenditure than was budgeted for.

Note 14 - The understanding is due to cash flow constraints.

Note 15 - There were cashflow constraints that did not allow the municipality to spend the originally budgeted amounts

Note 16 - The municipality does not budget for gains and losses as they are not part of normal operations.

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Statement of Financial Position						
Assets						
Current Assets						
Inventories	37 026 362	-	37 026 362	57 911 715	20 885 353	Note 1
Receivables from exchange transactions	(46 175 684)	604 304 266	558 128 582	525 372 025	(32 756 557)	Note 2
VAT receivable	195 040 276	-	195 040 276	430 430 902	235 390 626	Note 3
Cash and cash equivalents	197 691 728	325 201 580	522 893 308	169 209 692	(353 683 616)	Note 4
	383 582 682	929 505 846	1 313 088 528	1 182 924 334	(130 164 194)	
Non-Current Assets						
Investment property	257 100 275	-	257 100 275	344 974 776	87 874 501	Note 5
Property, plant and equipment	3 851 286 409	(19 087 854)	3 832 198 555	4 984 022 394	1 151 823 839	Note 6
Heritage assets	9 941 212	-	9 941 212	9 942 744	1 532	
Other financial assets	1 330 138	-	1 330 138	13 070 921	11 740 783	Note 7
Eskom Deposit	-	-	-	41 444 911	41 444 911	Note 8
Nature reserve wildstock	-	-	-	1 763 150	1 763 150	
	4 119 658 034	(19 087 854)	4 100 570 180	5 395 218 896	1 294 648 716	
Total Assets	4 503 240 716	910 417 992	5 413 658 708	6 578 143 230	1 164 484 522	
Liabilities						
Current Liabilities						
Other financial liabilities	(2 800 000)	-	(2 800 000)	12 714 144	15 514 144	Note 9
Eskom Debt Relief Liability	-	-	-	848 065 047	848 065 047	Note 10
Payables from exchange transactions	(436 613 151)	1 807 676 518	1 371 063 367	3 036 394 951	1 665 331 584	Note 11
Consumer deposits	97 429 637	-	97 429 637	49 873 847	(47 555 790)	Note 12
Employee benefit obligation	373 353 261	(140 246 111)	233 107 150	26 265 000	(206 842 150)	Note 13
Unspent conditional grants and receipts	-	-	-	29 532 661	29 532 661	Note 14
Deferred gain on Eskom Debt Relief	-	-	-	216 750 766	216 750 766	Note 10
	31 369 747	1 667 430 407	1 698 800 154	4 219 596 416	2 520 796 262	
Non-Current Liabilities						
Other financial liabilities	81 274 059	-	81 274 059	1 432 905	(79 841 154)	Note 14
Eskom Debt Relief Liability	-	-	-	420 428 401	420 428 401	Note 10
Employee benefit obligation	-	-	-	325 910 000	325 910 000	Note 13
Provisions	-	-	-	163 293 915	163 293 915	Note 15
Deferred gain on Eskom Debt Relief	-	-	-	108 375 384	108 375 384	Note 10
	81 274 059	-	81 274 059	1 019 440 605	938 166 546	
Total Liabilities	112 643 806	1 667 430 407	1 780 074 213	5 239 037 021	3 458 962 808	
Net Assets	4 390 596 910	(757 012 415)	3 633 584 495	1 339 106 209	(2 294 478 286)	

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Net Assets						
Net Assets Attributable to Owners of Controlling Entity						
Reserves						
Accumulated surplus	4 390 596 910	(757 012 415)	3 633 584 495	1 339 106 209	(2 294 478 286)	

Note 1 - More stock held at year end for operational needs.

Note 2 - Consumer debtors balances are related to billing and payments made

Note 3 - The receivables are related to the higher payable and thus unclaimed VAT. The municipality is registered on the payment basis for VAT

Note 4 - The available cash balances at year end is dependant on the progress on projects funded by conditional grants as well as payments to suppliers.

Note 5 - The next approved budget will be corrected to align it with the investment property register.

Note 6 - The next approved budget will be corrected to align it with the PPE register.

Note 7 - The next approved budget will be corrected to align it with the investment register.

Note 8 - The budget for the ESKOM deposit will be included in the next approved budget.

Note 9 - The budget will aligned with the actual liability register.

Note 10 - The Eskom debt relief program was entered into after the budget process was concluded. National Treasury guidance on the accounting thereof was received at a later stage.

Note 11 - Payables increased more than anticipated in the original budget. There are also a misalignment in the budget that will be corrected.

Note 12 - The budget will aligned with the actual deposit register.

Note 13 - There was a misalignment between the current and non-current portions in the approved budget.

Note 14 - The budget will aligned with the actual liability register.

Note 15 - The provision for the landfill site rehabilitation will be correctly budgeted for in the next approved budget.

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis						
	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Cash Flow Statement						
Cash flows from operating activities						
Receipts						
Receipts from customers	2 317 428 475	(771 847 108)	1 545 581 367	1 763 384 683	217 803 316	
Grants	808 390 001	-	808 390 001	768 365 998	(40 024 003)	
Interest income	9 760 918	-	9 760 918	143 980 578	134 219 660	
Other receipts	107 953 910	-	107 953 910	232 311 357	124 357 447	
	3 243 533 304	(771 847 108)	2 471 686 196	2 908 042 616	436 356 420	
Payments						
Employee costs	(827 407 939)	12 935 936	(814 472 003)	(829 139 182)	(14 667 179)	
Suppliers	(2 197 664 236)	(25 252 467)	(2 222 916 703)	(1 542 348 349)	680 568 354	
Finance costs	-	-	-	(218 914 919)	(218 914 919)	
VAT received	-	-	-	7 328 305	7 328 305	
	(3 025 072 175)	(12 316 531)	(3 037 388 706)	(2 583 074 145)	454 314 561	
Net cash flows from operating activities	218 461 129	(784 163 639)	(565 702 510)	324 968 471	890 670 981	
Cash flows from investing activities						
Purchase of property, plant and equipment	(231 469 401)	-	(231 469 401)	(238 940 287)	(7 470 886)	
Purchases of heritage assets	-	-	-	(21 580)	(21 580)	
Eskom deposits	-	-	-	(1 041 497)	(1 041 497)	
Net cash flows from investing activities	(231 469 401)	-	(231 469 401)	(240 003 364)	(8 533 963)	
Cash flows from financing activities						
Movement in consumer deposits	2 500 000	-	2 500 000	3 372 254	872 254	
Movement of other financial liabilities	(4 800 000)	-	(4 800 000)	1 299 035	6 099 035	
Movement in HDA	-	-	-	(13 105 582)	(13 105 582)	
Net cash flows from financing activities	(2 300 000)	-	(2 300 000)	(8 434 293)	(6 134 293)	
Net increase/(decrease) in cash and cash equivalents	(15 308 272)	(784 163 639)	(799 471 911)	76 530 814	876 002 725	
Cash and cash equivalents at the beginning of the year	213 000 000	92 678 876	305 678 876	92 678 877	(212 999 999)	
Cash and cash equivalents at the end of the year	197 691 728	(691 484 763)	(493 793 035)	169 209 691	663 002 726	

The variances as depicted above were due to higher cash inflows than what was budgeted for.

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

Figures in Rand	Note(s)	2024	2023
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1. Significant account policies

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

1.1 Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act (Act 56 of 2003).

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

These accounting policies are consistent with the previous period.

1.2 Presentation currency

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

1.3 Going concern assumption

These annual financial statements have been prepared based on the expectation that the municipality will continue to operate as a going concern for at least the next 12 months.

1.4 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgements is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. When any significant judgements and sources of estimation uncertainty are applicable, they have been disclosed in the relevant policy.

In the application of the municipality's accounting policies, which are described above, management is required to make judgement, estimates and assumption that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. The estimates and associated assumptions are based on historical experiences and other factors that are considered to reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates

These estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Cash and cash equivalents

Cash includes cash on hand (including petty cash) and cash with banks (including call deposits). Cash equivalents are short-term highly liquid investments, readily convertible into known amounts of cash that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value. The municipality categorises cash and cash equivalents as financial assets: loans and receivables. Bank overdrafts are recorded based on the facility utilised. Finance charges on bank overdraft are expensed as incurred. Amounts owing in respect of bank overdrafts are categorised as financial liabilities: other financial liabilities carried at amortised cost.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks, net of bank overdrafts.

Allowance for slow moving, damaged and obsolete stock

Management makes an estimate of the selling price and direct cost to sell to determine the net realisable value of inventory items. Allowance for obsolete stock is recognised when stock is slow moving and/or will not be used. The difference between the cost of inventory and the net realisable value is recognised in the statement of financial performance.

Accounting Policies

1.4 Significant judgements and sources of estimation uncertainty (continued)

Allowance for slow moving, damaged and obsolete stock

Management makes an estimate of the selling price and direct cost to sell to determine the net realisable value of inventory items. Allowance for obsolete stock is recognised when stock is slow moving and/or will not be used. The difference between the cost of inventory and the net realisable value is recognised in the statement of financial performance.

Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the [name a key assumption] assumption may change which may then impact our estimations and may then require a material adjustment to the carrying value of goodwill and tangible assets.

The municipality reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable.

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 18 - Provisions.

Useful lives of waste and water network and other assets

The municipality's management determines the estimated useful lives and related depreciation charges for the waste water and water networks. This estimate is based on industry norm. Management will increase the depreciation charge where useful lives are less than previously estimated useful lives.

Allowance for doubtful debts

On debtors an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the debtors carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

Useful lives and residual values

The entity's management determines the estimated useful lives and related depreciation charges for assets as noted in accounting policies 1.5 and 1.6. This estimate is based on industry norm.

Management will increase the depreciation charge prospectively where useful lives are less than previously estimated useful lives.

Management will decrease the depreciation charge prospectively where useful lives are more than previously estimated useful lives.

Where changes are made to the estimated residual lives, management also makes these changes prospectively.

Trade receivables, loans and other receivables

The entity assesses its trade receivables, loans and other receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the entity makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset. Where the impairment for trade receivables, loans and other receivables is calculated on a portfolio basis, these are based on historical loss ratios. These annual loss ratios are applied to the balances in the portfolio. The impairment is measured as the difference between the receivables' carrying amount and the present value of the estimated future cash flows discounted at the effective interest rate, computed at initial recognition. The impairment loss is recognised in surplus or deficit when there is objective evidence that it is impaired.

Accounting Policies

1.4 Significant judgements and sources of estimation uncertainty (continued)

Employee benefit obligations

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

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

Fair value estimation

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the municipality is the current bid price. Where there is no active market, fair value is determined using valuation techniques. Such valuation techniques include using recent arm's length market transactions, reference to current market values of other similar instruments, discounted cash flow analysis and option pricing models.

1.5 Wild stock

The entity recognises wild stock when, and only when:

- the entity controls the asset as a result of past events;
- it is probable that future economic benefits or service potential associated with the asset will flow to the municipality; and
- the fair value or cost of the asset can be measured reliably.

Wild stock are measured at their fair value less costs to sell.

The fair value of livestock is determined based on market prices of livestock of similar age, breed, and genetic merit.

A gain or loss arising on initial recognition of wild stock or agricultural produce at fair value less costs to sell and from a change in fair value less costs to sell of wild stock is included in surplus or deficit for the period in which it arises.

1.6 Investment property

Investment property is property (land or a building - or part of a building - or both) held to earn rentals or for capital appreciation or both, rather than for:

- use in the production or supply of goods or services or for
- administrative purposes, or
- sale in the ordinary course of operations.

Owner-occupied property is property held for use in the production or supply of goods or services or for administrative purposes.

Investment property is recognised as an asset when, it is probable that the future economic benefits or service potential that are associated with the investment property will flow to the municipality, and the cost or fair value of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Where investment property is acquired through a non-exchange transaction, its cost is its fair value as at the date of acquisition.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.6 Investment property (continued)

Cost model

Investment property is carried at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided to write down the cost, less estimated residual value over the useful life of the property, which is as follows:

Item	Useful life
Property - land	indefinite

Investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal.

Gains or losses arising from the retirement or disposal of investment property is the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in surplus or deficit in the period of retirement or disposal.

Compensation from third parties for investment property that was impaired, lost or given up is recognised in surplus or deficit when the compensation becomes receivable.

1.7 Property, plant and equipment

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

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

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

Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

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

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the entity is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Items such as spare parts, standby equipment and servicing equipment are recognised when they meet the definition of property, plant and equipment.

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.7 Property, plant and equipment (continued)

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

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

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

Item	Depreciation method	Average useful life
Buildings and community facilities	Straight-line	5 to 80 years
Furniture and fixtures	Straight-line	4 to 15 years
Motor vehicles	Straight-line	4 to 20 years
Office equipment	Straight-line	4 to 10 years
Emergency equipment	Straight-line	4 to 20 years
Library books	Straight-line	5 to 10 years
Infrastructure	Straight-line	5 to 80 years

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Assets which the municipality holds for rentals to others and subsequently routinely sell as part of the ordinary course of activities, are transferred to inventories when the rentals end and the assets are available-for-sale. Proceeds from sales of these assets are recognised as revenue. All cash flows on these assets are included in cash flows from operating activities in the cash flow statement.

1.8 Intangible assets

An asset is identifiable if it either:

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

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

An intangible asset is recognised when:

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

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

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.8 Intangible assets (continued)

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

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

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

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

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

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

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

Intangible assets have an indefinite useful life.

The factors that was taken into account to determine that the Intangible assets have a indefinite useful life was:

- (a) The asset could be efficiently managed by another management team
- (b) There are not a lot of competitors or potential competitors that would be able through their action to effect the lifespan of the intangible assets
- (c) There is very little if any maintenance expenditure associated with the intangible assets to keep deriving service potential from the intangible assets
- (d) The useful life of the assets is not dependant on the useful life of other assets of the municipality.

Intangible assets are derecognised:

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

The gain or loss arising from the derecognition of intangible assets is included in surplus or deficit when the asset is derecognised.

1.9 Heritage assets

Assets are resources controlled by an municipality as a result of past events and from which future economic benefits or service potential are expected to flow to the municipality.

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations.

Heritage assets are shown at cost and are not depreciated owing to uncertainty regarding to their estimated useful lives.

Recognition

The municipality recognises a heritage asset as an asset if it is probable that future economic benefits or service potential associated with the asset will flow to the municipality, and the cost or fair value of the asset can be measured reliably.

Initial measurement

Heritage assets are measured at cost.

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

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.9 Heritage assets (continued)

Subsequent measurement

After recognition as an asset, a class of heritage assets is carried at its cost less any accumulated impairment losses.

Impairment

The municipality assesses at each reporting date whether there is an indication that it may be impaired. If any such indication exists, the municipality estimates the recoverable amount or the recoverable service amount of the heritage asset.

Derecognition

The municipality derecognises heritage asset on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

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

1.10 Financial instruments

Classification

The municipality classifies financial assets and financial liabilities into the following categories:

- Financial assets measured at fair value.
- Financial assets measured at amortised cost.
- Loans and receivables.
- Financial liabilities measured at amortised cost.

Classification depends on the purpose for which the financial instruments were obtained/ incurred and takes place at initial recognition. Classification is re-assessed on an annual basis.

Derecognition

Financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- the rights to receive cash flows from the asset have expired;
- the municipality retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or
- the municipality has transferred its rights to receive cash flows from the asset and either
 - has transferred substantially all the risks and rewards of the asset, or
 - has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the municipality has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the municipality's continuing involvement in the asset.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in surplus or deficit.

1.11 Statutory receivables

Identification

Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means, and require settlement by another entity in cash or another financial asset.

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.11 Statutory receivables (continued)

Carrying amount is the amount at which an asset is recognised in the statement of financial position.

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

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

The transaction amount for a statutory receivable means the amount specified in, or calculated, levied or charged in accordance with, legislation, supporting regulations, or similar means.

Recognition

The municipality recognises statutory receivables as follows:

- if the transaction is an exchange transaction, using the policy on Revenue from exchange transactions;
- if the transaction is a non-exchange transaction, using the policy on Revenue from non-exchange transactions (Taxes and transfers); or
- if the transaction is not within the scope of the policies listed in the above or another Standard of GRAP, the receivable is recognised when the definition of an asset is met and, when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the transaction amount can be measured reliably.

Initial measurement

The municipality initially measures statutory receivables at their transaction amount.

Subsequent measurement

The municipality measures statutory receivables after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is changed subsequent to initial recognition to reflect any:

- interest or other charges that may have accrued on the receivable (where applicable);
- impairment losses; and
- amounts derecognised.

Impairment losses

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

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

- Significant financial difficulty of the debtor, which may be evidenced by an application for debt counselling, business rescue or an equivalent.
- It is probable that the debtor will enter sequestration, liquidation or other financial re-organisation.
- A breach of the terms of the transaction, such as default or delinquency in principal or interest payments (where levied).
- Adverse changes in international, national or local economic conditions, such as a decline in growth, an increase in debt levels and unemployment, or changes in migration rates and patterns.

If there is an indication that a statutory receivable, or a group of statutory receivables, may be impaired, the municipality measures the impairment loss as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable, or group of statutory receivables, is reduced, either directly or through the use of an allowance account. The amount of the losses is recognised in surplus or deficit.

In estimating the future cash flows, a municipality considers both the amount and timing of the cash flows that it will receive in future. Consequently, where the effect of the time value of money is material, the entity discounts the estimated future cash flows using a rate that reflects the current risk-free rate and, if applicable, any risks specific to the statutory receivable, or group of statutory receivables, for which the future cash flow estimates have not been adjusted.

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.12 VAT

The City of Matlosana accounts for value-added tax (VAT) on the payment basis.

1.13 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

Finance leases - lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease.

Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of on the remaining balance of the liability.

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

Operating leases - lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

Income for leases is disclosed under revenue in statement of financial performance.

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

1.14 Inventories

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Subsequently inventories are measured at the lower of cost and net realisable value.

Inventories are measured at the lower of cost and current replacement cost where they are held for;

- distribution at no charge or for a nominal charge; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

Current replacement cost is the cost the municipality incurs to acquire the asset on the reporting date.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs.

The cost of inventories is assigned using the first-in, first-out (FIFO) formula. The same cost formula is used for all inventories having a similar nature and use to the municipality.

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.14 Inventories (continued)

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

Water Inventory

Water is regarded as inventory when the municipality purchases water in bulk with the intention to resell it to the consumers or to use it internally, or where the municipality has incurred purification costs on water obtained from natural resources (rain, rivers, springs, boreholes etc.). However, water in dams, that are filled by natural resources and that has not yet been treated, and is under the control of the municipality but cannot be measured reliably as there is no cost attached to the water, and it is therefore not recognised in the Statement of Financial Position.

The basis of determining the cost of water purchased and not yet sold at Statement of Financial Position date comprises all costs of purchase, cost of conversion and other costs incurred in bringing the inventory to its present location and condition, net of trade discounts and rebates. Water is valued by using the weighted average method, at the lowest of purified cost and net realisable value, insofar as it is stored and controlled in reservoirs at year-end.

1.15 Construction contracts and receivables

Construction contract is a contract, or a similar binding arrangement, specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and function or their ultimate purpose or use.

Contractor is an entity that performs construction work pursuant to a construction contract.

Cost plus or cost based contract is a construction contract in which the contractor is reimbursed for allowable or otherwise defined costs and, in the case of a commercially-based contract, an additional percentage of these costs or a fixed fee, if any.

Fixed price contract is a construction contract in which the contractor agrees to a fixed contract price, or a fixed rate per unit of output, which in some cases is subject to cost escalation clauses.

A contractor is an entity that enters into a contract to build structures, construct facilities, produce goods, or render services to the specifications of another entity either itself or through the use of sub-contractors. The term "contractor" thus includes a general or prime contractor, a subcontractor to a general contractor, or a construction manager.

The entity assesses the terms and conditions of each contract concluded with customers to establish whether the contract is a construction contract or not. In assessing whether the contract is a construction contract, an entity considers whether it is a contractor.

Where the outcome of a construction contract can be estimated reliably, contract revenue and costs are recognised by reference to the stage of completion of the contract activity at the reporting date, as measured by .

Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent that contract costs incurred are recoverable. Contract costs are recognised as an expense in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected deficit is recognised as an expense immediately.

1.16 Impairment of cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Accounting Policies

1.16 Impairment of cash-generating assets (continued)

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets used with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable amount of an asset or a cash-generating unit is the higher its fair value less costs to sell and its value in use.

Useful life is either:

- the period of time over which an asset is expected to be used by the municipality; or
- the number of production or similar units expected to be obtained from the asset by the municipality.

1.17 Impairment of non-cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Non-cash-generating assets are assets other than cash-generating assets.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets managed with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

Useful life is either:

- the period of time over which an asset is expected to be used by the municipality; or
- the number of production or similar units expected to be obtained from the asset by the municipality.

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.18 Employee benefits

Short-term employee benefits

The cost of all short-term employee benefits is recognised in the period during which the employee renders the related service. The Entity recognises the expected cost of performance bonuses only when the Entity has a present legal or constructive obligation to make such payment, and if a reliable estimate can be made.

The Entity provides long-service leave to eligible employees, payable on completion of years of employment. The Entity's liability is based on an actuarial valuation. Any unwinding of discount is charged to the statement of financial performance as an employee-related cost. Actuarial gains and losses on the long-term incentives are fully accounted for in the statement of financial performance. The projected unit credit method has been used to value the obligation.

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Payments made to industry-managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans where the entity's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

Defined benefit plans

For defined benefit plans the cost of providing the benefits is determined using the projected credit method.

Actuarial valuations are conducted on an annual basis by independent actuaries separately for each plan.

Consideration is given to any event that could impact the funds up to end of the reporting period where the interim valuation is performed at an earlier date.

Past service costs are recognised immediately to the extent that the benefits are already vested, and are otherwise amortised on a straight-line basis over the average period until the amended benefits become vested.

To the extent that, at the beginning of the financial period, any cumulative unrecognised actuarial gain or loss exceeds ten percent of the greater of the present value of the projected benefit obligation and the fair value of the plan assets (the corridor), that portion is recognised in surplus or deficit over the expected average remaining service lives of participating employees. Actuarial gains or losses within the corridor are not recognised.

Gains or losses on the curtailment or settlement of a defined benefit plan is recognised when the entity is demonstrably committed to curtailment or settlement.

When it is virtually certain that another party will reimburse some or all of the expenditure required to settle a defined benefit obligation, the right to reimbursement is recognised as a separate asset. The asset is measured at fair value. In all other respects, the asset is treated in the same way as plan assets. In surplus or deficit, the expense relating to a defined benefit plan is presented as the net of the amount recognised for a reimbursement.

The amount recognised in the statement of financial position represents the present value of the defined benefit obligation as adjusted for unrecognised actuarial gains and losses and unrecognised past service costs, and reduces by the fair value of plan assets.

Any asset is limited to unrecognised actuarial losses and past service costs, plus the present value of available refunds and reduction in future contributions to the plan.

Other post retirement obligations

The entity provides post-retirement health care benefit to some retirees.

The entitlement to post-retirement health care benefits is based on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.19 Provisions and contingencies

Provisions are recognised when:

- the municipality has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating surplus (deficit).

If an entity has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

A constructive obligation to restructure arises only when an entity:

- has a detailed formal plan for the restructuring, identifying at least:
 - the activity/operating unit or part of an activity/operating unit concerned;
 - the principal locations affected;
 - the location, function, and approximate number of employees who will be compensated for services being terminated;
 - the expenditures that will be undertaken; and
 - when the plan will be implemented; and
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

A restructuring provision includes only the direct expenditures arising from the restructuring, which are those that are both:

- necessarily entailed by the restructuring; and
- not associated with the ongoing activities of the municipality

No obligation arises as a consequence of the sale or transfer of an operation until the municipality is committed to the sale or transfer, that is, there is a binding arrangement.

After their initial recognition contingent liabilities recognised in entity combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 50.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions.

Accounting Policies

1.19 Provisions and contingencies (continued)

The municipality recognises a provision for financial guarantees and loan commitments when it is probable that an outflow of resources embodying economic benefits and service potential will be required to settle the obligation and a reliable estimate of the obligation can be made.

Determining whether an outflow of resources is probable in relation to financial guarantees requires judgement. Indications that an outflow of resources may be probable are:

- financial difficulty of the debtor;
- defaults or delinquencies in interest and capital repayments by the debtor;
- breaches of the terms of the debt instrument that result in it being payable earlier than the agreed term and the ability of the debtor to settle its obligation on the amended terms; and
- a decline in prevailing economic circumstances (e.g. high interest rates, inflation and unemployment) that impact on the ability of entities to repay their obligations.

Where a fee is received by the municipality for issuing a financial guarantee and/or where a fee is charged on loan commitments, it is considered in determining the best estimate of the amount required to settle the obligation at reporting date. Where a fee is charged and the municipality considers that an outflow of economic resources is probable, a municipality recognises the obligation at the higher of:

- the amount determined using in the Standard of GRAP on Provisions, Contingent Liabilities and Contingent Assets; and
- the amount of the fee initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the Standard of GRAP on Revenue from Exchange Transactions.

1.20 Commitments

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

Disclosures are required in respect of unrecognised contractual commitments.

Commitments for which disclosure is necessary to achieve a fair presentation should be disclosed in a note to the financial statements, if both the following criteria are met:

- Contracts should be non-cancellable or only cancellable at significant cost (for example, contracts for computer or building maintenance services); and
- Contracts should relate to something other than the routine, steady, state business of the entity – therefore salary commitments relating to employment contracts or social security benefit commitments are excluded.

1.21 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the municipality receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the municipality has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Accounting Policies

1.21 Revenue from exchange transactions (continued)

Rendering of services

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

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

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight-line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Service revenue is recognised by reference to the stage of completion of the transaction at the reporting date. Stage of completion is determined by services performed to date as a percentage of total services to be performed.

Interest, royalties and dividends

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality, and
- The amount of the revenue can be measured reliably.

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

Royalties are recognised as they are earned in accordance with the substance of the relevant agreements.

Dividends or similar distributions are recognised, in surplus or deficit, when the municipality's right to receive payment has been established.

Service fees included in the price of the product are recognised as revenue over the period during which the service is performed.

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.22 Revenue from non-exchange transactions

Non-exchange transactions are defined as transactions where the entity receives value from another entity without directly giving approximately equal value in exchange.

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction..

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Rates, including collection charges and penalties interest

Revenue from rates, including collection charges and penalty interest, is recognised when:

- (a) It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;
- (b) The amount of the revenue can be measured reliably; and
- (c) There has been compliance with the relevant legal requirements

Changes to property values during a reporting period are valued by a suitably qualified valuator and adjustments are made to rates revenue, based on a time proportion basis. Adjustments to rates revenue already recognised are processed or additional rates revenue is recognised.

Fines

Revenue from the issuing of fines is recognised when:

- (a) it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
- (b) the amount of the revenue can be measured reliably.

The municipality has two types of fines: spot fines and summonses. There is uncertainty regarding the probability of the flow of economic benefits or service potential in respect of spot fines as these fines are usually not given directly to an offender. Further legal processes have to be undertaken before the spot fine is enforceable. In respect of summonses the public prosecutor can decide whether to waive the fine, reduce it or prosecute for non-payment by the offender. An estimate is made for the revenue amount collected from spot fines and summonses based on past experience of amounts collected. Where a reliable estimate cannot be made of revenue from summonses, the revenue from summonses is recognised when the public prosecutor pays over to the entity the cash actually collected on summonses issued.

Levies

Levies are recognised as revenue when:

- (a) it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
- (b) the amount of the revenue can be measured reliably.

Levies are based on declarations completed by levy payers. The estimate of levies revenue when a levy payer has not submitted a declaration are based on the following factors:

- (a) the extent and success of procedures to investigate the non-submission of a declaration by defaulting levy payers;
- (b) internal records maintained of historical comparisons of estimated levies with actual levies received from individual levy payers;
- (c) historical information on declarations previously submitted by defaulting levy payers; and
- (d) the accuracy of the database of levy payers as well as the frequency by which it is updated for changes.

Changes to estimates made when more reliable information becomes available are processed as an adjustment to levies revenue..

Accounting Policies

1.22 Revenue from non-exchange transactions (continued)

Government grants

Government grants are recognised as revenue when:

- (a) it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality,
- (b) the amount of the revenue can be measured reliably, and
- (c) to the extent that there has been compliance with any restrictions associated with the grant.

The municipality assesses the degree of certainty attached to the flow of future economic benefits or service potential on the basis of the available evidence. Certain grants payable by one level of government to another are subject to the availability of funds. Revenue from these grants is only recognised when it is probable that the economic benefits or service potential associated with the transaction will flow to the entity. An announcement at the beginning of a financial year that grants may be available for qualifying entities in accordance with an agreed programme may not be sufficient evidence of the probability of the flow. Revenue is then only recognised once evidence of the probability of the flow becomes available.

Restrictions on government grants may result in such revenue being recognised on a time proportion basis. Where there is no restriction on the period, such revenue is recognised on receipt or when the Act becomes effective, whichever is earlier.

When government remit grants on a re-imbursment basis, revenue is recognised when the qualifying expense has been incurred and to the extent that any other restrictions have been complied with.

Other grants and donations

Other grants and donations are recognised as revenue when:

- (a) it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;
- (b) the amount of the revenue can be measured reliably; and
- (c) to the extent that there has been compliance with any restrictions associated with the grant.

If goods in-kind are received without conditions attached, revenue is recognised immediately. If conditions are attached, a liability is recognised, which is reduced and revenue recognised as the conditions are satisfied.

1.23 Turnover

Turnover comprises of sales to customers and service rendered to customers. Turnover is stated at the invoice amount and is exclusive of value-added taxation.

1.24 Investment income

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

1.25 Borrowing costs

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

Qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use of sale.

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

1.26 Comparative figures

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

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.27 Unauthorised expenditure

Unauthorised expenditure means any expenditure incurred otherwise than in accordance with section 15 or 11(3) of the MFMA and includes:

- (a) overspending of the total amount appropriated in the approved budget;
- (b) overspending of the total amount appropriated for a vote in the approved budget;
- (c) expenditure from a vote unrelated to the department or functional area covered by the vote;
- (d) expenditure of money appropriated for a specific purpose, otherwise than for that specific purpose;
- (e) spending of an allocation referred to in paragraph (b), (c) or (d) of the definition of "allocation" otherwise than in accordance with any conditions of the allocation, or
- (f) a grant by the municipality otherwise than in accordance with the act.

1.28 Fruitless and wasteful expenditure

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

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance

1.29 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the economic entity's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance

1.30 Gratuities

The municipality provides gratuities for qualifying staff members in terms of the relevant conditions of employment. The expenditure is recognised in the statement of financial performance when the gratuity is paid.

1.31 Segment information

Segmental information on property, plant and equipment, as well as income and expenditure, is set out in Appendices C and D, based on the International Government Financial Statistics classifications and the budget formats prescribed by National Treasury. The municipality operates solely in its area of jurisdiction as determined by the Demarcation Board:

Segment information is prepared in conformity with the accounting policies applied for preparing and presenting the financial statements.

1.32 Consumer Deposits

Consumer deposits are disclosed as a current liability. Consumer deposits are levied in line with council's policy to consumers when services are initially connected. When services are disconnected or terminated, the outstanding deposit is utilised against any arrear accounts the consumer might be liable for on that date. Any excess deposit after all debt is settled is refunded to the specific consumer.

1.33 Budget information

Municipality are typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

The approved budget covers the fiscal period from 2023/07/01 to 2024/06/30.

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

The municipality deems variances that are above R5 000 000 as material variances that require explanations

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.34 Related parties

The municipality operates in an economic sector currently dominated by entities directly or indirectly owned by the South African Government. As a consequence of the constitutional independence of the three spheres of government in South Africa, only entities within the national sphere of government are considered to be related parties.

Management are those persons responsible for planning, directing and controlling the activities of the municipality, including those charged with the governance of the municipality in accordance with legislation, in instances where they are required to perform such functions.

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

Only transactions with related parties not at arm's length or not in the ordinary course of business are disclosed.

1.35 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The municipality will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The municipality will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

1.36 Comparative information

When the presentation or classification of items in the Annual Financial Statements is amended, prior period comparative amounts are also reclassified.

1.37 New standards and interpretations

Application of all of the GRAP standards listed below will be effective from a date to be announced by the Minister of Finance.

Management has considered all the of the listed GRAP standards issued but not yet effective and anticipates that the adoption of these standards will not have a significant impact on the financial position, financial performance or cash flows of the municipality.

- GRAP 18 Segment Reporting.
- GRAP 1 (amended): Presentation of Financial Statements 01 April 2020
- GRAP 34: Separate Financial Statements 01 April 2020
- IGRAP 1 (revised): Applying the Probability Test on Initial Recognition of Revenue 01 April 2020
- IGRAP 1 (revised): Applying the Probability Test on Initial Recognition of Revenue 01 April 2020
- Directive 7 (revised): The Application of Deemed Cost 01 A

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand

2024 2023

2. Investment property

	2024		2023			
	Cost / Valuation	Accumulated depreciation and impairment	Carrying value	Cost / Valuation	Accumulated depreciation and impairment	Carrying value
Investment property	439 540 089	(94 565 313)	344 974 776	440 247 697	(94 565 313)	345 682 384

Reconciliation of investment property - 2024

Investment property

Opening balance	345 682 384
Disposals	(707 608)
Total	344 974 776

Reconciliation of investment property - 2023

Investment property

Opening balance	349 895 390
Disposals	(938 908)
Depreciation	(3 274 098)
Total	345 682 384

Pledged as security

No assets have been pledged as security.

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

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand

3. Property, plant and equipment

	2024		2023			
	Cost / Valuation	Accumulated depreciation and impairment	Carrying value	Cost / Valuation	Accumulated depreciation and impairment	Carrying value
Land	106 374 759	-	106 374 759	106 558 756	-	106 558 756
Community Infrastructure Buildings	1 150 122 051	(739 361 182)	410 760 869	1 149 210 423	(736 660 958)	412 549 465
Other property, plant and equipment	12 116 609 619	(7 894 701 267)	4 221 908 352	12 006 465 852	(7 668 594 088)	4 337 871 764
	472 121 065	(338 578 806)	133 542 259	477 236 008	(321 951 619)	155 284 389
	235 210 210	(123 774 055)	111 436 155	210 939 310	(120 875 444)	90 063 866
Total	14 080 437 704	(9 096 415 310)	4 984 022 394	13 950 410 349	(8 848 082 109)	5 102 328 240

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Disposals	Depreciation	Impairment loss	Total
Land	106 558 756	-	(183 997)	-	-	106 374 759
Community Infrastructure Buildings	412 549 465	30 244 381	(95 979)	(30 790 626)	(1 146 372)	410 760 869
Other property, plant and equipment	4 337 871 764	178 983 341	(7 968 826)	(269 224 641)	(17 753 286)	4 221 908 352
	155 284 389	199 706	(21 886)	(20 541 325)	(1 378 625)	133 542 259
	90 063 866	28 881 885	(993 921)	(6 251 064)	(264 611)	111 436 155
Total	5 102 328 240	238 309 313	(9 264 609)	(326 807 656)	(20 542 894)	4 984 022 394

Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Disposals	Depreciation	Impairment loss	Total
Land	106 616 800	-	(58 044)	-	-	106 558 756
Community Infrastructure Buildings	442 239 302	22 000 890	(206 520)	(50 223 486)	(1 260 721)	412 549 465
Other property, plant and equipment	4 414 070 021	238 003 067	(30 207 788)	(281 930 951)	(2 062 585)	4 337 871 764
	176 972 664	1 594 166	-	(23 056 912)	(225 529)	155 284 389
	72 081 176	25 949 873	(2 059 587)	(5 863 927)	(43 669)	90 063 866
Total	5 211 979 963	287 547 996	(32 531 939)	(361 075 276)	(3 592 504)	5 102 328 240

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

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3. Property, plant and equipment (continued)

Pledged as security

No assets pledged as security:

Carrying amounts of infrastructure projects experiencing delays or halted:

Property, plant and equipment that was not used for any period of time during the reporting period that significantly impacted the delivery of goods and services of the entity (Carrying amount)

Jouberton Youth Development Centre (SAFA Safe Hub)	1 275 670	1 275 670
Construction of an Athletic Track and Field at Matlosana Stadium in Jouberton	4 648 180	4 648 180
Jouberton Central Park Development	172 088	172 088
Alabama Substation	35 920 673	35 920 673
Municipal Service Centre (Thusong Centre)	1 837 738	1 837 738
Jouberton Event Space (Open Air Amphitheatre and Play Park)	518 948	518 948
	44 373 297	44 373 297

Jouberton Youth Development Centre (SAFA Safe Hub) - Project is in the inception phase and due to limited budget allocation, the project will only be implemented when budget becomes available

Construction of an Athletic Track and Field at Matlosana Stadium in Jouberton - Project was halted due to budget shortfall (MIG). Request for internal funding to complete the project have been sent through to council, however it has not been approved as yet.

Alabama Substation - This project is neither halted nor delayed, this project will only be completed once the Construction of 88KV Medium Voltage Loop-in-loop out Line in Alabama Substation project have been completed, which is currently not completed and remain in WIP, as these two mentioned projects run in conjunction with each other.

Jouberton Central Park Development - Project is in inception phase and delayed, and due to limited budget allocation (NDPG), the project will only move over to construction phase once additional budget becomes available.

Municipal Service Centre (Thusong Centre) - Project is in inception phase and delayed, and due to limited budget allocation (NDPG), the project will only move over to construction phase once additional budget becomes available.

Jouberton Event Space (Open Air Amphitheatre and Play Park) - Project is in inception phase and delayed, and due to limited budget allocation (NDPG), the project will only move over to construction phase once additional budget becomes available.

Property, plant and equipment in the process of being constructed or developed

Property, plant and equipment that was not used for any period of time during the reporting period that significantly impacted the delivery of goods and services of the entity (Carrying amount)

Anti-tampering pillar boxes	296 710	296 710
Construction of an Athletic Track and Field at Matlosana Stadium in Jouberton	4 648 180	4 648 180
Jouberton Central Park Development	172 088	172 088
Alabama Substation	34 251 045	34 251 045
Municipal Service Centre (Thusong Centre)	1 837 738	1 837 738
Jouberton Event Space (Open Air Amphitheatre and Play Park)	518 948	518 948
	41 724 709	41 724 709

Reconciliation of Work-in-Progress 2024

	Included within Infrastructure	Included within Community	Total
Opening balance	773 371 781	85 158 652	858 530 433
Additions/capital expenditure	103 542 994	29 734 236	133 277 230
Transferred to completed items	(57 285 129)	-	(57 285 129)
	819 629 646	114 892 888	934 522 534

City of Matlosana

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2023

3. Property, plant and equipment (continued)

Reconciliation of Work-in-Progress 2023

	Included within Infrastructure	Included within Community	Total
Opening balance	783 377 439	125 075 779	908 453 218
Additions/capital expenditure	163 296 115	18 298 299	181 594 414
Transferred to completed items	(173 301 773)	(58 215 426)	(231 517 199)
	773 371 781	85 158 652	858 530 433

Expenditure incurred to repair and maintain property, plant and equipment

Repairs and maintenance

The municipality's amount is R132 133 064 (2022-23 R180 727 784) for the financial reporting year. In determining the repairs and maintenance amount the municipality has exclusively disclosed amounts charged by service providers.

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

City of Matlosana

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4. Intangible assets

	2024		2023			
	Cost / Valuation	Accumulated amortisation and impairment	Carrying value	Cost / Valuation	Accumulated amortisation and impairment	Carrying value
Computer software, other	-	-	-	1 297 383	-	1 297 383

Reconciliation of intangible assets - 2024

Computer software, other

Opening balance	1 297 383	
Disposals	(1 297 383)	
Total	-	

Reconciliation of intangible assets - 2023

Computer software, other

Opening balance	1 297 383	
Total	1 297 383	

Pledged as security

No assets pledged as security:

Factors considered in determining assets with indefinite useful lives

- (a) The asset could be efficiently managed by another management team
- (b) There are not a lot of competitors or potential competitors that would be able through their action to effect the lifespan of the intangible asset
- (c) There is very little if any maintenance expenditure associated with the intangible assets to keep deriving service potential from the intangible assets
- (d) The useful life of the assets is not dependant on the useful life of other assets of the municipality

City of Matlosana

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5. Heritage assets

	2024		2023		
Cost / Valuation	Accumulated impairment losses	Carrying value	Cost / Valuation	Accumulated impairment losses	Carrying value
9 942 744	-	9 942 744	9 988 944	(21 580)	9 967 364

Museum collectable, monuments and heritage sites

Reconciliation of heritage assets 2024

Opening balance	Additions	Disposals	Impairment losses recognised	Total
9 967 364	21 580	(15 400)	(30 800)	9 942 744

Museum collectable, monuments and heritage sites

Reconciliation of heritage assets 2023

Opening balance	Disposals	Impairment losses recognised	Total
9 979 858	(12 394)	(100)	9 967 364

Museum collectable, monuments and heritage sites

Heritage assets which fair values cannot be reliably measured

A number of heritage assets were identified during the current year's verification. Although these assets were recorded in the register as required by the MFMA, the nature of the assets did not allow for values to be assigned to them. It was impracticable to do so as no fair values exists for these assets.

Restricted title

There are no restrictions on the title to assets.

Pledged as security

No assets are pledged as security.

City of Matlosana

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Figures in Rand	2024	2023
6. Other financial assets		
Designated at fair value		
Investments	13 070 921	12 094 383
The Sanlam Capital Guaranteed Fund is a unit trust which is comprised of stock exchange securities in which investors can buy units. The units trusts are measured at fair value using quoted market prices.		
Non-current assets		
Designated at fair value	13 070 921	12 094 383
Financial assets at fair value		
Fair value hierarchy of financial assets at fair value		
For financial assets recognised at fair value, disclosure is required of a fair value hierarchy which reflects the significance of the inputs used to make the measurements. The fair value hierarchy have the following levels:		
Level 1 represents those assets which are measured using unadjusted quoted prices in active markets for identical assets.		
Level 2 applies inputs other than quoted prices that are observable for the assets either directly (i.e. as prices) or indirectly (i.e. derived from prices).		
Level 3 applies inputs which are not based on observable market data.		
Fair values of financial assets measured or disclosed at fair value		
Class 1	13 070 921	12 094 383
The unit trusts are measured based on the fair value of quoted market prices.		
Nominal value of financial assets at cost		
Sanlam Capital guaranteed fund - 040710409X0	817 639	756 775
Sanlam Capital guaranteed fund - 040644725X0	12 253 282	11 337 608
	13 070 921	12 094 383
7. Inventories		
Consumable stores	54 317 011	48 998 560
Water for distribution	3 076 767	3 076 767
Fuel (Diesel, Petrol)	460 007	280 844
Museum	57 930	57 930
	57 911 715	52 414 101
Inventories recognised as an expense during the year	62 084 105	59 238 296
Inventory pledged as security		
No inventory is pledged as security.		
8. Receivables from exchange transactions		
Receivables	15 209 863	13 491 366
Impairment of other receivables	(4 611 178)	(4 611 178)
	10 598 685	8 880 188

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
8. Receivables from exchange transactions (continued)		
Trade and other receivables impaired		
As of 30 June 2024, trade and other receivables of R 4 611 178 (2023: R 4 611 178) were impaired and provided for.		
Reconciliation of provision for impairment of trade and other receivables		
Opening balance	(4 611 178)	(4 611 178)
9. Receivables from non-exchange transactions		
Fines (statutory receivable)	87 261 329	75 986 529
Impairment of fines	(18 724 879)	(75 986 529)
Write-off of fines	(68 536 450)	-
	-	-
Receivables from non-exchange (statutory receivable) transactions impaired		
As of 30 June 2024, other receivables from non-exchange transactions of R 18 724 879 (2023: R 75 986 529) were impaired and provided for. Fines amounting to R68 536 450 were written off during the year.		
The amount of the provision was R 11 274 800 as of 30 June 2024 (2023: R 5 025 480)		
Reconciliation of provision for impairment of receivables from non-exchange (statutory receivable) transactions		
Opening balance	(75 986 529)	(70 961 049)
Provision for impairment	(11 274 800)	(5 025 480)
	(87 261 329)	(75 986 529)
10. VAT receivable		
Value Added Tax	430 430 902	305 541 996
11. Consumer debtors		
Gross balances		
Rates (statutory receivables)	506 770 502	443 209 503
Electricity	673 515 886	575 589 588
Water	2 851 921 860	2 543 662 404
Sewerage	397 078 555	356 720 812
Refuse	735 417 119	653 918 773
Other service charges	296 843 566	250 868 197
VAT on consumer debtors	701 924 048	624 154 893
Interest on overdue accounts	3 042 460 876	2 515 896 445
	9 205 932 412	7 964 020 615
Less: Allowance for impairment		
Rates (statutory receivables)	(478 433 027)	(418 126 281)
Electricity	(635 854 383)	(543 014 382)
Water	(2 692 448 761)	(2 399 705 095)
Sewerage	(374 874 809)	(336 532 375)
Refuse	(694 294 237)	(616 910 565)
Other service charges	(280 246 568)	(236 670 435)
VAT on consumer debtors	(662 674 025)	(588 831 158)
Interest on overdue accounts	(2 872 333 262)	(2 373 496 200)
	(8 691 159 072)	(7 513 286 491)

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
11. Consumer debtors (continued)		
Net balance		
Rates (statutory receivables)	28 337 475	25 083 222
Electricity	37 661 503	32 575 206
Water	159 473 099	143 957 309
Sewerage	22 203 746	20 188 437
Refuse	41 122 882	37 008 208
Other service charges	16 596 998	14 197 762
Value added tax on consumer debtors	39 250 023	35 323 735
Interest on overdue accounts	170 127 614	142 400 245
	514 773 340	450 734 124
Included in above is receivables from exchange transactions		
Electricity	37 661 503	32 575 206
Water	159 473 099	143 957 309
Sewerage	22 203 746	20 188 437
Refuse	41 122 882	37 008 208
Other service charges	16 581 800	14 197 762
Value added tax on consumer debtors	39 250 023	35 323 735
Interest on overdue accounts	170 142 812	142 400 245
	486 435 865	425 650 902
Included in above is receivables from non-exchange transactions (taxes and transfers)		
Rates (statutory receivables)	28 337 475	25 083 222
	514 773 340	450 734 124
Net balance		
	514 773 340	450 734 124
Rates		
Current (0 -30 days)	50 190 958	47 777 955
31 - 60 days	11 572 084	11 589 994
61 - 90 days	10 326 314	10 501 638
91 - 120 days	434 681 146	373 339 915
Provision for bad debts	(478 433 027)	(418 126 280)
	28 337 475	25 083 222
Electricity		
Current (0 -30 days)	185 100 736	147 210 473
31 - 60 days	17 229 924	22 034 130
61 - 90 days	14 702 869	13 538 195
91 - 120 days	456 482 357	392 806 791
Provision for bad debts	(635 854 383)	(543 014 383)
	37 661 503	32 575 206
Water		
Current (0 -30 days)	190 735 952	187 859 394
31 - 60 days	47 066 531	49 603 164
61 - 90 days	45 177 718	45 867 515
91 - 120 days	2 568 941 658	2 260 332 332
Provision for bad debts	(2 692 448 760)	(2 399 705 096)
	159 473 099	143 957 309

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
11. Consumer debtors (continued)		
Sewerage		
Current (0 -30 days)	19 294 991	17 885 783
31 - 60 days	7 235 230	6 444 928
61 - 90 days	5 891 951	6 163 453
91 - 120 days	364 656 382	326 226 647
Provision for bad debts	(374 874 808)	(336 532 374)
	22 203 746	20 188 437
Refuse		
Current (0 -30 days)	27 558 196	26 944 954
31 - 60 days	11 384 953	11 238 201
61 - 90 days	10 933 279	10 965 948
91 - 120 days	685 540 692	604 769 669
Provision for bad debts	(694 294 238)	(616 910 564)
	41 122 882	37 008 208
Other services		
Current (0 -30 days)	22 349 110	29 162 748
31 - 60 days	694 464	3 316 173
61 - 90 days	3 346 206	1 929 979
91 - 120 days	270 453 786	216 459 296
Provision for bad debts	(280 246 568)	(236 670 434)
	16 596 998	14 197 762
Value added tax on consumer debtors		
Current (0 -30 days)	39 971 581	43 312 947
31 - 60 days	12 473 848	13 877 062
61 - 90 days	11 814 806	11 740 478
91 - 120 days	637 663 813	555 224 406
Provision for bad debts	(662 674 025)	(588 831 158)
	39 250 023	35 323 735
Interest on overdue accounts		
Current (0 -30 days)	121 724 499	106 818 814
31 - 60 days	59 802 954	52 306 035
61 - 90 days	41 927 379	51 719 563
91 - 120 days	2 819 006 044	2 305 036 837
Provision for bad debts	(2 872 333 262)	(2 373 481 004)
	170 127 614	142 400 245
Reconciliation of allowance for impairment		
Balance at beginning of the year	(7 513 286 491)	(6 292 463 439)
Contributions to allowance	(1 551 723 652)	(1 494 001 361)
Debt impairment written off against allowance	373 851 071	273 178 309
	(8 691 159 072)	(7 513 286 491)

Statutory receivables general information

Property rates (Statutory receivable)Property rates (Statutory receivable)

Included in consumer debtors above, are amounts receivable by the municipality as a result of Rates levied and billed as per the Municipal Property Rates Act No. 6 of 2004.

The rates are calculated using the value of the property and the applicable tariff which is based on the usage of the property, this will also be subject to any applicable rebates based on the nature of the consumer.

The rates receivables have been impaired collectively with other consumer debtors and a discount rate of 11,75% (based on the prevailing prime lending rate as at 30 June 2024) was applied to the estimated future cash flows.

City of Matlosana

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Notes to the Annual Financial Statements

Figures in Rand 2024 2023

11. Consumer debtors (continued)

Consumer debtors pledged as security

None of the consumer receivables were pledged as security for any financial liability.

12. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	68 500	68 500
Bank balances	22 982 492	17 945 045
Short-term deposits	146 158 700	74 665 332
	169 209 692	92 678 877

The municipality had the following bank accounts

Account number / description	Bank statement balances			Cash book balances		
	30 June 2024	30 June 2023	30 June 2022	30 June 2024	30 June 2023	30 June 2022
ABSA BANK - Cheque Account - 4060008684	500 787	1 444 412	412 892	500 787	425 411	412 892
ABSA BANK - Cheque Account - 01000100176	7 383 182	2 663 777	6 608 022	19 309 478	13 246 917	27 008 789
ABSA BANK - Cheque Account - 950164379 (Council water)	230 828	1 495 956	1 338 367	179 580	1 567 846	(4 997 774)
ABSA BANK - Cheque Account - 950000090 (Market)	2 286 841	2 001 231	415 482	2 286 841	2 554 244	970 662
ABSA Bank - 407826177 - Call Account	15 470 450	184 280	35 859 329	15 470 450	184 280	35 996 742
ABSA Bank - 4081494682 - Call Account	2 202 121	43 764	48 306 112	2 202 121	43 764	48 501 570
ABSA Bank - 4086111223 -Call Account	2 086 830	5 389 952	11 736 143	2 086 830	5 389 952	11 779 551
ABSA Bank - 4073033854 - Call Account	27 992 713	9 528 573	2 448 730	27 992 713	9 528 573	2 454 555
ABSA Bank - 9056825047 - Call Account	1 110 323	7 692 752	294 659	1 110 323	7 692 752	295 519
ABSA Bank - 9074204063 -Call Account	2 829 670	2 712 116	756 613	2 829 670	2 712 116	758 453
ABSA Bank - 9090072264 - Call Account	6 998 014	1 549	30 033 545	6 998 014	1 549	30 119 437
Investec Bank - 1400057452500 Call Account	8 352 614	7 704 406	7 212 680	8 352 614	7 704 406	7 212 680
FNB - 71037411669 - Collateral	61 718	57 020	53 946	61 718	57 020	53 946
Nedbank - 03/7881151374 -Call Account	-	-	23 960 787	38 575 921	-	23 960 788
FNB - 70379020873 - Collateral	14 000	14 000	14 000	14 000	14 000	14 000
ABSA Bank - Call Account - 4071085841 (Housing)	817 692	157 601	153 773	150 627	150 627	150 627
FNB - 62879341700 - Call Account	25 512 649	23 529 053	28 822 717	25 512 649	23 529 053	28 822 717
ABSA Bank - 9377065203 -Call Account	15 506 857	17 807 866	-	15 506 857	17 807 866	-
Total	119 357 289	82 428 308	198 427 797	169 141 193	92 610 376	213 515 154

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
13. Other financial liabilities		
At amortised cost		
DBSA Loans	5 474 291	9 363 331
Redefine	8 672 758	16 590 265
	14 147 049	25 953 596
Total other financial liabilities	14 147 049	25 953 596
DBSA Loan		
Type of loan	Annuity loan	
Original amount	R35 269 878	
Period of loan	15 years	
Date loan received	September 2010	
Redemption date	September 2025	
Interest rate	Fixed 10.56%	
Purpose of loan	Bulk Infrastructure	
Terms and conditions	Payable on monthly basis.	
Redefine Loan		
Type of loan	Annuity loan	
Original amount	R51 987 915,58	
Period of loan	10 years	
Date loan received	August 2016	
Redemption date	August 2026	
Purpose of loan	Road construction	
Terms and conditions	Payable on monthly basis	
Non-current liabilities		
At amortised cost	1 432 905	14 538 487
Current liabilities		
At amortised cost	12 714 144	11 415 109
14. Payables from exchange transactions		
Trade payables	2 747 832 734	1 740 562 304
Payments received in advanced	103 850 668	112 997 004
Unallocated deposits	1 391 255	-
Accrued leave pay	96 395 930	101 133 379
Retentions	32 632 640	31 378 004
Agency Fee Payable	23 716 706	37 872 001
Sundry creditors	16 504 830	4 886 054
Housing : Absa bank account	150 627	150 627
13th Cheque Accrual	13 919 561	15 468 532
	3 036 394 951	2 044 447 905
15. Consumer deposits		
Water and Electricity	49 873 847	46 501 593

City of Matlosana

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Notes to the Annual Financial Statements

Figures in Rand	2024	2023
16. Unspent conditional grants and receipts		
Unspent conditional grants and receipts comprises of:		
Unspent conditional grants and receipts		
Municipal Infrastructure Grant	10 814 429	21 375 948
Integrated National Electrification Programme (INEP)	-	4 430 725
Financial Management Grant (FMG)	515 973	103 741
Department of Water Affairs and Forestry (DWAF)	276 464	276 464
Water Services Infrastructure Grant (WSIG)	3 119 263	5 755 625
Expanded Public Works Programme (EPWP)	26 461	30 151
Fire Grant	557 326	557 326
Library Grant	859 730	2 095 313
Neighbourhood Development Partnership Grant (NDPG)	63 752	8 078 938
Dr Kenneth Kaunda District Municipality	213 176	213 176
Disaster Assessment Management Grant	200 000	200 000
District Grant	4 581 284	4 581 284
Museum Grant	45 525	321 601
Disaster Management Grant (COVID)	8 251 904	8 251 904
Energy Efficiency Demand Side Management (EEDSM)	7 374	2 540
	29 532 661	56 274 736

City of Matlosana

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17. Employee benefit obligations

Reconciliation of employee benefit obligations - 2024

	Opening Balance	Movement	Utilised during the year	Total
Continuous medical aid contribution	284 632 000	38 745 000	(15 259 000)	308 118 000
Long service awards	42 456 000	7 739 000	(6 138 000)	44 057 000
	327 088 000	46 484 000	(21 397 000)	352 175 000

Reconciliation of employee benefit obligations - 2023

	Opening Balance	Movement	Utilised during the year	Total
Continuous medical aid contribution	303 199 000	(3 696 000)	(14 871 000)	284 632 000
Long service awards	40 773 000	5 990 000	(4 307 000)	42 456 000
	343 972 000	2 294 000	(19 178 000)	327 088 000

Carrying values

Non - current liabilities	325 910 000	305 691 000
Current liabilities	26 265 000	21 397 000
	352 175 000	327 088 000

Post retirement medical aid plan

The municipality provides certain post-retirement health care benefits by funding the medical aid contributions of qualifying retired members of the municipality. According to the rules of the Medical Aid Funds, with which the municipality is associated, a member (who is on the current conditions of service) is entitled to remain a continued member of such medical aid fund on retirement, in which case the municipality is liable for a certain portion of the medical aid membership fee. The municipality operates an unfunded defined benefit plan for these qualifying employees. No other post-retirement benefits are provided to these employees.

In accordance with the requirements of GRAP 25, the projected unit credit method has been applied. The assumption underlying the funding method is that the employer's post employment medical scheme costs in respect of an employee should be fully recognised by the time that the employee reaches fully accrued age. The valuation has been made with reference Actuarial Society of South Africa (ASSA) guidelines, in particular, the Advisory Practice Note 207, and is consistent with the requirements of GRAP 25.

Changes in the present value of the defined benefit obligation:

	2024	2023
Opening balance	284 632 000	303 199 000
Service cost	8 580 000	9 299 000
Interest cost	34 293 000	34 836 000
Actuarial loss/ (gain)	(4 128 000)	(47 831 000)
Expected contributions	(15 259 000)	(14 871 000)
	308 118 000	284 632 000

Key financial assumptions

	2024	2023
Discount rate	12.18%	12.37%
Health care cost inflation rate	7.68%	7.97%
Net discount rate	4.18%	4.08%

Key demographic assumptions

	2024	2023
Average retirement age	62	62
Continuation of membership at retirement	70%	70%
Proportion with a spouse dependant at retirement	55%	55%
Proportion of in-service non-members joining a scheme by retirement and continuing with the subsidy at retirement	15%	15%
Mortality during employment	SA 85-90 light	SA 85-90 light
Mortality post- employment	PA(90) -1	PA(90) -1

Sensitivity analysis

City of Matlosana

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17. Employee benefit obligations (continued)

Sensitivity analysis on accrued liability	Change	Eligible employees	Continuation members	Total	% change
Central assumptions		132.833	151.799	284.632	
Health care inflation rate	+1%	158.362	164.633	322.995	13%
	-1%	112.308	140.511	252.819	-11%
Discount rate	+1%	113.187	141.017	254.204	-11%
	-1%	157.494	164.215	321.709	13%
Post employment mortality	+1 yr	129.554	146.570	276.124	-3%
	-1 yr	136.064	157.048	293.112	3%
Average retirement age	-1 yr	145.395	151.799	297.194	4%
Membership continuation	-10%	114.808	151.799	266.607	-6%

Sensitivity analysis on current- service and interest costs for the year ending 28/02/2023	Change	Current Svc. Cost	Interest cost	Total	% change
Central assumptions	-	9 299 000	34 836 000	44 135 000	-
Health care inflation rate	+1%	11 483 000	40 001 000	51 484 000	17%
	-1%	7 601 000	30 597 000	38 198 000	-13%
Discount rate	+1%	7 727 000	33 357 000	41 084 000	-7%
	-1%	11 331 000	36 492 000	47 823 000	8%
Post-employment mortality	+1%	9 047 000	33 692 000	42 739 000	-3%
	-1%	9 550 000	35 981 000	45 531 000	3%
Average retirement age	-1 yr	9 989 000	36 327 000	46 316 000	5%
Membership continuation	-10%	8 060 000	32 588 000	40 648 000	-8%

Long service awards

The municipality operates an unfunded defined benefit plan for all its employees. Under the plan, a long-service award is payable after 10 years of continuous service, and every 5 years of continuous service thereafter, to employees. The provision is an estimate of the long-service based on historical staff turnover.

Changes in the present value of the defined benefit obligation:

	2024	2023
Opening balance	42 456 000	40 773 000
Service cost	3 182 000	3 212 000
Interest cost	4 311 000	4 181 000
Actuarial loss/(gain)	246 000	(1 403 000)
Expected benefits	(6 138 000)	(4 307 000)
	44 057 000	42 456 000

The expected vesting is the total value of the long-service awards that were expected to be awarded to eligible employees over the year, based on the data at the previous valuation date. Employees are usually entitled to take this award in whole or in part as cash, with the remainder taken as leave.

At the previous valuation, employees' costs to council were provided to determine the Rand value of the long service award provision. At this valuation, it was established that the long service award earnings definition is used in practice. The impact of this change in the long service awards earnings definition is disclosed above.

Key financial assumptions

	2024	2023
Discount rate	10.75%	10.92%
General earnings inflation rate (long-term)	5.94%	6.39%
Net effective discount rate	4.54%	4.26%

City of Matlosana

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17. Employee benefit obligations (continued)

Key demographic assumptions	2024	2023
Average retirement age	62	62
Mortality during employment	SA 85-90 light	SA 85-90 light

The table below indicates that if earnings inflation is one percentage point greater than the long-term assumption made, the liability will be 6% higher than the results shown.

Sensitivity analysis on the unfunded accrued liability	Change	Liability	% Change
Central assumptions		44 057 000	
General earnings inflation rate	+1%	46 150 000	5%
	-1%	42 123 000	-4%
Discount rate	+1%	42 043 000	-5%
	-1%	46 270 000	5%
Average retirement age	+2 yrs	48 462 000	10%
	-2 yrs	38 864 000	-12%
Withdrawal rates	x2	37 700 000	-14%
	x0.5	48 114 000	9%

Sensitivity analysis on current-service and interest costs for year ending 30/06/2024	Change	Current- Svc. Cost	Interest cost	Total	% change
Central assumptions		3 182 000	4 311 000	7 493 000	
General earnings inflation rate	+1%	3 389 000	4 541 000	7 930 000	6%
	-1%	2 995 000	4 098 000	7 093 000	-5%
Discount rate	+1%	3 017 000	4 464 000	7 481 000	-0%
	-1%	3 366 000	4 137 000	7 503 000	0%
Average retirement age	+2 yrs	3 472 000	4 766 000	8 238 000	10%
	-2 yrs	2 862 000	3 792 000	6 654 000	-11%
Withdrawal rates	x2	2 509 000	3 596 000	6 105 000	-19%
	x0.5	3 645 000	4 769 000	8 414 000	12%

City of Matlosana

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18. Provisions

Reconciliation of provisions - 2024

	Opening Balance	Additions	Change in estimate	Total
Environmental rehabilitation	149 760 416	15 160 247	(1 626 748)	163 293 915

Reconciliation of provisions - 2023

	Opening Balance	Additions	Change in estimate	Total
Environmental rehabilitation	140 044 856	16 553 302	(6 837 742)	149 760 416

Environmental rehabilitation provision

In terms of the licensing of the landfill refuse sites, the municipality will incur rehabilitation costs to restore the site at the end of its useful life. Provision has been made for the net present value of this cost.

Assumption used

- The discount rate used of 10.12% (2023: 11.82%) is the weighted average cost of capital (WACC) calculated for both the Klerksdorp and Hartbeesfontein landfill sites.
- The scheduled dates of total closure and rehabilitation are anticipated to be between 2025 and 2038.

19. Housing Project Liability

The City of Matlosana entered into a catalytic project with the department of Human Settlements and MXN Development Construction (Pty) Ltd (the contractor) in order to make land available for development. The municipality receives money from the department which it then uses to pay the contractor for the development of bulk infrastructure and recognises the infrastructure as an asset and the money used to pay the contractor as revenue.

20. Eskom Debt Relief Liability

Minimum payments due

- within one year	1 114 342 621	492 825 791
- in second to fifth year inclusive	479 276 976	945 005 139
	1 593 619 597	1 437 830 930
less: future finance charges	(325 126 150)	(325 126 150)
Present value of minimum payments	1 268 493 447	1 112 704 780

Present value of minimum payments due

- within one year	848 065 047	323 488 309
- in second to fifth year inclusive	420 428 401	789 216 471
	1 268 493 448	1 112 704 780

Non-current liabilities	420 428 401	789 216 471
Current liabilities	848 065 047	323 488 309
	1 268 493 448	1 112 704 780

The municipality qualified for the National Treasury's Municipal Debt Relief programme that allows for the write-off of amounts owing to Eskom.

Should the municipality meet the conditions of the program over a three year period then their historic debt amounting to R1,437,830,930 will be written off in full in equal amounts.

The municipality is currently not complying with all the obligations under the Eskom debt relief program, the municipality has thus not claimed any of the benefit due from the Eskom debt relief.

City of Matlosana

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21. Service charges		
Sale of electricity	958 434 310	832 426 519
Sale of water	731 613 180	736 245 524
Sewerage and sanitation charges	145 662 832	141 353 903
Refuse removal	197 202 391	195 290 904
	2 032 912 713	1 905 316 850
22. Investment revenue		
Interest revenue		
Bank	12 917 884	15 304 450
Interest charged on consumer debtors	604 866 390	550 754 201
	617 784 274	566 058 651
23. Property rates		
Rates received		
Total rates received	507 433 747	456 396 936
Valuations		
Residential	21 785 535 919	21 466 419 178
State	1 145 741 100	1 150 574 100
Municipal	1 013 872 886	1 193 386 644
Agricultural	2 346 362 400	2 337 444 400
Business	6 198 626 959	6 067 061 475
	32 490 139 264	32 214 885 797

Valuations on land and buildings are performed every 5 years. The valuations were done by DDP Valuers on behalf of the municipality.

The general valuation was implemented on 01 July 2020.

City of Matlosana

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24. Government grants & subsidies

Operating grants

Equitable share	599 605 522	545 269 807
National: Expanded Public Works Program (EPWP)	2 762 539	2 180 978
Financial Management Grant (FMG)	2 584 027	3 006 735
Fire Grant	300 000	-
Library Grant	2 185 582	857 435
Museum Grant	507 075	179 250
	607 944 745	551 494 205

Capital grants

Municipal Infrastructure Grant (MIG)	110 398 992	68 005 464
Integrated National Electrification Programme Grant (INEP)	6 162 725	24 633 275
Neighbourhood Development Partnership Grant (NDPG)	21 098 248	12 921 062
Water Services Infrastructure Grant (WSIG)	45 510 737	6 905 151
Energy Efficiency Demand Side Management Grant (EEDSM)	3 992 626	2 997 460
	187 163 328	115 462 412
	795 108 073	666 956 617

Municipal Infrastructure Grant

Balance unspent at beginning of year	21 375 948	194 412
Current-year receipts	101 017 001	89 187 000
Conditions met - transferred to revenue	(110 398 992)	(68 005 464)
Roll over denied	(1 179 528)	-
	10 814 429	21 375 948

An amount of R115 732 000 was allocated to the municipality. However an amount of R14 714 999 was withheld by National Treasury.

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

The purpose of this grant is to provide specific capital finance for eradicating basic municipal infrastructure backlogs for poor house holds, micro enterprise and social institutions servicing poor communities.

Integrated National Electrification Programme Grant (INEP)

Balance unspent at beginning of year	4 430 725	-
Current-year receipts	1 732 000	29 064 000
Conditions met - transferred to revenue	(6 162 725)	(24 633 275)
	-	4 430 725

Conditions still to be met - remain liabilities (see note 16).

The purpose of the grant is to implement the Integrated National Electrification Programme by providing capital subsidies to municipalities to address the electrification backlog of all existing and planned residential dwellings and the installation of relevant bulk infrastructure..

Financial Management Grant

Balance unspent at beginning of year	103 741	10 476
Current-year receipts	3 100 000	3 100 000
Conditions met - transferred to revenue	(2 584 043)	(3 006 735)
Roll over denied	(103 725)	-
	515 973	103 741

Conditions still to be met - remain liabilities (see note 16).

The purpose of the grant is to promote and support reforms in financial management by building capacity in municipalities to implement the municipal finance management act.

City of Matlosana

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Figures in Rand	2024	2023
24. Government grants & subsidies (continued)		
DWAF		
Balance unspent at beginning of year	276 464	276 464
Conditions still to be met - remain liabilities (see note 16).		
The purpose of the grant is to provide water to support economical, social and environmental sectors.		
WSIG		
Balance unspent at beginning of year	5 755 625	1 499 776
Current-year receipts	48 630 000	11 161 000
Conditions met - transferred to revenue	(45 510 737)	(6 905 151)
Roll over denied	(5 755 625)	-
	3 119 263	5 755 625
An amount of R15 676 000 was allocated to the municipality. However an amount of R4 515 000 was withheld by National Treasury.		
Conditions still to be met - remain liabilities (see note 16).		
The purpose of the grant is to provide water services.		
EPWP		
Balance unspent at beginning of year	30 151	30 128
Current-year receipts	2 789 000	2 181 000
Conditions met - transferred to revenue	(2 762 539)	(2 180 977)
Roll over	(30 151)	-
	26 461	30 151
An amount of R3 512 000 was allocated to the municipality. However an amount of R723 000 was withheld by National Treasury.		
Conditions still to be met - remain liabilities (see note 16).		
Provide explanations of conditions still to be met and other relevant information.		
Fire		
Balance unspent at beginning of year	557 326	557 326
Conditions still to be met - remain liabilities (see note 16).		
Library		
Balance unspent at beginning of year	2 095 313	2 042 747
Current-year receipts	950 000	910 000
Conditions met - transferred to revenue	(2 185 583)	(857 434)
	859 730	2 095 313
Conditions still to be met - remain liabilities (see note 16).		
The purpose of the grant is to provide for Library Services.		
NDPG Grant		
Balance unspent at beginning of year	8 078 938	7 256 807
Current-year receipts	21 162 000	21 000 000
Conditions met - transferred to revenue	(21 098 248)	(12 921 062)
Roll-over denied	(8 078 938)	(7 256 807)

City of Matlosana

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Figures in Rand	2024	2023
24. Government grants & subsidies (continued)		
	63 752	8 078 938
An amount of R31 162 000 was allocated to the municipality. However an amount of R10 000 000 was withheld by National Treasury.		
Conditions still to be met - remain liabilities (see note 16).		
District MEYMP		
Balance unspent at beginning of year	213 176	213 176
Conditions still to be met - remain liabilities (see note 16).		
The purpose of the grant is to fund small-scale, short-term activities that address needs in your community and communities abroad. Each district chooses which activities it will fund with these grants.		
Disaster Assessment Management Grant		
Balance unspent at beginning of year	200 000	200 000
Conditions still to be met - remain liabilities (see note 16).		
The purpose the grant is to ensure that sufficient funds are available in the event of disasters.		
District Grant		
Balance unspent at beginning of year	4 581 284	4 581 284
Conditions still to be met - remain liabilities (see note 16).		
The purpose of the grant is to fund small-scale, short-term activities that address needs in your community and communities abroad. Each district chooses which activities it will fund with these grants.		
Museum Grant		
Balance unspent at beginning of year	321 601	22 851
Current-year receipts	231 000	478 000
Conditions met - transferred to revenue	(507 076)	(179 250)
	45 525	321 601
Conditions still to be met - remain liabilities (see note 16).		
The purpose of the grant is to enable museums to focus on excellence in their programs and operations and to contribute to the understanding of the world and our place in it - our past, our present, and our future.		
Disaster Assessment Management Grant (COVID)		
Balance unspent at beginning of year	8 251 904	24 149 223
Conditions met - transferred to revenue	-	(15 897 319)
	8 251 904	8 251 904
Conditions still to be met - remain liabilities (see note 16).		
The purpose of the grant to assist the municipality and community in reducing the financial burden caused by the COVID 19 pandemic.		
EEDSM		
Balance unspent at beginning of year	2 540	-
Current-year receipts	4 000 000	3 000 000
Conditions met - transferred to revenue	(3 992 626)	(2 997 460)

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

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Figures in Rand	2024	2023
24. Government grants & subsidies (continued)		
Roll over denied	(2 540)	-
	7 374	2 540

An amount of R4 000 000 was allocated to the municipality.

Conditions still to be met - remain liabilities (see note 16).

The purpose of the grant is to provide for electricity.

25. Revenue

Sale of goods	22 122 185	19 959 610
Service charges	2 032 912 713	1 905 316 850
Rental of facilities and equipment	4 322 298	4 135 017
Licences and permits	7 551 435	7 218 936
Commissions received	13 464 779	13 830 750
Royalties received	39 613 587	43 478 419
Rental income	3 765 776	4 494 325
Discount received	2 325 938	4 948 236
Other income	17 929 470	18 288 278
New connections	495 151	701 040
Interest received - investment	617 784 274	566 058 651
Property rates	507 433 747	456 396 936
Interest on property rates	52 760 735	50 406 437
Donation from Dept Human Settlements	6 872 422	98 146 072
Government grants & subsidies	795 108 073	666 956 617
Fines, Penalties and Forfeits	21 752 008	8 868 764
	4 146 214 591	3 869 204 938

The amount included in revenue arising from exchanges of goods or services are as follows:

Sale of goods	22 122 185	19 959 610
Service charges	2 032 912 713	1 905 316 850
Rental of facilities and equipment	4 322 298	4 135 017
Licences and permits	7 551 435	7 218 936
Commissions received	13 464 779	13 830 750
Royalties received	39 613 587	43 478 419
Rental income	3 765 776	4 494 325
Discount received	2 325 938	4 948 236
Other income	17 929 470	18 288 278
New Connection Fees	495 151	701 040
Interest received - investment	617 784 274	566 058 651
	2 762 287 606	2 588 430 112

The amount included in revenue arising from non-exchange transactions is as follows:

Taxation revenue

Property rates	507 433 747	456 396 936
Interest on property rates	52 760 735	50 406 437
Donation received	6 872 422	98 146 072

Transfer revenue

Government grants & subsidies	795 108 073	666 956 617
Fines, Penalties and Forfeits	21 752 008	8 868 764
	1 383 926 985	1 280 774 826

City of Matlosana

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Figures in Rand	2024	2023
26. Donations		
Cash donation from Department of Health	6 872 422	-
PPE donation	-	98 146 072
	6 872 422	98 146 072

Department of Health donated an amount R6 872 422 to the municipality. The municipality will utilise the donation for installation of dedicated electrical transmission lines to Klerksdorp Hospital and Tshepong Hospital.

City of Matlosana

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Figures in Rand	2024	2023
27. Employee related costs		
Basic	509 410 723	448 721 010
Medical aid - company contributions	50 553 256	48 900 263
UIF	3 847 756	3 883 090
SDL	6 907 495	6 180 656
Accrued leave pay movement	(4 731 077)	6 358 411
Defined contribution plans	(15 259 000)	(14 871 000)
Travel, motor car, accommodation, subsistence and other allowances	16 421 463	13 459 755
Overtime payments	65 802 585	69 475 476
Long-service awards	(2 956 000)	(1 095 000)
13th Cheques	33 778 902	33 962 488
Housing benefits and allowances	6 310 761	6 311 931
Professional membership fees	247 288	242 995
Pension fund	90 961 572	85 913 927
Leave paid out	10 473 421	7 032 140
Cellphone allowance	2 249 742	1 449 712
	774 018 887	715 925 854

Remuneration of Municipal Manager - L Seametso

Annual Remuneration	1 553 180	743 148
Subsistence	12 589	2 090
Contributions to UIF, Medical and Pension Funds	28 055	8 515
	-	-
	1 593 824	753 753

L Seametso was appointed as Municipal Manager from January 2023 to date.

Remuneration of Acting Municipal Manager - L Seametso

Annual Remuneration	-	487 008
Contributions to UIF, Medical and Pension Funds	-	5 579
	-	492 587

L Seametso was appointed as Acting MM from 01 May 2022 to 31 October 2022

Remuneration of Acting Municipal Manager - MM Molawa

Annual Remuneration	-	202 097
Contributions to UIF, Medical and Pension Funds	-	20 279
Car Allowance	-	24 000
	-	246 376

MM Molawa was appointed as Acting MM from 01 November to 31 December 2022

Remuneration of Acting Municipal Manager - BB Choche

Annual Remuneration	905 638	-
Contributions to UIF, Medical and Pension Funds	13 648	-
Other Allowances (Travel, Cellphone etc)	160 000	-
	1 079 286	-

BB Choche was appointed Acting MM from May 2024 till date

Remuneration of Acting Chief Financial Officer - P Thelele

Acting Allowances	-	159 816
Contributions to UIF, Medical and Pension Funds	-	2 838
	-	162 654

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27. Employee related costs (continued)

Mr P Thelele was appointed acting Chief Financial Officer from 01 March 2022 to 31 December 2022.

Remuneration of Chief Financial Officer - MM Phetla

Annual Remuneration	967 310	603 234
Contributions to UIF, Medical and Pension Funds	14 313	6 645
Other Allowances (Travel, Cellphone etc)	311 787	-
	1 293 410	609 879

MM Phetla was appointed chief financial officer from July 2023 till date

Remuneration of Acting Chief Financial Officer Chief- TO Sekgala

Annual Remuneration	172 560	-
Acting Allowance	10 436	-
Contributions to UIF, Medical and Pension Funds	59 959	-
Other Allowances (Travel, Cellphone etc)	38 768	-
	281 723	-

TO Sekgala was appointed acting chief financial officer from April 2024 to Date

Remuneration of Director Public Safety - KI Boikanyo

Annual Remuneration	232 999	-
Contributions to UIF, Medical and Pension Funds	77 666	-
Other Allowances (Travel, Cellphone etc)	3 483	-
	314 148	-

KI Boikanyo was appointed as Director Public Safety from April 2024 to Date.

Remuneration of Acting Director Public Safety - M Botsheleng

Annual Remuneration	287 600	-
Acting Allowance	36 959	-
Contributions to UIF, Medical and Pension Funds	88 854	-
Other Allowances (Travel, Cellphone etc)	95 992	-
	509 405	-

M Botsheleng was appointed as acting Director Corporate Services from 01 November 2023 till 31 March 2024.

Remuneration of Acting Director Public Safety - AJS Marais

Annual Remuneration	272 080	272 865
Acting Allowance	44 498	15 264
Contributions to UIF, Medical and Pension Funds	72 179	81 433
Other Allowances (Travel, Cellphone etc)	62 847	63 908
	409 604	433 470

AJS Marais was appointed as Acting Director: Public Safety from July 2023 until 31 October 2023.

Remuneration of Director Public Safety - LJ Nkhumane

Annual Remuneration	-	559 546
Contributions to UIF, Medical and Pension Funds	-	57 662
Other Allowances (Travel, Cellphone etc)	-	84 000
	-	701 208

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27. Employee related costs (continued)

LJ Nkhumane was appointed as Director Public Safety from February 2018 to January 2023.

Remuneration of Director Planning and Human Settlement - BB Choche

Annual Remuneration	250 666	1 175 047
Acting Allowances	17 293	-
Contributions to UIF, Medical and Pension Funds	3 691	15 803
Other Allowances (Travel, Cellphone etc)	60 000	244 280
	331 650	1 435 130

BB Choche has been appointed as the Director of Planning and human Settlement from March 2019 until February 2024 and again from April 2024 to date.

Remuneration of Acting Director Planning and Human Settlement - SP Phala

Annual Remuneration	57 520	-
Contributions to UIF, Medical and Pension Funds	18 530	-
Other Allowances (Travel, Cellphone etc)	18 636	-
	94 686	-

SP Phala was appointed as Acting Director: Planning and Human Settlement from 01 March 2024 to 31 March 2024.

Remuneration of Acting Director of Local Economic Development - ND Makgetha

Annual Remuneration	-	326 580
Other Allowances (Travel, Cellphone etc)	-	86 570
Subsistence	-	1 471
Contributions to UIF, Medical and Pension Funds	-	97 639
	-	512 260

ND Makgetha was appointed as the Acting Director of Local Economic Development from September 2022 till 28 February 2023.

Remuneration of Acting Director of Local Economic Development - PT Molelekwa

Annual Remuneration	364 679	180 807
Acting Allowance	74 952	-
Contributions to UIF, Medical and Pension Funds	86 438	35 547
Other Allowances (Travel, Cellphone etc)	91 773	32 523
	617 842	248 877

PT Molelekwa was appointed Acting Director of Local Economic Development from April 2023 to January 2024.

Remuneration of Acting Director of Local Economic Development - MV Ramokanate

Annual Remuneration	103 686	-
Acting Allowance	6 421	-
Contributions to UIF, Medical and Pension Funds	37 144	-
Other Allowances (Travel, Cellphone etc)	26 221	-
	173 472	-

MV Ramokanate was appointed as Acting Director LED from February 2024 to March 2024.

Remuneration of Director Local Economic Development - BJ Roberts-Tebejane

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27. Employee related costs (continued)		
Annual Remuneration	244 007	-
Contributions to UIF, Medical and Pension Funds	18 415	-
Other Allowances (Travel, Cellphone etc)	51 778	-
	314 200	-

BJ Roberts-Tebejane was appointed as the Director of Local Economic Development from April 2024 to date.

Remuneration of Director of Corporate Services - NM Moabelo

Annual Remuneration	340 009	-
Contributions to UIF, Medical and Pension Funds	4 158	-
Other Allowances (Travel, Cellphone etc)	24 000	-
	368 167	-

NM Moabelo was appointed as Director Corporate Services from April 2024 to date.

Remuneration of Acting Director of Corporate Services - NM Moabelo

Annual Remuneration	551 223	436 584
Acting Allowance	80 575	29 236
Contributions to UIF, Medical and Pension Funds	160 535	126 563
Other Allowances (Travel, Cellphone etc)	182 383	139 079
	974 716	731 462

NM Moabelo was appointed as acting Director Corporate Services from July 2022 to March 2024.

Remuneration of Director Community Development - PS Setona

Annual Remuneration	310 666	-
Contributions to UIF, Medical and Pension Funds	3 638	-
	314 304	-

PS Setona was appointed as Director Community Development from April 2024 to date.

Remuneration of Acting Director Community Development - MJ Masilo

Annual Remuneration	399 918	451 519
Acting Allowance	51 031	-
Contributions to UIF, Medical and Pension Funds	118 654	122 811
Other Allowances (Travel, Cellphone etc)	117 186	114 076
	686 789	688 406

MJ Masilo was appointed as Acting Director Community Development from February 2023 to December 2023.

Remuneration of Acting Director Community Development - MG Morebodi

Annual Remuneration	172 560	-
Acting Allowance	21 904	-
Contributions to UIF, Medical and Pension Funds	52 389	-
Other Allowances (Travel, Cellphone etc)	60 794	-
	307 647	-

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27. Employee related costs (continued)

MG Morebodi was appointed as Acting Director Community Development from January 2024 to March 2024.

Remuneration of Director Technical and Infrastructure - SN Mongale

Annual Remuneration	246 466	-
Contributions to UIF, Medical and Pension Funds	3 518	-
Other Allowances (Travel, Cellphone etc)	64 200	-
	314 184	-

SN Mongale was appointed as the Director of Technical and Infrastructure from April 2024 to date.

Remuneration of Acting Director Technical and Infrastructure - JJ Pilusa

Annual Remuneration	520 970	623 148
Acting Allowance	154 764	-
Contributions to UIF, Medical and Pension Funds	160 592	201 192
Other Allowances (Travel, Cellphone etc)	167 992	182 263
	1 004 318	1 006 603

JJ Pilusa was appointed as the Acting Director of Technical and Infrastructure from September 2022 till March 2024.

Remuneration of Director Technical and Infrastructure - R Madimutsa

Annual Remuneration	-	211 841
Contributions to UIF, Medical and Pension Funds	-	3 521
Other Allowances (Travel, Cellphone etc)	-	24 000
	-	239 362

R Madimutsa has been appointed as Director Technical and Infrastructure from February 2018 to August 2022

Remuneration of Director Corporate Services - L Seametso

Annual Remuneration	-	198 106
Subsistence Allowance	-	1 421
Contributions to UIF, Medical and Pension Funds	-	2 350
	-	201 877

L Seametso went back to her position as Director Corporate Services from November 2022 to December 2022.

Remuneration of Acting Director of Corporate Services - M Botsheleng

Annual Remuneration	-	109 146
Acting Allowance	-	17 112
Contributions to UIF, Medical and Pension Funds	-	31 675
Other Allowances (Travel, Cellphone etc)	-	19 951
	-	177 884

M Botsheleng was appointed as acting Director Corporate Services from May 2022 to August 2022

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27. Employee related costs (continued)

Remuneration of Director Community Development - MM Molawa

Annual Remuneration	-	415 034
Contributions to UIF, Medical and Pension Funds	-	50 279
Other Allowances (Travel, Cellphone etc)	-	60 000
	-	525 313

MM Molawa was appointed as Director Community Development from February 2018 to January 2023

Remuneration of Director of Local Economic Development - LL Fourie

Annual Remuneration	-	158 881
Contributions to UIF, Medical and Pension Funds	-	17 314
Other Allowances (Travel, Cellphone etc)	-	24 000
	-	200 195

LL Fourie was appointed as the Director of Local Economic Development from March 2019 to August 2022.

28. Remuneration of councillors

Executive Mayor	1 222 796	1 140 377
Speaker	988 949	929 159
Councillors	36 932 643	34 946 536
	39 144 388	37 016 072

In-kind benefits

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

The Mayor has the use of Council owned vehicles for official duties.

The Executive Mayor has one full-time bodyguards/driver

The salaries, allowances and benefits of councillors are within the upper limits of the framework envisaged in section 219 of the Constitution of South Africa.

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

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Figures in Rand

	2024	2023
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28. Remuneration of councillors (continued)

Remuneration of Executive Mayor - NJ Tsolela

Annual Remuneration	762 439	724 476
Councillors pension contributions	117 057	103 960
Cellphone allowance	53 208	38 481
Travel Allowance	290 091	274 660
	1 222 795	1 141 577

Mr NJ Tsolela became Mayor from November 2021 to 25 June 2024

Remuneration of Speaker - SL Mondlane

Annual Remuneration	603 503	582 719
Councillors pension contributions	100 164	83 168
Cellphone allowance	53 208	42 600
Travel Allowance	232 073	221 374
	988 948	929 861

SL Mondlane became speaker from November 2021 to date.

Remuneration of the Chief Whip - K Ndincedo

Annual Remuneration	571 830	546 301
Councillors pension contributions	87 860	77 970
Cellphone allowance	53 208	42 600
Travel Allowance	217 568	208 090
	930 466	874 961

Remuneration of Councillors and Mayoral Committee Members

Annual Remuneration	23 248 418	22 447 229
Councillors pension contributions	1 300 590	1 360 472
Cellphone allowances	3 950 207	2 785 500
Medical aid contributions	201 600	234 720
Travel Allowance	8 231 828	8 015 252
	36 932 643	34 843 173

29. Depreciation and amortisation

Property, plant and equipment	327 401 728	364 508 794
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30. Impairment loss

Impairments

Property, plant and equipment	20 573 695	3 649 828
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The assets that were impaired can be summarized as follow: For immovable assets (Infrastructure etc) the impairment was triggered by a change in the condition. For moveable assets, the impairment was triggered, either by a condition change during the physical verification, and or through the impairment of all moveable assets that could not physically be verified during this years physical verification, and with the intention of disposing these assets in line with the updated asset policy in the next financial year should these assets still not be verified during next years physical verification.

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
31. Finance costs		
Non-current borrowings	807 942	1 192 575
Interest on landfill site	15 160 247	16 553 302
Interest on overdue accounts	104 426 638	232 160 898
Finance cost on Eskom debt relief liability	155 788 668	-
	276 183 495	249 906 775
32. Debt impairment		
Impairment of consumer debtors	1 444 949 121	1 381 465 877
Impairment of receivables from non-exchange transactions	13 997 850	5 025 480
	1 458 946 971	1 386 491 357
33. Bulk purchases		
Electricity - Eskom	1 010 483 320	848 229 632
Water	566 702 380	456 035 510
	1 577 185 700	1 304 265 142
Electricity (losses in units)	232 692 871	197 854 298
Electricity (losses as %)	43%	38%
Water (losses in units)	25 268 039	22 746 405
Water (losses as %)	59%	58%
	257 961 012	220 600 799

Electricity and water are supplied by Eskom and the Midvaal Water Company.

The municipality is in the process of installing meters at all its premises to enable us to accurately measure and manage own use. A strategy has been developed to minimise distribution losses and it will be implemented over time due to budget constraints.

34. Contracted services

Financial and Asset Management Services	11 809 060	11 398 425
Debt collection and Meter reading services	26 811 934	34 464 766
VAT management and recovery	8 627 590	7 166 451
Security Services	61 003 383	36 049 486
Other Contractors	7 487 346	17 165 344

Contractors

Stream Cleaning and Ditching	222 919	-
	115 962 232	106 244 472

Contracted services are mandated services in terms of the Local Government : Municipal Structures Act 117 of 1998, a municipal by-law or the Integrated Development Plan that the municipality is expected to have the capacity and expertise to deliver but are being outsourced instead.

35. Repairs and Maintenance

Repairs and Maintenance for Property Plant and Equipment

Repairs and maintenance	132 133 064	180 727 784
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An amount of R132 133 064 (2023: R180 727 784) was spent during the year in review. In determining this amount, the municipality has exclusively disclosed amounts charged by service providers.

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
36. General expenses		
Advertising	977 634	900 360
Auditors remuneration	7 176 387	8 287 782
Bank charges	11 024 551	9 740 142
Cleaning	235 673	263 476
Commission paid	19 492 407	13 027 439
Legal costs and professional fees	5 352 228	21 258 111
Consumables	5 456 563	6 931 963
Discount allowed	828 521	1 217 714
Entertainment	1 175 950	1 155 121
Veterinary services	50 000	115 320
Insurance	31 245 804	22 907 514
Community development and training	817 114	1 148 211
Marketing	-	1 182 842
Medical expenses	386 331	521 766
Motor vehicle expenses	22 006 881	30 109 212
Pest control	-	140 906
Postage and courier	1 108 353	3 714 722
Printing and stationery	4 547 642	7 930 340
Protective clothing	6 874 956	6 130 412
Royalties and license fees	1 467 316	1 655 352
Subscriptions and membership fees	17 190 192	8 403 481
Telephone and IT system related costs	26 205 186	19 094 024
Transport and freight	20 540	47 284
Training	3 690 087	3 106 645
Title deed search fees	465 769	586 358
Other miscellaneous	4 862 099	3 786 607
Traffic fines management	15 070	65 061
Indigent costs	57 615 241	87 122 112
Human Settlement Costs	15 367 582	15 217 283
Workmen's compensation	3 984 161	3 266 478
Casual workers	9 150 000	9 542 262
Fines and penalties	-	1 081 654
	258 790 238	289 657 954
37. Revenue loss		
Income loss		
Total loss incurred	-	3 314 944

These revenue losses relate to monies that were misappropriated from the market and there is an investigation currently ongoing from the HAWKS to identify and charge the responsible parties.

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
38. Cash generated from operations		
Deficit	(996 513 802)	(905 494 746)
Adjustments for:		
Depreciation and amortisation	327 401 728	379 302 379
Loss on sale of assets and liabilities	11 321 901	20 590 023
Fair value adjustments	13 997 850	5 025 480
Finance cost on Eskom debt relief	155 788 668	-
Impairment loss on PPE	20 573 695	3 650 921
Debt impairment	1 444 949 121	1 359 081 179
Non cash donations	-	(98 146 072)
Employee benefits	24 944 532	(16 702 793)
Movements in provisions	13 533 499	9 715 560
Movement in leave accrual	(4 737 446)	(9 500 830)
Inventory adjustment	4 594 070	287 910
Fair value adjustments	(976 538)	(756 797)
Wild Stock adjustment adjustment	(165 950)	434 499
13th Cheque accrual	(1 548 971)	(630 080)
Changes in working capital:		
Inventories	(10 091 684)	(14 162 831)
Receivables from exchange transactions	(1 718 497)	(2 845 402)
Consumer debtors	(1 508 988 337)	(1 349 347 744)
Other receivables from non-exchange transactions	(13 997 850)	(5 025 480)
Prepayments	-	7 357
Eskom Debt Relief	-	1 268 493 448
Eskom Deferred gain	-	169 337 482
Payables from exchange transactions	998 233 463	(633 297 754)
VAT	(124 888 906)	(95 698 343)
Unspent conditional grants and receipts	(26 742 075)	31 137 385
	324 968 471	115 454 751
39. Agency Fees		
Commissions received	13 464 779	13 830 750
<p>The North West Department of Community Safety and Transport Management issues motor vehicle licences to motorists for a prescribed fee. Given the geographical location of municipal offices, it is convenient for motorists to be able to renew their licences at these locations. The municipality facilitates the issuing of these licences and the collection of the prescribed fees.</p> <p>The municipality acts on behalf of the Department to issue licences to, and collect money from motorists. The transaction is however between the Department, and the motorist (i.e. third party) - the party responsible for the payment of the licence fee. The municipality is not a party to the transaction with the third parties but rather facilitates the transaction between the Department and the motorist, and receives a commission fee accordingly.</p>		
40. Donations Received		
<p>Please refer to note 26 for details on the donations received during the year.</p>		
41. Other revenue		
Agency Fees	13 464 779	13 830 750
Connections and Reconnection fees	39 613 587	43 478 419
Rental income	3 765 776	4 494 325
Discount received	2 325 938	4 948 236
Other income	17 929 470	18 288 278
New Connections	495 151	701 040
	77 594 701	85 741 048
42. Auditors' remuneration		
Fees	7 176 387	8 287 782

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand 2024 2023

43. Financial instruments disclosure

Categories of financial instruments

2024

Financial assets

	At fair value	At amortised cost	Total
Other financial assets	13 070 921	-	13 070 921
Trade and other receivables from exchange transactions	-	10 598 685	10 598 685
Consumer debtors	-	514 773 340	514 773 340
Cash and cash equivalents	-	169 209 692	169 209 692
Eskom Deposit	-	41 444 911	41 444 911
	13 070 921	736 026 628	749 097 549

Financial liabilities

	At amortised cost	Total
Consumer deposits	49 873 847	49 873 847
Other financial liabilities	14 147 049	14 147 049
Trade and other payables from exchange transactions	3 036 394 946	3 036 394 946
	3 100 415 842	3 100 415 842

2023

Financial assets

	At fair value	At amortised cost	Total
Other financial assets	12 094 383	-	12 094 383
Receivables from exchange transactions	-	8 880 188	8 880 188
Consumer debtors	-	450 734 124	450 734 124
Cash and cash equivalents	-	92 678 877	92 678 877
Eskom deposits	-	40 403 414	40 403 414
	12 094 383	592 696 603	604 790 986

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand

	2024	2023
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43. Financial instruments disclosure (continued)

Financial liabilities

	At amortised cost	Total
Consumer deposits	46 501 593	46 501 593
Other financial liabilities	25 953 596	25 953 596
Trade and other payables from exchange transactions	2 044 447 905	2 044 447 905
	2 116 903 094	2 116 903 094

44. Commitments

Authorised capital expenditure

Already contracted for but not provided for

• Property, plant and equipment	206 583 799	97 278 413
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Total capital commitments

Already contracted for but not provided for	206 583 799	97 278 413
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Total commitments

Total commitments

Authorised capital expenditure	206 583 799	97 278 413
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This committed expenditure relates to property and will be financed by available bank facilities, retained surpluses, rights issue of shares, issue of debentures, mortgage facilities, existing cash resources, funds internally generated, etc.

Operating leases - as lessee (expense)

Minimum lease payments due

- within one year	10 673 017	9 562 466
- in second to fifth year inclusive	5 867 499	16 918 209
	16 540 516	26 480 675

Operating lease payments represent rentals payable by the municipality for certain of its office properties. Leases are negotiated for an average term of seven years and rentals are fixed for an average of three years. No contingent rent is payable.

45. Events after the reporting date

There were no material events that required an adjustment to the annual financial statements after the reporting date.

46. Unauthorised expenditure

Opening balance	4 503 259 011	4 133 642 424
Add: Unauthorised expenditure - current	1 126 875 482	369 616 587
Closing balance	5 630 134 493	4 503 259 011

The over expenditure for the 2024 financial year is primarily due the impairment on the consumer debtors, and bulk purchases. The total balance including the opening balance will be dealt with in accordance with the MFMA requirements. No criminal or disciplinary steps have been taken.

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand

	2024	2023
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46. Unauthorised expenditure (continued)

Unauthorised expenditure: Budget overspending – per municipal department:

Budget and treasury office	628 938 114	3 116 924
City electrical engineering	112 892 520	1 756 903
Civil engineering	32 860 216	-
Cleansing	-	9 584 202
Corporate Governance	-	934 097
Community Services	-	111 071 322
Council General	31 228 716	14 250
Health	874 133	1 407
Water section	320 081 782	242 996 576
Public safety	-	140 906
	1 126 875 481	369 616 587

47. Irregular expenditure

Opening balance	2 999 371 522	3 966 427 579
Prior period error	(11 433 297)	(16 669 433)
Restated opening balance	2 987 938 225	3 949 758 146
Add: Irregular Expenditure - current year	248 623 592	273 995 874
Irregular expenditure identified in the current year relating to prior periods	15 717 658	2 940 250
Irregular expenditure written off as irrecoverable - not condoned - CC102/2023	-	(1 227 322 748)
	3 252 279 475	2 999 371 522

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
47. Irregular expenditure (continued)		
Analysis of expenditure awaiting condonation per classification		
Bid composition not constituted	-	344 445
Order splitting	-	268 608
Three quotes not attached	-	114 164
Non disclosure of interest	47 619 234	47 176 939
Contravention of SCM Regulation 36	27 746 242	35 483 183
Contravention of SCM Policy	86 586 232	54 412 753
Contracts expired	32 868 106	38 802 750
Tenders not advertised for the minimum period required	69 521 436	100 333 281
	264 341 250	276 936 123

Contracts under review for potential non-compliance with procurement laws and supply chain regulations (with expenditure to-date)

Reference	Description	Amount
COM/SCM/T/36/2019/2020	Disciplinary steps taken/criminal proceedings Appointment of multiple service providers for hire and plant and equipment on as and when required basis for a period of thirty six(36) months effective 20/11/2020.	36 585 310
COM/SCM/T/26/2020/2021	Appointment of service provider for VAT and recovery in the City of Matlosana for a period of 36 months effective 22/06/2020	27 899 582
COM/SCM/T/31/2019/2020	Construction of 11kv feeder line for Alabama substation extension 4 & 5 effective 12/10/2020	2 433 628
COM/SCM/T/33/2019/2020	Construction of VIP Latrines in KOSH Phase 1 effective 09/03/2021	15 710 637
COM/SCM/T/31/2020/2021	Refurbishment of water pump stations and reservoirs effective 09/03/2021	35 997 618
COM/SCM/T/51/2020/2021	Supply and erection of 358 mesh fencing around Stilfontein effective 24/06/2021	480 000
COM/SCM/40/2020/2021	Appointment of service provider for Risk management and insurance for a period of thirty-six(36) months effective 21/06/2021	18 552 038
COM/SCM/T/18/2019/2020	Upgrading of Mechanical and Electrical equipment in Kanana Phase 1 effective 14/09/2020	6 922 085
COM/SCM/08/2021/22	Appointment of physical security services providers for the City of Matlosana building, offices property for a period of thirty-six (36) months effective 07/04/2022	117 235 666
		261 816 564

Disciplinary steps taken/criminal proceedings

No disciplinary action has been taken as investigations are in progress for all irregular expenditure.

Additional Note

Irregular expenditure is calculated inclusive of VAT while the figures disclosed above have been presented in this set of AFS exclusive of VAT.

48. Fruitless and wasteful expenditure

Opening balance as previously reported	432 111 833	198 727 423
Add: Fruitless and wasteful expenditure identified - current	104 864 745	233 384 410
Closing balance	536 976 578	432 111 833

The municipality incurred interest ,fines and penalties for late payment of the Eskom, SARS, Midvaal and Auditor General accounts. No disciplinary action has been taken as the expenses are a result of cashflow constraints.

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
49. Additional disclosure in terms of Municipal Finance Management Act		
Contributions to organised local government		
Opening balance	9 964 635	18 951 220
Current year subscription / fee	8 772 335	13 415
Amount paid - current year	(5 278 741)	(9 000 000)
	13 458 229	9 964 635
In the prior year the disclosure relating to contributions to organised local government was overstated by R8 388 044. This has been rectified in the comparatives for the current year.		
Audit fees		
Opening balance	71 497	233 817
Current year subscription / fee	7 973 095	9 593 941
Amount paid - current year	(7 947 525)	(9 756 261)
	97 067	71 497
PAYE and UIF		
Opening balance	8 782 073	8 227 669
Current year subscription / fee	114 407 055	104 842 825
Amount paid - current year	(114 405 514)	(104 288 421)
	8 783 614	8 782 073
Pension and Medical Aid Deductions		
Opening balance	1 671 037	13 438 937
Current year subscription / fee	246 941 381	221 679 405
Amount paid - current year	(235 342 603)	(233 447 305)
	13 269 815	1 671 037
VAT		
VAT receivable	299 626 006	209 843 653

City of Matlosana

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Notes to the Annual Financial Statements

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49. Additional disclosure in terms of Municipal Finance Management Act (continued)

Councillors' arrear consumer accounts

The following Councillors had arrear accounts outstanding for more than 90 days at 30 June 2024:

30 June 2024	Outstanding less than 90 days R	Outstanding more than 90 days R	Total R
Councillor Bangani JN	1 410	12 576	13 986
Councillor Bonga AH	1 276	36 463	37 739
Councillor Booth PH	5 039	15 200	20 239
Councillor Bornman JGR	12 401	465 227	477 628
Councillor Buys RRB	3 595	25 912	29 507
Councillor Cromhout GLJ	3 843	18 303	22 146
Councillor Dial SJ	7 360	102 290	109 650
Councillor Dude MA	-	58 221	58 221
Councillor Faku BS	3 886	75 534	79 420
Councillor Jonas SL	6 391	90 755	97 146
Councillor Kali KB	-	107 012	107 012
Councillor Kodisang ML	6 242	60 074	66 316
Councillor Le Grange JJ	2 975	14 311	17 286
Councillor Majiji SJ	2 277	6 500	8 777
Councillor Mangesi MI	14 601	50 021	64 622
Councillor Mokgatla MA	1 979	60 561	62 540
Councillor Ntshanga ZE	517	21 979	22 496
Councillor Oortman FD	-	86 759	86 759
Councillor Ross KL	4 517	17 515	22 032
Councillor Seitshero KV	-	11 805	11 805
Councillor Tagaree FI	1 723	13	1 736
Councillor Thabanchu OR	7 031	32 227	39 258
	87 063	1 369 258	1 456 321

30 June 2023	Outstanding less than 90 days R	Outstanding more than 90 days R	Total R
Councillor Bangani JN	709	8 076	8 785
Councillor Bonga AH	1 695	48 500	50 195
Councillor Booth PH	2 055	34 060	36 115
Councillor Bornman JGR	13 513	405 435	418 948
Councillor Buys RRB	2 795	10 341	13 136
Councillor Dial SJ	7 729	76 199	83 928
Councillor Dude MA	853	71 175	72 028
Councillor Faku BS	4 105	78 816	82 921
Councillor Jonas SL	7 622	107 769	115 391
Councillor Kali KB	6 094	130 133	136 227
Councillor Kodisang ML	-	135 241	135 241
Councillor Le Grange JJ	2 664	10 546	13 210
Councillor Majiji SJ	2 208	18 500	20 708
Councillor Mangesi MI	26 312	33 326	59 638
Councillor Mathopa ML	121	6 288	6 409
Councillor Mokgatla MA	4 381	78 561	82 942
Councillor Ntshanga ZE	517	19 912	20 429
Councillor Oortman FD	-	103 049	103 049
Councillor Ross KL	3 136	2 290	5 426
Councillor Seitshero KV	1 586	23 805	25 391
Councillor Tagaree FI	2 030	15 634	17 664
Councillor Thabanchu OR	-	13 474	13 474
	90 125	1 431 130	1 521 255

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

City of Matlosana

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Notes to the Annual Financial Statements

Figures in Rand	2024	2023
49. Additional disclosure in terms of Municipal Finance Management Act (continued)		
30 June 2024	Highest outstanding amount	Aging (in days)
Councillor Bangani JN	13 426	-
Councillor Bonga AH	47 448	-
Councillor Booth PH	31 700	-
Councillor Bornman JGR	465 227	-
Councillor Buys RRB	25 912	-
Councillor Cromhout GLJ	35 901	-
Councillor Dial SJ	102 290	-
Councillor Dude MA	70 675	-
Councillor Faku BS	78 518	-
Councillor Jonas SL	109 044	-
Councillor Kali KB	128 337	-
Councillor Kodisang ML	136 050	-
Councillor Le Grange JJ	14 311	-
Councillor Majiji SJ	17 500	-
Councillor Mangesi MI	55 887	-
Councillor Mokgatla MA	77 061	-
Councillor Mondlane SL	38 828	-
Councillor Ntshanga ZE	21 979	-
Councillor Oortman FD	103 025	-
Councillor Ross KL	17 515	-
Councillor Seitshero KV	22 805	-
Councillor Tagaree FI	13	-
Councillor Thabanchu OR	32 227	-
	1 645 679	-
30 June 2023	Highest outstanding amount	Aging (in days)
Councillor Bangani JN	8 976	-
Councillor Barrends SAC	31	-
Councillor Bonga AH	63 940	-
Councillor Booth PH	43 991	-
Councillor Bornman JGR	405 435	-
Councillor Buys RRB	10 341	-
Councillor Dial SJ	76 199	-
Councillor Dude MA	76 899	-
Councillor Faku BS	84 211	-
Councillor Jonas SL	116 533	-
Councillor Kali KB	145 744	-
Councillor Kodisang ML	195 048	-
Councillor Le Grange JJ	10 546	-
Councillor Majiji SJ	34 368	-
Councillor Mangesi MI	35 453	-
Councillor Mathopa ML	6 288	-
Councillor Mbele MN	11 454	-
Councillor Mokgatla MA	88 366	-
Councillor Mondlane SL	2 315	-
Councillor Masweu ME	972	-
Councillor Ntshanga ZE	19 912	-
Councillor Oortman FD	106 877	-
Councillor Ross KL	2 290	-
Councillor Seitshero KV	35 805	-
Councillor Tagaree FI	15 634	-
Councillor Thabanchu OR	14 508	-
	1 612 136	-

City of Matlosana

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Notes to the Annual Financial Statements

Figures in Rand	2024	2023
50. Contingencies		
Claims against the Municipality		
Owamajola Trading Enterprises JV	300 000 000	300 000 000
T Tilodi	12 214	-
Owamajola Trading	3 396 512	3 396 512
Nicolaas Johannes Myburg	1 007 879	1 007 879
SO Matshidiso	63 447 354	63 447 354
Bakgeni Civils & Construction	171 000	171 000
P&S Basson	283 200	283 200
Ke A Dira Construction CC	17 391 228	17 391 228
HL Matlala T/A Gorogang Plant Hire	1 572 713	1 572 713
Ndabangaungue S	150 000	150 000
MR M Seero	5 000 000	5 000 000
Itumre Building Supply CC	563 816	563 816
Owamajola Trading	110 587 932	110 587 932
Diggers Development	4 325 232	435 232
Moore Stephens	5 108 173	5 108 173
Bonang Trading Developments	1 015 000	1 015 000
Dikopane Project CC	9 647 510	-
Henry Tshepo Molaoa	150 000	150 000
MMT MT Trading Enterprise	1 100 000	1 100 000
VM Thlaphisi	810 000	810 000
Kgwadi ya Madiba JV	57 715 367	57 715 367
Vesta Technical Services (Pty) Ltd	15 080 630	15 080 630
Khuma councillors & Mr Morebudi	15 130 090	15 130 090
IMIC Investments (Pty) Ltd	329 536	329 536
SO Matshidiso Construction and Project	-	85 000 000
Christina Van Der Merwe	1 600 000	1 600 000
Aganang Consulting Engineer CC	4 920 757	4 920 757
Gadifele Papers	117 463	-
Mataka & Morathi Attorneys	-	84 200
Ammatako Beleggings CC	-	26 076
Thabo Seabeng	300 000	-
	620 933 606	692 076 695

Owamajola Trading Enterprises JV / City of Matlosana

Issued summons against the municipality for alleged damages suffered for being appointed for the disconnection and reconnection of electricity supply to defaulters for a period of 36 months and not receiving an instruction from the Municipality.

Tshiamo Tilodi

Summons received under case number 3369/2022 due to damages to the plaintiff's vehicle due to a pothole on the N12 near Matlosana Mall. Plaintiff claims an amount of R12 214.47. Notice of intention to defend served on 3 August 2022. Defendant. Plea served and filed on 29 September 2022. At June 2024, Awaiting further instructions and or settlement proposals. Requests appointment with Legal Services in order to discuss settlement proposals.

Owamajola / City of Matlosana

The plaintiff sued the City of Matlosana for non-payment for services rendered.

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50. Contingencies (continued)

Nicolaas Johannes Myburg / City of Matlosana

Damages to his property due to fire outbreak after the fire brigade reacted to his call and arrived after their equipment malfunctioned.

SO Matshidiso / City of Matlosana

Action instituted against the Municipality for alleged damages for potential loss of profits as a result of the municipality alleged failure to appoint the plaintiff as a service provider following the advertisement of the tender.

City of Matlosana / Bakgeni Civils & Construction

Arbitration award for non-monetary claim to supplier

P&S Basson / City of Matlosana

A summons was brought against the Council for psychological shock and emotional shock by the Plaintiffs.

Ke A Dira Construction CC / City of Matlosana

Council is defending summons brought against the Council by the plaintiff for losses alleged to have been experienced due to the revision of tender FS 1/2011.

HL Matlala T/A Gorogang Plant Hire / City of Matlosana

Gorogang terminated its agreement with the City of Matlosana and issued summons claiming the amount stipulated.

Ndabangaungue S (plaintiff) / City of Matlosana (defendant)

Summons was issued against the Council as well as Mr VW Sofe who is employed by the City of Matlosana as a traffic officer, for the alleged unlawful arrest

City of Matlosana / MR M Seero

Mr Seero instituted action against the employer for damages suffered due to alleged occupational detriment.

Itumre Building Supply CC / City of Matlosana

The City of Matlosana is defending the matter. The case of action started during 2011

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50. Contingencies (continued)

Owamajola Trading / City Of Matlosana

Alleged unlawful termination of a Service Level Agreement

City of Matlosana / Diggers Development

Diggers Development is claiming the amount based on the allegations that the municipality over billed them for water services.

Moore Stephens/ City of Matlosana

The plaintiff's institution legal process against the City of Matlosana for payment for service rendered. Case has been resolved - awaiting legal confirmations.

City of Matlosana / Aqua Transport

Action by Aqua Transport demanding payment in the amount of R11337550.80 for alleged breach of contract.

City of Matlosana / Bonang Trading Developments

Breach of contract on training contract of ward members, The company liquidated, the owner of the company has passed on, rescission of the liquidation has not been filled. The attorneys shall determine if the liquidator still persist with the claim.

Dikopane Project CC

The applicant instituted arbitration proceedings against City of Matlosana regarding awarding of a tender.

Henry Tshepo Molaoa (plaintiff) / City of Matlosana (defendant)

Summons was issued against the Council as well as Mr TT Tiholatlung, who is employed by the City of Matlosana as a traffic officer for the alleged unlawful arrest.

MMT MT Trading Enterprise / City of Matlosana

The Plaintiff's issued summons for services rendered against City of Matlosana

City of Matlosana / VM Tlaphisi

VM Tlaphisi instituted summons to city of Matlosana

Kgwadi ya Madiba JV / City of Matlosana

Claimant referred the dispute matter for adjudication relating to breach of contract and repudiation and respect of contracts for construction of jouberton taxi rank

Vesta Technical Services (Pty) Ltd / City of Matlosana

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50. Contingencies (continued)

The claimant instituted legal action against the City of Matlosana for a cancelled service level agreement which the City is defending due to non functionality of the system the service provider had implemented.

City of Matlosana / Khuma councillors & Mr Morebudi

Various combined summons

IMIC Investments (Pty) Ltd / City of Matlosana

The claimant instituted legal action against the City of Matlosana. The claim is based on material that was purchased by three contractors on a Council Project (Bucket Eradication Programme).

SO Matshidiso Construction and Project / City of Matlosana

The Attorneys report that the Exception application was heard on the 14 September 2023 and the claim was dismissed with costS

Christina Van Der Merwe / City of Matlosana

The plaintiff has brought a declaratory application to ensure compliance with section 3 of Act 40 of 2002. The matter is set to sit down for opposed hearing on 19 August 2022

Aganang Consulting Engineers CC / City of Matlosana

Aganang sued the City of Matlosana for R 4920757.42 for professional services rendered..

Gadifele Papers

Summons received under case number 3380/2022 due to damage to the Plaintiff's vehicle due to a pothole on the N12 plaintiff claims an amount of R117 463.19.

Mataka & Morathi Attorneys - Case No: 2334/15

Litigation and claims between the plaintiff and the municipality for non-payment of services allegedly rendered.

Ammatakho Beleggings CC

Matter has been finalized, a settlement agreement was reached between the respective parties.

Thabo Seabeng

Plaintiff was assaulted by an unknown person at the Municipality on 28 October 2020. Summons was issued under case number NW/KLD/RC-4346/2023 for an amount of R300 000.00.

Contingent assets

Claims by the Municipality

Owamajola Trading	3 770 562	3 709 727
HL MATLALA T\ A GOROGANG PLANT HIRE	14 154 419	14 154 419
Munmap	650 000	650 000
Great Champs Trading	76 693	76 639
Isago at N12 Development	19 315 132	19 315 132
Mr Masisi	-	2 887 462
Johannes Jerry Van schalwyk	66 930 749	66 930 749
Isago at N12 Development	10 000 000	10 000 000

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50. Contingencies (continued)		
ISAGO at N12 Development	24 000 000	24 000 000
Motlamogang Martha Sessing	4 339 959	4 339 959
Esmeralda Botha	87 205	87 205
Jabulane Bhotile	84 532	82 532
Lucky Ramabodu	559 029	559 029
Aganang	18 000 000	-
M Muianga	19 565	-
	161 987 845	146 792 853

Owamajola Trading / City of Matlosana

The plaintiff sued the City of Matlosana for service rendered and a counterclaim was instituted.

HL Matlala T/A Gorogang Plant Hire / City of Matlosana

Gorogang terminated its agreement with the City of Matlosana and issued summons claiming for the amount of R1 572 713.20. The City of Matlosana has a Counter claim R14 154 418,77

City of Matlosana / Munmap (Pty) Ltd

The City of Matlosana wrongfully paid R650 000,00 to Munmap after realising the mistake that was done, the City of Matlosana instituted legal action against Munmap to recover R650 000,00

The Attorneys report that they are still following the matter with the sheriff's board.

Isago at N12 Development / City of Matlosana, Abacus Asset Management And Sanral

Isago owes the municipality for the outstanding bulk municipal services to be installed which Isago failed to install by contractual agreement agreed date. The matter is currently suspended until further notice.

City of Matlosana / Great Champs Trading

GREAT CHAMPS TRADING (GCT) is a former tenant of the Municipality. It occupied premises belonging to the Municipality at the Matlosana Market. GTC have an outstanding debt arising from occupancy of rental space from the Municipality market

City of Matlosana / Mr Masisi

City of Matlosana sued Mr Masisi for fruitless and wasteful expenditure.

City of Matlosana / Johannes Jerry Van schalwyk

Case no: 368 / 2022

Summons have been issued against the Defendant for misappropriation of funds at the Fresh Produce Market

City of Matlosana / Isago at N12 Development

Failure to repay security fee to the City of Matlosana which was paid to Eskom on the start-up of the Gumtrees electrical substation.

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50. Contingencies (continued)

City of Matlosana/ ISAGO at N12 Development

A This matter relates to the account and rebate of profits gained as the result of the sales of land in Ext 38 next to Matlosana Mall. This matter is suspended until further notice.

City of Matlosana / Motlamogang Martha Sessing

Summons have been issued against the Defendant for misappropriation of funds at the Fresh Produce Market

City of Matlosana/ Esmeralda Botha

Case no: 290/22: Summons have been issued against the Defendant for misappropriation of funds at the Fresh Produce Market.

City of Matlosana / Jabulane Bhotile

Summons have been issued against the Defendant for misappropriation of funds at the Fresh Produce Market

City of Matlosana / Lucky Rababodu

Case no: 396/2022: Summons have been issued against the Defendant for misappropriation of funds at the Fresh Produce Market

Aganang

Aganang sued the City of Matlosana for R 4920757.42 for professional services rendered. At June 2024, The Attorneys report that the matter is defended and they will lodged a counter claim in the amount of R 18 000 000.

M Muianga

Leased property dispute - M Muianga defaulted on lease payments, CoM trying to recover.

51. Change in estimate

Property, plant and equipment

Property, plant and equipment

The change in estimated useful lives of various assets of the municipality has resulted in the following decreases in depreciation for the mentioned categories for the financial year.

	2024	2023
Buildings	21 396 848	562 346
Infrastructure - Roads and storm water	16 564 354	3 619 920
Infrastructure - water and sewer	30 080 796	2 546 811
Infrastructure - Electricity	3 600 457	1 106 817
Other property, plant and equipment	7 061 161	4 504 476
	78 703 616	12 340 370

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52. Deviation from supply chain management regulations

Paragraph 12(1)(d)(i) of Government gazette No. 27636 issued on 30 May 2005 states that a supply chain management policy must provide for the procurement of goods and services by way of a competitive bidding process.

Paragraph 36 of the same gazette states that the accounting officer may dispense with the official procurement process in certain circumstances, provided that he records the reasons for any deviations and reports them to the next meeting of the and includes a note to the annual financial statements.

Emergencies	-	17 177 815
Sole supplier	-	379 152
Impractical and impossible to follow SCM processes	-	1 689 210
	-	19 246 177

53. Prior-year adjustments

Presented below are those items contained in the statement of financial position, statement of financial performance and cash flow statement that have been affected by prior-year adjustments:

Statement of financial position

2023

	Note	As previously reported	Correction of error	Restated
Receivables from exchange transactions		7 725 188	1 155 000	8 880 188
Accumulated Surplus		(2 353 883 682)	18 263 671	(2 335 620 011)
Value Added Tax		301 873 312	3 668 684	305 541 996
Property Plant and Equipment		5 094 979 057	7 349 183	5 102 328 240
Payables from Exchange		(3 451 842 292)	1 405 399 479	(2 046 442 813)
		(401 148 417)	1 435 836 017	1 034 687 600

Statement of financial performance

2023

	Note	As previously reported	Correction of error	Restated
Other Income		(17 538 278)	(750 000)	(18 288 278)
Remuneration of Councillors		36 911 611	104 461	37 016 072
Employee related costs		722 330 690	(6 404 836)	715 925 854
Depreciation		379 302 379	14 793 585	394 095 964
Rental and lease expenditure		114 814 957	1 781 226	116 596 183
Repairs and maintenance		174 308 501	6 419 283	180 727 784
Contracted services		102 800 530	3 443 942	106 244 472
General expenses		269 038 926	20 619 028	289 657 954
Total		1 781 969 316	40 006 689	1 821 976 005

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54. Prior period errors

Error 1:

In the prior year, a journal was incorrectly passed to recognise a receivable on the proceeds of MXN sale of stands to a value of R1 950 000. This resulted in Revenue and Receivables from exchange transactions being overstated by R1 950 000. In the prior year a sale of stand for R3 105 000 was omitted.

Error 2

The prior year movements have resulted in the net movement of Accumulated surplus of R18 263 671.

Error 3

During the previous financial year (FY23), VAT amount R4 073 684 was omitted in the Retentions balance and VAT on sale of stand to the amount of R405 000 was omitted.

Error 4

In the prior year, the opening balance for PPE was understated by R7 349 183.

Error 5

In the prior year, the municipality omitted reporting on the Eskom debt relief benefit of R1 408 313 567, VAT amount R4 073 684 was omitted in the payables balance and in the prior year R1 159 596 was omitted in the accrued leave balance.

Error 6

In the prior year councillors' remuneration was understated by R104 461.

Error 7

In the prior year proceed from sale of stands to the value of R750 000 were omitted.

Error 8

In the prior year, Workmens compensation for R3 266 478 was erroneously included in employees cost and the Long Service Leave Accrual was overstated by R3 154 509.

Error 9

In the prior year depreciation was incorrectly calculated, This led to an understatement of R14 793 585.

Error 10

During the previous financial year (FY23), Rental and lease expenditure was understated by R1 781 226. This was due to cut off (FY24).

Error 11

During the previous financial year (FY23), Repairs and maintenance was understated by R6 419 283. This was due to cut off (FY24).

Error 12

During the previous financial year (FY23), Contrated services was understated by R3 443 942. This was due to cut off (FY24).

Error 13

During the previous financial year (FY23), General expenses was understated by R20 619 028. This was due to cut off (FY24). The correction of the error(s) results in adjustments as follows:

Statement of financial position

Decrease in receivable from exchange transactions due to error 1	-	(1 950 000)
Decrease in accumulated surplus due to error 1	-	1 950 000
Increase in receivable from exchange transactions due to error 1	-	3 105 000
Increase in accumulated surplus due to error 1	-	(3 105 000)
Decrease in Accumulated surplus due to error 2	-	18 263 671
Increase in VAT input due to error 3	-	3 668 684
Increase in Property, plant and equipment due to error 4	-	7 349 183
Decrease in Payables from Exchange due to error 5	-	1 405 399 479

Statement of financial performance

Increase Remuneration of Councillors due to error 6	-	104 461
Increase of Other Income due to error 7	-	(750 000)
Decrease in Employee related costs due to error 8	-	(6 420 987)
Increase in Depreciation expense due to error 9	-	14 793 585
Increase in Rental and lease expenditure due to error 10	-	1 781 226
Increase in Repairs and maintenance due to error 11	-	6 419 283
Increase in Contracted Services due to error 12	-	3 443 942
Decrease in General Expenses due to error 13	-	20 619 028

City of Matlosana

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55. Related parties

Relationships

Accounting Officer
Councillor AM Morake
Councillor EM Kgang
Councillor MA Mokgatla
Councillor SJ Dial
Councillor JR Griffin
Councillor SJ Majji
Councillor MS Dude
Councillor SR Mulhanga
Councillor WG Zitwane
Councillor KM Lethoko
Councillor PY Mtshawulana
Councillor NP Nyaqela
Councillor F Kasonkomona
Councillor PH Booth
Councillor MS Pelele
Councillor ZE Ntshanga
Councillor T Pheto
Councillor FD Oortman
Councillor BS Faku
Councillor M Mbona
Councillor PN Fourie
Councillor BM Plaatjie
Councillor KV Seitshero
Councillor RM Sello
Councillor AB Mdyali
Councillor JGR Bornman
Councillor CK Modise
Councillor PA Du Preez
Councillor MI Mache
Councillor AG Strydom
Councillor Wiese (Holtzhausen)
Councillor OE Kgwabane
Councillor KR Latha
Councillor JT Kgwasi
Councillor MN Mbele
Councillor SL Jonas
Councillor MI Mokhele
Councillor VO Foboke
Councillor NJ Tsolela
Councillor ML Kodisang
Councillor KE Mabebe
Councillor JA Basson
Councillor JM Mosupa
Councillor FC Mahlophe
Councillor ML Mahumapelo
Councillor AM Ramphele
Councillor NM Maseko
Councillor MM Mosiako
Councillor A Mothupi
Councillor MI Mangesi
Councillor VO Foboke
Councillor PJ Swart
Councillor FI Tagaree
Councillor PZM Burrel
Councillor TS Seabeng
Councillor SP Sesana
Councillor MN Seitisho
Councillor PA Hlekiso
Councillor PM Molutsi
Councillor W Wallhorn
Councillor GLI Cromhout
Councillor ME Mosweu
Councillor KB Kali
Councillor L Scott

L Seametso

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55. Related parties (continued)

Councillor OR Thabanchu
Councillor SP Kloppers
Councillor RRB Buys
Councillor CJ Bester
Councillor KL Ross
Councillor JJ Le Grange
Councillor M Coetzee
Councillor TG Khoza
Councillor SOC Barrends
Councillor K Ndincede
Councillor SL Mondlane
Councillor N Gelderblom
Councillor JN Bangani
Councillor LV Itebogeng
Councillor HFC Jordaan
Councillor SR Muhlana
Councillor GN Tiyo

Compensation to accounting officer and other key management

Short-term employee benefits

8 228 190

9 299 000

Key management information

Class	Description	Amount
Municipal Manager	L Seametso was appointed MM from January 2023 till date	1 448 218
Chief Financial Officer	MM Phetla was appointed chief financial officer from January 2023	609 879
Acting Chief Financial Officer	P Thelele was appointed acting chief financial officer from March 2022 to December 2022.	162 654
Director Public Safety	LJ Nkhumane was appointed as Director Public Safety from February 2018 to January 2023	701 208
Director Economic Development	LL Fourie was appointed as the Director of Local Economic Development from the 1st of March 2019 to 31st of August 2022	200 195
Director Planning and Human Settlement	BB Choche has been appointed as the Director of Strategic Planning and Human Settlement from the 1st of March 2019.	1 435 130
Director Community Development	MM Molawa was appointed as Director Community Development from February 2018 till 31 January 2023	771 689
Acting Director Corporate Services	NM Moabelo was appointed as Acting Director Services from July 2022 till date	731 461
Acting Director Technical and Infrastructure	JJ Pilusa was appointed as the Director of Technical and Infrastructure from September 2022 till date.	1 006 603
Acting Director Local Economic Development	ND Makgetha was appointed as Acting Director LED from September 2022 till February 2023	512 260
Acting Director Local Economic Development	PT Molelekwa was appointed as Acting Director LED from April 2023 till date	248 877
Acting Director Community Development	MJ Masilo was appointed a Acting Director Community Development from February 2023 till date.	688 406
Acting Director Public Safety	AJS Marais was appointed as Acting Director Public Safety from February 2023 till date	433 470
Acting Director Corporate Services	M Botsheleng was appointed as Acting Director Corporate Services from 01 May 2022 to 31 August 2022	177 884

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56. Risk management

Capital risk management

The municipality's objectives when managing capital are to safeguard the municipality's ability to continue as a going concern in order to provide services for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the municipality consists of debt, which includes the borrowings disclosed in Note 13, cash and cash equivalents disclosed in Note 12, and equity as disclosed in the statement of financial position.

There have been no changes to what the municipality manages as capital, the strategy for capital maintenance or externally imposed capital requirements from the previous year.

Total borrowings

Eskom debt relief	20	1 268 493 448	1 268 493 448
Current liabilities		3 154 780 603	2 180 036 343
Non-current liabilities		551 598 919	639 469 853
		4 974 872 970	4 087 999 644
Less: Cash and cash equivalents	12	169 209 692	92 678 877
Net debt		4 805 663 278	3 995 320 767
Total equity		1 339 106 209	2 335 620 010
Total capital		6 144 769 487	6 330 940 777

Financial risk management

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

The municipality's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the municipality's financial performance. Risk management is carried out by a central treasury department under policies approved by the . Municipality treasury identifies, evaluates and hedges financial risks in close co-operation with the municipality's operating units.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, municipality treasury maintains flexibility in funding by maintaining availability under committed credit lines.

The municipality's risk to liquidity is a result of the funds available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments and credit facilities.

Interest rate risk

As the municipality has no significant interest-bearing assets, the municipality's income and operating cash flows are substantially independent of changes in market interest rates.

The municipality's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the municipality to cash flow interest rate risk. Borrowings issued at fixed rates expose the municipality to fair value interest rate risk. During 2024 and 2023, the municipality's borrowings at variable rate were denominated in Rand.

Credit risk

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

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored. Sales to retail customers are settled in cash or using major credit cards. Credit guarantee insurance is purchased when deemed appropriate.

Financial assets exposed to credit risk at year end were as follows:

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56. Risk management (continued)		
Financial instrument	2024	2023
Other financial assets	13 070 921	12 094 383
Consumer debtors	514 773 340	450 734 124
Cash and cash equivalents	169 209 692	92 678 877
Receivables from exchange transactions	10 598 685	8 880 188

The municipality is exposed by a guarantee for a loan at DBSA as disclosed in Note 11 .

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57. Segment information

General information

Identification of segments

The municipality is organised and reports to management on the basis of fifteen major functional areas: Budget And Treasury Office, Corporate Governance, Community Services, Civil Engineering, Water Section, City Electrical Engineering, Sewerage, Cleansing, Public Safety, Sports Arts And Culture and Other. The segments were organised around the type of service delivered. Management uses these same segments for determining strategic objectives. Segments were aggregated for reporting purposes.

Information reported about these segments is used by management as a basis for evaluating the segments' performances and for making decisions about the allocation of resources. The disclosure of information about these segments is also considered appropriate for external reporting purposes.

Types of goods and/or services by segment

These reportable segments as well as the goods and/or services for each segment are set out below:

Reportable segment	Goods and/or services
Budget And Treasury Office	Financial management, debt management, supply chain management, accounting and financial reporting.
Corporate Governance	The mandate of this segment is to ensure governance structures are in place to ensure a functionally operating entity and also deal with all legal matters as and when they arise.
Community Services	Providing the community with social services and facilities to enable the all residents to partake in communal activities.
Civil Engineering	Provision of and maintenance roads, bridges and other infrastructure.
Water Section	Providing residents, business and industry with clean, safe and reliable drinking water. Additionally providing water to businesses for irrigation or mining activities and maintaining the water infrastructure.
City Electrical Engineering	Distributing electricity to residential and commercial consumers. Also maintaining electrical infrastructure.
Sewerage	Treating wastewater and safely disposing it and maintaining the infrastructure to ensure compliance with environmental requirements.
Cleansing	Collecting and disposing of waste in a safe manner, as required by legislation. Ensuring the general cleanliness of the municipal public areas.
Public Safety	Protecting the public. Safeguarding the community from disasters and potential danger and threats. Ensuring compliance with road regulations.
Sports Arts And Culture	Promoting the diverse cultures present in the local community. Promoting local sports and arts
Other	This is made up of departments that are not economically significant on their own to necessitate individual disclosure. They include Local Economic Dev & Marketing, Tourism, Housing, Health and Market.

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57. Segment Information (continued)

Segment Information for the year ended 30 June 2024

Revenue	BUDGET AND TREASURY OFFICE	CORPORATE GOVERNANCE	COMMUNITY SERVICES	LOCAL ECONOMIC DEV & MARKETING, TOURISM	HOUSING	CIVIL ENGINEERING	WATER SECTION	CITY ELECTRICAL ENGINEERING	SEWERAGE	CLEANSING	HEALTH	COUNCIL GENERAL	MARKET	PUBLIC SAFETY	SPORTS ARTS AND CULTURE	Grand Total
Revenue from exchange transactions																
Market dues	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(22 122 185)
Service Charges	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(2 032 912 713)
Rental of facilities and equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(4 322 298)
Licences and permits	0	0	(2 167)	(1 435)	(3 970 722)	0	0	0	0	0	0	0	0	0	0	(286 642)
Commissions received	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(7 551 435)
New Connection Fees	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(13 464 779)
Reconnection Fees	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(495 151)
Rental income	0	(165 524)	140 250	0	0	0	(891 609)	(38 687 553)	(34 445)	0	0	0	0	0	0	(38 613 587)
Insurance fees	(2 225 938)	0	0	0	0	0	0	0	0	0	0	0	(3 202 921)	0	0	(3 765 776)
Other income	(2 150 592)	(2 941 346)	(1 721 583)	0	0	0	(56 864)	(45 382)	0	0	0	0	(37 097)	0	0	(2 325 938)
Interest received - investment	(149 143 744)	0	0	0	0	0	(267 464 232)	(56 225 208)	(3 816 497)	(140 970 160)	202	0	(37 097)	(732 834)	(257 973)	(1 929 470)
Total revenue from exchange transactions	(1 542 220 274)	(3 106 870)	(1 583 500)	(1 435)	(13 003 372)	(353 340)	(1 000 025 885)	(1 053 887 594)	(149 513 774)	(338 172 350)	0	0	(25 587 967)	(22 286 629)	(544 616)	(2 762 287 605)
Revenue from non-exchange transactions																
Property rates	(507 433 747)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(507 433 747)
Interest from Property rates	(52 760 735)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(52 760 735)
Eskom Debt Relief - Interest Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Donations received	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Donation from Dept of Human settlements	(602 180 549)	0	0	0	0	0	(41 920 072)	(13 505 265)	(27 576 525)	(45 627 469)	0	0	(3 007 220)	(300 000)	(6 872 422)	(6 872 422)
Government grants & subsidies	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(11 277 321)	(795 108 074)
Fines, Penalties and Forfeits	0	0	0	0	0	0	0	(360 581)	0	0	0	0	0	(21 391 428)	0	(21 752 009)
Total revenue from non-exchange transactions	(1 162 384 030)	0	(49 704 653)	(41 920 072)	(15 865 846)	(27 576 525)	(45 627 469)	(177 090 299)	(383 799 819)	0	0	0	(3 007 220)	(21 691 428)	(18 149 743)	(1 383 926 986)
Total revenue	(1 316 604 304)	(3 106 870)	(1 583 500)	(1 435)	(13 003 372)	(50 057 993)	(1 041 945 957)	(1 067 753 440)	(177 090 299)	(383 799 819)	0	0	(28 595 188)	(43 978 057)	(18 694 358)	(4 146 214 591)
Expenditure																
Employee related costs	82 658 201	51 765 602	52 810 234	8 473 186	17 853 490	59 863 028	44 540 273	61 370 304	51 807 811	70 065 099	3 605 080	72 675 370	9 794 893	138 316 368	48 436 897	774 035 837
Remuneration of councillors	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	39 039 462
Depreciation and amortisation	3 712 551	0	20 278 404	0	1 135 937	99 220 553	56 322 786	54 234 809	61 460 406	3 545 963	661 073	3 389 924	3 814 591	4 116 213	15 508 519	327 401 728
Impairment loss - Reversal of impairments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Finance costs	260 215 306	0	0	0	0	0	0	0	0	0	0	0	0	0	0	276 183 494
Rental and lease expenditure	728 953 016	0	0	0	0	0	7 727 933	123 988 398	57 903 341	31 510 762	0	69 500 868	0	0	0	108 739 553
Debt impairment	0	0	0	0	0	0	415 631 332	0	0	118 473 034	0	13 997 850	0	0	0	1 438 946 971
Revenue loss	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Repairs and maintenance	(1 135 191)	666 193	2 756 151	5 496	43 586	6 133 128	12 166 536	85 664 351	5 552 466	9 173 957	4 241	129 717	3 409 333	7 244 117	318 984	132 133 064
Bulk purchases	0	0	0	0	0	0	966 702 380	1 010 483 320	728 834	217 522	0	11 809 060	0	0	0	1 577 185 700
Contracted Services	16 971 099	0	1 117 318	0	222 919	22 093 992	985 729	985 729	728 834	217 522	795 866	61 019 893	0	0	0	115 962 234
General expenses	43 793 580	8 040 118	3 644 149	1 470 483	16 015 251	3 621 303	2 264 991	61 794 390	2 702 717	8 461 296	5 694 425	83 022 939	2 702 717	10 544 385	5 215 437	258 790 237
Total expenditure	1 135 170 562	60 471 912	80 606 257	9 949 165	35 048 265	184 221 177	1 127 450 223	1 398 521 290	179 955 640	241 447 633	10 760 686	294 373 121	19 721 534	221 240 976	69 479 838	5 068 418 279
Operating (Surplus) / Deficit	(181 433 742)	57 365 043	79 022 757	9 947 730	22 044 893	134 163 184	85 504 266	330 767 850	2 865 340	(142 352 185)	10 760 686	294 373 121	(8 873 653)	177 262 919	50 785 479	922 203 687
Loss on disposal of assets and liabilities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	11 321 901
Finance cost on Employee Benefits	38 604 000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	38 604 000
Actuarial gains/losses	(4 128 000)	0	0	0	0	0	0	0	0	0	0	246 000	0	0	0	(3 882 000)
Gain/(Loss) on biological assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(165 950)
PPE Impairment loss	0	0	0	0	0	20 573 695	0	0	0	0	0	0	0	0	0	20 573 695
Inventories (losses)/gains	4 594 070	0	0	0	0	0	0	0	0	0	0	0	0	0	0	4 594 070
Revenue loss from market	0	0	0	0	0	0	0	0	0	0	0	0	3 264 398	0	0	3 264 398
(Surplus) / Deficit for the period	(142 363 673)	57 365 043	79 022 757	9 947 730	22 044 893	154 736 879	85 504 266	330 767 850	2 865 340	(142 352 185)	10 760 686	305 941 023	(5 609 255)	177 096 969	50 785 479	996 573 801

City of Matlosana

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand

2024

2023

58. Going Concern

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

We draw attention to the fact that at 30 June 2024, the municipality reported an operating deficit of R996 513 801 and at this date the municipality's total current liabilities exceeded its total current assets by R3 036 672 082. The municipality also impaired 94% of its current debtors due to poor revenue collection. These factors causes uncertainty relating to the municipalities' ability to operate as a going concern.

The municipality plans to address the above cash flow shortages through enhanced revenue collection and a resultant consistency in the payment of creditors, when they become due.

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

Final consolidation of this report was done
by the Performance Management Unit

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