

# Chapter 4

## CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)

### INTRODUCTION

#### INTRODUCTION

The Organisational Development Performance is reported on, based on the strategic objectives and core/support functions of the organisation. Organisational Development within the organisation is linked to the IDP Objectives in conjunction with the Vision and Mission Statement of the municipality. Specific Organisational Development Performance that can be reported include Organisational Structure, Staff Establishment and Workforce Profile.

#### Organisational Structure

The development of the organisation was funded by the COGTA in the 2021 to 2022 financial year to the grant value of R4m. The project still needs to be funded finalised and adopted by Council to stabilize the municipality. The municipality is currently implementing different organisational structures (2008 & 2014) as some of the business units are not aligned to the strategy and objectives of the institution. The 2022/2023 Staff Establishment Report was submitted, however in the strategic session held on the 17 to 18 May 2023, the strategic objectives of the municipality were reviewed, and this affected the alignment and adoption of the proposed new organisational structure.

#### Employment Equity

The report was submitted and acknowledged by the Department of Labour on the 15 January 2023. It should be noted that internal promotions of staff, where the appointment is within the same occupational level, are open for all candidates to apply as it would not impact on the representativeness within the occupational level. All other vacancies whether internal or external are adherent to Equity provisions, in instances where there is not a specific equity target other designated groups are given preference. In most internal appointments/promotions within the General, Semi-Skilled and Skilled occupational levels, where there are no equity targets from the internal pool, designated groups are given preference, this does result in over representation of certain designated groups.

T 4.0.1

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## COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

### 4.1.EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Description	Employees				
	Year 2022	Approved Posts No.	Year 2023		
	Employees No.		Employees No.	Vacancies No.	Vacancies %
Water	67	188	79	109	58%
Waste Water (Sanitation)	41			0	
Electricity	82	123	58	65	53%
Waste Management	152	251	100	151	60%
Housing	17	23	10	13	57%
Waste Water (Stormwater Drainage)				0	
Roads	33	65	21	44	68%
Planning	14	15	7	8	53%
Local Economic Development	7	9	3	6	67%
Planning (Strategic & Regulatory)				0	
Community & Social Services	268	16	5	11	69%
Security and Safety	125	199	100	99	50%
Sport and Recreation	8	13	3	10	77%
Corporate Policy Offices and Other	170	673	355	318	47%
<b>Totals</b>	<b>951</b>	<b>1,575</b>	<b>741</b>	<b>834</b>	<b>658%</b>

Headings follow the order of services as set out in chapter 3. Service totals should equate to those included in the Chapter 3 employee schedules. Employee and Approved Posts numbers are as at 30 June, as per the approved organogram.

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## COMMENT ON VACANCIES AND TURNOVER:

Human Resource has advertised vacant position for senior managers 4 times in the last financial year all adverts reach expiry date due to delays in conducting selections and interviews. Only the municipal manager Position was filled in May 2023.

The turnover rate is based on terminations based on death, dismissals resignations and retirements.

T 4.1.4

## COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

### INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

#### Human Capital

The Municipality had 1151 permanent employees on its complement on 30 June 2023. Where else the municipality have appointed employees on a fixed term basis with granted funded positions and are hosting intern training them to obtain the necessary qualifications. The total workforce was therefore increased with the interns that are not captured on our payroll.

The Municipality performed well in policy development during the past year. The pace was however not as good as it should be. One of the constraints in policy development is the fact that a policy is developed, referred to LLF (Local Labour Forum) who workshop the policy and thereafter it is referred to the portfolio committee. From the portfolio committee it is on its way to council.

Out of the above it's clear that policy formulation from initiation up to adoption and implementation takes too long. Bear in mind that human capital related policies and collective agreements have a life span of normally not longer than three years. An Employment Equity Plan has been developed and implemented and is annually reviewed. Annual reports on the implementation of the plan are sent to the Department of Labour as required by law. A variety of policies were developed and implemented as indicated in Section 4.2 on policies

A critical long outstanding policy is the cascading of performance appraisals to lower levels. Currently only employees appointed in terms of section 57 of the Municipal Systems Act, is evaluated and awarded performance bonuses. This is an unbearable situation, since managers and employees reporting to managers are excluded of an additional rewarding system for good performance.

Council still experience skilled shortages but positions are advertised and being filled. Mainly artisans are hard to get and the absence of a retention policy that couple monetary value to create competitiveness is doing no good in assisting with the staff shortage. Council compete directly with the private sector in the area. Some of the better benefits provided by the private sector is housing, better training, promotion possibilities and participation in a production bonus system.

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## **Occupational Health & Safety**

To ensure that employees have a healthy and safe working environment, the Merafong complies with the Occupational Health & Safety Act and has a fully functional Health and Safety Committee. This Committee meets, quarterly to address health and safety issues. Health and Safety Representatives are elected, trained and appointed for a period of three years as per the Occupational Health & Safety Act.

## **Employment Equity**

In compliance with the Employment Equity Act, Act 55 of 1998, as amended, Merafong is in the final process of developing, amending and reviewing the 5-year Equity Plan that is expiring on the 30 September 2023. The Employment Equity Plan is reported annually, and statutory reports (EEA2 & EEA4) are submitted to the Department of Labour within the legislated timeframe. Progress made in terms of Employment Equity is monthly to the Local Labour Forum and the Section 80 of the Council. The Municipal Systems Act, 2000, Section 67 requires municipalities to develop and adopt appropriate systems and procedures to ensure fair, efficient, effective, and transparent personnel administration in accordance with the Employment Equity Act 1998.

*T 4.2.0*

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4.2

HR Policies and Plans				
	Name of Policy	Completed %	Reviewed %	Date adopted by council or comment on failure to adopt
1	Affirmative Action	YES	100	In the EE Plan
2	Attraction and Retention	No	20	Being developed
3	Code of Conduct for employees	YES	100	Part of conditions of Services
4	Delegations, Authorisation & Responsibility	YES	80	
5	Disciplinary Code and Procedures	YES	100	Part of conditions of Services
6	Essential Services	YES	100	Part of conditions of Services
7	Employee Assistance / Wellness	YES	100	
8	Employment Equity	YES	100	In the EE Plan
9	Exit Management	YES	80	Employee Practice
10	Grievance Procedures	YES	100	Part of conditions of Services
11	HIV/Aids	YES	50	To be developed
12	Human Resource and Development	YES	100	Developed
13	Information Technology	YES	100	Developed
14	Job Evaluation	YES	100	Developed
15	Leave	YES	100	Developed
16	Occupational Health and Safety	YES	100	Part of conditions of Services
17	Official Housing	YES	80	in Process
18	Official Journeys	YES	80	in Process
19	Official transport to attend Funerals	YES	100	Bereavance Policy
20	Official Working Hours and Overtime	YES	100	20/03/2013
21	Organisational Rights	YES	100	Part of conditions of Services
22	Payroll Deductions	YES	100	Part of conditions of Services
23	Performance Management and Development	No	50	Part of conditions of Services
24	Recruitment, Selection and Appointments	YES	100	Part of conditions of Services
25	Remuneration Scales and Allowances	YES	100	Part of conditions of Services
26	Resettlement	YES	60	24/11/2014
27	Sexual Harassment	YES	100	Part of conditions of Services
28	Skills Development	YES	100	29/10/2009
29	Smoking	YES	60	7/12/2010
30	Special Skills	YES	60	20/03/2013
31	Work Organisation	YES	80	Part of conditions of Services
32	Uniforms and Protective Clothing	YES	100	29/05/2019
33	Cellphone Allowance	YES	100	30/09/2014
34	Fleet Management	YES	100	30/09/2014

*Use name of local policies if different from above and at any other HR policies not listed.*

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## COMMENT ON WORKFORCE POLICY DEVELOPMENT:

**Delete Directive note once comment is completed** – Comment on progress made during the year and plans for completing this work.

T 4.2.1.1

### 4.3 INJURIES, SICKNESS AND SUSPENSIONS

#### Number of Cost of Injuries on Duty

Type of injury	Injury Leave Taken Days	Employees using injury leave No.	Proportion employees using sick leave %	Average Injury Leave per employee Days	Total Estimated Cost R'000
Required basic medical attention only	164	7	4%	23	44903
Temporary total disablement	25	2	0%	12	70104
Permanent disablement	108	1	1%	1	256568
Fatal	0	0	0%	0	0
<b>Total</b>	<b>297</b>	<b>10</b>	<b>6%</b>	<b>36</b>	<b>371574</b>

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Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per Employees	Estimated cost
	Days	%	No.	No.	Days	R' 000
MM and S57	13	0.08%	1	3	4.33%	
Management (level 1-2)	57	0.16%	12	16	3.56%	
Highly skilled supervision (levels 3-5)	310	0.15%	39	44	7.05%	
Highly skilled supervision (levels 6-8)	1307	0.19%	142	181	7.22%	
Skilled Production (level 9-12)	1501	0.15%	174	216	6.50%	
Production (Level 13-15)	1878	0.06%	241	919	2.04%	
<b>Total</b>	<b>5066</b>	<b>0.13%</b>	<b>408</b>	<b>1379</b>	<b>3.67%</b>	

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

T 4.3.2

## COMMENT ON INJURY AND SICK LEAVE:

After an injury on duty has taken place the matter is reported to the Occupational Health and Safety officer whereby the officer will investigate the incident in order for him to take control measures that the incident does not repeat itself. Statistics on injuries on duty are based on BIQ system, not all injuries on duty are completed on leave forms by affected sections/units.

There Occupational and Health Officer will report the matter to the Office Risk Management. Injuries are monitored by the employee's own doctor. Special sick leave is taken in the case of injury on duty. An Occupational Health and Safety (OHS) Policy is in place and displayed at all workplaces. All departments are required to follow this policy. Regular OHS inspections and safety audits are carried out during the year to identify any new health and safety risks.

Departments are advised in terms of handling OHS matters. Accidents and injuries on duty were investigated in terms of relevant procedures/guidelines. Sick leave was monitored by HODs, and

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proper record was kept of all leave and sick leave taken. Where necessary, officials may be sent to medical practitioners appointed by Council for second opinions in cases of extended sick leave.

T4.3.4

NUMBER and SUSPENSIONS			
Position	Nature of Alleged Misconduct and Rand value of any loss to the municipality	Disciplinary action taken	Date Finalised
<b>Clerk</b>	Gross insubordination Abusive language Bringing the name of employer in disrepute Rude, abusive, insolence, aggressive and provocative and disruptive	A new chairperson and prosecutor appointed from panel of attorney to finalise the matter	Pending
<b>Manager Human Capital</b>	Fraud	A new chairperson and prosecutor appointed from panel of attorney to finalise the matter  Hearing in process. Matter set down for 19 April 2023	Pending
<b>Plumber</b>	Negligence	Not suspended. However disciplinary process is ongoing	Pending
<b>Driver</b>	Use of intoxicating liquor or drugs whilst on duty	Not suspended. However disciplinary process is ongoing (14 March 2023)	Pending
			T4.3.5

## Disciplinary Action Taken on Cases of Financial Misconduct

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Position	Nature of Alleged Misconduct and Rand value of any loss to the municipality	Disciplinary action taken	Date Finalised
<b>Manager</b>	Irregular appointment of a service provider without following SCM processes	Disciplinary process instituted Finalised.  Employee was awarded with the final written warning	
	Value R218 722.40		
<b>Manager</b>	Fraud Value R26 000	Disciplinary process instituted	Case ongoing

T4.3.6

## COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT:

Due to the delay in the finalisation of the matter, appointment of these officials was cancelled and a new chairperson and prosecutor was appointed from panel cancelled and a new chairperson for prosecutor was appointed from panel of attorney.

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## INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

### WORKPLACE SKILLS PLAN & ANNUAL TRAINING REPORT

The Municipality has submitted the Workplace Skills Plan (WSP) & Annual Training Plan (ATR) 2023/2024.

### MANDATORY GRANTS

The Municipality will be utilizing Mandatory Grants received in Financial Year 2022/2023 and 2023/2024 to train and develop the skills of employees through Study Assistance.

The allocation of Study Assistance will cater from First Semester 2024, and will be revisited every semester onwards.

The Municipality has also budgeted 1% of Annual Gross Salary according to Skills Development Levy Act that will also be utilized to close the skills gap across all the departments.

### DISCRETIONARY GRANTS

Skills Development Office under Human Resource Development will also apply for Discretionary Grants in the next Local Government SETA Discretionary Grants Window Periods coming up. The office will also apply for Discretionary Grants opportunities that will be availed by different SETA's during their Discretionary Grants Window Periods.

The following different SETA's has allocated and funded Training Programmes for Merafong City Local Municipality: -

- \* Local Government SETA
- \* Construction SETA
- \* Services SETA
- \* District Development Model (DDM) partnering with LGSETA

### PANEL OF TRAINING PROVIDERS

Merafong City has appointed three (3) Training Providers under Panel of Training Providers for as an when we need their services. The process of appointing more Training Providers is still underway to augment on the three appointed Training Providers to address the shortage of skills in the Municipality.

### INTERNS & WIL LEARNERS

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WESTCOL and other Training Providers funded by SETAs also allocating learners to Merafong City Local Municipality for Internship and Work Integrated Learning (WIL).

## **NATIONAL TREASURY**

Municipality has recently appointed six Interns that are funded by National Treasury.

## **CHALLENGES**

Skills Development and Training Sub-Section under Human Resource Development encounter the following Challenges: -

- Lack of Capacity in the section
- Approval of working Organisational Structure
- Slow Supply Chain Processes
- No qualified Mentors in some sections of the Municipality to mentor interns and learners.
- Resources e.g. transport, telephones, WIFI etc.
- Training Facilities
- Communication and Lines of Reporting
- Municipal Documents
  - \* SARS (Sometimes the Municipality delay to update)
  - \* COIDA Certificate – not compliant (Municipality has outstanding amount)
  - \* OHS Certificate (Municipality not yet compliant)

*Note: MSA 2000 S68 (1) requires municipalities to develop their human resource capacity to a level that enables them to perform their functions and exercise their powers in an economical, effective, efficient and accountable way.*

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## 4.5 SKILLS DEVELOPMENT AND TRAINING

Management level	Gender	Employees in post as No.	Number of skilled employees required and actual as at 30 June Year 2022/23											
			Learnerships			Skills programmes & other short			Other forms of training			Total		
			Actual: End of Year 2021/22	Actual: End of Year 2022/23	Year 2022/23 Target	Actual: End of Year 2021/22	Actual: End of Year 2022/23	Year 2022/23 Target	Actual: End of Year 2021/22	Actual: End of Year 2022/23	Year 2022/23 Target	Actual: End of Year 2021/22	Actual: End of Year 2022/23	Year 2022/23 Target
MM and s57	Female													
	Male													
Councillors, senior officials	Female													
	Male					3	3	3				3	3	3
Technicians and associate	Female													
	Male													
Professionals	Female													
	Male													
Sub total	Female													
	Male						3	3					3	3
<b>Total</b>		0	0	0	0	3	3	3	0	0	0	3	3	3

\*Registered with professional Associate Body e.g CA (SA)

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Financial Competency Development: Progress Report*						
Description	A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated: Total of A and B	Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
<b>Financial Officials</b>						
<i>Accounting officer</i>	0	0	0	0	0	0
<i>Chief financial officer</i>	0	0	0	0	0	0
<i>Senior managers</i>	0	0	0	0	0	0
<i>Any other financial officials</i>	0	0	0	0	0	0
<b>Supply Chain Management Officials</b>						
<i>Heads of supply chain management units</i>	0	0	0	0	0	0
<i>Supply chain management senior managers</i>	0	0	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

\* This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations (June

T 4.5.2

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R'000										
Management level	Gender	Employees as at the No.	Original Budget and Actual Expenditure on skills development Year 2022/23							
			Learnerships		Skills programmes &		Other forms of		Total	
			Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual
MM and S57	Female									
	Male									
Legislators, senior officials	Female									
	Male									
Professionals	Female									
	Male									
Technicians and associate	Female									
	Male									
Clerks	Female									
	Male									
Service and sales workers	Female									
	Male									
Plant and machine	Female									
	Male									
Elementary occupations	Female									
	Male									
Sub total	Female									
	Male									
<b>Total</b>		0	0	0	0	0	0	0	0	
*% and *R value of municipal salaries (original budget) allocated for workplace skills plan.									%* *R	
T4.5.3										

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

### ADEQUACY OF TRAINING PLANS

With the assistance of Discretionary Grants, we are / and we will be able to implement the planned trainings. Mandatory Grants will also assist to fund the Study Assistance that we planned for Financial Year 2023/2024.

### ADEQUACY OF FUNDING - VARIANCE BETWEEN ACTUAL AND BUDGETED EXPENDITURE

The 1% of our Annual Gross Salary we budgeting for Training it still poses the challenge because as Municipality we are unable to collect enough revenue.

### TRAINING ACTIVITIES ASSESSMENTS

We never do formal assessment on training activities but we do follow up on our employees if the training attended was informative and if its helping on their performance.

### MFMA COMPETENCY REGULATIONS

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Most of affected positions stayed vacant for some time in finance and was occupied by officials acting on them. The Municipality newly appointed permanent employees and process will start to make sure that every employee who need to qualify do so.

Six Treasury finance interns that are appointed will also undergo training on MFMA Competence Regulation Programme

The Municipality has already appointed 3 Training Providers (and also busy with the process of appointing more training providers) to have readily available providers to address such issues.

*T 4.5.4*

## COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

### INTRODUCTION TO WORKFORCE EXPENDITURE

*T 4.6.0*

#### 4.6 EMPLOYEE EXPENDITURE

Source: MBRR SA22

*T 4.6.1*

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Number Of Employees Whose Salaries Were Increased Due To Their Positions Being Upgraded			
Beneficiaries	Gender	Total	
Lower skilled (Levels 13 - 15)	Female	NO UPGRADING IMPLEMENTED	
	Male		
Skilled (Levels 9-12)	Female		
	Male		
Highly skilled production (Levels 6-8)	Female		
	Male		
Highly skilled supervision (Levels 3-5)	Female		
	Male		
Senior management (Levels 1-2)	Female		
	Male		
MM and S 57	Female		
	Male		
Total			0

*Those with disability are shown in brackets '(x)' in the 'Number of beneficiaries' column as well as in the numbers at the right hand side of the column (as illustrated above). T 4.6.2*

Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation				
Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
		Awaiting the process of job evaluation		

**T 4.6.3**

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Employees appointed to posts not approved				
Department	Level	Date of appointment	No. appointed	Reason for appointment when no established post exist
No employees appointed on posts that are not approved				
				<i>T 4.6.4</i>

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

There are no posts that have been upgraded. Waiting for the job evaluation process to kick start and the organizational structure implemented.

*T 4.6.5*

## DISCLOSURES OF FINANCIAL INTERESTS

The disclosure of financial interest is done annually for Section 56 and Councillors and all Officials. Detailed information contained in Appendix "J" there are currently disclosures that are pending.

*T 4.6.6*

# Chapter 5

## CHAPTER 5 – FINANCIAL PERFORMANCE

### INTRODUCTION

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

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

### INTRODUCTION

The municipality closed off with a deficit of R230 814 830 comparing to a budgeted deficit of R240 000.

Merafong's cash flow had deteriorated in 2022/2023.

Council's liquidity ratio had deteriorated in 2022/2023. The non-achievement of the low percentage debtor collection rate, the water losses of R8.8m and electricity loss to a total amount of R181m impacted negatively on the cash flow. An amount of R50 Million was invested with VBS Mutual bank, we did put a claim in at the curatorship. An amount of R3, 5 million was received. On 27 September 2017 Merafong City LM Council resolved to implement various actions (20 Point Plan) aimed at improving credit control, reducing water and electricity losses and indigent management. A priority financial turnaround plan was approved by Council during October 2018 focussing on the three main priorities from the 20 point plan, being improved collection; reduction of water losses and reduction of electricity losses.

The implementation of the priority financial turnaround plan will only be realised over the medium to long term period. The going concern is further impacted negatively by the outcome of the mine valuations appeals which was issued by the valuation appeal board in 2014. This matter has not been finalised to date due to the review application by Merafong in High Court dealing with incorrect valuation methodology for the period 1 July 2012 to 1 July 2015. A positive outcome of this process will have a significant impact on the financial sustainability of the municipality. As at the end of the reporting period, the establishment of the valuation appeal board by the MEC: CoGTA was not yet finalised. This has resulted in that the municipality could not finalize the supplementary valuations for the mines.

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Based on the above factors as well as ratio's disclosed the municipality has a material uncertainty and therefore, it may be unable to realize its assets and discharge its liabilities in the normal course of business.

The cash flow constrains had resulted in that council had to implement serious cost cutting measures and creditors were prioritised for payment.

The municipality was not able to cover its fixed operating expenditure.

T 5.0.1

## COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

### INTRODUCTION TO FINANCIAL STATEMENTS

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

**Delete Directive note once comment is completed** - This component provides an overview of the financial performance of the municipality and focuses on the financial health of the municipality.

T 5.1.0

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## 5.1 STATEMENTS OF FINANCIAL PERFORMANCE

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Description	2022/23										
	1	2	3	4	5	6	7	8	9	10	11
R thousands	Original Budget	Budget	Final	Shifting of funds	Virement	Final Budget	Actual Outcome	Unauthorised	Variance	Actual Outcome	Actual Outcomes
<b>Financial Performance</b>											
Property rates	518 215	596 391	1 114 606			1 114 606	664 563		430 043	61%	132%
Service charges	887 937	877 948	1 765 885			1 765 885	751 149		1 014 736	43%	85%
Investment revenue	5 000	8 140	13 140			13 140	12 756		383	97%	255%
Transfers recognised - operational	287 246	294 441	581 687			581 687	259 388		322 299	45%	90%
Other own revenue	307 538	309 790	617 328			617 328	207 982		409 346	34%	68%
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>2 005 936</b>	<b>2 086 710</b>	<b>4 092 646</b>			<b>4 092 646</b>			<b>2 176 807</b>		
Employee costs	363 680	375 274	759 934			759 934	758 934	370 478	-	100%	188%
Remuneration of councilors	22 219	26 341	48 560			48 560	48 560	25 460	-	100%	219%
Debt impairment										100%	200%
Depreciation & asset impairment	113 586	113 586	227 171			227 171	227 171	115	-	100%	250%
Finance charges	73 069	109 820	182 889			182 889	182 889	139 141	-	100%	195%
Materials and bulk purchases	641 967	607 863	1 249 829			1 249 829	2 590	560 516	-	100%	168%
Transfers and grants	1 540	1 040	2 580			2 580	1 600 514	278 690	-	100%	214%
Other expenditure	747 967	852 546	1 600 514			1 600 514	4 070 478	1 374 922	-	100%	205%
<b>Total Expenditure</b>	<b>1 984 007</b>	<b>2 086 470</b>	<b>4 070 478</b>			<b>8 140 955</b>	<b>8 140 955</b>	<b>1 374 922</b>			
<b>Surplus/(Deficit)</b>	<b>21 929</b>	<b>240</b>	<b>22 168</b>			<b>(4 048 309)</b>	<b>(8 140 955)</b>	<b>(1 374 922)</b>	<b>2 176 807</b>	<b>-</b>	<b>0%</b>
Transfers recognised - capital											
Contributions recognised - capital & contributed assets											
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>21 928</b>	<b>240</b>	<b>22 168</b>			<b>(4 048 309)</b>	<b>(8 140 955)</b>	<b>(1 374 922)</b>	<b>2 176 807</b>	<b>-</b>	<b>0%</b>
Share of surplus/(deficit) of associate											
<b>Surplus/(Deficit) for the year</b>	<b>21 928</b>	<b>240</b>	<b>22 168</b>			<b>(4 048 309)</b>	<b>(8 140 955)</b>	<b>(1 374 922)</b>	<b>2 176 807</b>	<b>-</b>	<b>0%</b>
<b>Capital expenditure &amp; funds sources</b>											
<b>Capital expenditure</b>											
Transfers recognised - capital	225 000	225 000	450 000			450 000					0%
Public contributions & donations											0%
Borrowing											0%
Internally generated funds	5 492	10 197	15 689			15 689					0%
<b>Total sources of capital funds</b>	<b>230 492</b>	<b>235 197</b>	<b>465 689</b>			<b>465 689</b>					<b>0%</b>
<b>Cash flows</b>											
Net cash from (used) operating											0%
Net cash from (used) investing											0%
Net cash from (used) financing											0%
<b>Cash/cash equivalents at the year end</b>											<b>0%</b>

T 5.1.1

# Chapter 5

Financial Performance of Operational Services							R '000
Description	2021/22		2022/23		2021/22 Variance		
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget	
<b>Operating Cost</b>							
Water	501.093	559.809	(87.673)	479.874	-16.66%	118.27%	
Waste Water (Sanitation)	60.717	67.932	(37.592)	12.588	-439.66%	398.63%	
Electricity	473.936	656.381	(1.372)	534.786	-22.74%	100.26%	
Waste Management	83.958	76.128	46.814	44.686	-70.36%	-4.76%	
Housing	5.808	5.476	47.958	6.064	9.70%	-690.86%	
<b>Component A: sub-total</b>	1.126	1.366	(32)	1,078	-26.69%	102.96%	
Waste Water (Stormwater Drainage)					0	0	
Roads	27.718	(28.279)	0.924	32.197	187.83%	97.13%	
Transport							
<b>Component B: sub-total</b>	27.718	(28.279)	0.924	32.197	187.83%	97.13%	
Planning/Economic Development	7.230	6.958	(0.289)	6.928	-0.43%	104.17%	
Local Economic Development	1.467	(2.634)	(1.184)	1.527	272.50%	177.54%	
Component B: sub-total	9	4	(1)	8			
Planning (Strategic & Regulatory)							
Local Economic Development							
Component C: sub-total							
Community & Social Services	237.265	223.814	44.889	192.227	-16.43%	76.65%	
Environmental Protection							
Health							
Security and Safety	29.575	24.081	(0.467)	28.362	0.000	101.65%	
Sport and Recreation					0	0	
Corporate Policy Offices and Other							

# Chapter 5

Component D: sub-total	267	248	44	221	0	0
<b>Total Expenditure</b>	<b>1,429</b>	<b>1,590</b>	<b>12</b>	<b>1,339</b>	<b>-18,70%</b>	<b>99,10%</b>

In this table operational income is offset against operational expenditure leaving a net operational expenditure total for each service as shown in the individual net service expenditure tables in chapter 3. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.

T 5.1.2

## COMMENT ON FINANCIAL PERFORMANCE:

The municipality closed off for the financial year with a deficit of R230 814 830 compared to budgeted deficit of R240 000. Due to the low payment levels provision for bad debt was provided at an amount of R807 910 million. Employee costs are R5.6 million less than was budgeted for. This is as a result of a decrease in the Post-employment Medical Aid provision and vacancies that could not be filled.

Due to the municipality's financial situation creditors could not be paid within 30 days. This resulted in the interest on arrear accounts amounting to R139 141 000 Million accrued.

This is all due to low collection rate and an increase in provision for bad debts.

T 5.1.3

# Chapter 5

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## 5.2 GRANTS

# Chapter 5

Description	R' 000					
	2021/22		2022/23		2022/23 Variance	
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
<b>Operating Transfers and Grants</b>						
<b>National Government:</b>	<b>414 828</b>	<b>3 261</b>	<b>123 021</b>	<b>377 087</b>		
Equitable share	277 526	259 031		259 031	-6,66%	0,00%
Municipal Systems Improvement Department of Water Affairs	55 000	40 420	25 481	50 499	-8,18%	98,18%
Levy replacement						
Other transfers/grants [insert description]						
EPWP						
Municipal Infrastructure Grant (MIG)	66 533	85 708	71 923	52 934	-20,44%	-26,40%
Integrated National Electrification Prog. (INEP)	13 219	25 617	25 617	13 219	0,00%	-48,40%
Financial Management Grant	2 550	2850000		1 404	-44,94%	
<b>Provincial Government:</b>	<b>40 994</b>	<b>78</b>	<b>-</b>	<b>13 394</b>		
Health subsidy						
Housing	40 994	77540		13 394	-67,33%	0,00%
Ambulance subsidy						
Sports and Recreation						
Other transfers/grants [insert description]						
EPWP		532		466	#DIV/0!	
Performance Management Grant						
Library Grant		18500			#DIV/0!	
<b>District Municipality:</b>		<b>2 864</b>	<b>2 708</b>	<b>3</b>		
HIV and AIDS		2 864	2 708	3		
<b>Other grant providers:</b>						
EPWP Cogta		1 060		8 678		

T5.2.1

COMMENT ON OPERATING TRANSFERS AND GRANTS:

# Chapter 5

As part of the DORA Act, the Municipality receives Conditional and Unconditional Grants from Treasury, these grants are ring fenced for a specific division and purpose, and they cannot be used for the Operational Expenditure incurred by the Municipality.

These are the monies transferred for Capital Grants

MIG: R75 708 000  
WSIP: R34 420 000  
INEP: R25 617 000  
HSDG:R98 304 715

National Treasury reduced the MIG Grant as was published in terms of DORA by R10 000 000 (R85 708 000 -R10 000 000) making it R75 708 000 during the 2022/23 financial year

T 5.2.2

Grants Received From Sources Other Than Division of Revenue Act (DoRA)

# Chapter 5

Details of Donor	Actual Grant 2019/20	Actual Grant 2020/21	2021/22 Municipal Contribution	Date Grant terminates	Date Municipal contribution terminates	Nature and benefit from the grant received, include description of any contributions in kind
<b>Parastatals</b>						
A - "Project 1"	NONE	NONE	NONE	NONE	NONE	
A - "Project 2"	NONE	NONE	NONE	NONE	NONE	
B - "Project 1"	NONE	NONE	NONE	NONE	NONE	
B - "Project 2"	NONE	NONE	NONE	NONE	NONE	
<b>Foreign Governments/Development Aid Agencies</b>						
A - "Project 1"	NONE	NONE	NONE	NONE	NONE	
A - "Project 2"	NONE	NONE	NONE	NONE	NONE	
B - "Project 1"	NONE	NONE	NONE	NONE	NONE	
B - "Project 2"	NONE	NONE	NONE	NONE	NONE	
<b>Private Sector / Organisations</b>						
A - "Project 1"	NONE	NONE	NONE	NONE	NONE	
A - "Project 2"	NONE	NONE	NONE	NONE	NONE	
B - "Project 1"	NONE	NONE	NONE	NONE	NONE	
B - "Project 2"	NONE	NONE	NONE	NONE	NONE	
<i>Provide a comprehensive response to this schedule</i>						
						T 5.2.3

COMMENT ON CONDITIONAL GRANTS AND GRANT RECEIVED FROM OTHER SOURCES:

The municipality did not receive grants for any other additional source.

## 5.3 ASSET MANAGEMENT

### INTRODUCTION TO ASSET MANAGEMENT

Merafong fully implemented GRAP 17.

Asset management are governed by Council approved asset management policy. The municipality has asset management business process in place that guides and articulates each respective stakeholders' role within asset management space.

The municipality receives hands on support from Gauteng Provincial Treasury and National Treasury towards the municipality capacity building, furthermore the municipality has appointed asset management service provider that assist the municipality to develop and maintain credible GRAP 17 asset register also noting that municipal asset is covered by underwritten insurance to maximise safeguarding of municipal assets.

Asset Counts and reconciliation are conducted to ensure the completeness and correctness of assets on the fixed asset register, all assets are physically verified in conjunction with the Internal Audit Department and confirmed at least once in a financial year. A detailed report of findings are compiled and issued to the Manager: Budget and Treasury, the Chief Financial Officer and Assets Accountant for management comment. The Chief Financial Officer checks the physical verification report.

All the infrastructure nearing their useful are downloaded from the BIQ system to an excel spreadsheet and the assets controller verify the assets by confirming the GPS co-ordinates on the assets register with that the location of the assets.

The reconciliation between the general ledger values and the fixed asset register values on the financial stem are automated as the fixed asset register is automated on the System.

# Chapter 5

TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED YEAR 2022/23					
Asset 1					
Name	P729				
Description	Replacement of Reservoir				
Asset Type	Water				
Key Staff Involved	Contractor				
Staff Responsibilities					
Asset Value	2019/20	2020/21	2021/22	2022/23	105 000 000.00
Capital Implications	Government Funding				
Future Purpose of Asset	Supply water to residents				
Describe Key Issues					
Policies in Place to Manage Asset	Asset Management policy				
Asset 2					
Name	P732 S1 and P732 S2				
Description	khutsong North Sewer Retiulation				
Asset Type	Sewer				
Key Staff Involved	Contacto				
Staff Responsibilities					
Asset Value	2019/20	2020/21	2021/22	2022/23	232 976 441.00
Capital Implications	Government Funding				
Future Purpose of Asset	Sewer retiulation				
Describe Key Issues					
Policies in Place to Manage Asset	Asset Management policy				
Asset 3					
Name	P759 and P723(S3)				
Description	khutsong North Sewer Retiulation				
Asset Type					
Key Staff Involved					
Staff Responsibilities					
Asset Value	2019/20	2020/21	2021/22	2022/23	48 213 750
Capital Implications	Government Funding				
Future Purpose of Asset					
Describe Key Issues					
Policies in Place to Manage Asset	Asset Management policy				T 5.3.2

# Chapter 5

## COMMENT ON ASSET MANAGEMENT:

Merafong adopted an asset management policy in the year under review. An asset management plan was developed and will be implemented in terms of the approved policy. The challenge Council faces is to fund the shortfall identified in the maintenance plan.

The biggest issue that the municipality faces at present is lack of funding. Repairs and Maintenance are performed on a priority basis. Maintenance plans cannot be fully executed. Roads are repaired when potholes occurred. An additional challenge the municipality faces is the vandalism of infrastructure assets, especially electricity infrastructure.

T 5.3.3

Repair and Maintenance Expenditure: 2022/23				R' 000
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	83	97	7	92%
				T 5.3.4

## COMMENT ON REPAIR AND MAINTENANCE EXPENDITURE:

# Chapter 5

The biggest challenge that the Municipality faces at present is lack of Funding, Repairs and Maintains (Contracted Survives) are performed on an emergency basis.

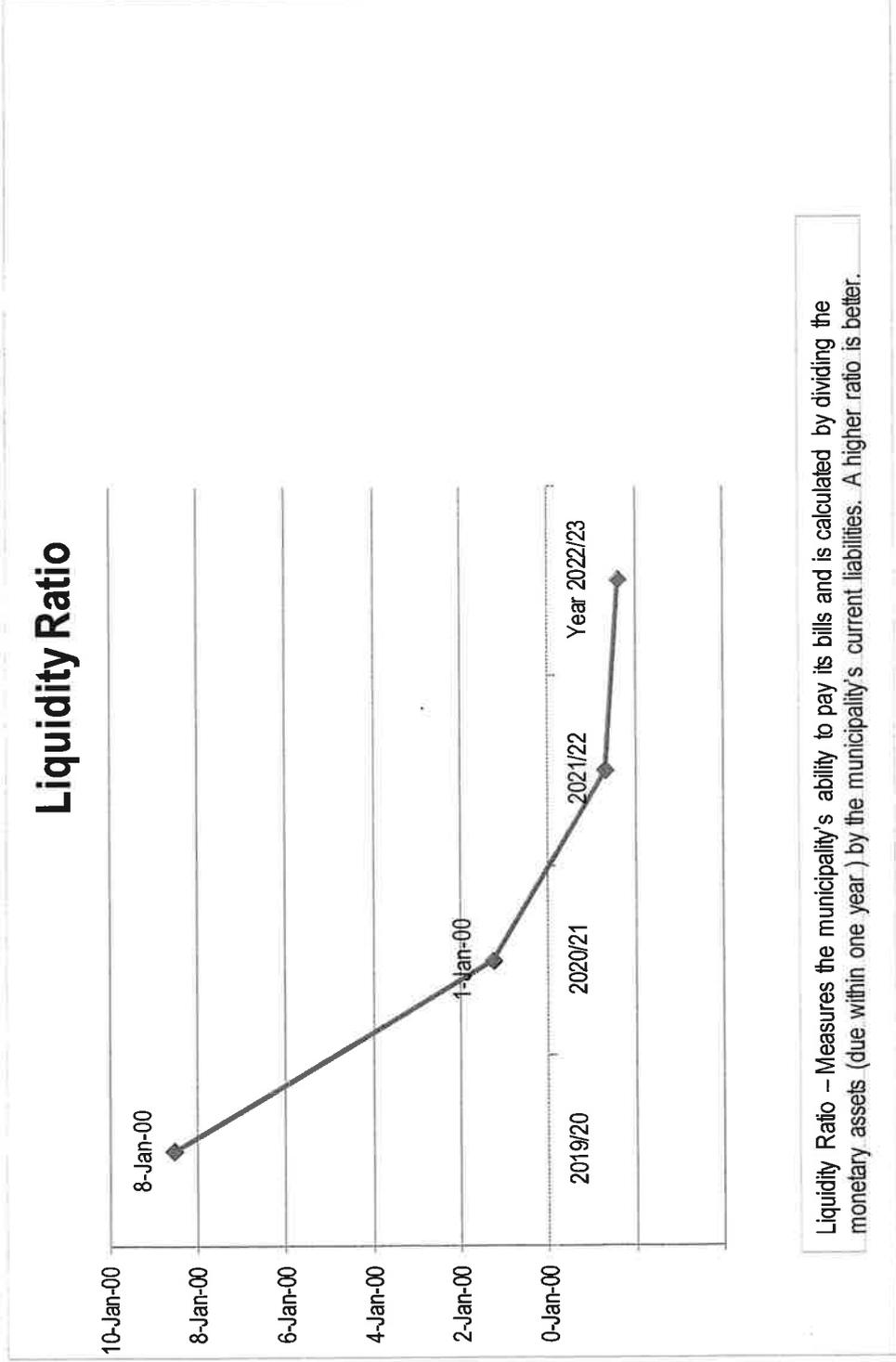
Contracted services cannot be executed, Roads are repaired when potholes occur.

An additional challenge that the Municipality faces is vandalization of Municipal Assets especially electricity installation.

T 5.3.4.1

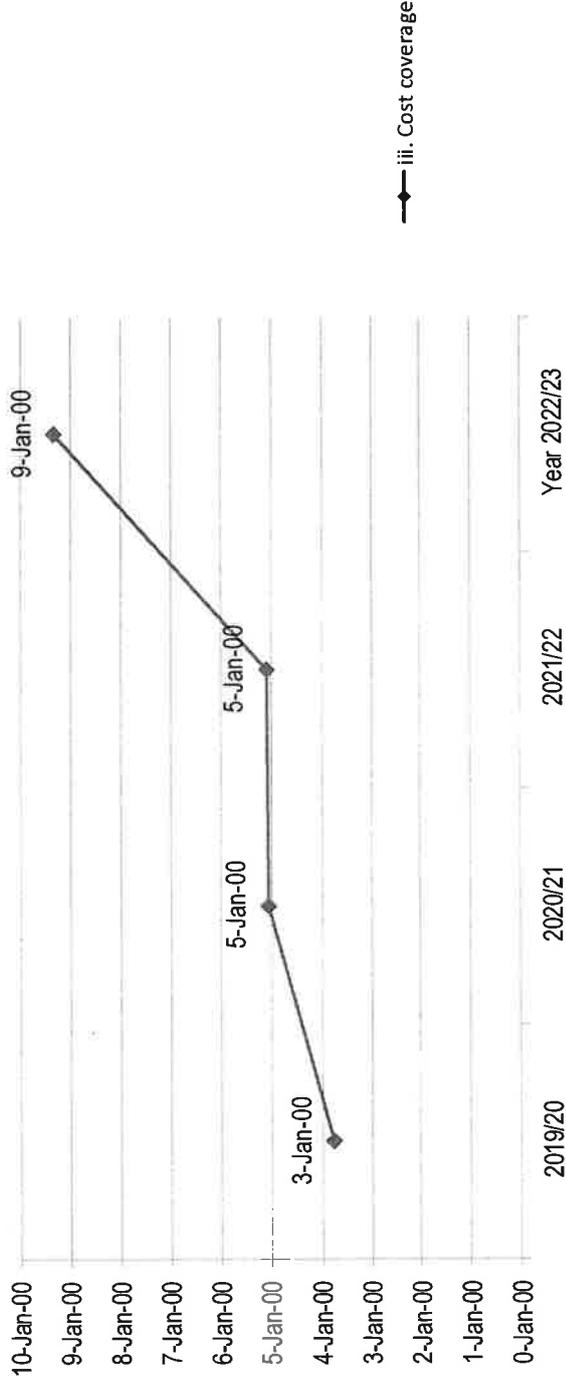
5.3 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

# Chapter 5



T 5.4.1

## Cost Coverage

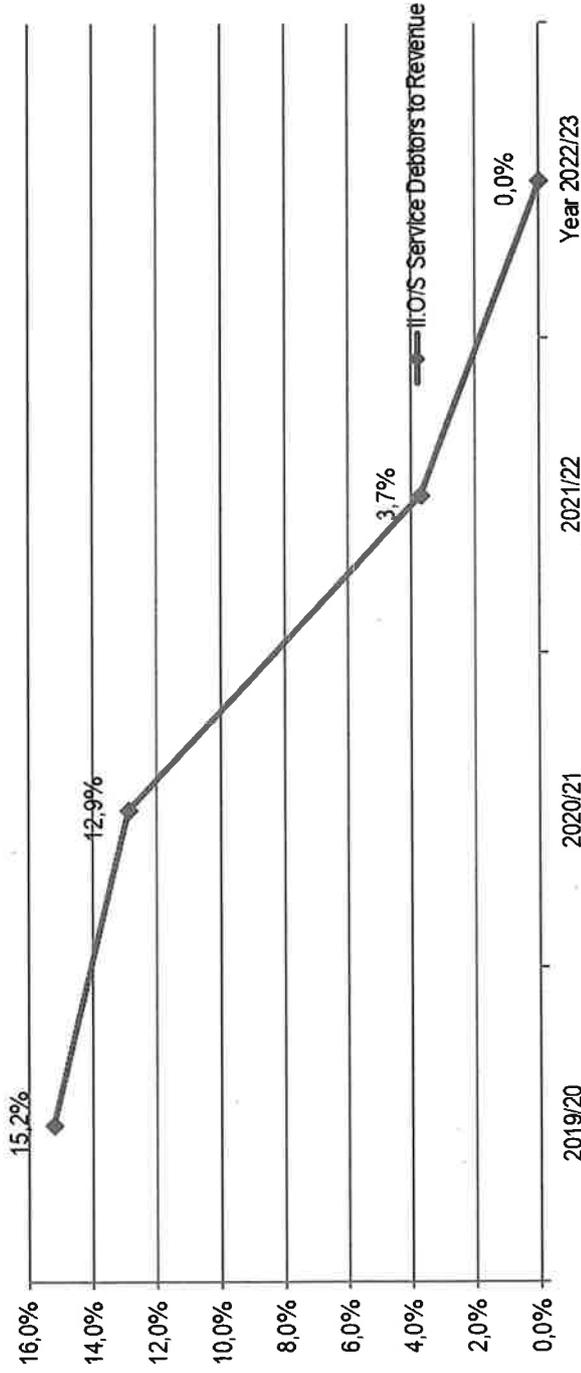


Cost Coverage– It explains how many months expenditure can be covered by the cash and other liquid assets available to the Municipality excluding utilisation of grants and is calculated

Data used from MBRR SA8

T 5.4.2

## Total Outstanding Service Debtors

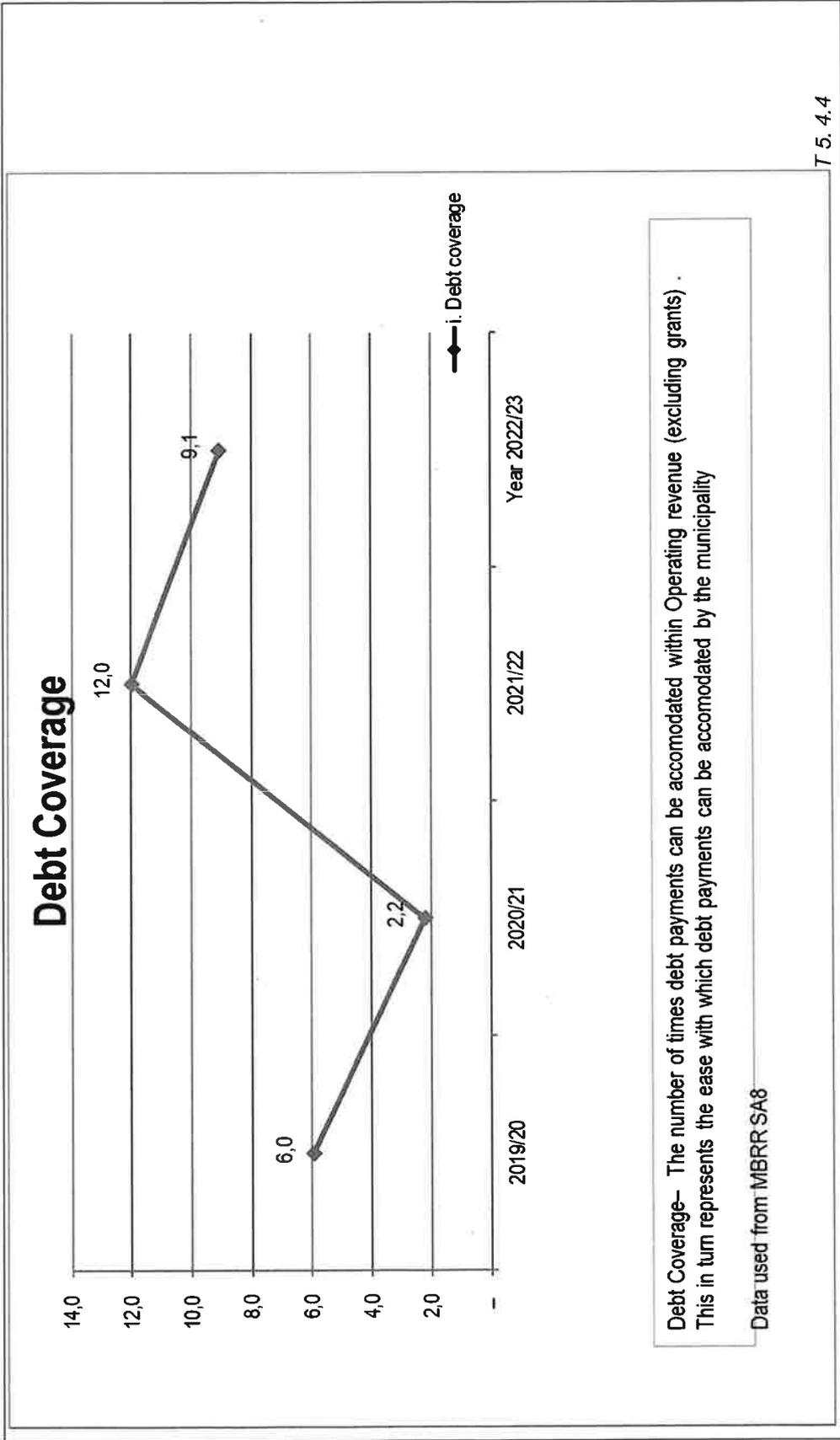


Total Outstanding Service Debtors – Measures how much money is still owed by the community for water, electricity, waste removal and sanitation compared to how much money has been paid for these services. It is calculated by dividing the total outstanding debtors by the total annual revenue. A lower score is better.

Data used from MBRR SA8

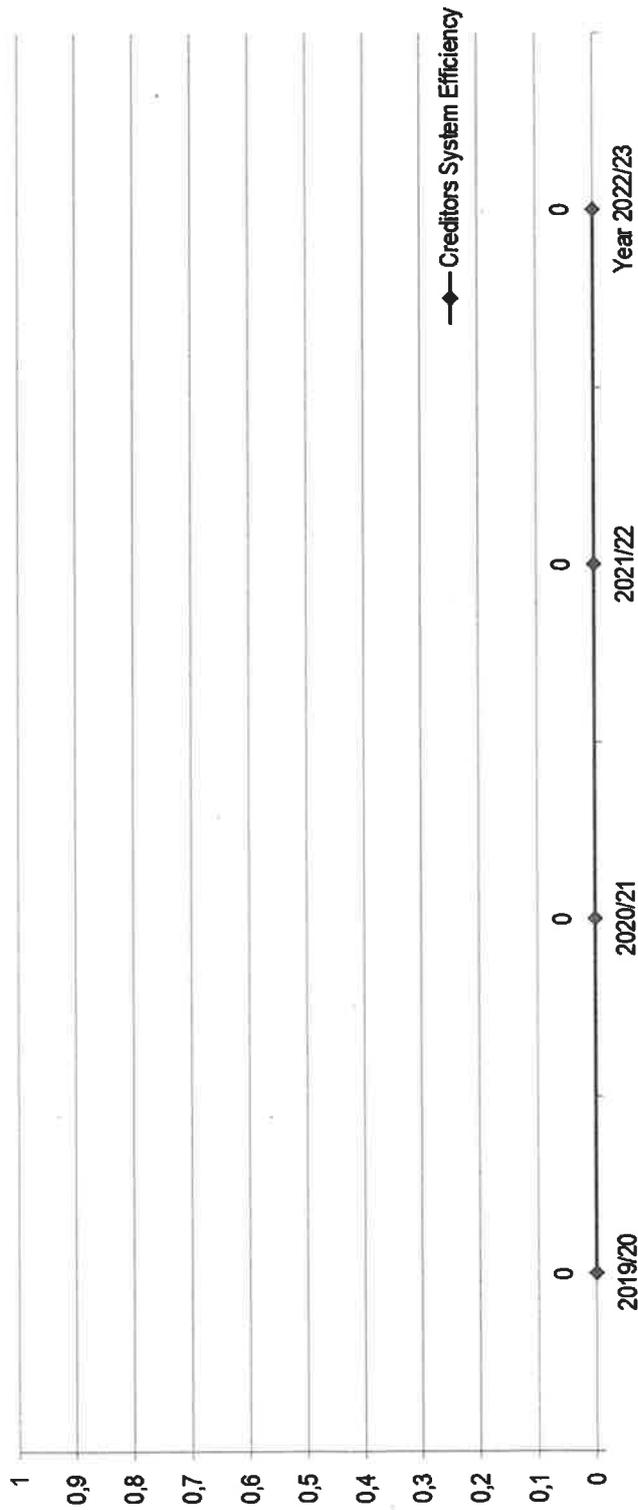
T 5.4.3

# Chapter 5



T 5. 4. 4

## Creditors System Efficiency



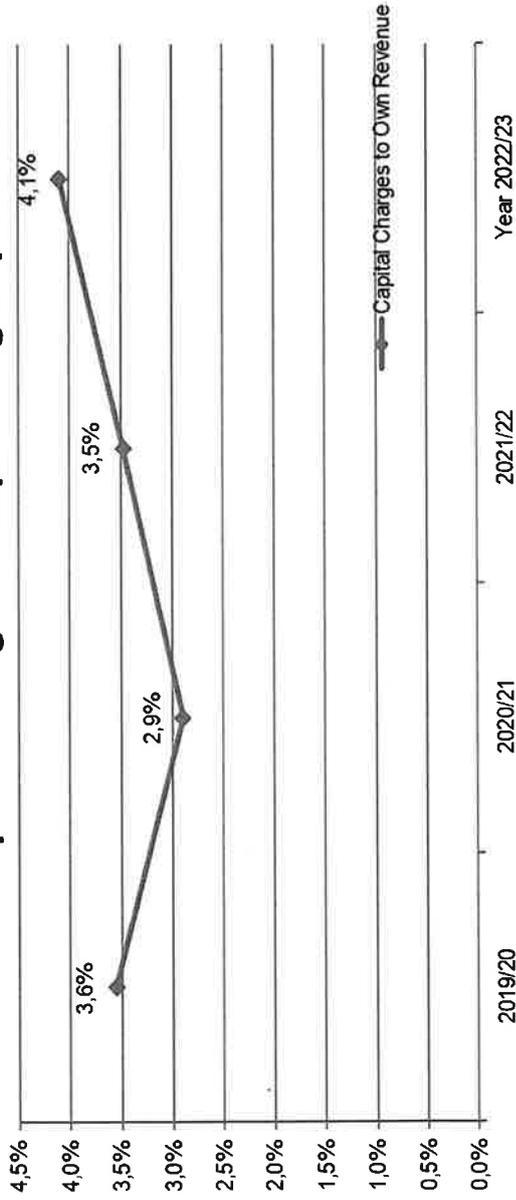
Creditor System Efficiency – The proportion of creditors paid within terms (i.e. 30 days). This ratio is calculated by outstanding trade creditors divided by credit purchases

Data used from MBRR-SA8

T 5.4.5

# Chapter 5

## Capital Charges to Operating Expenditure

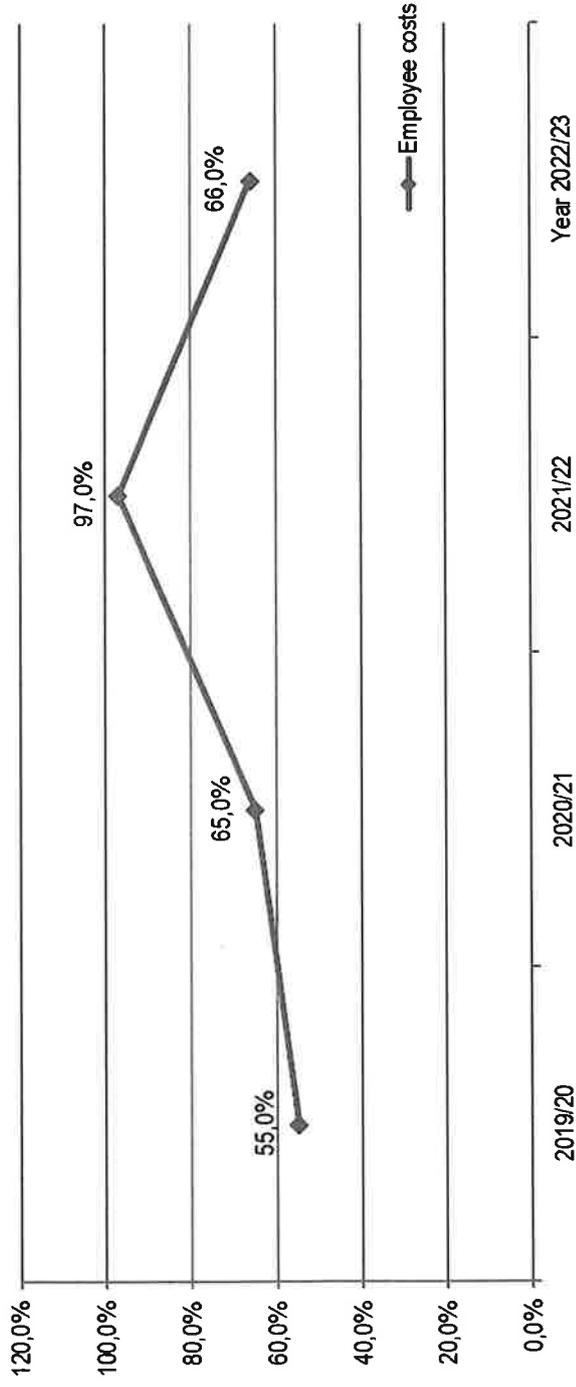


Capital Charges to Operating Expenditure ratio is calculated by dividing the sum of capital interest and principle paid by the total operating expenditure.

Data used from MBRR SA8

T 5.4.6

## Employee Costs

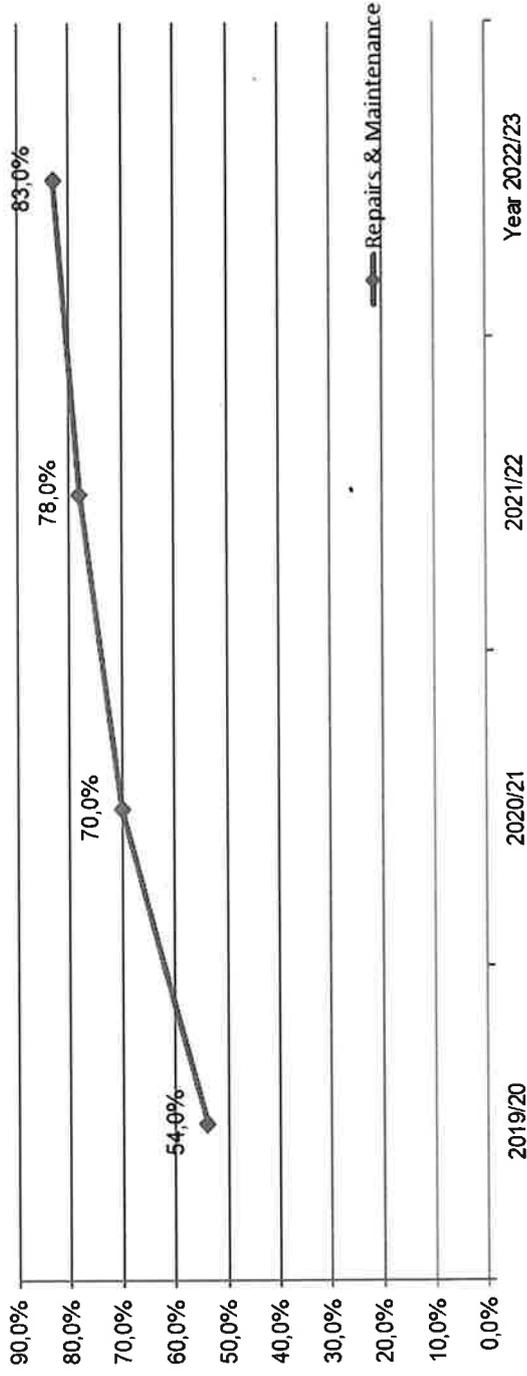


Employee cost - Measures what portion of the revenue was spent on paying employee costs. It is calculated by dividing the total employee cost by the difference between total revenue and capital revenue.

Data used from MBRR SA8

T 5.4.7

## Repairs & Maintenance



Repairs and Maintenance – This represents the proportion of operating expenditure spent and is calculated by dividing the total repairs and maintenance.

Data used from MBRR SA8

T 5.4.8

## COMMENT ON FINANCIAL RATIOS:

Current ratio measures the ability of the Municipality to pay its current liabilities out of the current assets. The industry usually looks for a ratio of 2:1, however the acceptable current ratio is 1:1 for municipalities. The municipality achieved a ratio of 1:0.4 which shows its ability to settle existing short term liabilities.

In accordance with the current ratio and liquidity ratios the municipality is still under severe pressure from a liquidity point of view. In order for these ratios to be in line with industry norms, the municipality has a shortfall in current assets of which all should be in the form of unencumbered cash and cash equivalents. The shortfall indicates that the municipality incurred a net loss of R230 814 830 during the year ended June 2023. The non-achievement of the low debtor collection rate, the water losses of R8 839 074.64 and electricity loss to a total amount of R181 457 290.64 impacted negatively on the cash flow.

The municipality is not in a position to settle its short-term liabilities as prescribed.

The municipality's liquidity ratio had deteriorated in 2022-2023.

Outstanding debtors to Revenue.

T 5.4.9

# Chapter 5

## COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

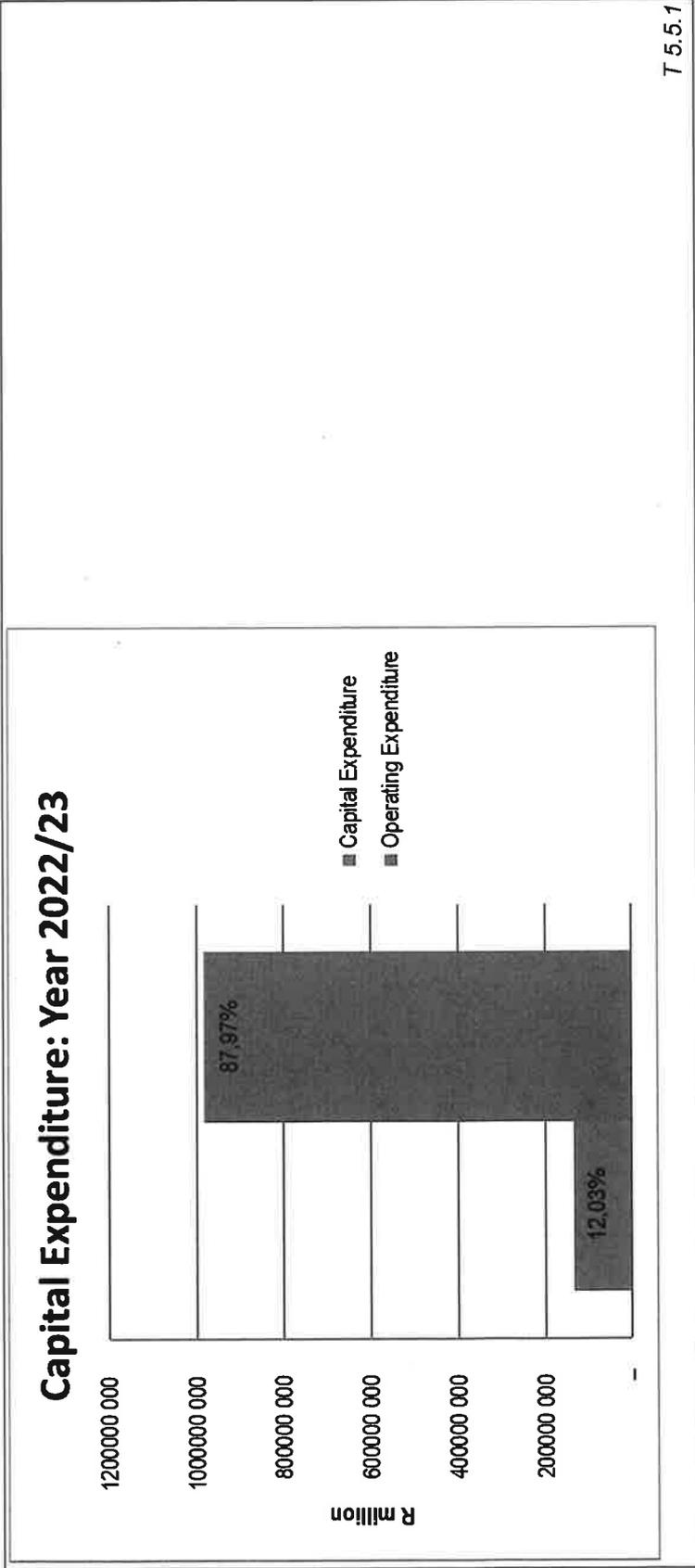
### INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

Council achieved 76.95% of the adjustment budget for 2022/2023. On the Mining Town allocation a rollover was requested and not yet approved. Due to the late transfers of funds to the municipality in the financial year and the procurement process, which is time consuming, this affected the projects negatively and caused delays in implementation by the end of the 2022/2023 financial year.

T 5.5.0

### 5.5 CAPITAL EXPENDITURE

# Chapter 5



T 5.5.1

# Chapter 5

## 5.6 SOURCES OF FINANCE

Capital Expenditure - Funding Sources: 2021/22 - 2022/23							R+A2:H29' 000
Details	2021/22		2022/23				
	Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)	
<b>Source of finance</b>							
External loans	6131	27793	27793	27793	0,00%	0,00%	
Public contributions and donations	322		350				
Grants and subsidies	4050		4000				
Other	5131		5100				
<b>Total</b>	<b>15634</b>	<b>27793</b>	<b>37243</b>	<b>27793</b>	<b>0,00%</b>	<b>0,00%</b>	
<b>Percentage of finance</b>							
External loans	39,2%	100,0%	74,6%	100,0%			
Public contributions and donations	2,1%	0,0%	0,9%	0,0%			
Grants and subsidies	25,9%	0,0%	10,7%	0,0%			
Other	32,8%	0,0%	13,7%	0,0%			
<b>Capital expenditure</b>							
Water and sanitation	4410	40420	40420	15064	0,00%	-62,73%	
Electricity	2525	25617	25617	25617	0,00%	0,00%	
Housing	2712	98304	98304	41234	0,00%	-58,05%	
Roads and storm water	1518	81422	81422	71922	0,00%	-11,67%	
Other	3485		3501				
<b>Total</b>	<b>14650</b>	<b>245763</b>	<b>249264</b>	<b>153837</b>	<b>0,00%</b>	<b>-132,45%</b>	
<b>Percentage of expenditure</b>							
Water and sanitation	30,1%	16,4%	16,2%	9,8%	0,0%	47,4%	
Electricity	17,2%	10,4%	10,3%	16,7%	0,0%	0,0%	
Housing	18,5%	40,0%	39,4%	26,8%	0,0%	43,8%	
Roads and storm water	10,4%	33,1%	32,7%	46,8%	0,0%	8,8%	
Other	23,8%	0,0%	1,4%	0,0%	0,0%	0,0%	
						<b>T 5.6.1</b>	

# Chapter 5

## COMMENT ON SOURCES OF FUNDING:

### COMMENT ON SOURCES OF FUNDING:

As part of the DORA Act, the Municipality receives Conditional and Unconditional Grants from Treasury, these grants are ring fenced for a specific division and purpose, and they cannot be used for the Operational Expenditure incurred by the Municipality.

These are the monies transferred to the municipality for Capital Grants

MIG: R75 708 000

WSIP: R34 420 000

INEP: R25 617 000

HSDG:R98 304 715

T 5.6.1.1

# Chapter 5

## 5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

Capital Expenditure of 5 largest projects*						R' 000
Name of Project	Current: Year 2022/23			Variance: Current Year 2021/22		
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)	
Khutsong South Ext 5 & 6 Internal Roads & Stormwater	34,149	34,149	3,812	89%	0%	
Kokosi Ext 7 East Outfall Sewer & WWTW	29,165	29,165	19,149	34%	0%	
Khutsong South Installation of Alternative Bulk water Supply	14,627	14,627	3,550	76%	0%	
Upgrading & Rehabilitation of Wedela WWTW (Phase 2)	25,000	25,000	7,297	71%	0%	
Development of New Kokosi Cemetery	20,022	15,376	13,963	30%	23%	
<b>* Projects with the highest capital expenditure in Year 2021/2022</b>						
<b>Replacement of Khutsong Reservoir</b>						
Objective of Project	Construction of new reinforced concrete reservoir with relevant structural members for storage purpose					
Delays	In registering a servitude were the mini-sub will be installed					
Future Challenges	None					
Anticipated citizen benefits	Khutsong North Residents					
Khutsong North Water & Sewer Reticulation SKOPAS						
Objective of Project	Address the sewer spillages around Skopas area that is causing sinkhole					
Delays	Hard rock					
Future Challenges	None					
Anticipated citizen benefits	Khutsong North Residents					
<b>Fochville Electr Supply (Phase 4)</b>						
Objective of Project	Eskom must install 1 x 20MVA, 132KV/6.6 kV transformer. Kokosi and Fochville must be split so that Fochville will feed from the existing 10MVA and 8MVA transformers and Kokosi from the new 20MVA transformer. The load will then split to 10MVA for Fochville and 6MVA for Kokosi.					
Delays	Covid 19 remained a challenge during the installation phase which caused delays					
Future Challenges	Availability of funding. Accommodation of SMME's during the construction stage					

# Chapter 5

Anticipated citizen benefits	Electricity supply to Kokosi Ext 6, Kokosi Ext 7 and Kokosi Ext 8-21 for a total of 8638 stands
<b>Street Light Merafong Phase 2(Ph 5)</b>	
Objective of Project	To reduce street darkness during the night around Merafong townships
Delays	To plants poles on road reserve in areas where pole are midblock
Future Challenges	None
Anticipated citizen benefits	Merafong citizens in townships
<b>Khutsong North Water &amp; Sewer Reticulation</b>	
Objective of Project	Address the sewer spillages and collapsed water & sewer pipelines around Khutsong North area
Delays	SMME's , labour recruitment and contractor having financial challenges
Future Challenges	None
Anticipated citizen benefits	Khutsong North Residents
	T 5.7.1

Merafong achieved 76.95% of the adjustment budget for 2022/2023. On the Mining Town allocation a rollover was requested and not yet approved.

Due to the late stage of the transfer to the municipality in the financial year and the procurement process, which is time consuming: affected the projects negatively and caused a delay in implementation by the end of the 2022/2023 financial year.

This is the summary of expenditure by grant funding:

(MIG) - 100%  
 INEP -100%  
 WSIG -99.41%  
 Human Settlement Grant- 68.93%

T 5.7.1.1

## 5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

### INTRODUCTION TO BASIC SERVICE AND INFRASTRUCTURE BACKLOGS

#### **Waste Management**

Refuse removal strategy in informal settlement was developed and approved but not been implemented due to the municipal financial status.

Refuse removal service in informal settlement has only been done in Mphahlela Village using 6m<sup>3</sup>.

Extension 6 in Kokosi Township and Extension 5 in Khutsong Township have the shortage of 240l bins and the distribution is still outstanding.

#### **Infrastructure**

It is the mandate of the municipality to provide basic services to the community. The municipality has in previous years implemented roads projects which have reduced the backlog of unsurfaced roads drastically in the townships of Kokosi and Greenspark respectively. That has assisted in installation of stormwater that never existed as well. We are currently left with Khutsong township which is worse off in terms of unsurfaced roads, however the MIG funding is providing for implementation on each financial year although it is not at the desired pace due to the challenge at hand.

Although no bulk funding has been availed so far, business plans have been submitted to request funding from various grant providers. The backlog relates to both roads and stormwater infrastructure. This has got a serious impact in Khutsong township since it is a necessity in a dolomitic area to avoid any ponding of stormwater. That can be achieved effectively on a surfaced road. Through the consultation with other spheres of government, the municipality still hopes to find a better alternative that could assist in addressing the matter.

T 5.8.1

# Chapter 5

Service Backlogs as at 30 June 2023		
Services	Wards Affected	% HHs
<b>Water</b>		
Formal Households	1,2,5,8,13,14,15,21,24,27	36%
Informal Households	1,2,3,4,5,6,7,8,9,10,11,12,13,14,15,16,17,18,20,21,22,23,24,25,26,27,28	57%
<b>Sanitation</b>		
Formal Households	8,14,21	14%
Informal Households	1,2,3,4,5,8,9,10,13,15,21,22,23,24,27,28	57%
<b>Electricity</b>		
Formal Households	8,14,21	14%
Informal Households	1,2,5,13,14,15,21,22,23,24,27,28	43%
<b>Waste management</b>		
Formal Households	1,4,7,8,9,11,13,14,20,21,25,26,27	46%
Informal Households	1,2,3,4,5,8,9,10,13,14,15,21,22,23,24,27,28	61%
<b>Housing</b>		
% HHs are the service above/below minimum standard as a proportion of total HHs. 'Housing' refers to * formal and ** informal settlements. T5.8.2		

# Chapter 5

Municipal Infrastructure Grant (MIG)* Expenditure Year 2022/2023 on Service backlogs							R' 000
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)	
				Budget	Adjustments Budget		
<b>Infrastructure - Road transport</b>	37,400	39,650	34,574	-8%	-15%		
Roads, Pavements & Bridges	37,400	39,650	34,574	-8%	-15%		
Storm water		Cost included above					
<b>Infrastructure - Electricity</b>	7,000	6,750	34,574	0.7975357	-8462.5708		
Generation							
Transmission & Reticulation							
Street Lighting	7,000	6,750	34,574	80%	80%		
<b>Infrastructure - Water</b>	0						
Dams & Reservoirs							
Water purification							
Reticulation							
<b>Infrastructure - Sanitation</b>	0						
Reticulation							
Sewerage purification							
<b>Infrastructure - Other</b>	7,000	9,646	9,646	0.2743106	0		
Waste Management	7,000	9,646	6,650	-5%	-45%		
Transportation							
Gas							
<b>Other Specify:</b>	30,022	25,376	25,374	-0.1830864	-7.882E-05		
Economic Debt. Services							
Sport and Recreation	10,000	10,000	9,998	0%	0%		

# Chapter 5

Cemeteries & Crematoriums	20,022	15,376	15,376	-30%	0%
PMU (O&M)				0	0
<b>Total</b>	<b>81,422</b>	<b>81,422</b>	<b>84,524</b>	<b>4%</b>	<b>4%</b>

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

T 5.8.3

## COMMENT ON BACKLOGS:

**Delete Directive note once comment is completed** - Comment on how MIG grants have been utilised to redress the backlogs and on the variances in T 5.8.3. If appropriate, comment that **Appendix P** contains details of schools and clinics that have been established that do not have ready access to one or more basic services and **Appendix Q** contains details of those services provided by other spheres of government (whether the municipality is involved on an agency basis or not) that carry significant backlogs.

T 5.8.4

## COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

### INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS

Adequate and efficient cash management is one of the main functions of the Chief Financial Officer. Cash management plan was established and adhered to at all-time except on cases of low collection. Daily sound cash management includes the following:

Collecting revenue when it is due and banking it promptly;

- Making payments to service providers to ensure effective and economical programme delivery
- Avoiding pre-payments for goods or services (i.e. payments in advance of the receipt of goods or services), unless required in terms of contractual arrangements with the supplier;
- Pursuing debtors with appropriate sensitivity and rigour to ensure that amounts receivable by the municipality are collected and banked promptly;
- Accurately forecasting the municipality's daily cash flow requirements;
- Timing the inflow and outflow of cash to ensure that significant cash outflows only occur when there is sufficient cash in the municipality's bank account; and
- The municipality does not have any investment.

T 5.9

# Chapter 5

## 5.9 CASH FLOW

Cash Flow Outcomes					R'000
Description	2021/22	Current: 2022/23			
	Audited Outcome	Original Budget	Adjusted Budget	Actual	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>					
<b>Receipts</b>					
Ratepayers and other	1 891 671	2 231	2 310	167	
Government - operating	1 386 740	1 429	1 436	1 116	
Government - capital	252 673	238	259	-	
Interest	104 878	316	360	31	
Dividends	147 381	248	255	19	
<b>Payments</b>					
Suppliers and employees	(1 101 050)	(1 259)	(1 231)	(174)	
Finance charges	(1 044 752)	(1 221)	(1 161)	(135)	
Transfers and Grants	(54 003)	(37)	(70)	(37)	
	(2 295)	(2)	(1)	(2)	
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>790 621</b>	<b>972</b>	<b>1 078</b>	<b>(7)</b>	
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
<b>Receipts</b>					
Proceeds on disposal of PPE	-				
Decrease (increase) in non-current debtors					
Decrease (increase) other non-current receivables					
Decrease (increase) in non-current investments					
<b>Payments</b>					
Capital assets					
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
<b>Receipts</b>					
Short term loans					
Borrowing long term/refinancing					
Increase (decrease) in consumer deposits	5 172	3	-	0	
<b>Payments</b>					
Repayment of borrowing	-	(5)	-	-	
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>5 172</b>	<b>(2)</b>	<b>-</b>	<b>0</b>	
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>795 793</b>	<b>970</b>	<b>1 078</b>	<b>(7)</b>	
Cash/cash equivalents at the year begin:					
Cash/cash equivalents at the year end:	795 793	970	1 078	(7)	
<i>Source: MBRR A7</i>					

# Chapter 5

## COMMENT ON CASH FLOW OUTCOMES:

Merafong closed off with a deficit of R230 814 830 comparing to a budgeted deficit of R240 000.

Cash flow had deteriorated in 2022/2023.

Council's liquidity ratio had deteriorated in 2022/2023. The non-achievement of the low percentage debtor collection rate, the water losses of R8.8m and electricity loss to a total amount of R181m impacted negatively on the cash flow. An amount of R50 Million was invested with VBS Mutual bank, we did put a claim in at the curatorship. An amount of R3, 5 million was received.

The going concern is further impacted negatively by the outcome of the mine valuations appeals which was issued by the valuation appeal board in 2014. This matter has not been finalised to date due to the review application by Merafong in High Court dealing with incorrect valuation methodology for the period 1 July 2012 to 1 July 2015. A positive outcome of this process will have a significant impact on the financial sustainability of the municipality. As at the end of the reporting period, the establishment of the valuation appeal board by the MEC: CoGTA was not yet finalised. This has resulted in that the municipality could not finalize the supplementary valuations for the mines.

Based on the above factors as well as ratio's disclosed the municipality has a material uncertainty and therefore, it may be unable to realize its assets and discharge its liabilities in the normal course of business.

The cash flow constrains had resulted in that council had to implement serious cost cutting measures and creditors were prioritised for payment.

T 5.9.1.1

## 5.10 BORROWING AND INVESTMENTS

### INTRODUCTION TO BORROWING AND INVESTMENTS

#### INTRODUCTION TO BORROWING AND INVESTMENTS

The Municipality has a long-term loan with Nedbank payable on a quarterly basis and DBSA payable 6 monthly which was earmarked for Capital projects.

The municipality has reached its prudent limits and cannot borrow anymore to fund Capital projects

The Nedbank loan will be redeemed on 30/05/2025 and the DBSA will be redeemed on the 30/09/2027.

The Municipality has a 3-year lease agreement with LCK Technologies for the leasing of Cannon Printers

# Chapter 5

T 5.10.1

<b>Actual Borrowings: 2022-2023</b>			
<b>Instrument</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>
<b>Municipality</b>			
Long-Term Loans (annuity/reducing balance)	43 509 478,00	35 748 373,99	27 116 155,00
Long-Term Loans (non-annuity)			
Local registered stock			
Instalment Credit			
Financial Leases	84 686,00	15 491,00	677 016,00
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
<b>Municipality Total</b>	<b>43 594 164,00</b>	<b>35 763 864,99</b>	<b>27 793 171,00</b>
<b>Municipal Entities</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
Long-Term Loans (annuity/reducing balance)			
Long-Term Loans (non-annuity)			
Local registered stock			
Instalment Credit			
Financial Leases			
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
<b>Entities Total</b>	<b>-</b>	<b>-</b>	<b>-</b>

T 5.10.

## COMMENT ON BORROWING AND INVESTMENTS:

Council took up an external loan with Nedbank and DBSA to finance capital projects. Council had reached its prudent limits. Council cannot borrow anymore to fund capital projects.

T 5.10.5

# Chapter 5

## 5.11 PUBLIC PRIVATE PARTNERSHIPS

### PUBLIC PRIVATE PARTNERSHIPS

For the year under review, the municipality did not enter into any Public Private Partnership agreements.

T 5.11.1

## COMPONENT D: OTHER FINANCIAL MATTERS

## 5.12 SUPPLY CHAIN MANAGEMENT

### SUPPLY CHAIN MANAGEMENT

Merafong City Municipality has a supply chain policy which the staff has been workshopped to implement. Templates to enforce compliance have been put in place in order to curb irregular expenditure. Training of SCM Staff will be ongoing. The majority of the SCM Staff have the competency levels set by Treasury. Where Auditor General has highlighted issues that need remedial action, the Council of Merafong has convened to recommend that MPAC investigate irregular expenditure and implement remedial action including consequence management .

T 5.12.1

## 5.13 GRAP COMPLIANCE

### GRAP COMPLIANCE

The municipality prepares its Annual Financial Statements (AFS) on GRAP (Generally Recognised Accounting Practice). Where certain disclosures are specifically required by the MFMA, these are included in the AFS in addition to the application of the GRAP.

#### Closing and balancing of the general ledger

The revenue accounts are reconciled to the general monthly with the preparation of the monthly management accounts (S71 reporting). The expenditure accounts are reconciled to the general ledger monthly with the management accounts (S71 reporting). Payables are reconciled to the general monthly with the management accounts (S71 reports). Receivables are reconciled to the general ledger monthly with the management accounts (S71 reporting).

Property, plant and equipment is reviewed annually and depreciation and impairment and the review of the useful lives is done annually. Provisions are calculated annually. Year end journals are done at the end of the financial year and passed to the general ledger. The final trial balance will be drawn from the financial system and the information captured in the financial reporting for the financial statements.

# Chapter 5

## Accruals

The amounts paid in advance together with payments made in advance are recorded in the period to which they pertain and a current asset or current liability will be recorded in the AFS for the year under review. The asset will be reversed when the benefit is received and the liability will be reversed when the obligations to the third party are met in the period to which the transaction pertains.

## Commitments:

Contracts which place the financial obligations to the municipality for a period exceeding one financial year are recorded either in the amount or the period of the obligation. The contract amounts are the total obligations of the municipality. The commitments are calculated by deducting amount already paid in the contract from the total obligation. The balance still due and payable to the third party from the contract is the commitment. Related parties: Related party transactions are transactions concluded between the municipality and those with decision making authority. All transactions concluded with related parties are recorded at year end in the AFS.

## Contingent assets and contingent liabilities:

Contingent assets and liabilities are transactions where there are no certainties and the matters are subject to litigations. The matters are dealt with by legal and the register is finalized by the legal department. Provisions: Provisions are calculated on the future obligations to be met by the municipality. Some are calculated by external experts eg., employee benefit obligations and others by internal personnel.

## Unauthorised, irregular, fruitless and wasteful expenditure:

Where the approved budget per vote is exceeded and any amount approved by Council and the DoRA Act is exceeded unauthorised expenditure will be recorded in the financial statements. Irregular expenditure is recorded where there is non-compliance with the provisions of the Acts or the Regulations. These expenditures will be recorded as irregular. Fruitless and wasteful expenditure is recorded in all instances where payments are made without any reciprocal benefit accrues to the municipality.

The municipality has a year-end documented programme that details what should be performed, when it should be performed and who should perform it. Specific experienced personnel assigned responsibilities to perform various tasks required in the preparation of the annual financial statements (AFS)

To ensure completeness of the information to be disclosed in the AFS, the various line items are included in the year-end annual financial statements programme based on the prior year's signed AFS and understanding of the municipality's operations. This is used as a guide in the preparation of the AFS.

The schedules and other supporting information that were used in the preparation of the AFS are included in a folder which are provided on provision of the AFS to the Auditor General (AGSA). The findings of the (AGSA) for the previous periods are considered in the preparation of the AFS for the year under review

The financial statements are prepared in terms of GRAP Standards within two months after the end of the financial as prescribed the requirements of the MFMA. The presentation of the AFS is done in terms of the prescripts of the ASB.

# Chapter 5

T 5.13.1

# Chapter 6

## CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

### INTRODUCTION

Note: The Constitution S188 (1) (b) states that the functions of the Auditor-General include the auditing and reporting on the accounts, financial statements and financial management of all municipalities. MSA section 45 states that the results of performance measurement... must be audited annually by the Auditor-General.

**Delete Directive note once comment is completed** - Refer to the Annual Financial Statements set out in Volume II and the timescale for the audit of these accounts and the audit of performance and the production of reports on these matters by the Auditor General as set out in this Chapter. If this is the version of the annual report presented to Council in September, then the Auditor-Generals statements on this year's submissions will not be available for inclusion in this Chapter and this should be explained.

T 6.0.1

## COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS YEAR 2021/22

### 6.1 AUDITOR GENERAL REPORTS YEAR 2021/22 (PREVIOUS YEAR)

# Chapter 6

Auditor-General Report on Financial Performance: 2021/22	
Audit Report Status	Adverse opinion
Non-Compliance Issues	Remedial Action Taken
Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA	Due to the cash flow situation of the municipality it is not possible to pay creditors within the 30 days period. Daily monitoring of the available funds is done by the CFO. Payments are released as soon as cash becomes available. Cost containment regulations are being implemented together with the revenue enhancement to improve Council's cash situation. A turnaround strategy was developed
Reasonable steps were not taken to prevent irregular expenditure amounting to R49 127 148 as disclosed in note 47 to the annual financial statements, as required by section 62(1)(d) of the MFMA. All the irregular expenditure was caused by contravention of regulation 19(a), due to no competitive bidding processes for goods and services procured, non-compliance with regulation 32 and regulation 36(1) on procurement of goods and services under contracts secured by other organs of state and unjustified deviation from supply chain	Management will ensure that Supply Chain Management Regulations are adhered to in order to prevent the occurrence of irregular expenditure.
Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R74 166 664, as disclosed in note 47 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. All the disclosed fruitless and wasteful expenditure was caused by late payments to suppliers which incurred	Daily monitoring of the available funds is done by the CFO. Payments are released as soon as cash becomes available. Cost containment regulations are being implemented together with the revenue enhancement to improve Council's cash situation. A turnaround strategy was developed in partnership with Provincial Treasury and COGTA.
<p><i>Note: *The report status is supplied by the Auditor General and ranges from unqualified (at best); to unqualified with other matters specified; qualified; adverse; and disclaimed (at worse)</i></p>	

T 6.1.1

# Chapter 6

<b>Auditor-General Report on Service Delivery Performance: 2021/22</b>	
<b>Audit Report Status:</b>	Adverse audit opinion
<b>Non-Compliance Issues</b>	<b>Remedial Action Taken</b>
The source information, evidence and method of calculation for measuring the planned indicators was not clearly defined and related systems and processes were not adequate to enable consistent measurement and reliable reporting of performance against the 7 predetermined indicator definitions. As a result, limitations were placed to audit the reliability of the achievements of indicators.	Smart indicators will be implemented to address the finding on planned outcomes to actual outcomes.
	T 6.1.2

## COMPONENT B: AUDITOR-GENERAL OPINION YEAR 2022/23 (CURRENT YEAR)

### 6.2 AUDITOR GENERAL REPORT YEAR 2022/23

<b>Auditor-General Report on Financial Performance: 2022/23</b>	
<b>Audit Report Status</b>	The office of the Auditor-General issued a disclaimer of opinion for the year under review. Both financial performance and predetermined objectives were audited. The final report was issued on 30 November 2022. Details of the report are discussed in the table below:
<b>Non-Compliance Issues</b>	<b>Remedial Action Taken</b>
Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA	Due to the cash flow situation of the municipality it is not possible to pay creditors within the 30 days period. Daily monitoring of the available funds is done by the CFO. Payments are released as soon as cash becomes available. Cost containment regulations are being implemented together with the revenue enhancement to improve Council's cash situation. A turnaround strategy was developed in partnership with Provincial Treasury and COGTA.

# Chapter 6

Reasonable steps were not taken to prevent irregular expenditure amounting to R49 127 148 as disclosed in note 47 to the annual financial statements, as required by section 62(1)(d) of the MFMA. All the irregular expenditure was caused by contravention of regulation 19(a), due to no competitive bidding processes for goods and services procured, non-compliance with regulation 32 and regulation 36(1) on procurement of goods and services under contracts secured by other organs of state and unjustified deviation from supply chain management regulations, respectively.

Management will ensure that Supply Chain Management Regulations are adhered to in order to prevent the occurrence of irregular expenditure.

Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R74 166 664, as disclosed in note 47 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. All the disclosed fruitless and wasteful expenditure was caused by late payments to suppliers which incurred penalties and interest.

Daily monitoring of the available funds is done by the CFO. Payments are released as soon as cash becomes available. Cost containment regulations are being implemented together with the revenue enhancement to improve Council's cash situation. A turnaround strategy was developed in partnership with Provincial Treasury and COGTA.

*Note: \*The report status is supplied by the Auditor General and ranges from unqualified (at best); to unqualified with other matters specified; qualified; adverse; and disclaimed (at worse)*

T 6.2.1

Auditor-General Report on Service Delivery Performance: 2022/23	
Audit Report Status:	Disclaimer of opinion
Non-Compliance Issues	Remedial Action Taken
The source information, evidence and method of calculation for measuring the planned indicators was not clearly defined and related systems and processes were not adequate to enable consistent measurement and reliable reporting of performance against the 7 predetermined indicator definitions. As a result, limitations were placed to audit the reliability of the achievements of indicators.	Smart indicators will be implemented to address the finding on planned outcomes to actual outcomes.

T 6.2.2

# Chapter 6

## AUDITOR GENERAL REPORT ON THE FINANCIAL STATEMENTS: 2022/23

AG Report Attached as Annexure C of this Annual Report

**Delete Directive note once comment is completed** - Attach report.

T 6.2.3

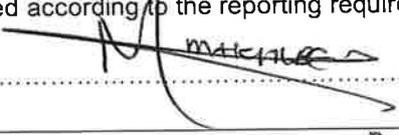
## COMMENTS ON AUDITOR-GENERAL'S OPINION YEAR 0:

**Delete Directive note once comment is completed** - Provide comments from the Municipal Manager / CFO on the Auditor-General's opinion. Include comments on year 0 if it provides useful context.

T 6.2.4

## COMMENTS ON MFMA SECTION 71 RESPONSIBILITIES:

Section 71 of the MFMA requires municipalities to return a series of financial performance data to the National Treasury at specified intervals throughout the year. The Chief Financial Officer states that these data sets have been returned according to the reporting requirements.

Signed (Chief Financial Officer).......... Dated

T 6.2.5

# GLOSSARY

## GLOSSARY

<b>Accessibility indicators</b>	Explore whether the intended beneficiaries are able to access services or outputs.
<b>Accountability documents</b>	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.
<b>Activities</b>	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".
<b>Adequacy indicators</b>	The quantity of input or output relative to the need or demand.
<b>Annual Report</b>	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.
<b>Approved Budget</b>	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
<b>Baseline</b>	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.
<b>Basic municipal service</b>	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
<b>Budget year</b>	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
<b>Cost indicators</b>	The overall cost or expenditure of producing a specified quantity of outputs.
<b>Distribution indicators</b>	The distribution of capacity to deliver services.
<b>Financial Statements</b>	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.
<b>General performance indicators</b>	<b>Key</b> After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
<b>Impact</b>	The results of achieving specific outcomes, such as reducing poverty and creating jobs.

# GLOSSARY

<b>Inputs</b>	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.
<b>Integrated Development Plan (IDP)</b>	Set out municipal goals and development plans.
<b>National Key performance areas</b>	<ul style="list-style-type: none"> <li>• Service delivery &amp; infrastructure</li> <li>• Economic development</li> <li>• Municipal transformation and institutional development</li> <li>• Financial viability and management</li> <li>• Good governance and community participation</li> </ul>
<b>Outcomes</b>	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".
<b>Outputs</b>	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
<b>Performance Indicator</b>	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)
<b>Performance Information</b>	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
<b>Performance Standards:</b>	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
<b>Performance Targets:</b>	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

# GLOSSARY

	achieve within a given time period.
<b>Service Delivery Budget Implementation Plan</b>	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.
<b>Vote:</b>	<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

## APPENDICES

### APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

#### Councillors, Committees Allocated and Council Attendance

Council Members	Full Time/Part Time	Committees Allocated	*Ward and /or Party Represented	Percentage Council Meetings Attendances	Percentage Apologies for non-attendance
	FT/PT			100%	100%
N BEST	FT	EXECUTIVE MAYOR	ANC	100%	0%
MR CHALATSI	PT	HUMAN SETTLEMENT & LAND DEVELOPMENT	EFF	60%	30%
M CILIZA	PT	SPORT, RECREATION, ARTS & CULTURE	AIC	50%	20%
		MPAC MEMBER			
WA FIHLA	PT	LED, TOURISM & COMMUNITY DEVELOPMENT	DA	90%	10%
		MPAC MEMBER			
NW GCWALANGOBHUTHI	PT	PUBLIC SAFETY & TRANSPORT	UDM	60%	20%
		MPAC MEMBER			
CY KGAKATSE	PT	WATER, ELECTRICITY & GAS,	DA	40%	10%

# APPENDICES

		LED, TOURISM & COMMUNITY DEVELOPMENT			
		HEALTH & SOCIAL DEVELOPMENT			
SMHA KHAN	PT	FINANCE	EFF	80%	10%
L LEGABE	PT	LED, TOURISM & COMMUNITY DEVELOPMENT	EFF	80%	0%
		INTERGRATED ENVIRONMENTAL MANAGEMENT			
		MPAC MEMBER			
N LETLABIKA	PT	HEALTH & SOCIAL DEVELOPMENT	ANC	80%	20%
		LED, TOURISM & COMMUNITY DEVELOPMENT			
		INTERGRATED ENVIRONMENTAL MANAGEMENT			
		SPORTS RECREATUION & CULTURE			
RG LUBBE	PT	LED, TOURISM & COMMUNITY DEVELOPMENT	VFP	80%	20%
		CORPORATE & SHARED SERVICES			
		FINANCE			
T MALATJIE	PT	MPAC MEMBER	IND	80%	10%
LI MANGALISO	PT	WATER, ELECTRICITY & GAS	ANC	90%	0%
		PUBLIC SAFETY & TRANSPORT			
		FINANCE			
		ROADS, STORMWATER & PUBLIC WORKS			
		MPAC MEMBER			
L MARITZ	PT	PUBLIC SAFETY & TRANSPORT	DA	60%	20%

# APPENDICES

		SPORTS RECREATION & CULTURE			
TR MASIU	PT	WATER, ELECTRICITY & GAS	ANC	100%	0%
		CORPORATE & SHARED SERVICES			
		INTERGRATED ENVIRONMENTAL MANAGEMENT			
		FINANCE			
J MATABANE	PT	PUBLIC SAFETY & TRANSPORT	EFF	90%	0%
GE MBALISO	FT	MMC: LED, TOURISM & COMMUNITY DEVELOPMENT	ANC	100%	0%
SB MBECHENI	PT	HEALTH & SOCIAL DEVELOPMENT	EFF	90%	0%
N MCETYWA	FT	MMC: PUBLIC SAFETY & TRANSPORT	ANC	80%	20%
LA MGANU	FT	MMC: WATER, ELECTRICITY & GAS	ANC	60%	40%
DL MYILIBE	PT	HEALTH & SOCIAL DEVELOPMENT	ANC	90%	0%
		CORPORATE & SHARED SERVICES			
		SPORTS RECREATION & CULTURE			
		ROADS, STORMWATER & PUBLIC WORKS			
		HUMAN SETTLEMENT & LAND DEVELOPMENT			
TM MNQANDI	PT	PUBLIC SAFETY & TRANSPORT	ANC	100%	0%
		WATER, ELECTRICITY & GAS			
		FINANCE			

# APPENDICES

		HEALTH & SOCIAL DEVELOPMENT			
		HUMAN SETTLEMENT & LAND DEVELOPMENT			
		MPAC MEMBER			
T MOKUKE	FT	CHIEF WHIP	ANC	70%	10%
TD MOLATLHEGI	PT	WATER, ELECTRICITY & GAS	ANC	100%	0%
		HUMAN SETTLEMENT & LAND DEVELOPMENT			
		SPORTS RECREATION, ARTS & CULTURE			
		LED, TOURISM & COMMUNITY DEVELOPMENT			
		PUBLIC SAFETY & TRANSPORT			
ATR MOTSUMI	PT	HEALTH & SOCIAL DEVELOPMENT	ANC	100%	0%
		SPORTS RECREATION, ARTS & CULTURE			
		LED, TOURISM & COMMUNITY DEVELOPMENT			
		PUBLIC SAFETY & TRANSPORT			
M MOYENI	FT	MMC FINANCE	ANC	90%	10%
TE MPHITHIKEZI	FT	SPEAKER OF COUINCIL	ANC	90%	0%
LM MPUPU	PT	FINANCE	ANC	100%	0%
		ROADS, STORMWATER & PUBLIC WORKS			

# APPENDICES

		SPORTS RECREATION, ARTS & CULTURE			
		INTERGRATED ENVIRONMENTAL MANAGEMENT			
ET MTEMBU	PT	CORPORATE & SHARED SERVICES	EFF	80%	0%
Z MTETO	PT	HEALTH & SOCIAL DEVELOPMENT	DA	60%	10%
		HUMAN SETTLEMENT & LAND DEVELOPMENT			
		PUBLIC SAFETY & TRANSPORT			
		INTERGRATED ENVIRONMENTAL MANAGEMENT			
KL NABISO	PT	SPORTS RECREATION, ARTS & CULTURE	EFF	70%	0%
M NAKI	PT	ROADS, STORMWATER & PUBLIC WORKS	ANC	90%	10%
		HEALTH & SOCIAL DEVELOPMENT			
		PUBLIC SAFETY & TRANSPORT			
		CORPORATE & SHARED SERVICES			
M NGQELE	PT	FINANCE	ANC	80%	20%
		ROADS, STORMWATER & PUBLIC WORKS			
		HUMAN SETTLEMENT & LAND DEVELOPMENT			
		LED, TOURISM & COMMUNITY DEVELOPMENT			
		CORPORATE & SHARED SERVICES			
DC NIEUWENHUYZEN	PT	HUMAN SETTLEMENT & LAND DEVELOPMENT	DA	60%	30%

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		SPORTS RECREATION, ARTS & CULTURE			
		WATER, ELECTRICITY & GAS			
MB NKABINDE	PT	ROADS, STORMWATER & PUBLIC WORKS	ANC	90%	10%
		LED, TOURISM & COMMUNITY DEVELOPMENT			
		CORPORATE & SHARED SERVICES			
		INTERGRATED ENVIRONMENTAL MANAGEMENT			
VB NKWANYANA	FT	SPORTS RECREATION, ARTS & CULTURE	IFP	80%	20%
M NTABENI	PT	ROADS, STORMWATER & PUBLIC WORKS	MAC	80%	20%
		HUMAN SETTLEMENT & LAND DEVELOPMENT			
		SPORTS RECREATION, ARTS & CULTURE			
		INTERGRATED ENVIRONMENTAL MANAGEMENT			
		WATER, ELECTRICITY & GAS			
MA MANTILANE	PT	FINANCE	MAC	80%	0%
		HEALTH & SOCIAL DEVELOPMENT			
		LED, TOURISM & COMMUNITY DEVELOPMENT			
		PUBLIC SAFETY & TRANSPORT			
		CORPORATE & SHARED SERVICES			
		MPAC MEMBER			

# APPENDICES

PEB O'RILEY	PT	HEALTH & SOCIAL DEVELOPMENT	MAC	100%	0%
		HUMAN SETTLEMENT & LAND DEVELOPMENT			
		SPORTS RECREATION, ARTS & CULTURE			
		MPAC MEMBER			
AM PHENDUKA	FT	MPAC CHAIRPERSON	ANC	100%	0%
NC PITLELE	PT	FINANCE	ANC	100%	0%
		HUMAN SETTLEMENT & LAND DEVELOPMENT			
		PUBLIC SAFETY & TRANSPORT			
		WATER, ELECTRICITY & GAS			
CMD REBELO	PT	FINANCE	DA	100%	0%
		PUBLIC SAFETY & TRANSPORT			
		WATER, ELECTRICITY & GAS			
PN SEFAKO	FT	MMC: HUMAN SETTLEMENT & LAND DEVELOPMENT	ANC	90%	10%
DM SEGAKWENG	FT	MMC: INTEGRATED ENVIRONMENTAL MANAGEMENT	ANC	100%	0%
GM SELLO	FT	MMC: CORPORATE & SHARED SERVICES	ANC	90%	0%
ET SOYIPA	PT	WATER, ELECTRICITY & GAS	EFF	90%	0%

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CS STEENKAMP	PT	FINANCE	DA	70%	10%
		ROADS, STORMWATER & PUBLIC WORKS			
		CORPORATE & SHARED SERVICES			
DV TABANE	FT	MMC: ROADS, STORMWATER & PUBLIC WORKS	ANC	100%	0%
SI TLHARIPE	PT	HEALTH & SOCIAL DEVELOPMENT	ANC	90%	0%
		LED, TOURISM & COMMUNITY DEVELOPMENT			
		CORPORATE & SHARED SERVICES			
		INTERGRATED ENVIRONMENTAL MANAGEMENT			
		WATER, ELECTRICITY & GAS			
		MPAC MEMBER			
E TIBANE	FT	MMC: HEALTH & SOCIAL DEVELOPMENT	ANC	90%	10%
SJ TLHAPI	PT	ROADS, STORMWATER & PUBLIC WORKS	DA	70%	10%
		HEALTH & SOCIAL DEVELOPMENT			
		INTERGRATED ENVIRONMENTAL MANAGEMENT			
VM TYELINGANE	PT	HEALTH & SOCIAL DEVELOPMENT	ANC	80%	10%
		SPORTS RECREATION, ARTS & CULTURE			
		PUBLIC SAFETY & TRANSPORT			
		INTERGRATED ENVIRONMENTAL MANAGEMENT			

# APPENDICES

		WATER, ELECTRICITY & GAS			
B VAN DER BERG	PT	PUBLIC SAFETY & TRANSPORT	VFP	80%	10%
DF VAN DER HOFF	PT	ROADS, STORMWATER & PUBLIC WORKS	VFP	100%	0%
		INTERGRATED ENVIRONMENTAL MANAGEMENT			
NE WANA	PT	ROADS, STORMWATER & PUBLIC WORKS	EFF	80%	0%
JDW ZWART	PT	FINANCE	DA	70%	20%
Note* Councillors appointed on a proportional basis do not have wards allocated to them					TA

## Concerning T A

The above percentages are based on the attendance of scheduled ordinary Council meetings, as well as non-scheduled (urgent/special) Council meetings. The attendance of Section 80 and Section 79 committees is not considered for the purpose of calculating the attendance percentages.

Most of the decision-making of a local government takes place in Council meetings, from passing ordinances and approving budgets, these meetings are essential for the functioning of a city. The table above illustrates high level of attendance both in scheduled and non-scheduled Council meetings.

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# APPENDICES

## APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

<b>Committees (other than Mayoral / Executive Committee) and Purposes of Committees</b>	
<b>Municipal Committees</b>	<b>Purpose of Committee</b>
<b>Audit Committee</b> 1. Mr L Konar CA(SA) (Chairperson) 2. Mr L Mangquku CA(SA) 3. Mr M Maseko 4. Mr L Ravhuhali CA(SA) 5. Mr B Ahmed CA(SA)	Section 166(2) of the MFMA regulates the functions of the Audit Committee, its powers, composition and frequency of meetings, as it seeks to provide minimum requirements to be complied with. The Audit Committee is an independent advisory body to the municipal council, the political office-bearers, the accounting officer and the management and staff of the municipality, or board of directors, the accounting officer and the management staff of the municipal entity. It is primarily responsible for oversight over the organization's governance, legislative compliance, control and risk management processes.
<b>Performance Audit Committee</b> 1. Mr. M Mongalo (Chairperson) 2. Mr S Khoza 3. Ms O Senokoane 4. Mr P Fourie CA(SA) 5. Mr A Mangokwana	Regulation 14(2) (a) of the Municipal Planning and Performance Management Regulations, 2001 requires that each Municipality must annually appoint and budget for the Performance Audit Committee. Regulation 14(4) (a) of the Municipal Planning and Performance Management Regulations, 2001 states functions and responsibilities of the Performance Audit Committee. The primary objective of the Performance Audit Committee is to exercise oversight over the West Rand municipalities' performance and performance management processes.
<b>MPAC Committee – Section 79 Committee</b>	Oversight role on the activities of Council as well as an oversight role on the Annual Report

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# APPENDICES

## APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE

DEPARTMENT/SECTION	DETAILS OF MANAGER
<b>POLITICAL SUPPORT</b>	
Office of the Mayor	PI Mahlatsi (Mr)
Office of the Speaker	B Mjiwu (Ms)
Office of the Chief Whip	D Mosolotsane (Mr)
<b>OFFICE OF THE MM</b>	
Internal Audit	V Manthata(Ms)
Risk Management	E Segakweng-Diale(Ms)
Programme Management Office	E Ngamashe(Ms)
<b>CORPORATE SUPPORT AND SHARED SERVICES</b>	
Industrial Relations	SB Mazibuko (Mr)
Information Communications and Technology	S Segone(Mr)
Human Capital	Vacant
Legal and Secretariat	Vacant W Sejake(Mr) (Acting)
Corporate Marketing and Communications	Vacant B Mkhontwana (Ms) (Acting)
<b>FINANCE</b>	
Budget and Treasury and Expenditure:	S Ngobese (Mr)
Revenue and Credit Control:	Vacant J Segakweng (Mr) (Acting)
Supply Chain Management	J Magongwa (Ms)
<b>COMMUNITY SERVICES</b>	
Social Development	BI Seatlholo(Ms)
Waste Management	Vacant M Mavhutha(Mr ) (Acting)

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Public Safety	P Olivier (Mr) (Acting)
SRACH & Lis	Vacant Michael Msukwini (Mr) (Acting)
<b>ECONOMIC DEVELOPMENT AND PLANNING</b>	
Housing and Administration	L Jofile (Mr)
Spatial Planning	J Smith (Mr)
Local Economic Development	C De Jager (Mr) (Acting)
<b>INFRASTRUCTURE DEVELOPMENT</b>	
Electrical Services	E Shange(Mr)
Water and Sanitation Services	Vacant Thulani Bonkolo (Mr) (Acting)
Civil Engineering	Ms N Moyo (Ms)
Project Management Unit	Vacant D Ngoasheng (Mr) (Acting)

## APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

<b>Municipal / Entity Functions</b>		
<b>MUNICIPAL FUNCTIONS</b>	<b>Function Applicable to Municipality (Yes / No)*</b>	<b>Function Applicable to Entity (Yes / No)</b>
<b>Constitution Schedule 4, Part B functions:</b>		
Air pollution	No	Yes
Building regulations	Yes	Yes
Child care facilities	Yes	Yes
Electricity and gas reticulation	Yes	Yes
Firefighting services	No	Yes
Local tourism	Yes	Yes
Municipal airports	No	No
Municipal planning	Yes	Yes
Municipal health services	No	Yes
Municipal public transport	No	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	Yes
Pontoons, ferries, jetties, piers and harbors, excluding the regulation of international and national shipping and matters related thereto	No	No
Stormwater management systems in built-up areas	Yes	Yes

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Trading regulations	Yes	Yes
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	Yes	Yes
Beaches and amusement facilities	No	No
Billboards and the display of advertisements in public places	Yes	Yes
Cemeteries, funeral parlors and crematoria	Yes	Yes
Cleansing	Yes	Yes
Control of public nuisances	Yes	Yes
Control of undertakings that sell liquor to the public	Yes	Yes
Facilities for the accommodation, care and burial of animals	No	No
Fencing and fences	No	Yes
Licensing of dogs	No	Yes
Licensing and control of undertakings that sell food to the public	Yes	Yes
Local amenities	Yes	Yes
Local sport facilities	Yes	Yes
Markets	No	Yes
Municipal abattoirs	No	No
Municipal parks and recreation	Yes	Yes
Municipal roads	Yes	Yes
Noise pollution	No	Yes
Pounds	Yes	Yes
Public places	Yes	Yes
Refuse removal, refuse dumps and solid waste disposal	Yes	Yes
Street trading	Yes	Yes
Street lighting	Yes	Yes
Traffic and parking	Yes	Yes
<i>* If municipality: indicate (yes or No); * If entity: Provide name of entity</i>		T D

# APPENDICES

## APPENDIX E – WARD REPORTING

Wards	Name of a ward councillor and committee member 2022/2023	Committee established	Number of committee meeting held during the year	Number of monthly reports submitted to the Speaker's office on time	Number of quarterly public ward meetings held during the year
1	<b>CIlr A.T.R. MOTSUMI</b> Boqwana Deon Legoete Tebogo Mashapa Sydney Magwaza Sello Petrus Kula Johanne Manyedi Mavis Mashapa Lerato Phatswane Rebecca Nhlapo Jeremia Leping Johannes	YES	12	12	02
2	<b>CIlr T.M. MNQANDI</b> Lefifi Elsie Mohapi Lebohlang Senatla Kgomotso Nkentshane Lucas Jokozela Mbabaza Gloria Vas Zodwa Nazo Mapule Mosoche Maria Gwala Sophie Nkopane Portia	YES	12	12	03
3	<b>CIlr E. TIBANE</b> Sikhenjane Sabata Andries Silimela Linah Nghenabo Bridget Moloko Nellie Hlwili Nompumelelo Ngesi Nomalizo	YES	12	12	01

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	Molefe Gogo Maria Masetle Lieketseng Angelina Nthibane Lisebo Emily Khoza Patrick Lebelekwana				
4	<b>CIlr F.A MOTLOUNG</b> Bathebeng Thabo Rabanye Ntsoaki Patricia Cebisa Zwelinzima Ntuli Helen Makoko Ntabeleng Mtshengu Vuiswa Agnes Ntsheyang Thandiwe Wasa Ncumisa Makeleni Mavis Mnyamana Amanda	YES	12	12	0
5	<b>CIlr N. MCETYWA</b> Spamla Nontsikelelo Nxumalo Sibusiso Tobayo Nosipho Sylvia Zembe Tabisa Ndude Nosidima Goshobe Nontsikelelo Kanyiwe Zanele Leduba Nthabeleng	YES	12	12	03
6	<b>CIlr L.I. MANGALISO</b> Dilima Lindiwe Monama Vuyelwa Siwa Msiya Moeketsi Moses Busakwe Precious Talita Khalipha Esak Meno Ncwane Pual Stephane Mgqubeni Noluvuyo Patricia Kula Daniel Ndabankulu CN	YES	12	12	02
7	<b>CIlr D.M. SEGAKWENG</b>  Mogale Princess Medupe Boitumelo Ramantsi Moseitlha Baas Oupa Joseph Kgatitsoe Kelebogile Kekana Itumeleng	YES	12	12	04

# APPENDICES

	Makhoba Thulani Nkomane Sibusiso Magwaza Nobuhle Maseko Mathapelo				
8	<b>CIlr M.B. NKABINDE</b>  Mabitsa Ndleleni Madikizela Yonela Coliath Nomakhosazana Ziqotyana Nocawe  Tsetetsi Golden Phiri Mmenyama Erestina Foteng Kenneth Mhlanga Nosipho Tabane Elias KGOBE MOTI	YES	12	12	04
9	<b>CIlr N.C. PITLELE</b>  Meletse Aletta Silli Motlhaoleng Seabelo Andrew Rabuthu Thabang Elisas Myeni Elliot Montsho Miriam M Mokhahlane Pule Mabote Hans Seete Alinah Motlalepula Mathebula Khensani S Moya Aaron	YES	12	12	03
10	<b>CIlr T.R. MASIU</b> Matabane Mathapelo Rabele Tebogo Marubyane Mponeng Legoete Monosi Ephraim Moremi Boitumelo Mlotshwa Princess Dlamini Siphon Musa Faxayi Thandiwe Joyce Lecwamotse Gabriel Merriana Digwamaje Dikeledi Rebecca	YES	12	12	01
11	<b>CIlr N. LETLABIKA</b>  Modibane Obakeng SiyenguPrester Delibango Mazwi Sampson Tembisele	YES	12	12	04

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	Gxulu Akhona Cosa Zukhanye Siniu Richard Mbulelo Tungela Ncumisa Mazwi Nonzukiso Sivungu Nolubabalo Gamthini Mthandazelwa				
12	<b>CIlr T. MOKUKE</b> Ntori Mahao Lebabo Martin Moeketsi Ncana Given Nake Nomsa Agnes Ncebeni Elizabeth Sethole Suzan Tekana Martha Bokale Gloria Mathapelo Daniel Belinda Itumeleng Telile Thabo	YES	12	12	03
13	<b>CIlr E.T. MTHEMBU</b> Ndamase Zukisiwa Mbina Nontobeko Madibi Phillip Chola Xoliswa Slyvia Saia Benjamin Maluleka Gezani Thomas Khetshana Nontobeko Senteni Fundisile Balintulo Yolanda Lutshetu Sinovuyo	YES	12	12	0
14	<b>CIlr L. MARITZ</b> Nieuwoudt Casper Willhemnus Albertus Hahingh Francois Arnoldus Michau Barend Van der Merwe Corn Van Den Berg Jacob Petronella van der Merve Jacobus Pieter Matlala Simon Hattingh Heidi Bouwer Nadine Van Der Merwe Corne	YES	12	12	01
15	<b>L. MGANU</b>	YES	12	12	0

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	<p>Sicwebu Zimasa  Mbuli Yoleka  Mtyhida Sikelelwa  Ndamase Mxolisi  May Siyoyo  Manqokomelana Ntombentle  Mosebetsane Ntuseng  Mpiti Tlotliso  Sotyingwa Amanda  Langa Zandiswa</p>				
16	<p>D.H.HARMAN  Dlamini Florence  QOLO GLADYS NOMVULA  Hlalele Thapelo  Phakoago Agnes  Nogaga Siviwe  Wana Annah N  Lekhooa Kekeletso  Mohutsiwa Hilda  Tsholo Martha  Esterhuizen Jacobus</p>	YES	12	12	02
17	<p><b>Cllr C.S. STEENKAMP</b>  Botlholo Alfred  Matomela Nomfundo  Stuurman Aphiwe  Makgota Fannie  Molotsi Moelo  Mokgatsi Joseph  Letsie Motsabi Aletta  Ntsoabole Abusiswe  Matsepe Reginah  Fischer Nicelle</p>	YES	12	12	01
18	<p><b>Cllr S.I. TLHARIPE</b>  van Rooyen Patricia  Mphahlele Blantina  Leoto Phamphillia Mamokhoo  Mokoto David  Nhlapo Veronica  Maile David  Mtimkulu Victoria  Zungu Thembu  Ramncwana Inganathi  Serekego Magudi Alina</p>	YES	12	12	02

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19	<b>CIlr V.M. TYELINGANE</b> Mzukwa Liziwe Ranana Xolani Sixhanti Aphelele Zozoyama Bongile Mpanza Lungani Phohlo Mampho Deyi Zukiswa Chakuua Poni Mhlongo Sthembile Cebani Noziphiwe	YES	12	12	01
20	<b>CIlr M. NGQELE</b> Titi Ziyanda Pito Luyanda Chabagae Maria Thuthubudu Ntutu Babalwa Mkhetsu Zanele Zituta Lunga DentiNomthandazo Mzomba Nomvula Kama Phumla Jobo Nonkanyiso Melba	YES	12	12	02
21	<b>CIlr J.D.W. ZWART</b> Vermaas Zonder Berni Groenewald Elvis Makhaya Tsidi Pheiffer Richard Dean Willemse Mandu Pricilla Fourie Mathapelo Leboko Jabulani Philemon Zwelibanzi Bettie Isaaks Abraham Jackson Moerane Ephraim	YES	12	12	0
22	<b>CIlr A.M. PHENDUKA</b> Ndlovu Buti Isaac Letloenyane Abel Thabo Mootsi Dora Masesi Phajane John Moeletsi Ndayi Elsie N Okolo Lindela Obos Nonhlupheko Peggy Qekelana Fezeka Menyatso Matlhomola Molefe Siphoh Johannes	YES	12	12	01

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23	<b>CIlr L.M. MPUPU</b> Ngxabani Xoliswa Mdingi Phumlani Mvimbi Nomalungisa Tshemese Faniswa Ntutha Nomthandazo Sebakwe Iris Pito Bukiwe Nelicia Philiswa Mzolisa Mohloboli Seeshe Simon Zondo Siyabonga	YES	12	12	03
24	<b>CIlr T.D. MOLATLEGI</b> Thholoe Isaac Pappie Mogale Gosalamang Ruth Diale Mosiua Daniel Motaung Lucas M Mnqwazi Mandlana Edward Misapitso Mary Motlalepule Banda Sipiwe James Kani Thobile Konopi Majoro Jonqo Thandi Alice	YES	12	12	0
25	<b>CIlr D.L. MAYILIBE</b> Ndzilane Ntobekhaya Vimba Mthuthuzeli William Gundane Sisina Ramotapi Buti Jacob Booï Noluthando Molefe Motlalepule C Moloko Alpheus Ngwanya Saulina Deliwe Koti Asanda Robert Phato Esther	YES	12	12	05
26	<b>CIlr G.E. MBALISO</b> Phenduka Lindiwe Lizzy Shabalala Loyiso Setona Palesa Rose Kumalo Nonhlanhla Goodness Mokoena Ntebaleng Emily Thiko Nomvula Mphumela Thomas Malefane Noyozanele Alinah Mpeke Matshepang	YES	12	12	0

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	Phopoye Tshepiso				
27	<b>Cllr M. NAKI</b> Bungalipeli Mbulelo Medichane Orapeleng Seribe Kabelo Landu Princess Bhota Anelisa  Khohli Nozandisa Mokone Moipone Somdaka Babalwa Mtshali Honjiswa Sitshongaye Nomawethu	YES	12	12	0
28	<b>Cllr C.MD. REBELLO</b> Leballo Tseliso Zungu Constance Mgqaliso Raymond Ngqasa Chuene Jane Fanie Phuthuma Axole Segau Molwanta Abraham Mkonza Anna Mafulane Templeton John Ntsimane Maria	YES	12	12	0
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# APPENDICES

## APPENDIX G1 – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE YEAR 2022/2023

<b>Municipal Audit Committee Recommendations</b>		
<b>Date of Committee</b>	<b>Committee recommendations during Year 0</b>	<b>Recommendations adopted (enter Yes) If not adopted (provide explanation)</b>
22/08/2022	All resolutions taken by the Audit Committee should have timelines with fixed dates for implementation.	Yes
	The approved Audit Committee Charter (2022/2023) to be tabled to Council for adoption.	Yes
	Internal Audit Unit to set firm deadlines with fixed dates for all findings indicated as still in-progress.	Yes
	The Municipality must consider appointing one (1) external person in the ICT Steering Committee as it still have financial constraints to appoint two.  The Municipality to appoint two (2) external members that are experienced in ICT who will add value to the deliberations, challenge what happens from an internal point of view and provide professional advice to the Municipality.	No Municipality is unable to appoint external ICT Steering committee members due to limited resources, the external members will be appointed as soon as Merafong's finances improve.
	The Litigation and Contingency Liability Report to be amended to include a column indicating age analysis for each case that is pending or waiting for judgement.	Yes
	The Status of Labour Matters Report to be amended to include a column indicating age analysis for each case that is pending or waiting for judgement.	Yes
	The Status of Disciplinary Cases Report to be amended to include a column indicating age analysis for each case that is pending or waiting for judgement.	Yes
23/08/2022	The following agenda items to be referred back for revision and corrections by management: - Draft Annual Financial Statements (2021/2022) - Internal Audit Report on the Draft Annual Financial Statements (2021/2022) - Draft Annual Performance Report (2021/2022) - Internal Audit Report on the Draft Annual Performance Report (2021/2022)	Yes
	Internal Audit to arrange another joint special Audit Committee and Performance Audit Committee meeting on a future date to be determined by management, which should be prior to the deadline of the 31 August 2022.  No sitting allowance/fee to be paid for the meeting of 23 August 2022 and the budgeted fee for the joint meeting to apply for payment of the next meeting	Yes  Yes

# APPENDICES

Municipal Audit Committee Recommendations		
Date of Committee	Committee recommendations during Year 0	Recommendations adopted (enter Yes) if not adopted (provide explanation)
	that will be arranged.	
23/08/2022	The Draft Annual Report (2021/2022) to be referred back and be considered at a later date that will be determined by management.	Yes
27/09/2022	AGSA Engagement Letter: The AG Directive and the scoping technical guidance memo, which is applicable to the cycle being audited mentioned on paragraph 23 of the Engagement Letter to be provided to the Audit Committee for information purposes.  The Audit Committee recommended the tabling of the Engagement Letter to Council, the recommendation was moved by Mr. Mangquku and seconded by Mr. Fourie.	Yes  Yes
	AGSA Audit Strategy: The AGSA to include the structure of the Audit Steering Committee under paragraph 5. The paragraph to also be amended and be specific on who attends the meeting as not all those in charge with governance attend the weekly meetings as mentioned e.g. Performance Audit Committee does not meet weekly or given weekly updates on the progress of the audit.  The AGSA to submit a report to indicate the steps taken to assess the work of Internal Audit and the conclusion that was reached. The report to be sent to the Audit Committee for information purposes.	Yes  Yes
	The Auditor-General to provide the Audit Committee with an expenditure analysis outlining a detailed breakdown of the audit fee, hours spent per activity and fees paid to consultants enlisted by the Auditor-General to assist with the audit.	Yes
	The Audit Committee recommended the tabling of the Audit Strategy, 30 June 2022 to Council.	Yes
30/11/2022	The minutes of the meeting held 27 September 2022 deferred to the next ordinary Audit Committee meeting. The Minutes approved during the meeting held 13 December 2022.	Yes
	The Matters Arising/Action List deferred to the next ordinary Audit Committee meeting. An update on Matters Arising/Action List was provided during the meeting held 13 December 2022.	Yes
	The Acting Municipal Manager to table a report to the Audit Committee with details on the turn-around strategies and actions plans that will be deployed to improve performance of the Municipality and that continuous updates be provided to the Audit Committee on the status of implementation of the action plans.	Yes

# APPENDICES

<b>Municipal Audit Committee Recommendations</b>		
<b>Date of Committee</b>	<b>Committee recommendations during Year 0</b>	<b>Recommendations adopted (enter Yes) If not adopted (provide explanation)</b>
13/12/2022	The Acting Chief Financial Officer to provide a report on the outcome of the finance induction and the analysis of the environment in the Finance Department i.e. of capacity, capability and all challenges identified in the Department.	Yes
	The Risk Management Report and the Risk Management Chairperson report to be consolidated into one report.	Yes
08/02/2023	Internal Audit Unit to include information of hours budgeted for and the actual hours spent on audit projects.	Yes
	Management to start immediately to implement corrective measures to address findings on contract management. Feedback to be provided in the next Audit Committee on actions plans that are put in place to address findings on contract management.	No Out of 3 Audit findings, all three findings are still in progress, as this include development of Contract Management Policy. The Standard Operating Procedures have been developed and awaiting the approval of the Organizational Structure to address delegations contained in the SOPs.
	The Acting Chief Financial Officer to investigate whether Mailtronic Direct Marketing CC is listed in the SCM database of the Municipality, feedback to be provided in the next meeting.	Yes
26/06/2023	The scope of the ICT Report to be expanded to cover other key ICT governance areas as outlined in the DPSA ICT Framework.	Yes
	The ICT Report to also include information on ICT projects and appraisal of the functionality of electronic systems used by the Municipality such as the automated performance management system and the Caseware system.	No Signing of SLA was finalised. The reporting through system will be done during Q2.
	The Human Resource Report include discussions on Employee relations, Employee wellness as well as Skills Development and Training.	Yes

During the 2022/2023 financial year, the Audit Committee took twenty-nine (29) resolutions, twenty-six (26) were completed and six (3) were not implemented.

## APPENDIX G2 – RECOMMENDATIONS OF THE MUNICIPAL PERFORMANCE AUDIT COMMITTEE YEAR 2022/2023

<b>DATE OF MEETINGS</b>	<b>NO# OF RESOLUTIONS</b>	<b>STATUS</b>	
		<b>COMPLETED</b>	<b>INCOMPLETE</b>
08/12/2022 26/01/2023 08/06/2022	During the 2022/2023 financial year, the Performance Audit Committee took thirteen (13) resolutions.	Seven (7)	Six (6)

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# APPENDICES

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# VOLUME II

APPENDIX K: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

APPENDIX K (i): REVENUE COLLECTION PERFORMANCE BY VOTE

# Contents

Vote Description	R' 000				R' 000 Year 2022/23 Variance Adjustment & Budget	8%
	Year 2021/22 Actual	Original Budget	Adjusted Budget	Actual		
<b>Municipal Manager</b>	209,00	1 565,00	1 565,00	124,00	124,00	8%
MUNICIPAL MANAGER	0	-	-	-	-	-
GENERAL MANAGER	0	-	-	-	-	-
EXECUTIVE MAYOR	209	1 565,00	1 565,00	124	124	
SPEAKER	0	-	-	-	-	-
CHIEF WHIP	0	-	-	-	-	-
MPAC MUN PUB ACC COM	0	-	-	-	-	-
CHIEF OF STAFF	0	-	-	-	-	-
<b>Finance</b>	<b>836 895,00</b>	<b>923 233,00</b>	<b>448 876,00</b>	<b>3 157 949,00</b>	<b>125%</b>	<b>258%</b>
BUDGET & TREASURY OFFICE	66 591	284 030,00	287 284,00	312 582	312 582	
S.E. FINANCE CFO	180 164	117 798,00	118 716,00	160 270	160 270	
GRANDFUTURE	0	-	-	0	0	
CONTROL AND CLIENT SERVICES	383	319,00	455,00	528	528	
SUPPLY CHAIN MANAGEMENT	589 629	518 214,00	39 571,00	684 562	684 562	
RATES & TAXES	0	2 850,00	-	0	0	
FINANCE : INTERNS	128	-	-	0	0	
SALE OF ASSETS	0	-	-	0	0	
ASSET WRITTEN-OFF ACCOUNT	0	-	-	0	0	
<b>Economic Development and Planning</b>	<b>1 274 167,03</b>	<b>1 308 542,00</b>	<b>939 623,00</b>	<b>908 709,52</b>	<b>69%</b>	<b>97%</b>
BUILDING CONTROL	766	569,00	574,00	614	614	
S.E. ECONOMIC DEVELOPMENT & PLANNING	0	-	-	0	0	
SPECIAL PLANNING & ENVIRONMENTAL DEVEL	1 009	654,00	1 494,00	1 462	1 462	
SOCIAL HOUSING	1 272 399	1 308 319,00	937 255,00	906 602	906 602	
HOUSING ADMINISTRATION	0	-	-	0	0	
<b>Infrastructure Development</b>	<b>760 715,00</b>	<b>902 821,00</b>	<b>754 918,00</b>	<b>586 377,00</b>	<b>65%</b>	<b>78%</b>
MUNICIPAL BUILDINGS	-8	-16,00	-4,00	(0)	(0)	
MANAGER CIVIL ENGINEERING	103	81,00	81,00	0	0	
PROJECT MANAGEMENT UNIT	0	-	-	-	-	
MANAGER CIVIL ENGINEERING	0	-	-	-	-	
PUBLIC WORKS	0	-	-	-	-	
ROADS & STORMWATER	1	8,00	81,00	0	0	
S.E. INFRASTRUCTURE	0	1,00	1,00	0	0	
FACILITIES MANAGEMENT	1	1,00	1,00	0	0	
OCCUPATIONAL HEALTH AND SAFETY/EQUIP	114	98,00	98,00	0	0	
SEWER NEW CONNECTIONS	1	1,00	1,00	83	83	
WATER CARE WORKS	1	1,00	1,00	222	222	
WATER	415 207	533 116,00	528 651,00	25,00	25,00	
WATER NEW CONNECTIONS	36	369 530,00	225 784,00	289	289	
ELECTRICITY DISTRIBUTION	345 196	-	198,00	1	1	
ELECTRICITY NEW CONNECTIONS	0	-	-	0	0	
SALARYDIV.ACC.-WATER	0	-	-	0	0	
<b>Electricity</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>
SALARYDIV.ACC.-ELEC.TEST	0	-	-	0	0	
<b>Community Services</b>	<b>181 911,92</b>	<b>133 002,00</b>	<b>215 540,00</b>	<b>78 705,64</b>	<b>59%</b>	<b>37%</b>
LIBRARY	0	-	-	0	0	
S.E. COMMUNITY SERVICES	1	1,00	1,00	1	1	
PARKS	0	-	-	0	0	
SPORT COMPLEX Carletonville	61 641	-	67 245,00	67 245	67 245	
MANAGER SRACH.LIS and Parks	0	-	-	0	0	
SOCIAL DEVELOPMENT	0	-	-	0	0	
TRAFFIC & LICENSING	3 523	2 196,00	22 112,00	2 292	2 292	
SECURITY	0	-	-	0	0	
LIBRARIES	123	18 571,00	18 523,00	318	318	
CEMETARY	443	486,00	330,00	346	346	
REFUSE REMOVAL	116 183	111 748,00	107 329,00	8 504	8 504	
<b>Chief Operating Officer</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>
Chief Operating Officer	0	-	-	0	0	
Chief Operating Officer	0	-	-	0	0	
<b>RISK MANAGEMENT</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>0%</b>
IDP/PMS	0	-	-	0	0	
DONATIONS	0	-	-	0	0	
INTERNAL AUDIT	0	-	-	0	0	
<b>Shared Services</b>	<b>447,00</b>	<b>9 473,00</b>	<b>2 089,00</b>	<b>468,00</b>	<b>5%</b>	<b>22%</b>
IDP Performance Management	0	-	-	0	0	
SECRETARIAT & LEGAL	447	478,00	480,00	477	477	
MUNICIPAL HOUSING	0	-	-	0	0	
S.E. SHARED SERVICES	0	-	-	0	0	
Information Technology	0	-	-	0	0	
HR & SKILLS DEVELOPMENT	0	-	-	0	0	
INDUSTRIAL RELATIONS	0	-	-	0	0	
FLEET MAINTENANCE SERVICES	0	-	-	0	0	
HR Training & Bursaries Management	0	-	-	0	0	
LEARNERS	0	-	-	0	0	
<b>Total Revenue by Vote</b>	<b>3 054</b>	<b>3 280</b>	<b>2 393</b>	<b>2 732</b>	<b>83%</b>	<b>116%</b>
<b>Variance</b>	<b>-226</b>	<b>-236</b>	<b>-887</b>	<b>-636</b>	<b>-19%</b>	<b>-19%</b>
<b>Total Revenue by Vote</b>	<b>3 054</b>	<b>3 280</b>	<b>2 393</b>	<b>2 732</b>	<b>83%</b>	<b>116%</b>
<b>Variance</b>	<b>-226</b>	<b>-236</b>	<b>-887</b>	<b>-636</b>	<b>-19%</b>	<b>-19%</b>

*Variance are calculated by dividing the difference between actual and original/adjusted budget by the actual. This table is aligned to MENS table A3*

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## APPENDIX K (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE

Description	Revenue Collection Performance by Source						R '000
	Year -2021/22		Year 2022/23		Year 2023/24		
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget	
Property rates	567,514	518 215	596 391	684 563	100%	13%	
Property rates - penalties & collection charges							
Service Charges - electricity revenue	257,569	317 806	307 132	276 005	100%	-11%	
Service Charges - water revenue	374,831	403 972	407 737	316 746	100%	-29%	
Service Charges - sanitation revenue	70,389	79 669	80 332	75 864	100%	-6%	
Service Charges - refuse revenue	80,091	86 488	82 747	82 533	100%	0%	
Service Charges - other							
Rentals of facilities and equipment	1,772	1 881	1 516	1 421	100%	-7%	
Interest earned - external investments	5,046	5 000	8 140	12 758	100%	36%	
Interest earned - outstanding debtors	187,953	252 249	253 056	178 042	100%	-42%	
Dividends received							
Fines	44,417	4 764	4 835	3 022	99%	-60%	
Licences and permits	0,708	18 000	18 001	1	45%	-1389274%	
Agency services							
Transfers recognised - operational	256,019	287 245	294 441	259 388	100%	-14%	
Other revenue	21,842	30 640	32 381	25 496	100%	-27%	
Gains on disposal of PPE							
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>1 868,151</b>	<b>2 005 929</b>	<b>2 086 710</b>	<b>1 915 839</b>	<b>99,90%</b>	<b>-8,92%</b>	

Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A4. T K.2

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## APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

Conditional Grants: excluding MIG							R' 000
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)	
				Budget	Adjustments Budget		
INEP	25 167,00	25 167,00	25 617,00	102%	102%		
WSIG	40 420,00	40 420,00	25 481,00	63%	63%		
MINING TOWN	98 304 715,53	98 304 715,53	67 757 235,29	69%	69%		
<b>Total</b>							

\* This includes Neighbourhood Development Partnership Grant, Public Transport Infrastructure and Systems Grant and any other grant excluding Municipal Infrastructure Grant (MIG) which is dealt with in the main report, see T 5.8.3. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. Obtain a list of grants from national and provincial government.

T L

# Contents

COMMENT ON CONDITIONAL GRANTS EXCLUDING MIG:

**Delete Directive note once comment is completed** – Use this box to provide additional information on grant benefits or conditions and reasons for acceptance.

T L.1

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

APPENDIX M (1): CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME

# Contents

Capital Expenditure - New Assets Programme*							R '000
Description	Year -1	Year 0			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
<b>Capital expenditure by Asset Class</b>							
<b>Infrastructure - Total</b>	-	-	-	-	-	-	-
<b>Infrastructure: Road transport - Total</b>	-	-	-	-	-	-	-
Roads, Pavements & Bridges							
Storm water							
<b>Infrastructure: Electricity - Total</b>	-	-	-	-	-	-	-
Generation							
Transmission & Reticulation							
Street Lighting							
<b>Infrastructure: Water - Total</b>	-	-	-	-	-	-	-
Dams & Reservoirs							
Water purification							
Reticulation							
<b>Infrastructure: Sanitation - Total</b>	-	-	-	-	-	-	-
Reticulation							
Sewerage purification							
<b>Infrastructure: Other - Total</b>	-	-	-	-	-	-	-
Waste Management							
Transportation							
Gas							
Other							
<b>Community - Total</b>	-	-	-	-	-	-	-
Parks & gardens							
Sportsfields & stadia							
Swimming pools							
Community halls							
Libraries							
Recreational facilities							
Fire, safety & emergency							
Security and policing							
Buses							
Clinics							
Museums & Art Galleries							
Cemeteries							
Social rental housing							
Other							

Table continued next page

# Contents

Capital Expenditure - New Assets Programme*							R '000
Description	Year -1		Year 0			Planned Capital expenditure	
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
<b>Capital expenditure by Asset Class</b>							
<b>Heritage assets - Total</b>	-	-	-	-	-	-	-
Buildings							
Other							
<b>Investment properties - Total</b>	-	-	-	-	-	-	-
Housing development							
Other							
<b>Other assets</b>	-	-	-	-	-	-	-
General vehicles							
Specialised vehicles							
Plant & equipment							
Computers - hardware/equipment							
Furniture and other office equipment							
Abattoirs							
Markets							
Civic Land and Buildings							
Other Buildings							
Other Land							
Surplus Assets - (Investment or Inventory)							
Other							
<b>Agricultural assets</b>	-	-	-	-	-	-	-
List sub-class							
<b>Biological assets</b>	-	-	-	-	-	-	-
List sub-class							
<b>Intangibles</b>	-	-	-	-	-	-	-
Computers - software & programming							
Other (list sub-class)							
<b>Total Capital Expenditure on new assets</b>	-	-	-	-	-	-	-
<b>Specialised vehicles</b>	-	-	-	-	-	-	-
Refuse							
Fire							
Chiropractic							

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APPENDIX M (ii): CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME

# Contents

Capital Expenditure - Upgrade/Renewal Programme*							R '000
Description	Year -1	Year 0		Planned Capital expenditure			
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
<b>Capital expenditure by Asset Class</b>							
<b>Infrastructure - Total</b>							
Infrastructure: Road transport - Total							
Roads, Pavements & Bridges							
Storm water							
<b>Infrastructure: Electricity - Total</b>							
Generation							
Transmission & Reticalulation							
Street Lighting							
<b>Infrastructure: Water - Total</b>							
Dams & Reservoirs							
Water purification							
Reticalulation							
<b>Infrastructure: Sanitation - Total</b>							
Reticalulation							
Sewerage purification							
<b>Infrastructure: Other - Total</b>							
Waste Management							
Transportation							
Gas							
Other							
<b>Community</b>							
Parks & gardens							
Sportsfields & stadia							
Swimming pools							
Community halls							
Libraries							
Recreational facilities							
Fire, safety & emergency							
Security and policing							
Buses							
Clinics							
Museums & Art Galleries							
Cemeteries							
Social rental housing							
Other							
<b>Heritage assets</b>							
Buildings							
Other							

Table continued next page

# Contents

Capital Expenditure - Upgrade/Renewal Programme*							R '000		
Description	Year -1		Year 0		Planned Capital expenditure				
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY+1	FY+2	FY+3		
<b>Capital expenditure by Asset Class</b>									
<b>Investment properties</b>									
Housing development	-	-		-					
Other									
<b>Other assets</b>									
General vehicles									
Specialised vehicles									
Plant & equipment									
Computers - hardware/equipment									
Furniture and other office equipment									
Abattoirs									
Markets									
Civic Land and Buildings									
Other Buildings									
Other Land									
Surplus Assets - (Investment or Inventory)									
Other									
<b>Agricultural assets</b>									
List sub-class									
<b>Biological assets</b>									
List sub-class									
<b>Intangibles</b>									
Computers - software & programming									
Other (list sub-class)									
<b>Total Capital Expenditure on renewal of existing assets</b>									
<b>Specialised vehicles</b>									
Refuse									
Fire									
Conservancy									
Ambulances									

\* Note: Information for this table may be sourced from MBRR (2009: Table SA34b)

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## APPENDIX N – CAPITAL PROGRAMME BY PROJECT YEAR 2022/23

Capital Programme by Project: Year 2022/23							R' 000
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %		
<b>Housing</b>							
Khutsong South Outfall Sewer	0	9,005	9,005,175	100%	100%		P747
Khutsong South Ext 5 & 6 Internal Roads and Stormwater	30,000	4,149	34,149,347	100%	100%		P748
Khutsong South Installation of Alternative Bulk Water Supply	13,434	1,192	14,627,677	100%	100%		P749
Khutsong Bulk Electricity	5,000	4,755	9,755,620	100%	100%		P750
Kokosi Ext 6 Installation of Water meters & Completion of Sewer Network	0	1,600	1,600,973	100%	100%		P750
Kokosi Ext. 7 Outfall Sewer	29,105	60	29,165	100%	0%		P746
Greenspark Outfall Sewer	0	0	1,440	0%	0%		P738
<b>Refuse removal</b>							
"Project A"	0	0	0	#DIV/0!	#DIV/0!		
"Project B"	0	0	0	#DIV/0!	#DIV/0!		
<b>Stormwater</b>							
Khutsong Roads and Stormwater (Phase 4)	2,450	4,117	3,900	-6%	37%		P722(5)
Khutsong Roads and Stormwater (Phase 5)	9,700	5,426	1,005	-440%	-865%		P722(6)
Khutsong Roads and Stormwater (Phase 6)	700	1,178	1,178	0%	41%		P753
Kokosi Roads and Stormwater (Phase 4)	290	3,235	662	-389%	56%		P723(4)
Kokosi Roads and Stormwater (Phase 5)	5,925	4,735	5,140	8%	-15%		P723(5)

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Kokosi Roads and Stormwater (Phase 6)	850	644	577	-12%	-47%	P754
Wedela Ext 3 Roads and Stormwater (Phase 4)	461	1,800	927	-94%	50%	P724(4)
Wedela Ext 3 Roads and Stormwater (Phase 5)	5,165	5,165	5,261	2%	2%	P724(5)
Wedela Ext 3 Roads and Stormwater (Phase 6)	650	1,500	1,566	4%	58%	P755
Upgrading of Access Road to Carletonville Landfill Site	3,275	3,387	3,387	0%	3%	P745
Khutsong South Ext 5 & 6 Internal Roads and Stormwater	5,000	5,000	851	-488%	-488%	P748
<b>Economic development</b>						
"Project A"	82	85	92	8%	11%	
"Project B"	82	85	92	8%	11%	
<b>Sports, Arts &amp; Culture</b>						
"Project A"	82	85	92	8%	11%	
"Project B"	82	85	92	8%	11%	
<b>Environment</b>						
"Project A"	82	85	92	8%	11%	
"Project B"	85	90	95	5%	11%	
<b>Health</b>						
"Project A"	82	85	92	8%	11%	
"Project B"	85	90	95	5%	11%	
<b>Safety and Security</b>						
"Project A"	82	85	92	8%	11%	
"Project B"	85	90	95	5%	11%	
<b>ICT and Other</b>						
"Project A"	82	85	92	8%	11%	
"Project B"	85	90	95	5%	11%	
verify					T N	



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## APPENDIX Q – SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION

Service Backlogs Experienced by the Community where another Sphere of Government is the Service Provider (where the municipality whether or not act on agency basis)		Impact of backlogs
Services and Locations	Scale of backlogs	
<b>Clinics:</b>	68% out of 28 wards	Lack of access to proper health care facilities.
<b>Housing:</b>	57% out of 28 wards	Lack of access to formal houses.
<b>Public Safety:</b>	79% out of 28 wards	Lack of access to Police/Satellite Stations and Police visibility.
<b>Reservoirs</b>	75% out of 28 wards	Inadequate supply of water to formal and Informal areas.
<b>Schools (Primary and High):</b>	36% Primary Schools	
	46% High Schools	Lack of access to schools.
<b>Sports Fields:</b>	68% out of 28 wards	Lack of access to sports/recreation facilities.
<b>Disability Centres</b>	100% of all wards	Lack of access to Disability Centres.
		T Q



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## ANNEXURE A: ANNUAL FINANCIAL STATEMENTS

Provide the Annual Financial Statements (AFS) to the respective financial year as submitted to the Auditor-General. The completed AFS will be Volume II of the Annual Report.

ATTACHED AS ANNEXURE A OF THIS ANNUAL REPORT

## ANNEXURE B :ANNUAL PERFORMANCE REPORT

## ANNEXURE C: AUDITOR GENERAL'S REPORT

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# VOLUME II