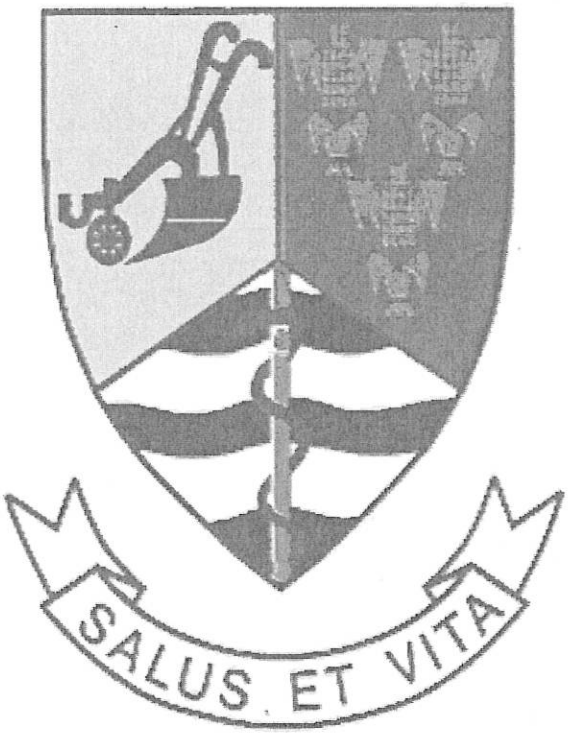
DRAFT ANNUAL REPORT
FOR
2021 - 2022



BELA – BELA LOCAL MUNICIPALITY

Contents

TABLE OF CONTENTS

TABLE OF CONTENTS 1

PROPOSED REVISED ANNUAL REPORT TEMPLATE 7

CHAPTER 1 8

COMPONENT A: MAYOR'S FOREWORD 8

COMPONET B: EXECUTIVE SUMMARY 9

MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW 11

1. INTRODUCTION TO BACKGROUND DATA 11

1.1 POPULATION DYNAMICS AND FUTURE GROWTH TRENDS 12

1.2 POPULATION GROUP, AGE GROUP AND GENDER IN BELA-BELA MUNICIPAL AREA 13

1.3 COMMENT ON BACKGROUND DATA 19

CHAPTER 2 20

2. INTRODUCTION TO GOVERNANCE 20

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE 20

2.1 INTRODUCTION TO POLITICAL GOVERNANCE 20

2.2 POLITICAL DECISION-TAKING 29

2.3 ADMINISTRATIVE GOVERNANCE 30

2.3.1 INTRODUCTION TO ADMINISTRATIVE GOVERNANCE 30

2.4 COMPONENT B: INTERGOVERNMENTAL RELATIONS 32

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS 32

2.4 1 INTERGOVERNMENTAL RELATIONS 33

2.4.1 .1 NATIONAL INTERGOVERNMENTAL STRUCTURES 33

2.4.1.2 PROVINCIAL INTERGOVERNMENTAL STRUCTURE 33

2.4.1.3. DISTRICT INTERGOVERNMENTAL STRUCTURES 33

2.5 COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION 33

2.5.1 PUBLIC MEETINGS 34

2.5.1.1 COMMUNICATION, PARTICIPATION AND FORUMS 34

2.5.1.2 WARD COMMITTEES 34

Contents

2.5.1.3 IDP Rep Forum Meetings 34

2.5.1.5 IDP Road-Shows 35

2.5.1.6 Strategic Planning Session for 2021/2022 FY 35

2.5.1.7 2021/22 STRATEGIC PLANNING RESOLUTIONS 36

Table:8 below illustrate 2021 -2022 Mayoral Media Statement Released 38

2.5.1.8 COMMENT ON THE EFFECTIVENESS OF THE PUBLIC MEETINGS 38

Table:9 IDP Participation and Alignment 39

2.5.1.9 PUBLIC SATISFACTION WITH MUNICIPAL SERVICES 39

PUBLIC SATISFACTION LEVELS 39

2.6 COMPONENT D: CORPORATE GOVERNANCE 40

2.6.1 RISK MANAGEMENT 40

RISK MANAGEMENT MEETINGS WERE HELD AS FOLLOWS – TABLE:10 42

2.6.3 ANTI-CORRUPTION AND FRAUD 42

2.6.3.3 financial misconduct board 43

2.3.3.4 ACTION TAKEN TO ADDRESS ISSUES RAISED BY THE AG 43

2.6.4 INTERNAL AUDIT FUNCTION 43

2.6.5 BY-LAWS 47

CHAPTER 3 48

3 FINANCIAL HEALTH OVERVIEW 48

3.1 OPERATING RATIOS 49

3.2 CAPITAL EXPENDITURE 51

Graph:4 below illustrate capital expenditure over the period of three financial years 51

3.3 INTRODUCTION TO FINANCIAL PERFORMANCE 52

3.5 GRAPH:7 – CAPITAL CHARGES TO OPERATING EXPENDITURE RATIO 53

3.6 GRAPH:8 – EMPLOYEE COST RATIO 53

3.7 GRAPH:9 – REPAIRS MAINTENANCE TO OPERATING EXPENDITURE 54

3.4 STATEMENT OF FINANCIAL PERFORMANCE 55

3.5 COMMENT ON FINANCIAL PERFORMANCE 56

3.6. GRANTS 56

Contents

3.6.1 COMMENTS ON CONDITIONAL GRANTS AND GRANTS RECEIVED FROM OTHER SOURCES 56

3.6.2 COMMENTS ON CAPITAL EXPENDITURE 57

SPENDING AGAINST CAPITAL BUDGET (FIGURES IN RAND)- Table:15 57

3.8 CASH FLOW MANAGEMENT AND INVESTMENTS 58

3.9 SUPPLY CHAIN MANAGEMENT 58

3.10 COMMENTS SUPPLY CHAIN MANAGEMENT 58

3.11 GRAP COMPLIANCE 59

3.12 INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT 59

CHAPTER 4 – SERVICE DELIVERY PERFORMANCE 60

4.1 INTRODUCTION TO BASIC SERVICES 60

GRAPH 10: WATER DEMAND 61

TABLE 16: AVAILABLE BULK WATER SUPPLY 62

TABLE 17: WATER USE 63

GRAPH 11: WATER USE 64

4.1.4 TABLE 18: RESIDENTIAL WATER SERVICES DELIVERY ACCESS PROFILE [WATER] 65

4.1.5 TABLE 19: EMPLOYEES WATER AND SANITATION SERVICES 66

4.1.6 COMMENT ON WATER SERVICES PERFORMANCE OVERALL 66

4.2 INTRODUCTION TO WASTE WATER (SANITATION) PROVISION 68

4.2.1 Table 21: RESIDENTIAL WATER SERVICES DELIVERY Access Profile [Sanitation] 70

4.2.2 TABLE 22: EMPLOYEES WATER AND SANITATION SERVICES 71

4.3 ELECTRICITY 73

4.3.1 INTRODUCTION TO ELECTRICITY 73

4.3.3 ELECTRICITY SERVICES DELIVERY LEVEL – TABLE: 24 74

GRAPH BELOW IS A PERCENTAGE BREAKDOWN OF CAPACITY ALLOCATIONS BY CONSUMER CLASS –GRAPH: 15 75

4.3.4 ELECTRICAL MAINTENANCE 75

4.3.5 EMPLOYEES - ELECTRICITY SERVICES – TABLE: 25 76

4.3.6 CAPITAL ELECTRIFICATION PROGRAMME – TABLE: 26 76

4.3.7 COMMENT ON ELECTRICITY SERVICES PERFORMANCE OVERALL: 76

4.4 ROADS AND STORMWATER 77

Contents

4.4.1 INTRODUCTION TO ROADS AND STORMWATER 77

4.4.2 TABLE 27: RECORDS OF MUNICIPAL ROADS INFRASTRUCTURE 77

4.4.3 TABLE 28: RECORDS OF MUNICIPAL STORMWATER INFRASTRUCTURE 78

4.4.5 TABLE 29: EMPLOYEES ROADS AND STORMWATER SERVICES 78

4.4.6 TABLE 30: CAPITAL PROJECTS 79

4.6 INTRODUCTION TO PLANNING 80

4.6.1 TABLE:31 BELOW ILLUSTRATE APPLICATIONS FOR LAND USE DEVELOPMENT 80

4.6.2 BUILDING PLANS APPLICATIONS –TABLE:32 81

4.6.3 EMPLOYEES SERVICES IN TOWN PLANNING DIVISION – TABLE:33 82

4.6.4 COMMENT ON THE PERFORMANCE OF PHYSICAL PLANNING OVERALL 83

4.6.5 SPA PARK (KOPPEWAAI) 83

4.6.6 TSAKANE INFORMAL SETTLEMENT 84

4.6.7 VINGERKRAAL INFORMAL SETTLEMENT LOCATED ON PORTION 05 OF THE FARM VINGERKRAAL 472-KQ THE SETTLEMENT IS OUTSIDE THE URBAN EDGE 84

4.6.8 hUMAN SETTLEMENT 84

4.7 INTRODUCTION TO ECONOMIC DEVELOPMENT 85

4.7.3 ECONOMIC EMPLOYMENT BY SECTOR –TABLE:34 86

4.7.4 JOB CREATION THROUGH EXTENDED PUBLIC WORKS PROGRAMME – TABLE: 35 87

4.7.5 EMPLOYEES: LOCAL ECONOMIC DEVELOPMENT SERVICES – TABLE:36 87

4.7.6 COMMENTS ON LOCAL ECONOMIC DEVELOPMENT 88

4.8 COMMUNITY & SOCIAL SERVICES 89

4.8.1 INTRODUCTION TO SOCIAL AND COMMUNITY SERVICES 89

4.8.2 CEMETERIES AND CREMATORIUM 89

4.8.3 MAINTENANCE ACTIVITIES 90

4.8.4 PARKS AND RECREATIONAL FACILITIES 90

FIGURE: 1 LETLHABILE PARK 91

4.8.5 COMMUNITY HALLS 91

FIGURE: 3 BELA BELA COMMUNITY HALL 92

4.8.6 SPORTS FIELDS, GROUNDS AND COURTS 92

FIGURE: 5 SUNFA STADIUM 93

Contents

FIGURE: 7 LESEDING TENNIS AND NETBALL COURTS 93

4.8.7 COMMUNITY FACILITIES – TABLE: 38 94

4.9 INTRODUCTION TO WASTE MANAGEMENT (THIS SECTION TO INCLUDE: REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANSING AND RECYCLING 94

4.9.1 WASTE AND REFUSE REMOVAL ACHIEVEMENTS: 95

FIGURE:1 &2 KERBSIDE COLLECTION BY COMPACTOR TRUCK 96

FIGURE:3 MASS REFUSE CONTAINER AT MMAMAKWA PRIMARY SCHOOL 96

FIGURE: 4 LANDFILL SITE ENTRANCE 97

FIGURE:5 LANDFILL DISPOSAL AREA (BEFORE) FIGURE:6 LANDFILL(WORK IN PROGRESS) 97

FIGURE:7 LANDFILL DISPOSAL AREA (AFTER) FIGURE:8 LANDFILL DISPOSAL AREA(AFTER) 98

FIGURE:9 STREETS CLEANSING FIGURE:10 LITTER PICKING 98

4.9.2 ILLEGAL DUMPING SITES 98

4.9.3 ENVIRONMENTAL AWARENESS CAMPAIGNS 99

4.9.4 WASTE MANAGEMENT AWARENESS CAMPAIGNS (DEFORESTATION) 99

FIGURE: 11 &12 DEFORESTATION 99

4.9.5 ENVIRONMENTAL AWARENESS CAMPAIGN (COMPOSTING) 99

FIGURES: 13&14 COMPOSTING 100

4.9.6 ENVIRONMENTAL AWARENESS CAMPAIGN (NOISE POLLUTION) 100

FIGURES: 15 & 16 NOISE POLLUTION 100

4.9.7 ENVIRONMENT AWARENESS CAMPAIGN(BURNING OF SCRAP TIRES) 101

FIGURES: 17 & 18 BURNING OF SCRAP TIRES 101

4.9.8 WASTE COMPLAINTS MANAGEMENT 102

4.9.9 WASTE MANAGEMENT INITIATIVES 102

4.9.10 WASTE MANAGEMENT INITIATIVES (PLASTIC RECYCLING) 102

FIGURE: 19 TO 21 PLASTIC RECYCLING 102

4.9.11 CHALLENGES 103

4.9.12 SOLID WASTE SERVICE DELIVERY – TABLE:39 104

CHAPTER 5 – ORGANISATIONAL DEVELOPMENT PERFORMANCE 105

Figure: 1 105

5.1 INTRODUCTION TO THE MUNICIPAL PERSONNEL 106

Contents

EMPLOYEE TOTALS, TURNOVER AND VACANCIES 106

5.1.1 TOTAL NUMBER OF EMPLOYEES – TABLE:41 106

5.1.2 VACANCY RATE – TABLE: 42 108

5.1.3 TURNOVER RATE – TABLE: 43 109

5.1.4 COMMENT ON VACANCIES AND TURNOVER: 109

5.1.5 APPROVED POLICIES – TABLE: 44 110

5.1.6 INJURY ON DUTY AND SICK LEAVES 111

5.1.7 NUMBER AND COST OF INJURIES ON DUTY 2021/2022 – TABLE:45 111

5.1.8 COMMENT ON INJURY AND SICK LEAVE: 112

5.1.9 NUMBER OF DISCIPLINARY / MISCONDUCT CASES AND STATUS – TABLE:46 113

5.2 CAPACITATING THE MUNICIPAL WORKFORCE 113

5.2.1 SKILLS MATRIX –TABLE: 47 113

5.3 INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES 115

5.3.1 ICT STEERING COMMITTEE MEETINGS – TABLE:48 116

5.3.1.1 WEBSITES 117

5.3.1.2 COMMENT MUNICIPAL WEBSITE CONTENT AND ACESS 118

5.3.2 ICT HUMAN RESOURCE STATISTICS 118

CHAPTER 6 119

6 ANNUAL PERFORMANCE SCORECARD REPORT FOR THE 2021/2022 FINANCIAL YEAR 119

6.1 COMMENT ON THE ANNUAL REPORT PROCESS 121

6.2 TABLE:51 2021/2022 Audit action plan 122

APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE 124

01 JULY 2021 TO 29 OCTOBER 2022. 124

NEW COUNCIL 22 November 2022 to 30 June 2022 126

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES 128

APPENDIX C –THIRD-TIER ADMINISTRATIVE STRUCTURE 129

PROPOSED REVISED ANNUAL REPORT TEMPLATE

The purpose of this revised Annual Report template is to address the need expressed by several municipalities for assistance in the preparation and development of improved content and quality of Municipal Annual Reports. It replaces a template dating back to August 2003.

This template gives effect to the legal framework requirement, concepts and principles espoused in the White Paper on Local Government and Improving Government Performance. It reflects the ethos of public accountability. The content gives effect to information required for better monitoring and evaluation of government programmes in support of policy decision making. The template provides an improved overview of municipal affairs by combining the performance report data required under Municipal Systems Act Section 46 with annual report data referred to in that Act and the MFMA.

The revised template makes its contribution by forging linkages with the Integrated Development Plan, Service Delivery and Budget Implementation Plan, Budget Reforms, In-year Reports, Annual Financial Statements and Performance Management information in municipalities. This coverage and coherence are achieved by the use of interlocking processes and formats.

The revised template relates to the Medium Term Strategic Framework particularly through the IDP strategic objectives; cross-cutting nature of services offered by different spheres of government, municipal service outcome indicators; and the contextual material as set out in Chapters 3, 4 & 5. It also provides information on good management practice in Chapter 4; risk management in Chapter 2; and Supply Chain Management in Chapter 5; and addresses the Auditor-General's Report, dealing with Financial and Performance Management arrangements in Chapter 6. This opens up greater possibilities for financial and non-financial comparisons between municipalities and improved value for money.

The revised template provides information on probity, including anti-corruption strategies; disclosure of financial interests by officials and councillors; disclosure of grants by external parties, disclosure of loans and grants by municipalities. The appendices talk to greater detail including disaggregated information on municipal wards, among others.

Notes are included throughout the format to assist the compiler to understand the various information requirements. Once the draft has been finalised, training will be provided to facilitate the implementation of this initiative, and separate additional guidance may be issued if necessary.

We wish to express our gratitude to the members of the Annual Report Reference Group, consisting of national, provincial and municipal officials for their inputs and support throughout the development of this document.

MFMA Implementation Unit, National Treasury

CHAPTER 1

COMPONENT A: MAYOR'S FOREWORD

I present the 2021/2022 Draft Annual Report at the time when our country is battling with the constant power cuts as well as the negative impact that this has on our economy. At the same time, the world is apprehensive about the spread of the new XBB.1.5, a descendant of the Omicron XBB subvariant. The original XBB variant has already caused waves of infection in various countries. We remain anxious about the effect of this new variant which will undoubtedly have a negative impact on our country's economy.

It is important to note that the Municipality has continued to record the lowest revenue collection due to the inability of ratepayers to service their debts. As a result, the Municipality has had to put in place incentives to ease the burden on the ratepayers whilst still maintaining its collection capacity.The inability of the Municipality to collect sufficient revenue has a direct impact in its ability to provide services to the residents. The Municipality will continue to render services to the best of its abilities, even during this difficult and uncertain times.

We reiterate that of great concern to the Municipality is the deteriorating and ageing infrastructure which frequently results in service delivery interruptions. We have in recent times, witnessed unprecedented water supply restrictions and power outages as a result thereof. Regard being had to the above, we can confirm that we remain committed to taking proactive and reactive action to facilitate the maintenance of the bulk infrastructure including road networks to prolong their lifespan.

I table this Draft Annual Report for public scrutiny guided by the Principles of Batho Pele, Openness, Transparency and Accountability. These principles have been established to hold both the Political Leadership and Administration accountable on the Municipal performance in as far as service delivery is concerned.

I wish to record that the Municipality has been subjected to the annual audit process by the Auditor-General South Africa. I am proud to announce that we have seen an improvement from the last findings, disclaimer to qualified, which is a clear indication that we are headed in the right direction.

As we have previously stated, service delivery is very dynamic and mostly influenced by the needs of the community for sustainable livelihood. It requires collective efforts by all stakeholders inclusive of the Municipal institution, ratepayers, and structures of Civil Society to all execute their responsibilities.

Of utmost importance is for all parties to work together for the enhancement of service delivery mechanisms.

Yours Truly,

G. M. Seleka

Cllr GM Seleka

MAYOR

COMPONET B: EXECUTIVE SUMMARY

EXECUTIVE SUMMARY BY THE MUNICIPAL MANAGER

It is with great honor and privilege that we present the 2021/2022 Draft Annual Report to the community, rate payers of Bela-Bela in particular and South Africans in general.

Bela-Bela Local Municipality is a Category B Municipality as determined by the Demarcation Board in terms of Section 4 of the Act. It is also established in terms of Chapter 2 of the Local Government: Municipal Structures Act, No. 117 of 1998.

It is located in the Southern part of Limpopo Province and falls within the Waterberg District Municipality. It derives its mandate and objectives directly from the Constitution of the Republic of South Africa.

Section 152 (1) of the Constitution sets out clearly the objectives of Local Government and Section 152 (2) states that a Municipality must strive, within its financial and administrative capacity, to achieve the objects set out in subsection (1).

The Constitution requires us to prioritize the delivery of basic services. It is widely accepted that basic needs and basic services refer to the same set of functions/services being water, electricity, sanitation and refuse removal.

Section 121(3) of the Municipal Finance Management Act 2003, read together with section 46 of the Municipal Systems Act 2000, prescribes the minimum contents of an annual report of a Municipality. In preparation of this 2021/2022 Draft Annual Report, we have considered these legislative requirements.

Hereunder is the 2021/2022 Draft Annual Report of Bela-Bela Local Municipality that captures at large the record of activities and our performance and achievements against the set strategic objectives.

We are humbled and equally excited that we have received a ***"Qualified Audit Opinion"*** from Auditor General of South Africa (AGSA). This marks an improvement as compared to the previous audit opinion of a **Disclaimer**. Albeit not the audit opinion we were looking for, we are however satisfied that we are on the right path and trajectory towards transcending the impediments that made us to regress in the first instance and achieve our planned target of an Unqualified opinion.

The Municipality has made a steady progress in fulfilling its constitutional obligations of delivering basic services in a sustainable manner to its communities and affirming its vision "**To be the prime agricultural hub and eco-tourism destination of ch**oice" under very difficult economic circumstances.

The Draft Annual Report presents us with an opportunity to reflect on our achievements and failures since the last reporting period, and to provide a detailed account of our performance as a Municipality against our strategic plans and resources that were at our disposal for the period under review. The Integrated Development Plan (IDP), Budgets, Service Delivery and Budget Implementation Plans (SDBIP), Performance Plans and Agreements of Section 54A & 57 Managers, remains the key service delivery planning tools which we have to utilize in an effort to deliver sustainable services to our communities.

The Municipality was able to prepare and submit the four (4) quarterly performance reports to council as required in terms of Section 52 (d) of the Local Government: MFMA, 2003 (Act 56 of 2003) and the mid-year budget and performance assessment report to the Mayor, National Treasury and Provincial Treasury as required in terms of Section 72 of the Local Government MFMA, 2003 (Act 56 of 2003).

The total number of applicable KPIs in the Annual Performance Report were at 95 after withdrawing 8 and adding 1 new KPI, and

these were KPIs considered for performance rating for targets achievements. A total of 77 KPIs were achieved out of 95 applicable indicators which were due for reporting by end of the financial year. The overall performance of the institution is sitting at 81%.

The Municipality had a full complement of Senior Managers except the Municipal Manager who resigned and left the position vacant since 1 March 2021. However, Council appointed Ms. JB. Selapyane as the Acting Municipal Manager in an attempt to make the administration and management stable and thus capacitating it administratively.

The Municipality had a total of ***R 62 280 000. 00*** conditional grants allocated to implement basic service delivery projects. A total of ***R 62 269 886. 73*** has been spent by end of June 2022 which translate to ***99. 98%*** expenditure. An improvement of 11. 98 from the previous financial year.

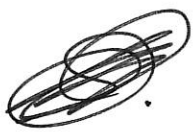
We do concede that our basic services infrastructure is old and decapacitated and makes it difficult to deliver services to our community in a sustainable and uninterrupted manner. Further the maintenance of infrastructure has not been to a level it should be mainly due to cash flow challenges. However, the energy crisis and loadshedding in our country has and is still exacerbating the service delivery challenges. Loadshedding destroys businesses and disrupts all our lives and the operations of the Municipality, and it is the greatest impediment to economic recovery. We are further confronted with illegal connections of both electricity and water that increases our electricity and water losses that puts a tremendous drain and burden on our cash flow management.

As we plan forward, we need to undertake critical maintenance of our infrastructure, further increase and prioritise investment in infrastructure development over other expenditure items and ensure that construction of projects is undertaken with the necessary urgency. This will improve access to basic services and increase the overall efficiency and competitiveness of the economy.

The majority of our people still live in abject poverty which is evident as you move around our township settlements, and this lends credence to the indictment of our old spatial planning. Our residential areas, in particular townships do not resemble functional neighbourhoods. There is a "moving backlog" of services as there are always new areas that needs development.

There is still so much to be done to improve the lives of our people for the better. We have a firm believe that we are still on course to go back to basics, and build an accountable, responsive and caring government.

Sincerely Yours



TG. RAMAGAGA

MUNICIPAL MANAGER

MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

1. INTRODUCTION TO BACKGROUND DATA

Bela-Bela Local Municipality is performing the Powers and Functions on Table 1 below, as assigned through the1996 Constitution of the Republic of South Africa and the Local Government Municipal Structures Act No 117 of 1998 and Regulations. Refer to the table below: **Table 1:**

Function	Y/N	Is this a Shared Service (Y/N)	Responsible Department at the Municipality
Air Pollution	Y	N	Social and Community Services
Building Regulation	Y	N	Planning and Economic Development
Electricity Reticulation	Y	N	Technical Services
Fire Fighting	Y	Y	Social and Community Services
Local Tourism	Y	Y	Planning and Economic Development
Municipal Airports	Y	N	Social and Community Services
Municipal Planning	Y	Y	Planning and Economic Development
Stormwater Management Systems in Built-Up Areas	Y	N	Technical Services
Trading Regulation	Y	N	Planning and Economic Development
Potable Water	Y	N	Technical Services
Billboards and Display of Advertisement in Public Places	Y	N	Planning and Economic Development
Cemeteries and Crematoria	Y	N	Social and Community Services
Cleansing	Y	N	Social and Community Services
Control of Public Nuisance	Y	N	Social and Community Services
Facilities for the accommodation, Care and Burial of Animals	Y	N	Social and Community Services
Fencing and Fences	Y	N	Technical Services
Local Sports Facilities	Y	N	Social and Community Services
Municipal Parks and Recreation	Y	N	Social and Community Services
Municipal Roads	Y	N	Technical Services
Noise Pollution	Y	N	Social and Community Services
Public Places	Y	N	Social and Community Services
Refuse Removal, Refuse Dumps and Solid Waste Disposal	Y	N	Social and Community Services
Street Trading	Y	N	Planning and Economic Development
Street Lighting	Y	N	Social and Community Services
Traffic and Parking	Y	N	Social and Community Services

Whilst the Administration of the Municipality is tasked with the responsibility of ensuring optimal performance of all the Powers and Functions assigned to the Municipality as per the determination of the prescripts of the Law, Council through its Structures regularly performs an Oversight to all the respective Departments to ensure Legislative compliance to that effect and impacts aimed at improving the livelihoods of the communities therein.

Accordingly, the Municipality has developed and approved an Organizational Structure. However, the structure below depicted Top Management composition that seeks to ensure optimal performance of these Functions. The picture correctly painted by the Organizational Structure is that the Departments of Technical Services, Social & Community Services and Planning & Economic Development respectively as the primary Service Delivery oriented Departments in line with the depiction under Table 1 above jointly constitutes more than 60% of the personnel of the entire Municipality.

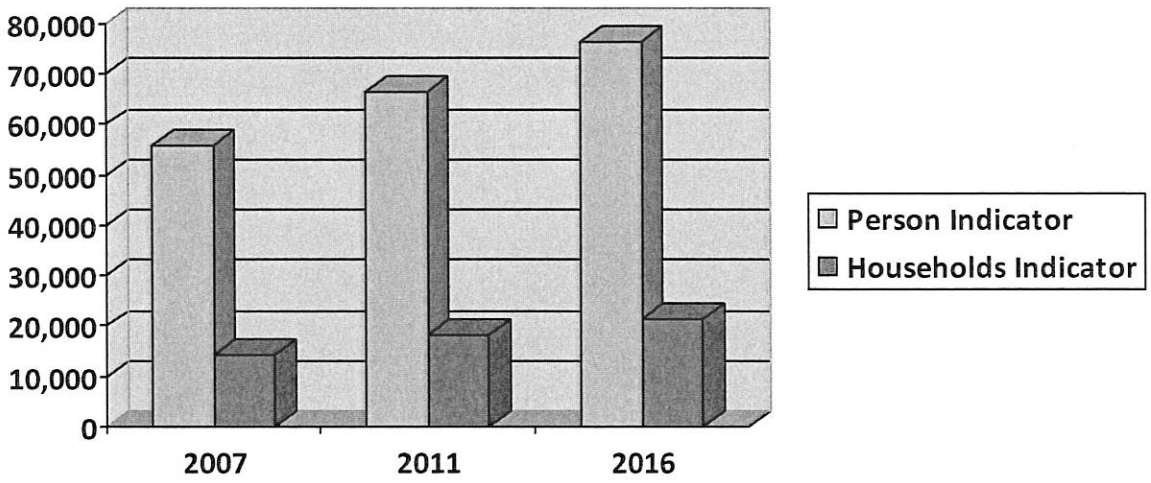
1.1 POPULATION DYNAMICS AND FUTURE GROWTH TRENDS

The total size of Bela-Bela's population is currently estimated at 76 296 individuals which have increased by 14.73 % by 2016 compared to Census 2011. The total population intercensal growth rate (2011-2016) of 0.031 has been recorded within Bela Bela Municipal area. This is based on Census 2016 Community Survey which also estimates that there are approximately 21 354 households within Bela-Bela municipal area which is an 18.9% increase from 2011. Statistics South Africa indicated that this figure also takes into account Rapotokwane Village which was incorporated into the Municipality from Dr J.S. Moroka Local Municipality (Mpumalanga Province) in 2000. The graph below illustrates the estimated population projection when the information from BMR is taken into account.

Table: 2 below illustrate the estimated population trend's pattern population dynamics and growth trends

DEMOGRAPHIC INDICATORS	COMMUNITY SURVEY 2007	CENSUS 2011	COMMUNITY SURVEY 2016
Person indicator	55 841	66 500	76 296
Households indicator	14 290	18 068	21 354

Graph: 1 below illustrate the estimated population trend's pattern population dynamics and growth trends
Population Growth 2001-2020



Source: StatsSA: Community Survey, 2016

The high growth ratio takes into account other main factors such as in-migration, which can result in a further increase in the population within Bela-Bela. There are several people who have relocated from Gauteng to Bela-Bela Town (specifically in the Warmbaths Extensions) to get away from the busy life of Gauteng.

Low and/or zero population growth rate – affecting revenue base of the Municipality and sustainability of projects.

Table:3 Households Dynamics

Census 2001		Census 2011		Community Survey 2016	
Households	Ave HH size	Households	Ave HH size	Households	Ave HH size
12 335	3.7	18 068	3.7	21 354	3.6

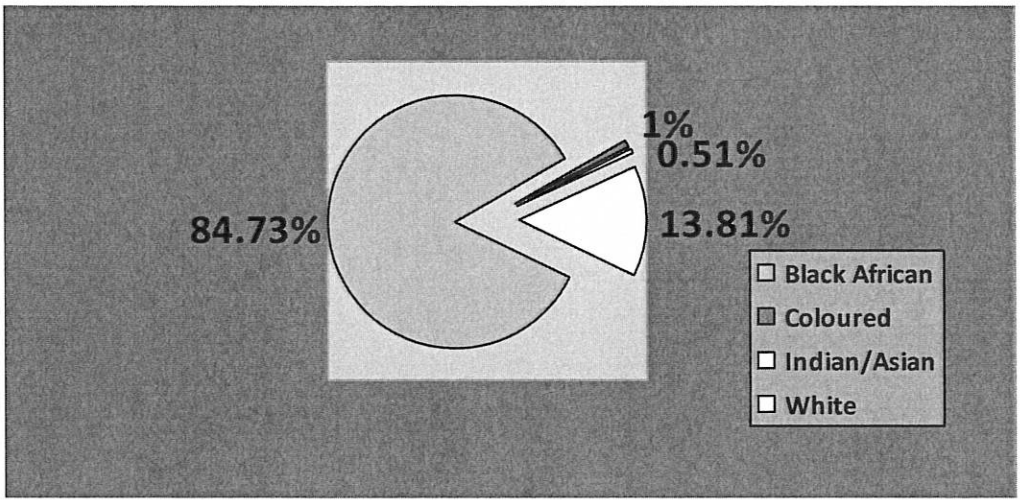
Source: StatsSA: Community Survey, 2016

1.2 POPULATION GROUP, AGE GROUP AND GENDER IN BELA-BELA MUNICIPAL AREA

The population of Bela-Bela Local Municipality in terms of groupings is categorized as per **Graph 2** below. Black Africans are in the Majority followed by Whites. It is therefore imperative to take caution that whilst the development priorities within the Municipality

seeks to address the plight of Black Africans who majority of which is still characteristics of the previous dispensation in the Country, such should not be at the detriment of the other minority groupings therein.

Graph: 2 Population Groups



Source: StatsSA: Community Survey, 2016

All the residents of Bela-Bela Local Municipality irrespective of their Colour or ethnicity should be encouraged to partake in the developmental agenda of the Municipality from within their respective localities and interest groupings.

The age composition or structure determines the kinds of economic activities which are currently existing and may need to be explored in the future within the locality. Different age groups have different economic needs and different spending patterns. According to Community Survey, 2016, the composition of the population of the Municipality is Young (0 –14) 33%, Working age (15-64) 62% and Elderly 65+ 5.3%

POPULATION BY AGE GROUP AND NATIONALITY

Table 4: Population by Age Group and Nationality

Age	Black African	Coloured	Indian or Asian	White	Grand Total
0 – 4	9 003	72	-	396	9 471
5 – 9	7 638	63	-	566	8 267
10 - 14	6 670	93	29	612	7 403
15 - 19	5 551	50	22	281	5 904

Age	Black African	Coloured	Indian or Asian	White	Grand Total
20 - 24	5 863	77	24	638	6 602
25 - 29	6 086	30	90	800	7 007
30 - 34	5 233	28	58	604	5 922
35 - 39	4 178	139	19	444	4 780
40 - 44	3 490	18	16	573	4 097
45 - 49	3 324	71	34	539	3 967
50 - 54	2 639	45	25	910	3 619
55 - 59	2 076	35	23	886	3 020
60 - 64	1 276	-	12	915	2 203
65 - 69	760	-	-	711	1 471
70 - 74	471	11	12	649	1 143
75 - 79	193	-	-	565	757
80 - 84	84	-	22	336	442
85 +	109	-	-	111	220
Grand Total	64 642	733	386	10 535	76 296

Source: StatsSA: Community Survey, 2016

This trend in age composition obliges the government departments and the Municipality to ensure that a large percentage of the budget is allocated to Social Development Facilities and services delivery to meet the needs of a youthful population and ensuring that people falling within this age acquire relevant skills and grow up to become responsible adults. The creation of more job opportunities should also be one of the key aspects of the developmental agenda by the Municipality in partnership with the sector departments such as the Department of Education, Health, Public Works, Roads and Transport etc.

The goal of the Local Economic Development Unit is to facilitate economic development, job creation and poverty eradication within Bela-Bela Local Municipality which is part of Waterberg District Municipality. This will be achieved by reducing the number of unemployed people, especially the youth, women and people with disabilities. Secondly, by ensuring that there is economic development in the Municipality and in particular in the identified sectors. Furthermore, there is a reduction in the number of people living below the poverty line. Section 153 of the Constitution stipulates the following developmental duties of all Municipalities:

A Municipality must structure and manage its administration, budgeting and planning processes to give priority to the needs of the community, and to promote social and economic development.

A Municipality must participate in national and provincial developmental programmes.

Population Gender Profile

Regarding Table 4 below, the gender composition within Bela-Bela indicates a slight imbalance between the males and females. The Census 2011 revealed that approximately 51% (28 304) of the population within Bela-Bela comprises females while 49% (27 546) comprises males. Nevertheless, that confirmed with the national trends that a higher proportion of women are found in the rural areas than men. This in many instances, especially amongst the African communities is attributed to the fact that men are generally attracted to places such as the bigger cities (i.e. Johannesburg etc.) that presents employment opportunities sometimes regardless of the nature of work involved. However, the 2016 Community Survey illustrate an apposite picture and revealed that 49% (37 335) of the population within Bela Bela comprises of female and 51% (38 961) of the population comprises of male.

Table 5 : Gender Composition

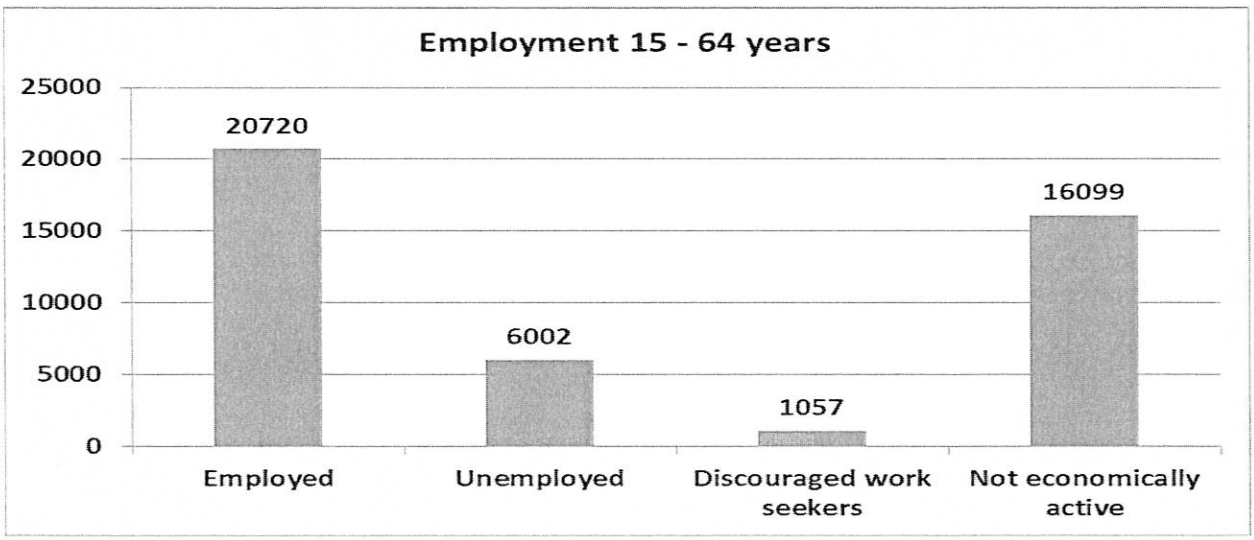
Total Population (2011)			Total Population (2016)		
Male	**Female**	**Total**	**Male**	**Female**	**Total**
33 754	32 746	66 500	38 961	37 335	76 296

Source: StatsSA: Community Survey, 2016

In addition to the above, it can also be suggested that there is a need for a developmental agenda that should proactively target women empowerment within Bela-Bela Municipal Area

The graph below depicts the employment of people between the ages of 15 to 65.

Graph 3: EMPLOYMENT 15 – 64 YEARS



[Source: StatisticsSA: Census, 2011]

It was previously indicated that the age composition of the population in Bela-Bela comprises of children who are under the age of 15 and who are not accounted as the labour force. The active labour force is estimated at 36 069 in 2011 individuals who are between the ages of 18 – 64. **table 5** below indicates that approximately **23%** of the active labour force is unemployed of which **30%** is Youth.

The unemployment rate in Bela-Bela Municipal area is similar to unemployment in the Province, but the labour force participation rate in the Municipality is considerably higher than that of the Province. This could be the result of labour migration out of Bela-Bela in search of work in Gauteng, particularly among younger adult members of the households.

The 30% unemployment rate of Youth which is unacceptably high is corroborated by the Education figures, where the picture painted is that majority of our Youth are not adequately skilled to be able to actively participate in the job market within the Municipality. Another challenge may be that those youth in a position of Post Matric Qualifications may be having Qualifications not necessarily compatible with the Economic needs of Bela-Bela.

Table 6: Formal Employment Sector

Sector	2012 - %	2014%
Agriculture, forestry and fishing	5	4
Mining and quarrying	4.9	17
Manufacturing	2.1	3
Electricity, gas and water	3.9	2
Construction	6.2	6
Wholesale and retail trade, catering and accommodation	15.9	22
Transport, storage and communication	10.1	11
Finance, insurance, real estate and business services	33.2	16
Community, social and personal services	18.6	20
Total	100	100

Based on the above, Bela Bela Local Municipality is actively participating in the Expanded Public Works Programme (EPWP) as well as the Community Works Programme (CWP). A Municipal budget is being implemented and equally redistributed within the parameters or principles of **EPWP**, this implies that for every Capital project that the Municipality is implementing (capital expenditure) the element of social partnership is being taken into cognizance.

Notably, Local Economic Development is also concerned with the creation of an environment, which will engage stakeholders in implementing strategies and programmes.

The LED Unit is currently reviewing the LED Strategy, which will guide the implementation of programmes and projects going forward.

Table 7: Natural Resources within Bela-Bela

Natural Resources within Bela-Bela	
Major Natural Resource	**Relevance to Community**
Hot Natural Springs	One of the key Tourism attraction points and the origin of the name of the Municipality. A large number of job and business opportunities.
Agriculture	Food security and job creation

MINING: The contribution of the mining sector towards the economic development of Bela-Bela is not highly significant. There is two (1) mine (i.e. NAMCO which mine Industrial Diamonds) that exists within Bela-Bela. This mine is located in the southern parts of the municipal area and approximately six (6) kilometres to the south-east of Radium. (2) Vergenoeg Mining Company (PTY) Ltd falls within Region 5 comes from a wide-spread and diverse area which covers 42 different areas and predominantly three provinces, namely Gauteng, Limpopo and Mpumalanga.

Although diamonds are found on the existing mining activity the previous research undertaken as part of the past IDP reviews revealed that the mineral occurrences that existed in Bela-Bela for mining resources and precious metals (i.e. gold and diamonds) are of a very low grade and potential to such an extent that it cannot be considered probable that these minerals can be mined within the next 20 – 50 years.

Other metals that are found on a limited scale include manganese, copper, tin, cobalt and the supply of calcite, refractory clay and fluorspar are sufficient. The distribution of limestone industrial mineral is small, with a medium-scale supply of sandstone and clay which is used to manufacture the bricks within the area.

AGRICULTURE: In terms of the weather conditions, Bela-Bela comprises temperatures between 20-29°C, with the average rainfall between 520 – 650 mm per annum. There are black and red clay soils of medium to high potential in the Springbok flats. Sandy, red soils and wetlands cover the rest of the area.

Vegetable crops include the following: Squash butternut, Squash hub barb, Onions, Watermelons, Cabbage assorted, Sweet Corn, Pumpkin Grey, Pumpkin White, Beetroot, Carrots, and Peppers. Fruit types include the following: Grapes, Citrus, and Peaches. Other crops include Maize, Cotton, Millet, Tobacco, Lucerne, Cowpeas, Groundnuts, Wheat, Jug beans, China beans and Sunflower.

1.3 COMMENT ON BACKGROUND DATA

Whilst Hot Water Springs attracts thousands upon thousands of tourists to Bela-Bela, the benefits beyond mere employment opportunities, but for those aspiring to enter the Tourism, business is still to be realised, particularly to the majority of the Black population therein.

Due to the various crops produced, production systems vary widely. Although the trend is changing the whole industry is still characterized by a high unskilled labour input and a serious lack of middle management capacity. In commercial estate farming, the competitiveness of commercial production will be enhanced through appropriate skills development programmes at all levels and through infrastructure development. Access to water for irrigation is particularly important, but feeder roads to production areas and arterial roads to markets are just as important.

The agriculture sector is by its nature one of the most labour-intensive industries, however, this ability to create jobs has decreased in recent times and there is evidence that the sector has even shed jobs. The main reasons can be attributed to the following:

(a) Mechanization – As with most other sectors, there is a trend towards mechanization (e.g. precision farming) to increase production output (per hectare).

(b) Availability of labour – There are claims that those people that have access to some form of a social grant, may find the agriculture sector less attractive as they can probably get a similar, or very close to, a similar income through the social grant. As such, they may either withdraw their labour effort or only offer it partially, which presents practical problems for the farmer.

(c) Effects of ESTA - The Extension of Security of Tenure Act (No. 62 of 1997) (ESTA) stipulates that farm labour that has worked on the farm for longer than 10 years and is 60 years and older, has a right to stay on the farm. Some of the farmers are trying to avoid this by employing fewer people.

The main conclusion is that the agriculture sector will play an increasingly important role to secure food security for the South African population, therefore making it a key sector in the economy. It is therefore important that all land parcels be used productively.

CHAPTER 2

2. INTRODUCTION TO GOVERNANCE

To promote and ensure accountability and that governance arrangements are in place, Section 121(2) (c) of the Local Government: Municipal Finance Management Act, No. 56 of 2003 (MFMA) supports the requirements of Section 18(1) (d) of the Local Government: Municipal Systems Act, No 32 of 2000 (MSA) that information on matters of governance should be communicated to communities. This should, according to Sections 65(1) (a) of the MFMA and 46 of the MSA be undertaken through the compilation and publication of the Annual Report. The purpose of the Annual Report is to promote accountability to communities for decisions taken by the Council and matters relating to administrative structures, throughout a financial year.

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

2.1 INTRODUCTION TO POLITICAL GOVERNANCE

Bela-Bela Local Municipality is a Category B Municipality established in terms of Section 12 of the Local Government: Municipal Structures Act, No. 117 of 1998 (MSrA) and applying a collective Executive Committee System. The Municipality has established Committees in terms of Section 79 of the MSA and they are functional. The Committees meet on monthly basis. The recommendations of the Committees are then forwarded to the Executive Committee chaired by the Mayor.

The Municipality also established an Audit Committee which comprises of four members. The Committee is functional and established in terms of section 166 of the MFMA. For the audit of performance, the Municipality utilizes the existing Audit Committee for the Performance Audit Committee as per Municipal Performance Regulations. Municipal Public Account Committee (MPAC) is also established and performs the role of the Oversight Committee. This committee further ensures that the Municipality complies with Section 127, 129 and 75 (c) of MFMA and Section 21A of the MSA and Regulations.

Bela-Bela Local Municipality has established section 79 committees and they are structured as follows: Planning and Economic Development, Infrastructure, Social and Community Services, Transformation / Governance / Budget & Treasury and Municiapl Public Account Committees.

POLITICAL STRUCTURE	FUNCTION
MAYOR - Cllr GM Seleka	The Mayor provides general political guidance over the fiscal and financial affairs of the Municipality and performs all duties as prescribed in Section 53 of the Local Government Municipal Finance Management Act No 56 of 2003.
	Presides at the meetings of the Executive Committee.
	Performs the duties, including ceremonial functions, and exercises the powers delegated to the Mayor by the Municipal Council or Executive Committee. In terms of Section 49 of the Local Government Municipal Structures Act No. 117 of 1998 and Regulations.
PR Councillor, EC member and Transformation / Governance / Budget & Treasury Sub-Committee	**Transformation / Governance/ Budget & Treasury Sub-Committee** . The Mayor is a member of the Transformation / Governance/ Budget & Treasury Sub-Committee and also provide political leadership to the meetings of the Sub-Committee. Councillors in this Sub- Committee advises the Executive Committee on Financial and Budget related issues, Administration, HR and HRD, Legal Services, Occupational Health and Safety matters. The Sub-Committee also plays an oversight role on the performance of Budget & Treasury and Corporate Services Departments.
SPEAKER- Cllr TN Zikhali	**The Speaker of Council presides at Council meetings**
	Performs the duties and exercises the powers delegated to the Speaker in terms of Section 59 of the MSA Ensures that Council meets at least quarterly and also maintain order during meetings. The Speaker is also responsible for ensuring compliance in Council and Council Committees with the Code of Conduct set out in Schedule 7 of the Municipal Structures Act No. 1 of 2021 (MStrA). Ensures that Council meetings are conducted in accordance with the Rules and Orders of Council.
PR Councillor	

Cllr F Hlongane



Ward 4 Councillor and chairperson of the Transformation, Governance and Budget & Treasury Sub-Committee

Transformation, Governance and Budget & Treasury Sub-Committee member.

Members of the Transformation, Governance Budget & Treasury Sub- Committee advises the Executive Committee on Financial and Budget related issues, Administration, HR and HRD issues, Legal Services, Occupational Health and Safety issues. Plays an oversight role on the performance of Budget & Treasury and of Corporate Services Department

EXCO – Cllr MN Ras



Governance, and Budget & Treasury Sub-Committee member

The Executive Committee (EXCO) is the Principal Committee of the Council in the Municipality. The Committee receives reports from other Committees and Sub-Committees of Council. Members of EXCO identify the needs of the Municipality. They also review and evaluate those needs in order of priority. Recommend to the municipal council strategies, programs and services to address priority needs through the Integrated Development Plan (IDP) and estimates of revenue and expenditure, taking into account any applicable national and provincial development plans; and also recommend or determine the best methods, including partnership and other approaches, to deliver those strategies, programs and services to the maximum benefit of the community.

Transformation, Governance, and Budget & Treasury Sub-Committee member.

Members of the Budget & Treasury and Transformation Sub- Committee advises the Executive Committee on Financial and Budget related issues, Administration, HR and HRD issues, Legal Services, Occupational Health and Safety issues. Plays an oversight role on the performance of Budget & Treasury and of Corporate Services Department

Cllr K Rachidumela



Ward 7 Councillor and Chairperson of the Planning & Economic Development Sub - Committee

Planning and Economic Development Sub – Committee, Chairperson.

The Chairperson of the Planning & Economic Development and Infrastructure Committee presides and provide political leadership to the meetings of the Committee. The Committee is responsible for advising the Executive Committee on issues of Local Economic Development, Tourism, Town Planning and Human Settlement. The Committee further advise the Executive Committee on Infrastructure development and service delivery issues and proposals that include water, sanitation, electricity, roads and maintenance. The Committee also serves as a hearing panel for all the applications as and when there are objections received by Council. It also plays an oversight role on the performance of the Planning & Economic Development as well as the Technical Services Departments

Planning and Economic Development Sub – Committee, member.

Members of this Committee are responsible for advising the Executive Committee on issues of Local Economic Development, Tourism, Town Planning and Human Settlement. The Committee members further advise the Executive Committee on Infrastructure development and service delivery issues and proposals which includes water, sanitation, electricity, roads and maintenance. Plays an oversight role on the performance of the Planning & Economic Development as well as the Technical Services Departments.

Cllr MH Ledwada



Ward 5 Councillor, EC member and member of the Planning & Economic Development and Infrastructure Sub - Committee

Transformation, Governance, and Budget & Treasury Sub-Committee member.

Members of the Budget & Treasury and Transformation Sub- Committee advises the Executive Committee on Financial and Budget related issues, Administration, HR and HRD issues, Legal Services, Occupational Health and Safety issues. Plays an oversight role on the performance of Budget & Treasury and of Corporate Services Department

Cllr JH Mills



PR Councillor and member of the Planning & Economic Development Sub – Committee

Planning and Economic Development Sub – Committee member and Infracture Services Sub – Committee member

Members of this Committee are responsible for advising the Executive Committee on issues of Local Economic Development, Tourism, Town Planning and Human Settlement. The Committee members further advise the Executive Committee on Infrastructure development and service delivery issues and proposals which includes water, sanitation, electricity, roads and maintenance. Plays an oversight role on the performance of the Planning & Economic Development as well as the Technical Services Departments. Members of this Committee are responsible for advising the Executive Committee on issues of on Infrastructure development and service delivery issues and proposals which includes water, sanitation, electricity, roads and maintenance. Plays an oversight role on the performance of the Technical Services department.

Cllr JD Cloete



PR Councillor and member of the Planning & Economic Development Sub – Committee

Planning and Economic Development Sub – Committee member and Infracture Services Sub – Committee member

Members of this Committee are responsible for advising the Executive Committee on issues of Local Economic Development, Tourism, Town Planning and Human Settlement. The Committee members further advise the Executive Committee on Infrastructure development and service delivery issues and proposals which includes water, sanitation, electricity, roads and maintenance. Plays an oversight role on the performance of the Planning & Economic Development as well as the Technical Services Departments. Members of this Committee are responsible for advising the Executive Committee on issues of on Infrastructure development and service delivery issues and proposals which includes water, sanitation, electricity, roads and maintenance. Plays an oversight role on the performance of the Technical Services department.

Cllr PV Mashaba



Ward 2 Councillor and the Chairperson of the Social & Community sub-committee

Social & Community Services Sub – Committee, Chairperson

The Chairperson of the Social & Community Chairperson presides and provide political leadership to the meetings of the Committee. The Committee is responsible for advising the Executive Committee on issues of Social & Community Services. The Committee further advises the Executive Committee on Social Services, Disaster Management, Environment, Waste Management, and Safety & Security. The Committee also plays an oversight role in the performance of the Community and Social Services.

Cllr MJ Ngobeni

Social & Community Services Sub – Committee member

Councillors in this Committee advises the Executive Committee on Social Services, Disaster Management, Environment and Waste Management and Safety & Security, The Committee also plays an oversight role on the performance of the Community and Social

Ward 6 Councillor and member Social & Community sub-committee

Cllr HJL Kruger



Social & Community Services Sub – Committee member

Councillors in this Committee advises the Executive Committee on Social Services, Disaster Management, Environment and Waste Management and Safety & Security, The Committee also plays an oversight role on the performance of the Community and Social

PR Councillor and member of the Social and Community Services Sub-Committee

Cllr M Koover



Infracture Services Sub – Committee member

Members of this Committee are responsible for advising the Executive Committee on issues of on Infrastructure development and service delivery issues and proposals which includes water, sanitation, electricity, roads and maintenance. Plays an oversight role on the performance of the Technical Services departmen

Ward 9 Councillor and chairperson of the Infracture Sub-Committee

Cllr MO Tlaka



PR Councillor Infracture Services Sub – Committee member

Infracture Services Sub – Committee member

Members of this Committee are responsible for advising the Executive Committee on issues of on Infrastructure development and service delivery issues and proposals which includes water, sanitation, electricity, roads and maintenance. Plays an oversight role on the performance of the Technical Services department

Cllr K Sepuru – Chiefwhip



Ward 8 Councillor and member Infracture Services Sub – Committee member

Infracture Services Sub – Committee member

Members of this Committee are responsible for advising the Executive Committee on issues of on Infrastructure development and service delivery issues and proposals which includes water, sanitation, electricity, roads and maintenance. Plays an oversight role on the performance of the Technical Services department

Cllr JM Mabua



Ward 3 Councillor and the Chairperson of the Municipal Public Account Committee

Municipal Public Accounts Committee (MPAC) Chairperson

The Chairperson of the MPAC convene and presides over the MPAC meetings. The core functions of the MPAC includes amongst others playing an oversight on the performance of the Municipality through interrogating financial and non-financial reports and the report findings to the Council. The Committee further examine the Financial Statements and the Audit Reports of the Municipality. It is this committee that considers and evaluate the content of the Annual Report and make recommendations to the Council when adopting an Oversight Report on the Annual Report. The Committee further promote good governance, transparency and accountability on the use of municipal resources. The Committee further recommend or undertake any investigation in its area of responsibility, after reviewing any investigation report already undertaken by the Municipality or the Audit Committee. The Committee also performs any other functions assigned to it through a resolution of Council.

Cllr MJ Makhubela



PR Councillor and the member of the Municipal Public Account Committee

Municipal Public Accounts Committee (MPAC) Member

As indicated above members of MPAC plays an oversight on the performance of the Municipality by means of interrogating financial and non-financial reports and the report findings to Council. The Committee members further examine the Financial Statements and the Audit Reports of the Municipality. It is the members of this committee who consider and evaluate the contents of the Annual Report and make recommendations to the Council when adopting an Oversight Report on the Annual Report. The Committee members further ensure the promotion of good governance, transparency and accountability on the use of municipal resources.

Cllr SD Seale



PR Councillor and the member of the Municipal Public Account Committee
PR Councillor

Municipal Public Accounts Committee (MPAC) Member

As indicated above members of MPAC plays an oversight on the performance of the Municipality by means of interrogating financial and non-financial reports and the report findings to Council. The Committee members further examine the Financial Statements and the Audit Reports of the Municipality. It is the members of this committee who consider and evaluate the contents of the Annual Report and make recommendations to the Council when adopting an Oversight Report on the Annual Report. The Committee members further ensure the promotion of good governance, transparency and accountability on the use of municipal resources.

Cllr HJL Kruger



PR Councillor and the member of the Municipal Public Account Committee
PR Councillor

Municipal Public Accounts Committee (MPAC) Member

As indicated above members of MPAC plays an oversight on the performance of the Municipality by means of interrogating financial and non-financial reports and the report findings to Council. The Committee members further examine the Financial Statements and the Audit Reports of the Municipality. It is the members of this committee who consider and evaluate the contents of the Annual Report and make recommendations to the Council when adopting an Oversight Report on the Annual Report. The Committee members further ensure the promotion of good governance, transparency and accountability on the use of municipal resources.

Bela-Bela Municipal Council has a total number of 17 Councillors, with the African National Congress being the majority party. The number of seats is as follows: 17 Councillors, 9 ward councillors and 8 are councillors appointed on a proportional representative (PR)

2.2 POLITICAL DECISION-TAKING

Bela-Bela Local Municipality has established section 79 committees in terms of Local Government: Municipal Structures Act 117and regulations of 1998 as follows:

Planning and Economic Development sub committee

Infrastructure Sub Committee

Social and Community Services Subcommittee

Transformation / Governance / Budget & Treasury Sub-Committee

Municipal Council meetings were convened as follows:

During the financial year under review, 13 x Council meetings were convened as follows: 29 July 2021 – ordinary, 23 Sptember 2021 – special, 29 October 2021 – ordinary, 22 November 2021 – special, 21 December 2021 – special, 21 January 2022 – special, 28 January 2022 – ordinary, 24 February 2022 – special, 28 February 2022 – special, 31 March 2022 – special, 05 April 2022 – special, 29 April 2022 - ordinary & 31 May 2022 – special. The Municipal Council took several resolutions during the 2021/2022 financial year of which were forwarded to the relevant departments for implementation.

Section 79 sub committee meetings were convened as follows:

35 x Section 79 meetings were convened as follows: 3x 20th of July 2021, 3x 27th of August 2021, 3x 28th September 2021, 3x 18th of October 2021, 2x 17th of January 2022, 1x 18th January 2022, 2x 15th of February 2022, 1x 16th of February 2022, 1x 17th of February 2022, 2x 23rd of March 2022, 2x 24th of March 2022, 2x 19th of April 2022, 2x 20th of April 2022, 2x 16th of May 2022, 1x 17th of May 2022, 1x 23rd of May 2022, 2x 20th of June 2022, 1x 22nd of June 2022 & 1x 28th of June 2022

Municipal Public Account Committee meetings as follows :

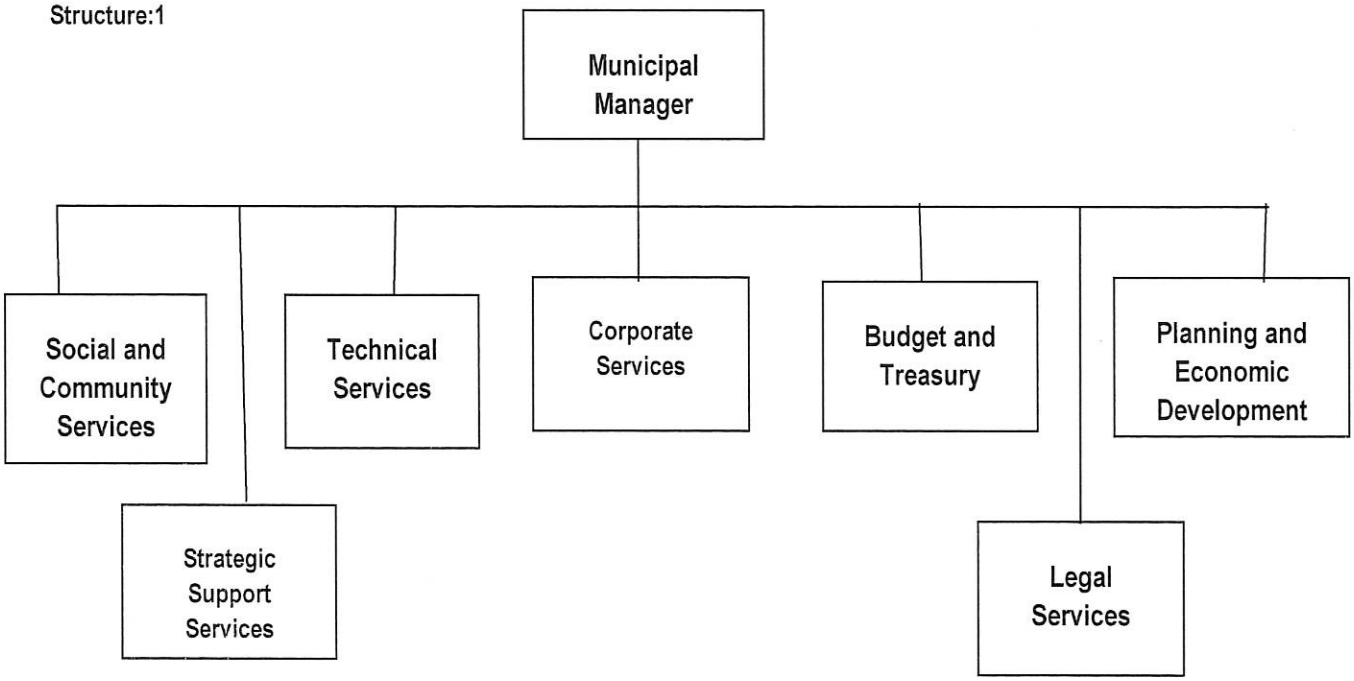
7x MPAC meetings were held as follows: 26th of July 2021,12th of January 2022,17th & 30th of March 2022, 26th of April 2022, 10th of May 2022 and 14th of June 2022.

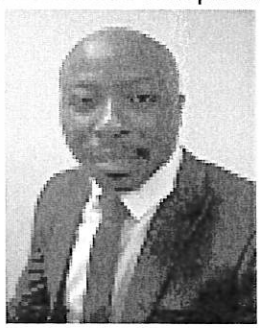
2.3 ADMINISTRATIVE GOVERNANCE

2.3.1 INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

Organizational Structure of Bela- Bela Local Municipality makes provision for a Municipal Manager and five Section 56 Managers and additional two non-sectional Managers who are also reporting directly to the Municipal manager. This indicates that there are 7 Head of Departments reporting to the Municipal Manager thematically depicted as follows:

Structure:1



TIER 1 TOP ADMINISTRATIVE STRUCTURE	Function
Acting Municipal Manager  **Ms JB Selapyane**	a) The Municipal Manager - (i) as head of the administration, is responsible for the effective day to day running of the administration of tl Municipality; (ii) is responsible for the execution of Council resolutions; (iii) plays a prominent role, together with the Mayor, in building, maintaining and enhancing a good relationsh between the Council, Councillors and the administration; (iv) must ensure, after consultation with the Mayor and Speaker, that a proper and effective Committee servi responsible for the agenda and minutes is in place for each of the Committees, and that then Committe meet regularly; (v) receives reports with recommendations from the Managers on all matters that must be handled by eith the Municipal Manager, the Mayor or the Council in terms of the delegation of powers of the Council. (vi) Compiling and submitting progress performance reports on all the development initiatives, projec programmes and activities taking place within Bela Bela (i.e. Quarterly, Mid - yearly and Annual Reports). Developing and Implementing policies and procedures to manage and coordinate all approved pub participation (vii) Managing the development, approval and implementation of the IDP. Monitoring the performance of the Municipality through PMS requirements. Compiling and monitoring the implementation of strategic, operational and activity plans to give effect to tl IDP
Senior Manager: Planning & Economic Development  **Mr Mnisi T**	Communication projects, programmes and activities. Marketing of Bela Bela. Co-ordinating investments proposals Liaison with investors Promotion of tourism Supporting the LED projects Providing incentives for the SMMEs./Support SMME Development Ensuring the implementation of the town planning requirements within the development taking place in tl Bela- Bela Municipal Area. Render Land Use, Building and Housing administration. Render survey and demarcation of sites. Decision–making in terms of spatial and physical planning. Develop and advertise by-laws and policies related to Town Planning under the applicable laws.
Acting Senior Manager: Corporate Services  **Mr TJ Mothapo**	Render acquisition of staff. Administer employees' benefits. Render administration, labour and legal relations. Render training and development services. Render organisational development services. Render record management services. Render information technology services. Provide auxiliary services. Oversee the drafting and updating of by-laws. Compilation of council agendas. Provide Legal Services

Senior Manager: Community and Social Services  **Ms Serote MA**	Responsible for the maintenance of Parks, Cemeteries and Community Facilities. Protection and Emergency Services Licensing and Registration Waste Management and Cleansing Services.
Senior Manager: Technical Services  **Ms. B Maswanganyi**	Technical Services Directorate is responsible for the provision of Water and Sanitation Roads and Storm-water Electrical Services PMU
Chief Financial Officer  **Mr. Marutha RM**	The Chief Financial Officer (CFO) is responsible for the Budget and Treasury Office(Finance) Budgeting and Financial Reporting, Expenditure and Revenue collection. The CFO play an advisory role to the Accounting Officer on the exercise of powers and duties assigned to tl Accounting Officer in terms of the MFMA. It is also the CFO who assist the Accounting Officer with tl administration of the Municipality bank's accounts and in the preparation and implementation of tl Municipality's budget. Other than advising the Accounting Officer, the CFO also advise the Senior Managers and other Seni Officials in the exercise of powers and duties assigned to them in terms of Section 78 and 79 of the MFMA. Additionally, the CFO review budget, account, analyse and draw financial reports, manage debts, supply cha and other duties as delegated to the CFO and the Accounting Officer.

2.4 COMPONENT B: INTERGOVERNMENTAL RELATIONS

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

Bela-Bela Local Municipality participates in different forums for intergovernmental relations which are Premier Mayor's forum, the Municipal Manager's forum, CFOs Forum and Technical Managers forum The municipal IDP/PMS Divisions also participates in the Provincial and District Municipality's Fora. These prime forums include sector departments operating at the cold face of society and

communities. The Presidential hotline is established and deals with queries raised from various stakeholders inclusive of community members.

2.4 1 INTERGOVERNMENTAL RELATIONS

2.4.1 .1 NATIONAL INTERGOVERNMENTAL STRUCTURES

Besides Provincial forums attended by both officials and politicians, other formal intergovernmental structures are dealing directly with the National Government. The interaction between National Government and the Municipality is done through the Provincial forums which are as follows: The Provincial IDP forum, Premier's Lekgotla, Premier's Monitoring and Evaluation forum and the Monitoring and Evaluation Forum by Limpopo Department of Cooperative Governance, Human Settlement and Traditional Affairs (CoGHSTA).

2.4.1.2 PROVINCIAL INTERGOVERNMENTAL STRUCTURE

The Provincial Planning forum, Premier's Lekgotla, Premier's Monitoring and Evaluation forum and Limpopo Department of Cooperative Governance, Human Settlement and Traditional Affairs (CoGHSTA). These forums assist with the implementation of the Performance Management Systems (PMS) at the municipal level and the establishments of credible IDP and SDBIP and further ensuring that municipalities are striving to obtain Clean Audit Opinions.

2.4.1.3. DISTRICT INTERGOVERNMENTAL STRUCTURES

Waterberg District Municipality role is to coordinate, facilitate and provide support to the local municipalities on service delivery and governance-related matters. Bela- Bela Local Municipality participates fully in the Waterberg District forums, such as District Planning Forums, the Mayor's forum and the Municipal Managers forum and quarterly back to basic engagement meetings. The latest forum to be established is the District Development Model and is called Khauleza.

2.5 COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

Communities within Bela Bela Municipality play a vital role to ensure accountability in Municipal affairs. Through an established ward committee system and scheduled IDP/Budget/PMS community participation processes the community was able to hold Council accountable.

The community participation processes have entrenched a culture of involving communities in decision-making processes including finalising the IDP/Budget/PMS of the Municipality.

Through the usage of the local media, Council sittings and established Council Committees (ward committees) communities are continuously informed on municipal governance, management and other development.

2.5.1 PUBLIC MEETINGS

2.5.1.1 COMMUNICATION, PARTICIPATION AND FORUMS

Communication is an important element of good governance. It is through communication that the communities and other stakeholders are informed about the activities of the Municipality and thereby getting empowered to participate in the affairs of the Municipality. Section 18 of the MSA stresses the importance of communication between Councils and Communities. It gives guidelines of issues that the Municipality must communicate to its community. It is in this regard that over the years the Municipality has utilized different strategies to encourage community participation as enshrined in Section 152 of the South African Constitution of 1996. This included programmes of mobilising, informing and educating, engaging and empowering communities in Municipal affairs.

IDP/Budget/PMS public participation processes and ward committee meetings are the cornerstone sessions that entrenches community participation and accountability to the community on municipal programmes. The IDP/Budget/PMS process plan is approved by Municipal Council with a schedule indication date, time and venue. The purpose of these meetings is to give feedback and account to the community on the implementation of the IDP/Budget of the Municipality. They are further utilized as a platform to agree on community needs which shapes the planning processes.

Further than the IDP/Budget/PMS public participation processes, the Municipality involves the community on targeted consultations at ward level, with interested and affected stakeholders (NGOs, business, etc.) and through the IDP/Budget /PMS Representatative Forums.

Other methods used to communicate with the community includes ward Imbizos, other forms such as media and utilization of the Municipal website. Over and above acquisition and confirmation of community needs, the Rep Forum meeting serves as a platform for Bela- Bela Local Municipality to engage the different stakeholders during the different stages of the IDP Process as a built-up towards the approval of the future budgets, reports on performance on current and past financial years activities.

2.5.1.2 WARD COMMITTEES

The Municipality has established nine wards committees within 9 wards with 10 members each. The key purpose of ward committees is to create formal unbiased communication channels and cooperative partnership between the community and the Municipality in the ward and facilitate public participation in the process of development, review and implementation management of the Integrated Development Planning of the Municipality and municipal processes.

2.5.1.3 IDP REP FORUM MEETINGS

IDP Representative forum consists of ward committee members, formalized organizations, special focus formations, Non Profit formations and other community–based organizations. The Bela Bela Local Municipality held four 2021/2022 IDP Representative as follows:

4x IDP Representative Forums were held as follows:

- 22nd of July 2021
- 26th of October 2021
- 24th of March 2022
- 11th of May 2022

2.5.1.5 IDP ROAD-SHOWS

Members of the community, interested stakeholders or organised formations within the jurisdiction of Bela Bela Local Municipality were invited in terms of Section 16; Section 21 (1) (a) (b); and Section 34 (1) (a) of the Local Government: Municipal Systems Act (Act 32 of 2000) to attend and participate on 2021/2022 IDP/Budget / Mayoral Roadshow for the 2021/2022 financial year. The meetings are scheduled as follows:

The 2021 - 2022 IDP/Budget Mayoral Roadshows took place in all the wards within the jurisdiction of Bela Bela Local Municipality as follows:

- Ward 1 – 03 May 2021
- Ward 2 – 29 April 2021
- Ward 3 – 02 May 2021
- Ward 4 – 18 April 2021
- Ward 5 – 17 April 2021
- Ward 6 - 13 April 2021
- Ward 7 – 25 April 2021
- Ward 8 - 01 April 2021
- Ward 9 – 21 April 2021

2.5.1.6 STRATEGIC PLANNING SESSION FOR 2021/2022 FY

Strategic Planning Session was from 14 – 15 March 2020 all councillors, Executive Committee Members, The Mayor, Municipal Manager, Senior and Middle Management members and Ikosi Mahlangu who is the only chief within the jurisdiction of Bela Bela Municipality.

The Strategic Framework provided the strategic direction of the Municipality, which also formed the basis for updating the Vision, Mission, Values, Objectives and Strategies. Furthermore, the most important aspect was the formulation of key performance indicators.

2.5.1.7 2021/22 STRATEGIC PLANNING RESOLUTIONS

OFFICE OF THE MUNICIPAL MANAGER

1. Filling of strategic positions e.g. DM: Communications/ IDP/PMS/Legal Services
2. Appointment of panel of forensic investigators
3. Procurement of Electronic Customer Care System.
4. Secure Radio Interviews for Community engagements
5. Conduct public awareness on fraud and corruption whistleblowing

BUDGET AND TREASURY

1. Implementation of Indigent Policy in a fair, just and equitable manner.
2. Put measures to improve revenue collection (Revenue Enhancement Strategy)
3. Provision of appropriate fleet in an affordable manner (Including Monitoring System)
4. Open a centralized stores or appoint suppliers on a short time basis for the purpose of bulk purchases in order to avoid delays
5. Households with rental rooms and shops should not be considered for indigents' registration.
6. To encourage Community of Masakhane and Piennarsrevier to pay for municipal services
7. Improve Audit opinion.

TECHNICAL SERVICES.

1. Seek funding from the DBSA for the development of the Roads and Stormwater Master Plans.
2. Budget from own source in each financial year for the rehabilitation of atleast 500m (0.5km) of the road network that are in a bad condition.
3. Budget a portion of the MIG each financial year to cover the roads and stormwater backlog.
4. Update the Water and Sanitation Master Plan through the DBSA grant.
5. Investigate and implement an alternative source of water for Rapotokwane Village.
6. Incorporate the development of the Storm Water Ingress Management Plan into the Water and Sanitation Master Plans funded through the DBSA grant.
7. Prioritize atleast one project in each financial year to refurbish the sewerage infrastructure through WSIG funding.
8. Update the Electricity Master Plan through the DBSA grant.

9. Budget from own source to complete the construction of the 132/11kVA 2 X 20MVA sub-station in phases.
10. Budget from own source in each financial year to refurbish the ageing electrical infrastructure in multiple phases.
11. Re-install the capacitor bank at Bela-Bela main sub-station in order to rectify the power factor and thereby reduce/ make as accurate as possible the Eskom Bulk account.
12. Budget from own source in each financial year for the refurbishment of street light cabling and related infrastructure.

SOCIAL AND COMMUNITY SERVICES

1. The Vehicle Testing Station to be opened to the public from April 2021
2. Adherence to payment arrangement with the Department of Transport to ensure consistence provision of face value documents.
3. Commission an investigation into alleged corrupt activities in the traffic licensing department.
4. Provision of appropriate tools of trade including firearms
5. Explore the usage of drones and cameras for traffic monitoring
6. Ensure that the traffic officials are visible in all municipal areas.
7. Convert Marx and Sutter road into a one way street (Technical Services to provide technical support).
8. Develop a program on reduction of illegal dumping sites
9. To conduct educational awareness campaigns with regard to waste management and second burials.
10. Consider using telkom network at traffic and licensing
11. Identification of land for cemeteries within Bela-Bela (R101).

PLANNING AND ECONOMIC DEVELOPMENT

1. Finalization the appointment of town planning specialist
2. Finalization of the improved LED Strategy
3. Budget provision for the SMME and Cooperatives supports
4. To conduct feasibility study for Bela Bela Dam (Game Reversed, Dam and Caravan Park) to be done once the panel of town specialist is appointed.
5. Land Audit report should be presented before municipal council
6. Management of Council Facilities for rental purposes
7. Finalization of outstanding property transactions at Gholbapanpark and middle income.

CORPORATE SERVICES

1. Install Virtual Private Network (VPN) and Video conferencing facility to enhance municipal operations
2. Implement full functional electronic document system
3. Restore / install internet and telephone connectivity in all remote buildings
4. Replace ICT infrastructure in phases
5. Replace laptops, desktops and servers
6. Procurement of mobile office
7. Procurement of furniture
8. Development of HRD and HRM Strategy
9. Training of employees in line with legal requirements for personal and career development guided by WSP
10. Identify and prioritizes all critical vacancies to be filled in all departments (at least 50% per post level range)
11. Engage with organize labor with regard to development of a policy to regulate employment around Covid-19.

Table:8 below illustrate 2021 -2022 Mayoral Media Statement Released

2021 – 2022 MAYORAL MEDIA STATEMENTS		
Date	**Platform**	**Ward no / Targeted Group**
01st October 2021	local newspaper (Die Pos)	Municipal wide
17th December 2021	local newspaper (Die Pos)	Municipal wide
12th of January 2022	local newspaper (Die Pos)	Municipal wide
15th of June 2022	local newspaper (Die Pos)	Municipal wide
2021 – 2022 MEDIA STATEMENTS FOR SPECIAL FOCUS GROUP		
09th of August 2021	Municipal Facebook page and local newspaper (Die Pos)	Women
01st of December 2021	Municipal Facebook page and local newspaper (Die Pos)	HIV, STI and AIDS awareness
09th & 29th of June 2022	Municipal Facebook page and local newspaper (Die Pos)	Back to School campaigns
09th & 29th of June 2022	Municipal Facebook page and local newspaper (Die Pos)	Youth

2.5.1.8 COMMENT ON THE EFFECTIVENESS OF THE PUBLIC MEETINGS

The Municipality is committed to fostering strategic partnerships with public and private sector institutions to implement programs and projects that are services delivery oriented. Office of the Mayor managed to establish formations such as special focus groups for the youth, the aged, people with disabilities, Church fraternal, traditional health practitioners.

A database has been developed to ensure that the Municipality implements activities that respond to stakeholders' needs and thus creating a sustainable relationship with members of the community.

Municipality developed Communication Strategy intending to enhance effecting and efficient communication with the community. And Customer Care Policy is in place including Batho Pele Service Standards that are implemented by the Customer Care Unit.

Implementation of the Communications Strategy enhanced Municipality communication with the community on service delivery updates. The community is continuously updated on service delivery interruptions via social media platforms and municipal wedsite. Issues that are within Municipal power and functions are addressed and those of other sector departments are referred to the relevant office through the Office of the Mayor.

TABLE:9 IDP PARTICIPATION AND ALIGNMENT

IDP Participation and Alignment Criteria	Yes/No
Does the Municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 56 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the four-quarter aligned reports submitted within stipulated time frames?	Yes

2.5.1.9 PUBLIC SATISFACTION WITH MUNICIPAL SERVICES

PUBLIC SATISFACTION LEVELS

The Municipality did not conduct a Customer Satisfaction Survey during the 2021/2022 financial year, However, a Customer Care Unit is in place and functional, and is effectively gathering service delivery issues and complaints forwarded by community members. The information gathered by the Customer Care Unit is communicated to various departments within the Municipality to be attended to as soon as possible. Issues raised that are not for the Municipality are referred to relevant departments via the Office of the Mayor. Only one community protest took place in the 2021/22 financial year.

2.6 COMPONENT D: CORPORATE GOVERNANCE

OVERVIEW OF CORPORATE GOVERNANCE

To ensure accountability and governance arrangements are in place, Section 121 (2)(c) of the MFMA supports the requirements of Section 18(1)(d) of the MSA of 2000: stipulates that information on matters of governance should be communicated to communities. This should, according to Sections 65(1)(a) of the MFMA and 46 of the MSA be undertaken through the compilation and publication of the Annual Report. The purpose of the annual report is to promote accountability to communities for decisions taken by the Council and matters relating to administrative structures, throughout a financial year.

2.6.1 RISK MANAGEMENT

No organization operates in a risk-free environment. Risk management is an integral component of good management and decision-making at all levels. It is about making decisions that contribute to the achievement of the Municipality's objectives.

The purpose of an Enterprise Risk Management (ERM) process is to ensure that all significant risks that the Municipality is exposed to (whether at an executive, cluster, branch, component or project level) are proactively identified and managed to acceptable levels continuously. The key drivers to embed such a process within the Municipality are:

a) The avoidance of unplanned impacts as a consequence of risks that take us by surprise;
b) The need to protect the Municipality's reputation and image;
c) To comply with the requirements of applicable laws and regulations;
d) To ensure that we live the Municipality's values and comply with our code of conduct, and
e) To foster a culture of responsible risk-taking.

Risks are defined as 'uncertain future events that could influence the achievement of objectives. These could include strategic, operational, financial and compliance objectives. Some risks must be taken in pursuing the opportunity, but the organization should be protected against avoidable losses.

In turn, ERM is defined as a 'process that is affected by people at every level of an organization, is applied in strategy setting and across the organization. It is designed to identify events potentially affecting the entity and manages risks within its risk appetite. It further provides management and the Executive Authority with reasonable assurance regarding the achievement of the entity's objectives.

The definition of ERM reflects certain fundamental concepts. It is:

A process, ongoing and flowing through an entity;

Affected by people at every level of the organization;

Applied in strategy setting;

Applied across the business, at every level and unit,

Includes taking an entity level portfolio view of risk;

Designed to identify potential events that, if they occur, will affect the entity and manage risk within its risk appetite;

Able to provide reasonable assurance to an entity's management and oversight structure; and

Geared to the achievement of objectives in one or more separate but overlapping categories.

Benefits of risk management

Some of the benefits of risk management can be summarized as follows:

Ensures that management is focused on strategic objectives

Identifies and manages cross-organizational risks

Provides integrated responses to risks

Ensures rationalization of capital and financial resources

The Municipality has a risk management committee composed of the head of departments and chaired by an external person.

The risk management committee sits every quarter to discuss risks that threaten the municipal objectives. Below are five high risks identified by the Municipality:

TOP TEN RISKS

1.High service delivery backlog.

2. Ageing and under capacitated infrastructure

3. Aging ICT infrastructure

4. Possible litigations against the municipality

5. Illegal dumping of waste

6.Cashflow constraints

7.Negative audit outcome

8.Higher Water and Electricity Distribution losses

9.Lack of land for human settlement

10.Lack of economic development and growth

RISK MANAGEMENT MEETINGS WERE HELD AS FOLLOWS – TABLE:10

On the year under review the Risk Management meetings were held as follows:

RISK MANAGEMENT MEETINGS	VENUE
04th of August 2021	Virtual Meeting
20th of October 2021	Virtual Meeting
30th of March 2022	Virtual Meeting
17th of June 2022	Virtual Meeting

2.6.3 ANTI-CORRUPTION AND FRAUD

Bela-Bela Local Municipality has priorities fraud risk management as per the Local Government Municipal Finance Management Act (MFMA) No 56 of 2003. Fraud prevention policy and plan are in place. The hotline through which service delivery complaints are received and whistleblowers anonymous are reporting is centralized at the District Municipality and as well as at the Office of the Premier. To instil confidence in the anonymous reporting of incidents of fraud and corrupt activities, the hotline is managed independently. Bela- Bela Local Municipality has sound internal controls in place to work as a deterrent and to also prevent the occurrence of fraud. All reported cases are monitored, investigated and discussed during the Top and Broader Management meeting as well as during the Audit Committee meetings. Internal Audit and Risk Management Committee assist to detect fraudulent and corrupt activities.

2.6.3.3 FINANCIAL MISCONDUCT BOARD

The Municipality has established a financial misconduct board in line with Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings. The purpose of the board is to investigate any financial miscounduct.Composition of the Board is as follows :

- Ms. A K Mabitsela - Chairperson
- Mr . N Marobane -Member
- Chief Audit executive – Member
- Legal officer – Member
- Representative from Provincial treasury- Member

2.3.3.4 ACTION TAKEN TO ADDRESS ISSUES RAISED BY THE AG

During the financial year 2021/22 the municipality obtained a qualified audit opinion from the office of the Auditor General of South Africa. Amongst issues that qualified the Municipality are investment property , receivables, payables , revenue, expenditure , cash flow and distribution losses.

Municipality has since developed an Action Plan, developed a schedule of weekly AFS steering committee meetings and over and above this , the Municipality intends to prepare the interim financial statements with intention to address all issues raised in the audit report .

2.6.4 INTERNAL AUDIT FUNCTION

Internal Audit Division is a governance structure. The unit reports administratively to the Municipal Manager, functionally to the Audit Committee and has a staff complement of three officials.

The Internal Audit Division is responsible to evaluate the adequacy, effectiveness and efficiency of the internal control system and performance management. The Division provides the necessary assurance and advisory services to the organization and reports quarterly to the Audit Committee.

COMPOSITION OF PERFORMANCE AND AUDIT COMMITTEE MEMBERS

The following are members of the Committee:

- Mr SAB Ngobeni - Chairperson
- Ms. A K Mabitsela - Member
- Mrs T Mathabatha - Member

PERFORMANCE AND AUDIT COMMITTEE MEETINGS WERE HELD VIRTUAL AS FOLLOWS:

MEETINGS	DATE OF MEETING	VENUE
Audit Committee	30th of August 2021	Virtual meeting
Audit Committee	23rd of May 2022	Virtual meeting
Audit Committee	24th of June 2022	Virtual meeting
Audit Committee	30th of June 2022	Virtual meeting
Performance Audit Committee	30th of August 2021 and 30th of June 2022	Virtual meeting
Performance Audit Committee	30th of August 2021 and 30th of June 2022	Virtual meeting

BBLM PERFORMANCE AND AUDIT COMMITTEE ANNUAL REPORT 2021/2022

We are pleased to present our report for the financial year ended 30 June 2022.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 166 of the Municipal Finance Management Act and Circular 65 issued by the National Treasury. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, and it has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein, except that we have not reviewed changes in accounting policies and practices.

Audit Committee members and attendance

The above-mentioned Audit Committee members were appointed on the 29 April 2022. The appointment is with effect from 01 May 2022 for three (3) years.

Evaluation of Financial Statements

The Audit Committee has:

Reviewed and discussed the Annual Financial Statements.

Therefore the Audit Committee concurs and accepts the conclusions on the Annual Financial Statements and is of the opinion that the annual financial statements be accepted and read together with the report of the Auditor-General.

The Effectiveness of Internal Control

Our review of the findings of the Internal Audit work, which was based on the risk assessments conducted in the Municipality revealed certain weaknesses, which were then raised with the Municipality.

There has been an improvement in the system of internal control of the Municipality and reducing qualification issues of the previous year. There are several deficiencies in the system of internal control and/or deviations there were reported by the internal auditors and the Auditor-General. In certain instances, the matters reported previously have not been fully and satisfactorily addressed. The Audit Committee notes management's commitment to correct the deficiencies. During the year under review, there was consistent monitoring of action plans and progress.

In-Year Management and Monthly/Quarterly Report

The Municipality has a monthly and quarterly reporting system to the Council as required by the Municipal Finance Management Act (MFMA). Monitoring and reviews of performance information were periodically in the year under review.

Performance Management

The AC reviewed the functionality of the performance management system and it appears to be functional, however, there is room for improvement so far as the achievement of planned targets is concerned.

Risk Management

The AC is of the opinion that Municipality's risk management appears to be effective, and the Municipality did implement a comprehensive risk management strategy and related policies.

Compliance with laws and regulations

A number of non-compliance with the enabling laws and regulations were revealed by Internal Audit during the year. Thus there is a room for improvement in so far as establishing an effective system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of non-compliance.

Internal Audit

The AC is satisfied with the effectiveness of Internal Audit and commends Management and Council for supporting the unit, however, the unit is not adequately capacitated and the position of additional Internal Auditor should be filled.

Performance Management system

The AC is satisfied that management did implement an effective management system, however, there is room for improvement in so far assessment of external service providers' performance regularly.

Conclusion

The Audit Committee wishes to acknowledge the commitment from the Council, management and staff of the Municipality. The stability in terms of the political and administrative leadership of the Municipality has contributed to these improvements reported above. We would also like to thank the Mayor for his support, Councillors, senior management for their efforts and internal audit for their contribution.

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Mr SAB Ngobeni

Chairperson of the Audit Committee

Bela-Bela Local Municipality

30 June 2022

AUDITOR-GENERAL REPORT FOR 2021/2022 FINANCIAL YEAR

The Municipality has complied with the requirements of the Municipal Finance Management Act No. 56 of 2003 by compiling the 2021/2022 Annual Financial Statements and submitted these to the Auditor-General for auditing.

2021/2022 AUDITOR-GENERAL ACTION PLAN

The 2021/2022 AGSA is in place and has been implemented

2.6.5 BY-LAWS

During the 2021/2022 financial year, the Municipal Council Approved Municipal By-laws that were taken for public participation. The table below depicts details of public participation dates.

Table: 11 BY-LAWS REVIEWED DURING 2021/2022 FY

BY-LAWS REVIEWED DURING 2021/2022 FY					
Description	**Dates of Public Participation**	**Public Participation Conducted Prior to Adoption of By-Laws / Policies (Yes/No)**	**Date Revised**	**By-laws Approved (Yes/No)**	**Date of Publication**
Credit and Debt Collection By – law	April / May 2022	Yes	31ST May 2022	Yes	June 2022
Property Rates By – law	April / May 2022	Yes	31ST May 2022	Yes	June 2022
Tariff By – law	April / May 2022	Yes	31ST May 2022	Yes	June 2022
Indigent Support By - law	April / May 2022	Yes	31ST May 2022	Yes	June 2022

CHAPTER 3

3 FINANCIAL HEALTH OVERVIEW

Municipality average debt collection rate was 84% in the 2020/2021 financial year which is above average in the Province.
The Municipality's 2021/2022 financial year's total revenue is R 532 million. The highest source of revenue was Service Charges (i.e. income from the sale of water, electricity, waste collection and sanitation) followed by government grants and property rates respectively. The total expenditure of the Municipality for the 2021/2022 financial year was R486 million. The highest expenditure was incurred on employee costs followed by bulk purchases (water and electricity) and general expenditure respectively.

The Municipality's financial performance resulted in a surplus of R45 million. Total consumer debtors before provision for doubtful debts was R133 million and the provision was R114 million at the end of June 2022. Debt collectors are being utilized to collect long outstanding debts.
Trade payables amounted to R106 million as of 30 June 2022. Major creditors included bulk purchases (ESKOM) for electricity distributions and (Magalies) for water respectively. Contracted services are reflected as the second-highest expenditure under trade payables.

Table: 12 below illustrate financial performance for the 2021/2022 financial year.

Financial Overview 2021/2022			
Description	**Original Budget**	**Adjustment Budget**	**Actual**
Total Revenue (inclusive of capital transfers and contributions) Grants	169 724 000	178 408 129	178 250 539
Taxes and Service charges	338 389 921	338 389 921	270 368 872
Other	41 477 548	39 316 432	84 105 230
Sub total	**549 591 469**	**556 114 482**	**532 724 641**
Total Expenditure (Less Expenditure)	(459 070 510)	(475 829 116)	(487 157 887)
Surplus / (Deficit)	**90 520 959**	**80 285 366**	**45 566 754**

3.1 OPERATING RATIOS

Table:13 below depicts the main operating cost rations in comparison with national treasury norms

Operating cost ratios 2021/2022	
Details	**Value**
Increase in revenue	$\frac{(Period\ Under\ Review's\ Total\ Revenue - Previous\ Period's\ Total\ Revenue)}{Previous\ Period's\ Total\ Revenue} x\ 100$ $\frac{(532\,724\,641 - 505\,106\,186)}{505\,106\,186} x\ 100$ =5.47%
Employee cost	$\frac{Employee\ Related\ Costs}{Total\ Operating\ Expenditure} x\ 100$ $\frac{140\,448\,292}{487\,157\,887} x100$ =28.83%
Repairs and maintenance	$\frac{Total\ Repairs\ and\ Maintenance\ expenditure}{Property, Plant\ and\ Equipment\ and\ Investment\ property} x\ 100$ $\frac{140\,448\,292}{487\,157\,887} x100$ =1.06%
Finance charges and depreciation	$\frac{Finance\ charge\ and\ depreciation}{Total\ operating\ expenditure} x\ 100$ $\frac{50\,028\,114}{487\,157\,887} x100$

	=10.27%
Increase in expenditure	$\frac{(Period\ Under\ Review's\ Total\ Expenditure - Previous\ Period's\ Total\ Expenditure)}{Previous\ Period's\ Total\ Expenditure} x\ 100$ $\frac{487\ 157\ 887}{625\ 960\ 304} x100$ = -22.2%
Interest cover	$\frac{Earnings\ before\ interest\ and\ taxation}{Finance\ charges}$ $\frac{60\ 080\ 930}{14\ 514\ 176} x100$ 4.14%
Net surplus percentage	$\frac{(Total\ Operating\ Revenue - Total\ Operating\ Expenditure)}{Total\ Operating\ Revenue} x\ 100$ $\frac{476\ 415\ 169}{487\ 157\ 887} x100$ =-2.25%

- In the 2021/2022 financial year revenue increased by 5.47%. The increase in service charges is due to tariff increases that were triggered by the increase in bulk purchases, materials and employee-related costs. There is also an increase in other income as a result of an increase in staff recoveries and unknown deposits recognized as own revenue. There was a decline in revenue derived from licenses and permits, this is due to a decline in the number of applications received by the Municipality.
- Employee costs are at 28.65% of the total operating expenditure and are considered to be within the National Treasury norms of between 25% and 40% as stipulated on MFMA Circular No. 71. Repairs and maintenance are at 1.36%. Acquisition and

construction of new infrastructure while gradually replacing the old infrastructure and cash flow limitations resulted in lower repairs and maintenance. Depreciation is at 10.22% of the total operating expenditure.

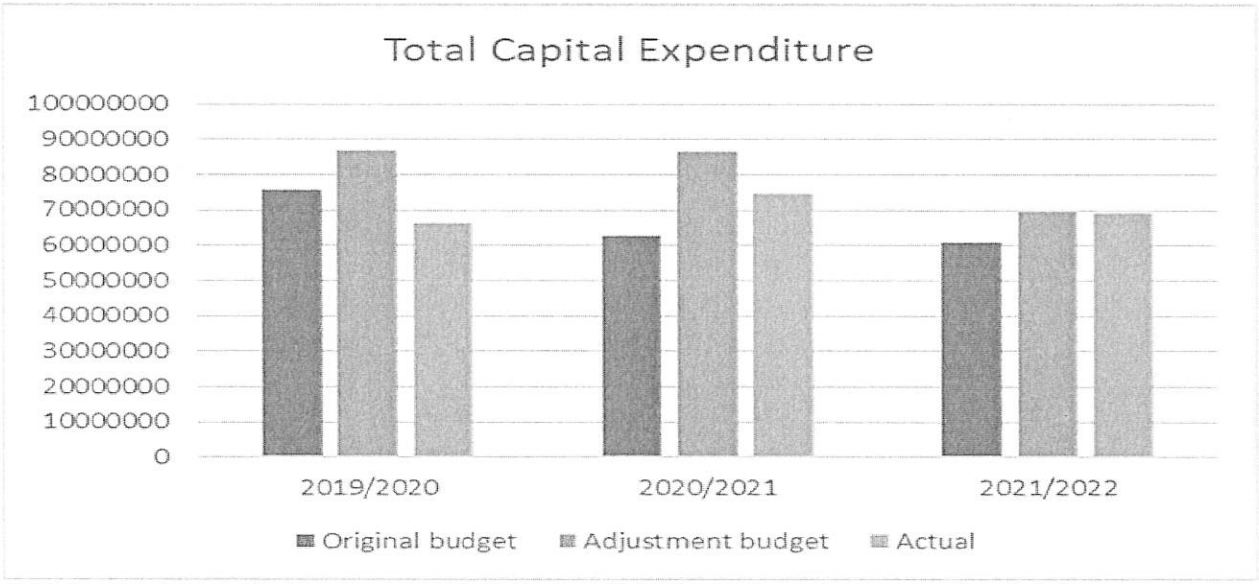
- Total expenditure for the 2021/2022 financial year decreased by 22% from the 2020/2021 financial year. The increase is attributable to a decrease in fair value adjustment.
- The interest cover ratio of 2.98 indicates that the Municipality has more than sufficient earnings to cover interest payments as they fall due and there are no solvency concerns.
- The net surplus constitutes 8% of the total revenue. The surplus has been arrived at after taking into account the non-cash Items amounting to R79 million.

3.2 CAPITAL EXPENDITURE

Table: 14 below shows the total capital expenditure over three financial years.

Total capital expenditure			
Details	**2019/2020**	**2020/2021**	**2021/2022**
Original budget	75 615 456	62 697 241	60 920 000
Adjustment budget	86 884 330	86 440 307	69 444 000
Actual	66 353 109	74 586 460	69 231 777

GRAPH:4 BELOW ILLUSTRATE CAPITAL EXPENDITURE OVER THE PERIOD OF THREE FINANCIAL YEARS

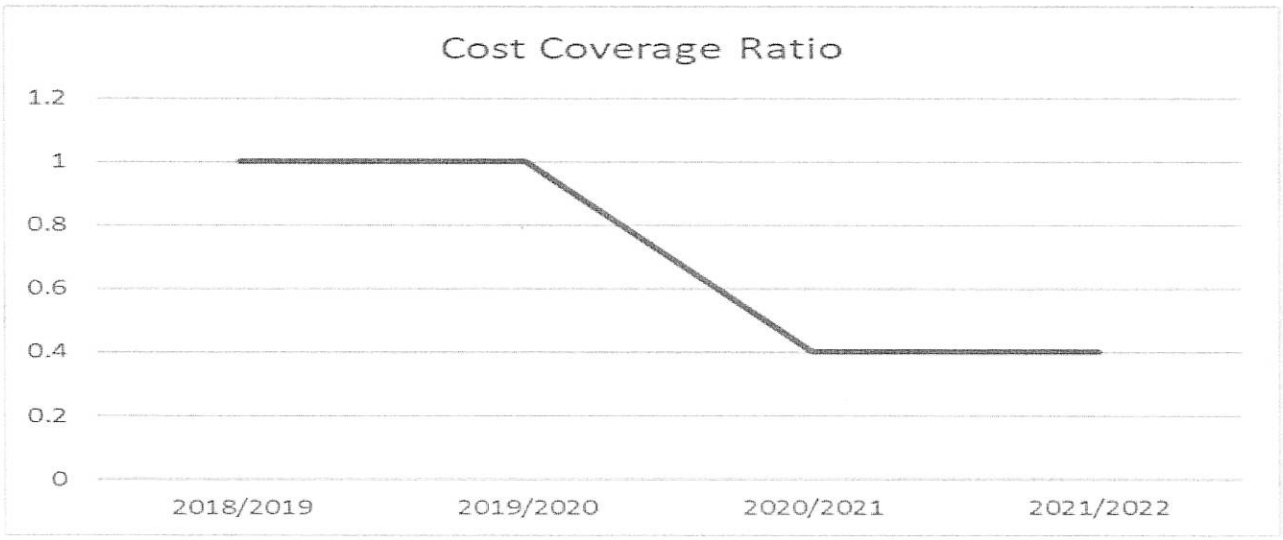


Municipal infrastructure grant spending was 99.97% and Water Services Infrastructure Grant spending was 98.70%. The Municipality had spent 99.69% on the capital budget as of 30 June 2022. All the capital projects undertaken by the Municipality were funded through the capital grants stated above, no projects were funded through their own sourced funds.

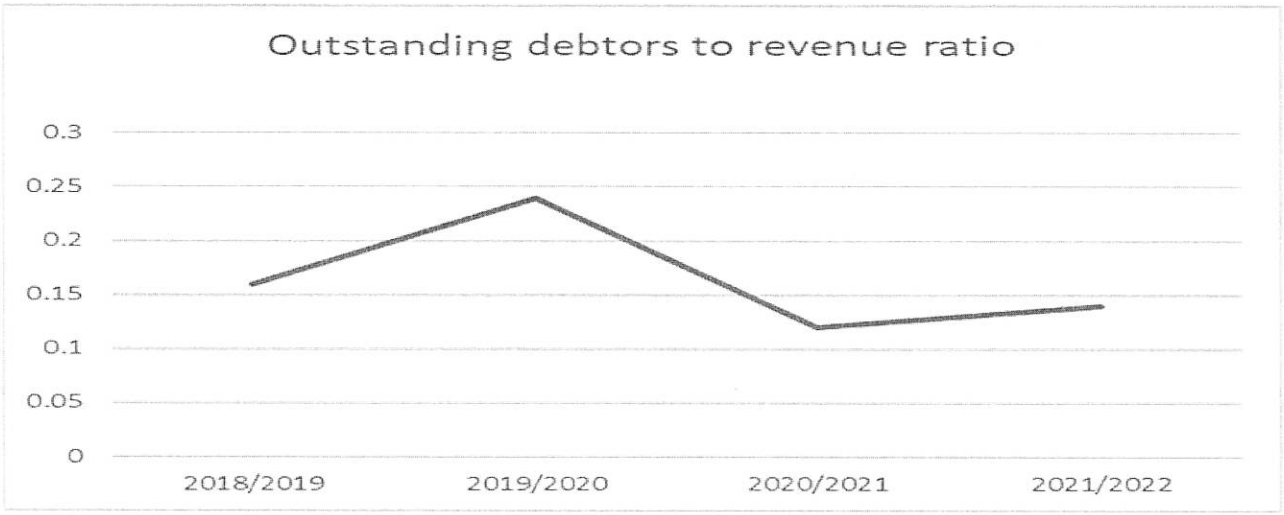
3.3 INTRODUCTION TO FINANCIAL PERFORMANCE

The graphs below depict the financial performance analyzed in terms of the financial ratios.

Graph:5 – COST COVERAGE RATIO

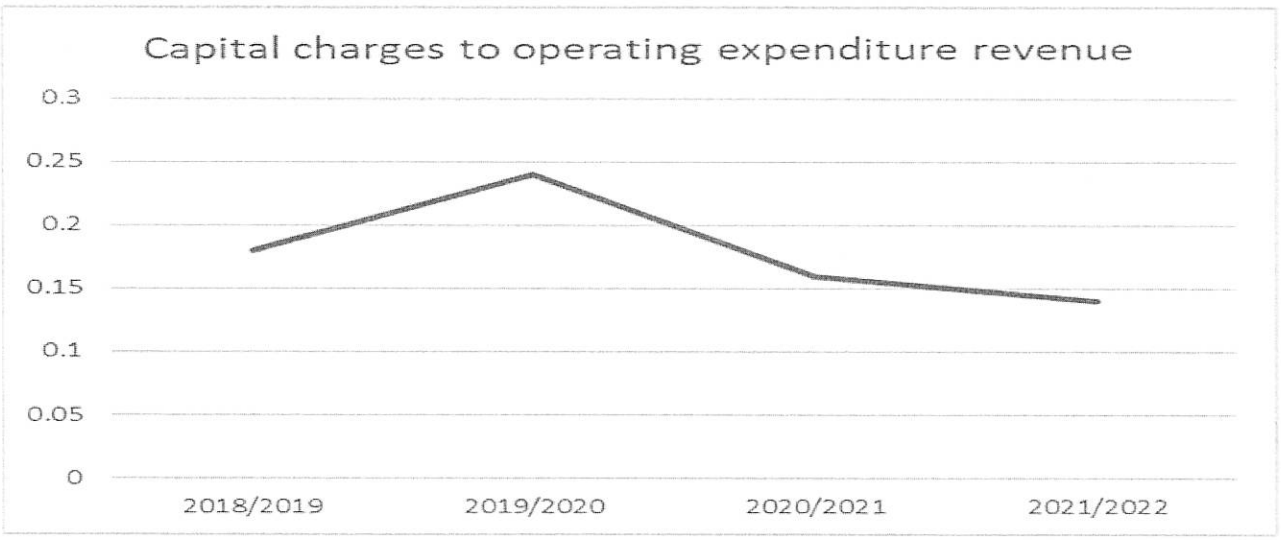


3.4 GRAPH:6 – OUTSTANDING SERVICE DEBTORS TO REVENUE RATIO

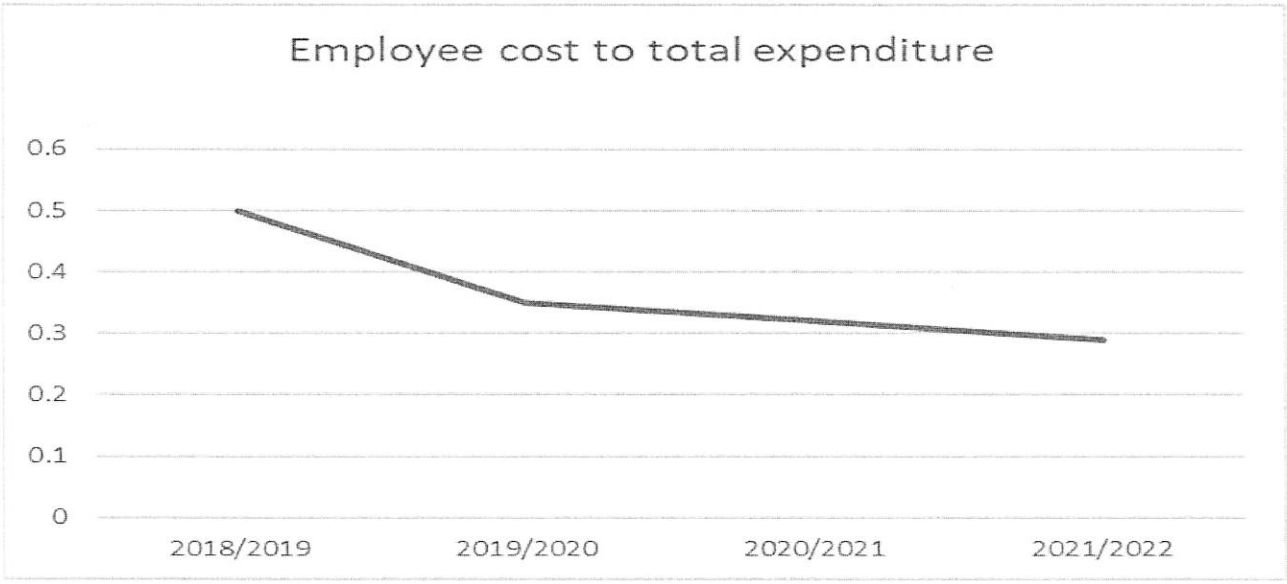


$$\frac{Outstanding\ debtors}{\text{Revenue}}$$

3.5 GRAPH:7 – CAPITAL CHARGES TO OPERATING EXPENDITURE RATIO

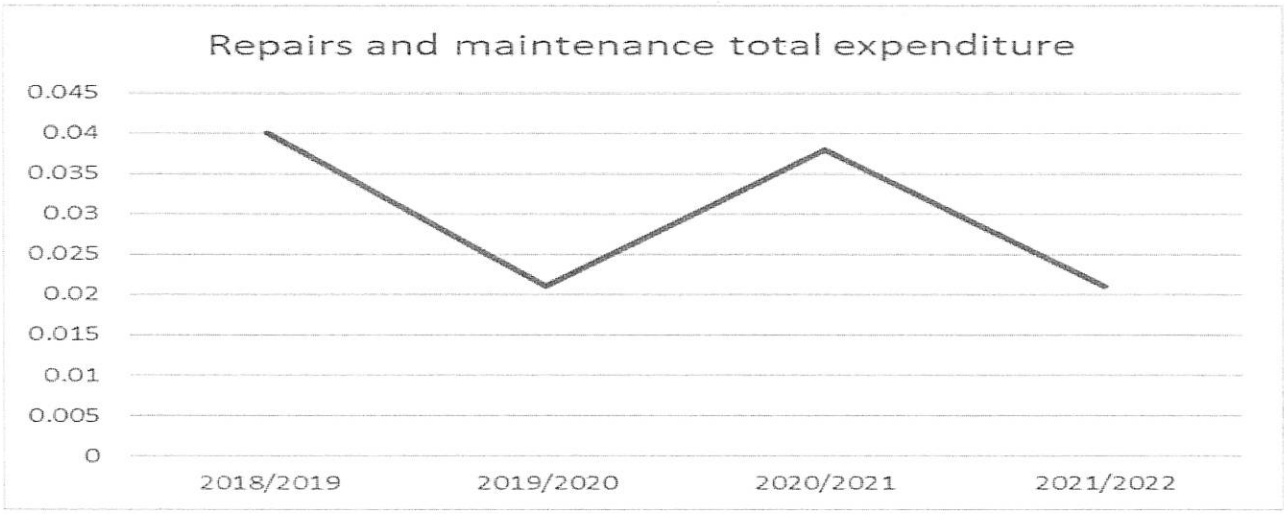


3.6 GRAPH:8 – EMPLOYEE COST RATIO



$$\frac{\textit{Employee Related Costs}}{\text{Total Expenditure}}$$

3.7 GRAPH:9 – REPAIRS MAINTENANCE TO OPERATING EXPENDITURE



$$\frac{\textit{Total Repairs and Maintenance expenditure}}{\textit{Total Expenditure}}$$

Bela Bela Local Municipality

Annual Financial Statements for the year ended 30 June 2022

Statement of Financial Performance for the year ended 30 June 2022

Figures in Rand	Note(s)	2022	2021 Restated*
Revenue			
Revenue from exchange transactions			
Service charges	18	189 321 078	178 847 201
Sale of goods and rendering of services		410 640	324 710
Rental of facilities and equipment	19	1 601 858	1 365 599
Agency services	21	3 894 845	4 593 392
Cemetery Fees		498 758	449 027
Commission received		123 416	99 846
Demand charges		157 843	144 589
Other income	22	4 021 110	16 177 543
Interest earned	23	6 362 251	5 469 941
Fair value adjustments	52	25 051 660	-
Total revenue from exchange transactions		**231 443 459**	**207 471 848**
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	24	81 047 794	79 460 505
Property rates - Interest received	24	8 492 774	7 588 387
Licences and permits (non-exchange)	50	2 232 263	1 936 558
Transfer revenue			
Government grants and subsidies	25	178 250 539	192 586 288
Fines	20	31 257 812	16 060 600
Total revenue from non-exchange transactions		**301 281 182**	**297 634 338**
Total revenue		**532 724 641**	**505 106 186**
Expenditure			
Employee related costs	26	(140 448 292)	(147 034 989)
Remuneration of councillors	27	(7 248 348)	(7 508 552)
Depreciation and amortisation	28	(35 513 938)	(32 602 835)
Impairment of assets	51	(4 204 687)	-
Finance costs	29	(14 514 176)	(10 537 639)
Debt impairment	31	(65 266 022)	(66 602 774)
Bulk purchases	33	(117 551 012)	(98 910 251)
Contracted services	34	(40 885 967)	(38 468 434)
Loss on disposal of assets and liabilities		(25 150)	(289 543)
Fair value adjustments	52	-	(189 273 436)
General expenses	32	(61 500 295)	(54 731 652)
Total expenditure		**(487 157 887)**	**(625 960 304)**
Surplus (deficit) for the year		**45 566 754**	**(120 854 118)**

3.5 COMMENT ON FINANCIAL PERFORMANCE

The final audited Financial Statements reflect total revenue of R532 724 641. Revenue from exchange transactions consisted mainly of service charges. Revenue from non-exchange transactions was earned primarily from property rates and government grants.

Total expenditure for the year was R 487 157 887. Employee related costs and bulk purchases constituted 29% and 24% of total expenditure respectively. Total expenditure decreased by 22%. The decrease is mainly due to no fair value adjustment in the current year.

3.6. GRANTS

Operating grants

(Figures in Rand)	2022	2021
Equitable share	104 441 000	115 041 000
Finance Management Grant	1 650 000	1 700 000
Extended Public Works Program	1 353 000	1 060 000
SETA	215 062	198 828
Municipal Disaster Relief Grant	-	-
Total Operating grants	**107 659 062**	**117 999 828**

Operating grant revenue for the year amounted to R 107 659 062. All the operating grants allocated to the Municipality in terms of the Division of Revenue Act for 2021/2022 were received. No operating grants were withheld by National Treasury during the financial year.

3.6.1 COMMENTS ON CONDITIONAL GRANTS AND GRANTS RECEIVED FROM OTHER SOURCES

Finance Management Grant	1 650 000	1 700 000
Extended Public Works Program	1 353 000	1 060 000
SETA	215 026	198 828
Municipal Infrastructure Grant	27 184 944	25 443 778
Municipal Water Infrastructure Grant	40 499 993	36 994 682
Integration National Electrification Programme	-	8 548 000

Energy Efficiency And Demand Side Management	2 906 504	3 600 000
Total Conditional Grants	**73 809 467**	**77 545 288**

A total of R 73 809 467 was recognised as revenue from conditional grants. Conditional grants include both operational and capital grants. Conditional grants are included in revenue only to the extent that the Municipality has met the conditions of those grants. All conditional grants were received from the National Treasury as per the Division of Revenue Act, except for the SETA grant which is received from the Department of Higher Education and Training.

3.6.2 COMMENTS ON CAPITAL EXPENDITURE

Capital Expenditure relates mainly to the construction and rehabilitation of municipal assets that will have value lasting over many years. capital expenditure is funded from grants and own generated funds. components deals with capital spending indicating the source of funding and whether the Municipality was able to spend on its planned and approved capital projects.

SPENDING AGAINST CAPITAL BUDGET (FIGURES IN RAND)- TABLE:15

Project Name	Funding	Current budget	Total Expenditure
Bela Bela: Storm Water - Spa Park	MIG	R 3,446,364.70	R 3,446,364.70
Bela Bela: Extension Grave Yard	MIG	R 5,808,520.00	R 5,808,544.61
Bela Bela: Development of sport facilities - Spa Park	MIG	R 2,192,278.46	R 2,171,495.41
Bela Bela: Development of sport facilities - Lesiding	MIG	R 1,921,231.82	R 2,183,517.77
Bela Bela: Road Paving and Storm Water 1 (Hostel View & X5)	MIG	R 2,784,943.55	R 2,784,943.54
Bela Bela: Road paving & Storm water X6- Phase 1	MIG	R 4,383,405.80	R 4,142,944.74
Bela Bela: Road paving & Storm water X7- Phase1	MIG	R 474,019.00	R 474,000.00
Bela Bela: Road paving & Storm water X8- Phase1	MIG	R 262,162.22	R 262,160.00
Bela Bela: X 6 Intersection	MIG	R 500,000.00	R 498,747.51
Bela Bela: Road Paving X 4, 6, 7 & 8**(Roll-Over)**	MIG	R 2,383,074.45	R 2,383,005.45
Supply and install new and faulty water meters (±1200HH in All W	WSIG	R 7,031,278.34	R 6,255,821.58
WCDM: Installation of Bulk Zonal Meters in Bela Bela(Ward 1 to	WSIG	R 275,350.00	R -
2ML WTW in Masakhane	WSIG	R 10,876,927.14	R 10,842,694.72
Bela-Bela Refurbishment of old section of water treatment works	WSIG	R 3,054,349.00	R 2,690,452.37
Upgrade of Bela-Bela Aventura sewer pump station(19_20)	WSIG	R 4,650,647.56	R 4,641,552.27
Bela-Bela water desalination plant -Rapotokwane(19_20)	WSIG	R 5,130,967.98	R 5,032,118.46
Refurbishment of the Warmbad Dam	WSIG	R 5,949,934.84	R 3,714,749.85
Water reticulation in Rapotokwane	WSIG	R 505,545.75	R -
Refurbishment of the Bela Bela Waste Water Treatment Works-P	WSIG	R 9,300,000.00	R 3,119,000.34
Refurbishment of sewer outfall from Aventura PS to Bela-Bela W	WSIG	R 700,000.00	R 698,291.21
Electrification of 900HH-INEP	INEP	R 8,548,000.00	R 8,564,429.10
Energy Efficiency and Demend Side Management	EEDSM	R 3,600,000.00	R 3,600,000.00
Total		**R 83,779,000.62**	**R 73,314,833.63**

3.8 CASH FLOW MANAGEMENT AND INVESTMENTS

Bela Bela Local Municipality
Annual Financial Statements for the year ended 30 June 2022

Cash Flow Statement for the year ended 30 June 2022

Figures in Rand	Note(s)	2022	2021 Restated*
Cash flows from operating activities			
Receipts			
Property rates and traffic fines		89 540 568	65 572 663
Service charges		257 932 319	178 847 201
Grants		160 099 062	189 104 968
Interest income		6 362 251	13 058 328
		513 934 200	446 583 160
Payments			
Employee costs		(145 001 172)	(147 839 541)
Suppliers		(297 618 923)	(206 901 011)
Finance costs		(14 514 176)	(9 795 615)
		(457 134 271)	(364 536 167)
Net cash flows from operating activities	35	**56 799 929**	**82 046 993**
Cash flows from investing activities			
Purchase of property, plant and equipment	4	(52 485 865)	(79 503 278)
Proceeds from sale of property, plant and equipment	4	-	(228 908)
Net cash flows from investing activities		**(52 485 865)**	**(79 732 186)**
Net increase/(decrease) in cash and cash equivalents		**4 314 064**	**2 314 807**
Cash and cash equivalents at the beginning of the year		12 516 771	10 201 964
Cash and cash equivalents at the end of the year	15	**16 830 835**	**12 516 771**

The accounting policies on pages 13 to 28 and the notes on pages 29 to 81 form an integral part of the annual financial statements.

3.9 SUPPLY CHAIN MANAGEMENT

Section 112 of the Municipal Financial Management Act (MFMA) No.56 of 2003 requires municipalities to have a Supply Chain Management Policy which is fair, equitable, transparent, competitive, cost-effective and complying with the prescribed regulatory framework. As guided by the above mentioned Act Bela-Bela Local Municipality revised its SCM Policy during the 2020/2021 financial year to comply and implement the provisions of Section 112 of MFMA. And taking into account other development in Supply Chain Management (SCM) such as the new South African Revenue Services (SARS) phasing out of tax clearance certificates and introduction of compliance PINs, the new Centralized Supplier Database (CSD) and the e-Tender advertisement platform.

3.10 COMMENTS SUPPLY CHAIN MANAGEMENT

With regards to the long term contracts and Public-Private Partnerships (PPP) it should be indicated that the Municipality did not have long term contracts and PPP's during the 2020/2021 financial year.

The Municipality is also adhering and complying with Section 26(b) of Local Government Municipal Finance Management Regulations, which allows the Accounting Officer to appoint members of bid committees as and when required.

3.11 GRAP COMPLIANCE

GRAP is the acronym for Generally Recognized Accounting Practice and it provides the rules by which municipalities are required to maintain their financial accounts. Successful GRAP compliance will ensure that municipal accounts are comparable and more informative for the Municipality. It will also ensure that the Municipality is more accountable to its citizens and other stakeholders. Information on GRAP compliance is needed to enable National Treasury to assess the pace of progress and consider the implications.

3.12 INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

Bela-Bela Local Municipality has approved an Indigent support policy where consumers who earn R3 500 and below qualify to receive free/subsidised basic services. These services include 6kl of water, 50KWH of electricity, free weekly waste collection, free sanitation services and 100% subsidy on property rates. An indigent register has been developed and it is being used as a guide of the number of households provided with the above mentioned free basic services. According to the statistics in the register, Bela-Bela local Municipality provides 4 929 houses with free basic services (Indigents) during the 2021/2022 financial year.

SERVICES	NUMBER
FREE BASIC WATER	4 569
FREE BASIC ELECTRICITY	3 712
FREE BASIC SANITATION	4 929
FREE BASIC REFUSE	4 652

CHAPTER 4 – SERVICE DELIVERY PERFORMANCE

4.1 INTRODUCTION TO BASIC SERVICES

This component includes: water services; waste water (sanitation) services; electricity services; and roads and stormwater services.

Bela-Bela Local Municipality has a total of 18 068 households as per "Census 2011 Statistics" of which 14 497 constitute Urban Residential as per the "Spatial Development Framework Bela-Bela 2011", meaning that the difference is either not proclaimed, illegal or rural settlements. However the number of households has increased based on Census 2016 Community Survey which also estimates that there are approximately 21 354 households within Bela-Bela municipal area which is 18.9% increase from 2011. It is anticipated that the next Census will reveal an even bigger growth due to emerging informal settlements and formal extensions in the Township and Rural Areas. The inclusion of Savannah Estates is also inevitable. Although it is on the boundary of the Dr JS Moroka Local Municipality in the Mpumalanga Province, the Dermacation Board has since confirmed that the Settlement is within the Bela-Bela Local Municipality Boundaries.

The Municipality is a Water Services Authority and Provider. During the 2021/2022 financial year there was improvement on the water supply system, and the Municipality was able to supply water reasonably to the Community of particularly Bela-Bela Town and Township.

Magalies water board is contracted to the municipality to provide purified water at 7.5 Mega-Litres (ML) per day. However, on average 6ML/day was received.

Waste Water Treatment Plant and all Pump Stations are on a high critical risk and need to be refurbished and upgraded in order to accommodate all the Settlements and stormwater ingression. The Municipality managed to start with the refurbishment of the Bela-Bela Waste Water Treatment Plant project through WSIG funding from the Department of Water and Sanitation, and the project will continue with its last phase in the next 2022/23 and 2023/24 financial years. Other projects to refurbish/ upgrade Pump Station are set to start with designs in the 2022/23 financial years.

The Municipality was able to secure an in-kind grant from the Development Bank of Southern Africa (DBSA) for the Development of the Water and Sanitation Master Plan, Water Services Development Plan and the Plan to reduce non-revenue Water, due to be completed and approved by Council in the 2022/23 financial year. These plans will assist in effective planning of Water and Sanitation projects, ensuring sustainability of service provisioning.

The Municipality is licenced to provide electricity to Bela-Bela Town, Township and the Farms. Pienaarsrivier, Radium (Masakhane), Rapotokwane Village, Vingerkraal and Tsakane are serviced by Eskom.

During the financial year under review the Municipality has successfully maintained the electricity supply to all consumers, although it was mostly reactive maintenance due to challenges with resources. The electrical infrastructure is ageing and there is a dire need to refurbish it. Bulk capacity remains a challenge, however the Municipality developed and Council approved the electrical master plan through the in-kind grant from the Development Bank of Southern Africa (DBSA). It is planned that the Bela-Bela new substation project be rescuscitated and as such the Department of Minerals and Energy have been engaged for funding.

The municipality has also conducted a road visual assessment and produced a status quo report on the municipal roads and further developed a standard guidelines for design and maintenance specifications. Routine road maintenance was maximized to improve roads infrastructure conditions and accessibility. The biggest challenge remains with the undercapacitated stormwater system, which was also regularly maintained to ensure effectiveness. There is an urgent need to develop and Roads and Stormwater Master Plan, and to also upgrade the stormwater system.

4.1.1 INTRODUCTION TO WATER PROVISION

Note: Recent legislation includes the Water Services Act 1997 and the General Enabling Act 2005

Bela-Bela is supplied predominantly with water sourced from the Warmbaths and Platrivier dams, whose levels improved due to recent high rainfall. Therefore, much challenge with water shortages was not experienced particularly in Bela-Bela Town and Township.

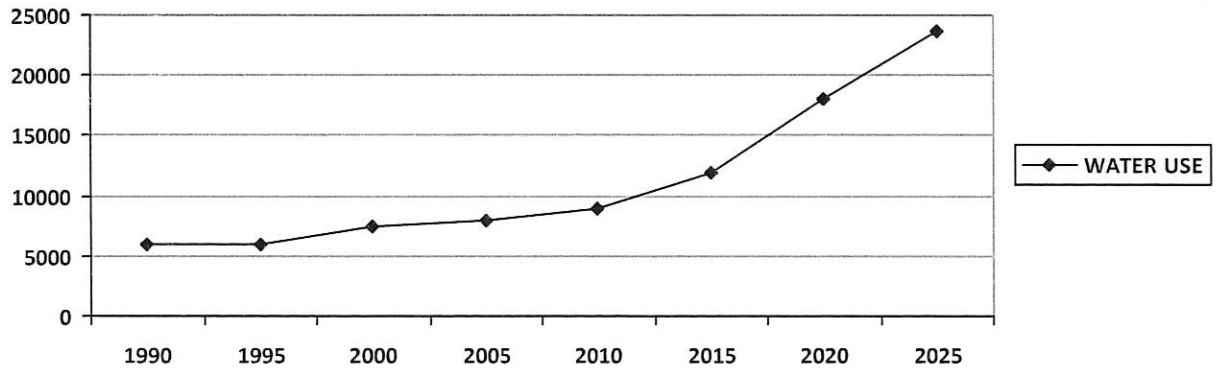
Bela Bela Local Municipality recorded water losses in 2021/2022 financial year. The Water losses were more often discussed as un-accounted for water which is in two aspects i.e Technical losses (water loss in the system due to infrastructure failure. Non-revenue water (water theft through illegal connections and non - payment by consumers). More stringent measures must be in place to reduce water losses.

Urban Water Usage by 2022 was 15 273kℓ/day, while for the other category the use is on the Moderate level of

2 865kℓ/day. The indigent households received 6kℓ of free basic water per month.

The Total Water Demand in the Jurisdiction of Bela- Bela Local Municipality is calculated at 18 138kℓ/day (Including Savannah Estates). (Source: Zutari Situational Analysis Report - 2022).

GRAPH 10: WATER DEMAND



4.1.2 BULK WATER RESOURCES IN BELA-BELA LOCAL MUNICIPALITY

Bulk Water supply for the Bela-Bela area of jurisdiction is sourced as follows:

- Potable water from Magalies Water Board
- Bela- Bela Local Municipality Water Treatment Works
- Boreholes/ Ground Water

TABLE 16: AVAILABLE BULK WATER SUPPLY

Main Source/ Dam	Bulk Resources	Coverage	Expected Volume (Kl/Month)	Water Demand (Kl/month)	% of Contribution
Roodepoort Dam	Magalies Water (Klipdrift Water Treatment Works)	Bela-Bela	180 784	426 150	42%
Warmbaths / Platrivier Dams	Bela-Bela Water Treatment Works (WTW)	Bela-Bela Town and Township	225 000		52.8%
Boreholes	Showground, Park, Outpost and Roodepoort	Bela-Bela Town and Township	36 000		8.45%
Roodepoort Dam	Magalies Water (Klipdrift Water Treatment Works)	Pienaarsrivier	40 000	82 300	48.6%
Boreholes	Rapotokwane	Rapotokwane	4 080	4 395	93%
Boreholes and Water Trucks	Tsakane	Tsakane	2 700	2 292	100%
Boreholes	Masakhane/ Radium	Masakhane/ Radium	5 100	6 870	74.2%
Boreholes and Water Trucks	Vingerkraal	Vingerkraal	7 800	1 040	
TOTALS			**501 464**	**523 047**	

Note: The expected volume/day is based on the capacity of the Bulk Resources. The expected volume per month = 30days X expected volume/day.

***Note that the % Contribution is rounded off to 2 decimal places

Table above illustrates that there is a deficit against the current demand. These water shortages are experienced mostly in areas supplied from Boreholes; viz Masakhane, Rapotokwane Village, Savannah Estates, Vingerkraal and Tsakane.

4.1.3 COMMENT ON WATER USAGE

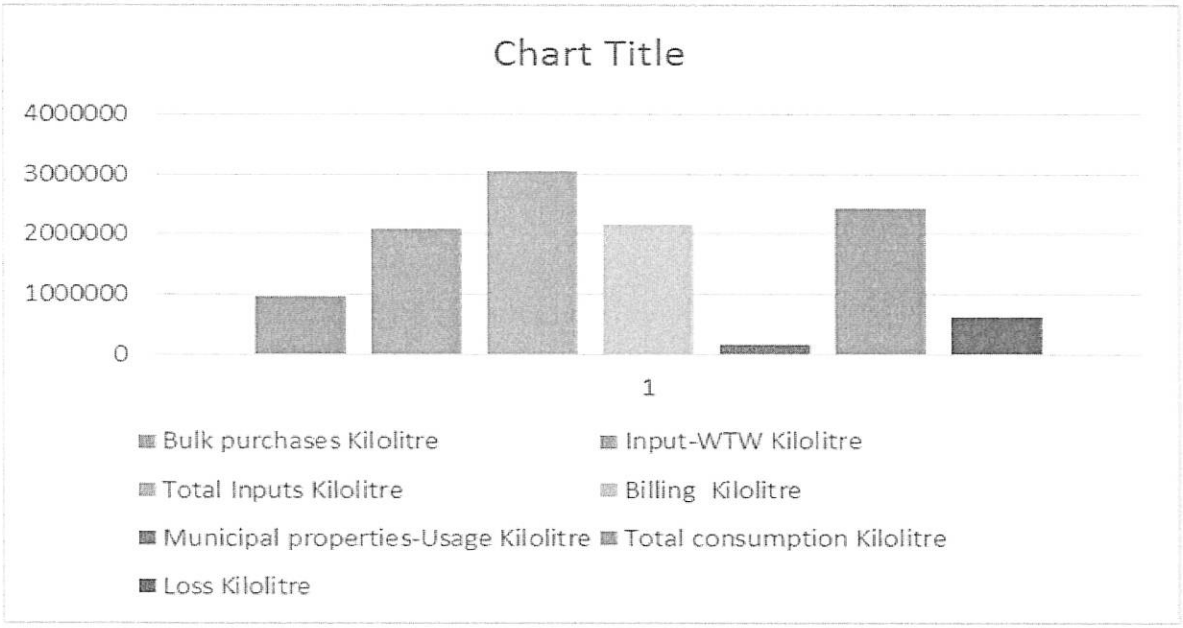
For supply in Bela-Bela Town and Township, the Bela- Bela Water Treatment Works constantly provided water without any challenges, with Magalies Water augmenting the Supply as contracted.

Challenges remained with boreholes in Rapotokwane, Tsakane and Vingerkraal, although repairs were regularly done to ensure functionality.

TABLE 17: WATER USE

Water Use – July 2021 to June 2022						
Bulk Purchases (kl)	Input WTW (kl)	Total Input (kl)	Billing (kl)	Municipal Properties - Usage	Total Consumption (kl)	Loss (kl)
2 665 423	1 281 049	3 946 472	1 940 331	1 197 114	3 137 445	809 027

GRAPH 11: WATER USE



Due to the high water losses, the following Water Conservation Demand Management actions were prioritized:

- Replacement of Non-functional meters
- Reduce pressure in the reticulation system
- Reduce water losses to minimum acceptable levels
- Education & awareness
- Replacement of ageing infrastructure
- Continuous repair of water pipe bursts/ leakages

4.1.4 TABLE 18: RESIDENTIAL WATER SERVICES DELIVERY ACCESS PROFILE [WATER]

Census Category	Description	2018		2019		2020		2021		2022	
		Nr	%	Nr	%	Nr	%	Nr	%	Nr	%
	WATER (ABOVE MIN LEVEL)										
Piped (tap) water inside dwelling/ institution	House connections	14 073	78%	14 073	78%	14 073	78%	14 073	78%	14 073	78%
Piped (tap) water inside yard	Yard connections	855	5%	855	5%	855	5%	855	5%	855	5%
Piped (tap) water on community stand: distance less than 200m from dwelling/ institution	Standpipe connection < 200 m	3 136	17%	3 136	17%	3 136	17%	3 136	17%	3 136	17%
Sub-Total: Minimum Service Level and Above		18 064	100%	18 064	100%	18 064	100%	18 064	100%	18 064	100%
* To include informal settlements											

The wording "within/more 200m from dwellings" be replaced with "stand pipes" as it is challenging to measure.

4.1.5 TABLE 19: EMPLOYEES WATER AND SANITATION SERVICES

Employees: Water and Sanitation Services - 2021/2022 Financial year				
Job Level	**Number of Employees**	**Number of Posts**	**Vacancies**	**% Vacancy**
0-3	2	1	1	50%
4-6	4	3	1	25%
7-9	10	3	7	70%
10-12	4	3	1	25%
13-15	84	50	34	40%
Total	104	60	44	42%

Vacancies in the Water and Sanitation Division is mostly caused by retirements more than resignations. This leaves the Division with serious skills shortages. The vacancy rate of 42% indicates that there is a serious gap in covering operations and maintenance work.

4.1.6 COMMENT ON WATER SERVICES PERFORMANCE OVERALL

The Blue Drop Audit for the 2020/2021 financial year was done with only the system analysis concluded.

Municipal BDRR Score: 40.1%

Assessment Areas	**Bela Bela /Magalies Water Supply System**	**Radium Borehole Water System**	**Rapotokwane Borehole Water System**
BULK / WSP		**Magalies Water**	
A: Total Design Capacity (Ml/d)	47	1	1.47
B: % Operational Capacity in terms of design	82.6%	80%	108.8 %
C1a: % Microbiological Compliance	98.8%	100%	0%
C1b: % Microbiological Monitoring Compliance	81.3%	0%	0%
C2a: % Chemical Compliance	98.5%	90.9%	0%
C2b: % Chemical Monitoring Compliance	50%	20.6%	17.7%
D: % Technical Skills	71%	0%	0%
E: % Water Safety Plan Status	73.1%	0%	0%
%BDRR/BDRR max	**38.2%**	**44.7%**	**98.4%**

The Bela Bela/Magalies WSS and Radium borehole falls in the Low-risk category and the Rapotokwane borehole falls in the Critical-risk category.

Criteria B - The Bela Bela/Magalies WSS and Radium borehole are operating within their design capacity (<90%) which makes the water systems to be at Low-risk. However, the Rapotokwane borehole is operating above its design capacity (>90%) which makes it non-compliant, and this must be addressed by the WSA.

Criteria C – The Bela Bela/Magalies WSS indicates excellent compliance for Microbiological compliance (>98%), Microbiological Monitoring compliance (>80%) and Chemical compliance (>98%). However, the WSS achieved adequate score for Chemical Monitoring compliance. The Radium borehole only achieved an excellent Microbiological compliance (>98%), the Microbiological Monitoring compliance is not monitored by the WSA and there is non-compliance with Chemical compliance (<98%) and Chemical Monitoring compliance (<80%) which presents a serious health risk to the end users. The Rapotokwane borehole indicates no monitoring for Microbiological compliance, Microbiological Monitoring compliance and Chemical compliance, and non-compliance with Chemical Monitoring compliance (<80%) which presents a serious health risk to the consumers as quality of water cannot be guaranteed for consumption.

Criteria D – The Bela Bela/Magalies WSS achieved adequate score for compliance with technical skills and Radium borehole and Rapotokwane borehole indicated no presence of technical skills, which indicates that there is insufficient or an absence of the relevant process control staff and maintenance teams.

Criteria E – The Bela Bela/Magalies WSS indicated the presence and implementation of a Water Safety Plan and development of risk-based water quality monitoring programmes as outlined in SANS 241:2015. However, Radium borehole and Rapotokwane borehole indicated the absence of a Water Safety Plan.

The Regulator encourages the WSA and WSP to urgently implement the following recommendations to ensure delivery of safe drinking water for all consumers:

- A and B: Installation of calibrated inflow meters to verify operational capacity at Rapotokwane borehole which is operating at 108.84% of its design.
- C: Implementation of corrective measures in the event of microbiological and chemical failures to always ensure delivery of safe drinking water. Implementation of monitoring programmes with sufficient samples based on population size as outlined in SANS 241:2015.
- D: Appointment of suitably qualified staff (supervisors, process controllers and maintenance teams) aligned to set criteria.
- E: Development of Water Safety Plan as per SANS 241:2015 and WHO guidelines including risk assessment of entire supply system, water quality evaluation based on full SANS 241:2015 analysis of raw and final water, development of risk-based monitoring programmes, and implementation of mitigating measures to address all medium and high risk.

The Water supply systems in Rapotokwane and Masakhane have also since been improved through the installation of Package Plants to improve the water quality.

(Source: Blue Drop Progress Report 2022)

4.2 INTRODUCTION TO WASTE WATER (SANITATION) PROVISION

BBLM households predominantly have a water borne sanitation system, except in rural areas such as Tsakane, Vingerkraal, Masakhane and Rapotokwane which use Dry Sanitation.

Backlog exists mainly in informal settlements and new extensions within the entire Municipal area, and was recorded at 4 120 households (including informal settlements and rural areas) as of end of June 2022. In order to address this matter the Municipality is supported by the Department of Cooperative Governance, Human Settlements and Traditional Affairs (CoGHSTA) to formalize informal settlements and the realignment of stands in line with township establishment requirements.

The Sanitation Infrastructure comprises of 1 X Biological Activated Sludge Plant in Bela-Bela (Bela-Bela Waste Water Treatment Works), 2 x Oxidation Ponds (Pienaarsrivier and Masakhane), 8 Sewer Pump Stations (Masakhane PS, Pienaarsrivier PS, Settlers PS, Leseding PS, Ext 6 PS, Bospoort 1 PS, Bospoort 2 PS, Aventura PS) and about 1056 Manholes over total length of 175,4km of pipeline.

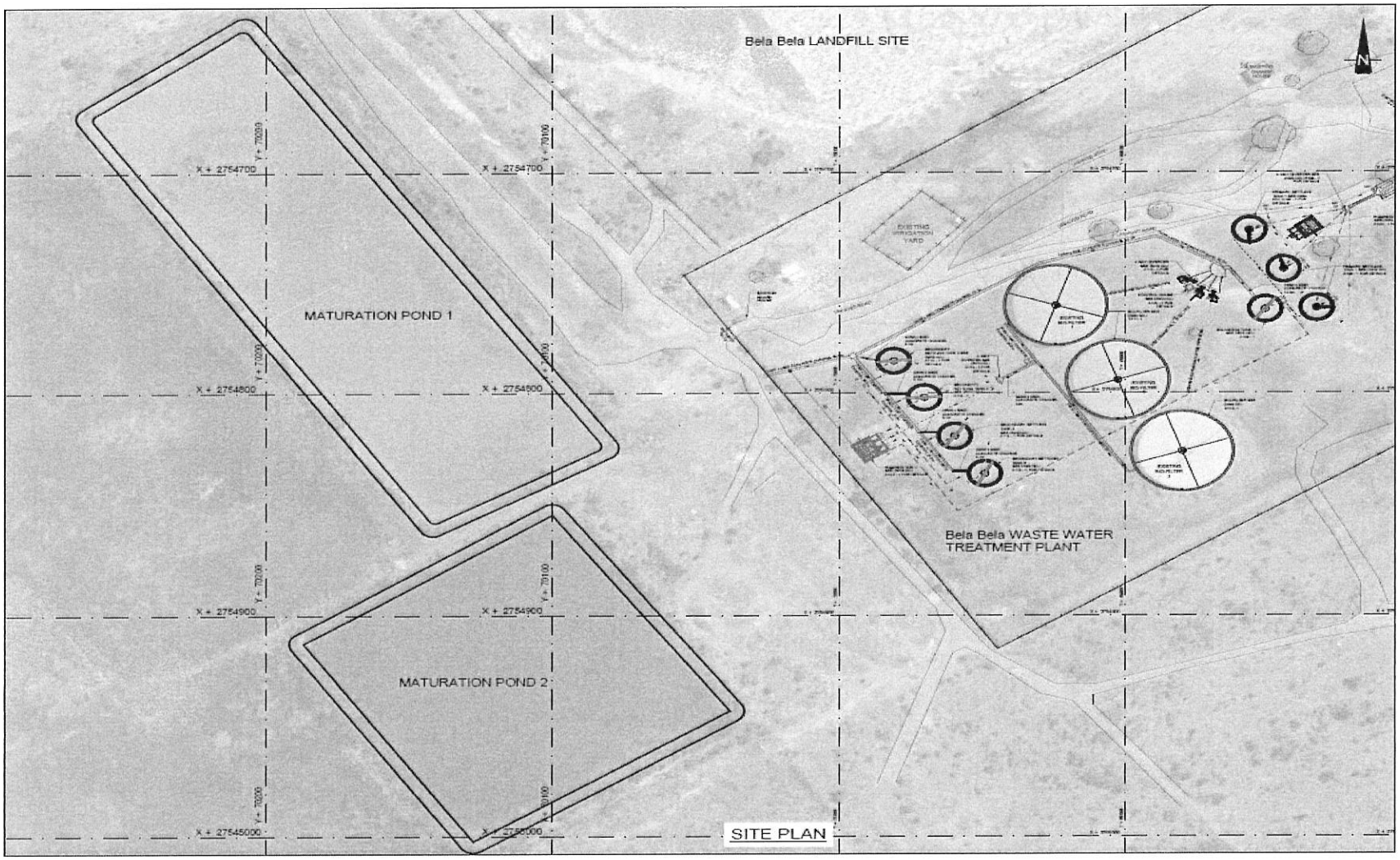
The main challenges with sanitation services are:

- Ageing Infrastructure.
- Under capacitated Bulk Infrastructure, including Waste Water Treatment Plant (Bela-Bela) and Pump Stations.
- Misuse of sewer network (Flushing of foreign objects).
- Stormwater ingression caused by direct connection of household stormwater drains into the sewer system.

These challenges cause major sewage spillages thus causing an Environmental Hazards.

The Bela-Bela Waste Water Treatment Works (WWTW) was not fully functional due to broken down equipment. In the 2020/21 financial year the Municipality received Water Services Infrastrucre Grant (WSIG) funding to start with the refurbishment of the WWTW, which proceeded into the 2021/22 financial year and its last phase due to be completed in the 2023/24 financial year. Thereafter, further funding will be sought to upgrade the Plant up to a capacity of 10ML/day so as to accommodate the current and future growth particularly in Bela-Bela Town and Township. The Bela-Bela Township Ext 9 and Ext 25 (Koppewaai) are the newly formalized Settlements that have been connected to the sewerage system. Jacob Zuma is in the process to be formalized and re-aligned and will therefore also be connected to the sewerage system.

FIGURE 2: BELOW INDICATE THE LAYOUT OF THE BELA-BELA WASTE WATER TREATMENT WORKS (WWTW)



4.2.1 Table 21: RESIDENTIAL WATER SERVICES DELIVERY Access Profile [Sanitation]

Actual service levels	2018		2020		2021		2022	
	Actual Nr of HHs	% of total HHs	Actual Nr of HHs	% of total HHs	Actual Nr of HHs	% of total HHs	Actual Nr of HHs	% of total HHs
Full Flush - connected to a sewage system	14 928	82.60%	14 928	82.60%	14 928	82.60%	14 928	82.60%
Low Flush - connected to a sewage system	855	4.73%	855	4.73%	855	4.73%	855	4.73%
Septic tanks - full flush with septic tank	20	0.01%	20	0.01%	20	0.01%	20	0.01%
VIP - Pit latrine with ventilation	862	5.47%	962	5.69%	987	5.69%	987	5.69%
Chemical toilet	0	0	0	0	0	0	0	0
Pit Latrines without ventilation (Backlog)	1399	7.19%	1299	7.13%	1274	7.00%	1274	7.00%
Bucket toilet	0	0	0	0	0	0	0	0
Other <RDP sanitation services	0	0	0	0	0	0	0	0
No services	0	0	0	0	0	0	0	0
Total	18 064	100	18 064	100	18 064	100	18 064	100

4.2.2 TABLE 22: EMPLOYEES WATER AND SANITATION SERVICES

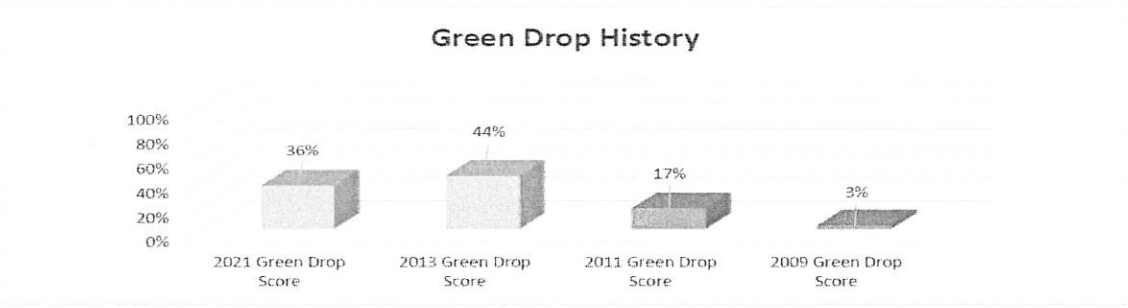
Employees: Water and Sanitation Services - 2021/2022 Financial year				
Job Level	Number of Employees	Number of Posts	Vacancies	% Vacancy
0-3	2	1	1	50%
4-6	4	3	1	25%
7-9	10	3	7	70%
10-12	4	3	1	25%
13-15	84	50	34	40%
Total	104	60	44	42%

4.2.3 COMMENT ON SANITATION SERVICES PERFORMANCE OVERALL

The Green Drop assessment was done and concluded as follows:

Water Service Institution	**Bela Bela Local Municipality**	
Water Service Provider	**Bela Bela Local Municipality**	
Municipal Green Drop Score		VROOM Impression (Towards restoring functionality): 1. Primary settling tank to be unblocked 2. Backup power for primary settling tanks 3. Repairs to Biofilters 4. Install disinfection VROOM Estimate: - R15,192,000
Green Drop Score	**32%↓**	
2013 Green Drop Score	**44%**	
2011 Green Drop Score	**17%**	
2009 Green Drop Score	**3%**	

Key Performance	Area Weight	Pienaarsrivier	Radium	Warmbaths
A. Capacity Management	15%	60.0%	72.5%	62.0%
B. Environmental Management	15%	58.8%	58.8%	47.0%
C. Financial Management	20%	0.0%	0.0%	10.0%
D. Technical Management	20%	0.0%	0.0%	35.8%
E. Effluent & Sludge Compliance	30%	26.3%	7.5%	15.0%
F. Bonus		34.0%	34.0%	39.0%
G. Penalties		-25.0%	-25.0%	0.0%
H. Disqualifiers		None	None	Notice
Green Drop Score (2021)		**25%**	**21%**	**34%**
2013 Green Drop Score		46% 42% 44%	46% 42% 44%	46% 42% 44%
2011 Green Drop Score		2%	21%	17%
2009 Green Drop Score		0%	0%	0%
System Design Capacity	Ml/d	0.2	1	6
Design Capacity Utilisation (%)		NI	NI	75%
Resource Discharged into		Discharge in farm dam, private property	Discharge to maturation ponds	Discharge to maturation
Microbiological Compliance	%	Insufficient data set	Insufficient data set	0%
Chemical Compliance	%	Insufficient data set	Insufficient data set	25%
Physical Compliance	%	Insufficient data set	Insufficient data set	58%
Wastewater Risk Rating (CRR % of CRRmax)		**Pienaarsrivier**	**Radium**	**Warmbaths**
CRR (2011)	%	88.2%	53.0%	60.0%
CRR (2013)	%	88.2%	76.5%	76.0%
CRR (2021)	%	82.4%	88.2%	59.1%



4.3 ELECTRICITY

4.3.1 INTRODUCTION TO ELECTRICITY

Note: Recent legislation includes the Electricity Amendment Acts 1989; 1994; 1995; and the Electricity Regulation Act 2006.

During the 2021/2022 financial year the Municipality did not electrify any households due to lack of funding and lack of bulk capacity pending the completion of the new Bela-Bela Substation project. A backlog of about 390 households still exists for Bela-Bela Ext 9 and Ext 25 (Koppewaai) combined. This Backlog can only be covered once the Substation project is complete and functional.

There are two electricity providers in the Bela-Bela municipal area, namely the Bela- Bela Local Municipality and Eskom. As per the Billing information, the Municipality provided access to electricity to 10 468 residential properties and 1 524 non-residential properties (Business, Churches, Schools & Hospitals) as at the end of June 2022.

Bela-Bela Local Municipality supplies Bela-Bela Town, Township, Spa Park, Jinnah Park, Feur n Villa, Eu Montagne, Golfbaanpark as well as outer plot areas like Bospoort and Noodhulp / Roodepoort. Whereas Eskom supplies the remaining areas, smaller towns/nodal points and the rural areas of Bela-Bela Local Municipality viz Radium/ Masakhane, Rapotokwane, Settlers, Pienaarsriver and other farm areas.

4.3.2 BULK ELECTRIC SUPPLY

Bela-Bela Local Municipality has one main supply substation namely, Bela-Bela main substation located within town at Industrial Str. Next to the main substation, is the Eskom yard with 2 x 20MVA transformers which supply the substation via 2 x 11kV feeder cables of +/-160 m (each feeder consist of 2x 300mm2 cables). Eskom is only responsible for supply into the main substation (i.e. 2 x 20MVA supply transformers). The reported Notified Maximum Demand was at 17.75 MVA, however it is currently exceeding our rated capacity. Current usage throughout the year varies between 19 MVA and 25 MVA, with the higher peak in the winter months. Therefore its critical that the new Bela-Bela 135/11KV 2 x MVA Substation project be completed.

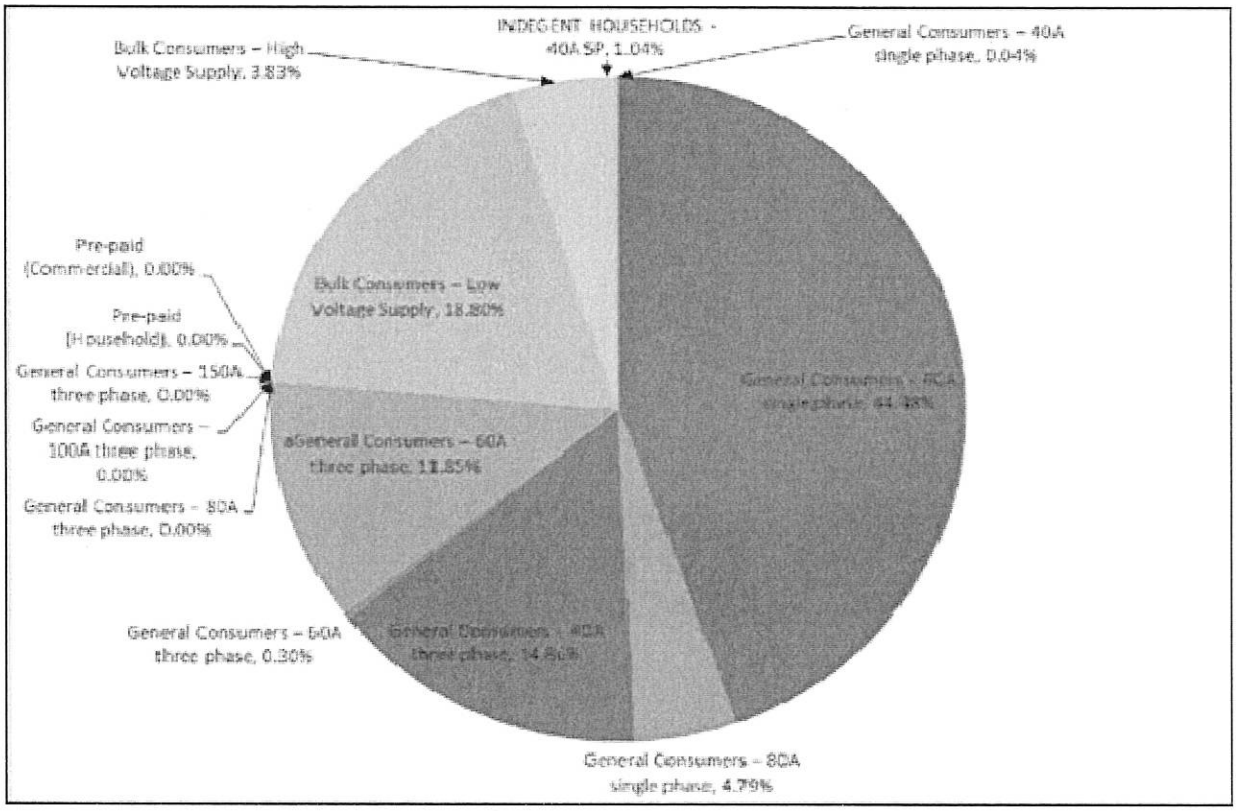
BELA-BELA MAIN SUB STATION



4.3.3 ELECTRICITY SERVICES DELIVERY LEVEL – TABLE: 24

ELECTRICITY SERVICES DELIVERY LEVEL	
ENERGY ABOVE (Above Minimum Level)	2021/2022 H/H
ELECTRICITY : (AT LEAST MIN.LEVEL)	658
ELECTRICITY – (AT LEAST MIN.SERVICE LEVEL)	1101
ELECTRICITY –PREPAID (MIN.SERVICE LEVEL)	8504
MINIMUM SERVICE LEVEL AND ABOVE SUB TOTAL	13 827
BELOW MINIMUM LEVEL	0
OTHER SOURCES	3 364

GRAPH BELOW IS A PERCENTAGE BREAKDOWN OF CAPACITY ALLOCATIONS BY CONSUMER CLASS – GRAPH: 15



4.3.4 ELECTRICAL MAINTENANCE

Maintenance of the Electrical Infrastructure was reactively conducted as follows:

- Replacement of faulty Transformer
- Replacement of faulty Meters
- Repair of cable faults
- Replacement of damaged wooden poles
- Repair/ replacement of blown Fuses and tripped circuit breakers
- Repair of street lights
- Vegetatation management
- Switch gear maintenance
- Mini Substation maintenance

- Maintenance of Municipal Facilities/ Building Electrity

One of the biggest challenges with routine maintenance is the shortage of resources, particularly Plant and Equipment, personnel and materials. There is an urgent need to address this challenge.

4.3.5 EMPLOYEES - ELECTRICITY SERVICES – TABLE: 25

Employees : Electricity Services 2021/2022 Financial Year				
Job level	Number of Employees	Number of Posts	Number of Vacancies	% Vacancy
0-3	1	2	1	50 %
4-6	10	15	5	33%
7-9	2	4	2	50%
10-12	3	6	3	50%
13-15	16	35	17	48%
Total	32	62	28	45%

4.3.6 CAPITAL ELECTRIFICATION PROGRAMME – TABLE: 26

Service Objectives	Project Name	2021/2022 Budget
Street Lights	Energy Efficiency Demand Side Management (EEDSM) Programme: Bela Bela - Replacement of HPS Street Lights with LED Luminaires (Phase 2)	R3 000 000.00

4.3.7 COMMENT ON ELECTRICITY SERVICES PERFORMANCE OVERALL:

Based on the 2021/2022 financial year electrical losses calculations, various reasons could be observed which are contributory factors such as technical elements. Therefore the Municipality should implement several interventions which includes:

- Replacement of 1000 Conventional meters
- Cost of supply study to an in depth tariff analysis and review
- Conclusion of supply Contracts with large power users
- Continuous audits on the large power users.
- Continuous of the audits on the streetlights and municipal buildings energy meters.

- Continuation of the audits in the plots around the BBLM.
- Replacement of identified faulty electrical energy meters.
- Some of the emanating challenges reported by the staff are symptomatic to aged cables. These are:
- Inefficient sections of cable that can no longer carry the rated load
- Cables that are prone to faults
- Repeated faulting on the same length of cable

Cable breakdown i.e. cables that will operate for a long time and then instantly fail. With no gradual deterioration experienced.

All of the substation buildings structures require work to address leaks, ventilation, and security. With the exception of the main substation, all substations require major upgrade to MV switchgear panels (with busbars), breakers including protection, control and instrumentation

4.4 ROADS AND STORMWATER

This component includes: roads and stormwater drainage.

4.4.1 INTRODUCTION TO ROADS AND STORMWATER

Bela- Bela Local Municipality is responsible for routine road maintenance, upgrade and rehabilitation. The roads in the municipal jurisdiction is in an appalling state. It is against this backdrop that the Technical Services Department conducted a Road Visual Assessment in order to obtain much details on work to be done over various streets. However, it must be emphasised that the routine road maintenance as well as refurbishment and upgrade of roads and stormwater infrastructure requires more funds.

Routine road maintenance was maximized to improve roads infrastructure conditions and accessibility. The biggest challenge remains with the undercapacitated stormwater system, which was also regularly maintained to ensure effectiveness. There is an urgent need to develop and Roads and Stormwater Master Plan, and to also upgrade the stormwater system.

4.4.2 TABLE 27: RECORDS OF MUNICIPAL ROADS INFRASTRUCTURE

Settlements	Length of Roads/Street		Total
	Paved	Unpaved	
Bela- Bela Town Bela- Bela Township	129.02km	106.10km	235.12km
Radium (Masakhane)	1.03km	3.27km	4.3km
Piennarsrivier	5.1km	3.7km	8.8km
Rapotokwane	1.9km	17.1km	19km
Total	137.05km	130.17km	267.22km

4.4.3 TABLE 28: RECORDS OF MUNICIPAL STORMWATER INFRASTRUCTURE

DESCRIPTION	DISTANCE/ QTY
Guardrails	15.6 KM
Concrete open channels	15.6 KM
Earth open channels	1.7 KM
Underground pipes	62 KM
Catch Inlets (number)	52

4.4.4 ROUTINE ROAD AND STORM WATER MAINTENANCE

Routine Maintenance of the Roads and Stormwater Infrastructure was conducted as follows:

Repair of damaged concrete block paved surfaces

Patching of potholes as and when necessary coupled with availability of materials.

Clear roads of debris to ensure safe operating environment (Use of EPWP & CWP Workers)

Regravelling and blading of unpaved roads as and when resources are available, to enable free flow of traffic.

Maintenance of stormwater infrastructure on a quarterly basis to avoid damage to property and loss of life. (Cleaning open lined channels, cleaning underground pipelines, catchpits, etc).

One of the biggest challenges with routine maintenance is the shortage of resources, particularly Plant and Equipment and personnel. There is an urgent need to address this challenge.

4.4.5 TABLE 29: EMPLOYEES ROADS AND STORMWATER SERVICES

Job level	Number of Positions	Number of filled positions	Number of Vacancies	% Vacancy Rate
0-3	1	1	0	0 %
4-6	2	0	2	100 %
7-9	4	1	3	75%
10-12	13	2	11	84%
13-15	31	16	15	48%
Totals	51	20	31	61%

4.4.6 TABLE 30: CAPITAL PROJECTS

Programme	Project Description	Allocated Budget	Annual Milestone	Expenditure by June 2022
Roads and Storm Water	Road Paving and Storm Water X7 - Phase 1 (Ward 3&7)	R7 689 952.45 (Multi-year)	1.4 kilometers of new roads constructed/ surfaced in Bela-Bela Ext 7.	R7 689 952.45 (100%)
Roads and Storm Water	Road Paving and Storm Water X8 - Phase 1 (Ward 4)	R4 511 719.57 (Multi-year)	0.715 kilometers of new roads constructed/ surfaced in Bela-Bela Ext 8.	R4 511 719.57 (100%)
Roads and Storm Water	Bela-Bela: Ext 6 Intersection (Ward 7)	R7 259 569.39 (Multi-year)	A new road intersection from the R101 into Bela-Bela Ext 6 was constructed.	R7 259 569.39 (100%)
Roads and Storm Water	Bela-Bela: Road Paving & Stormwater in Bela Bela Kgosana, Matshapa and street 49 (Ward 5)	R2 776 135.11 (Multi-year)	The project was on its initial stages of construction, and full killometers to be completed in the 2022/23 financial year.	R2 776 135.11 (100%)
Roads and Storm Water	Bela-Bela: Road Paving and Stormwater in Bela Bela X6 - Phase 2 (Ward 7)	R440 123.79 (Multi-year)	Designs completed and tender advertised for the Construction of Road paving & Storm water in Bela-Bela.	R440 123.79 (100%)
Roads and Storm Water	Bela-Bela: Road Paving and Stormwater in Bela Bela X8 - Phase 2 (Ward 4)	R261 000.00 (Multi-year)	Designs completed and tender advertised for the Construction of Road paving & Storm water in Bela-Bela.	R261 000.00 (100%)

Capital Projects are mainly funded from the Municipal Infrastructure Grant (MIG).

4.6 INTRODUCTION TO PLANNING

Planning in South Africa operates within the Legal Framework, which strives to ensure that municipalities deliver their developmentally-oriented planning objectives as embraced under Sections 152 and 153 of the Constitution of South Africa. Bela-Bela Local Municipality, through the Planning and Economic Development Department, is the custodian of land development and land use; and this is guided by planning policies including the Spatial Development Framework (SDF) and Land Use Management Scheme (LUMS).

a. Ongoing revision, implementation, monitoring, and evaluation of the SDF informed by current realities and policy frameworks
b. Monitor implementation of the LUMS, capture current and future development
c. Development of the Land Use and other By-Laws as well as other policy guidelines to enforce the implementation of the LUMS
d. Coordinated building control activity. (Building plans, and Certificate of Occupancies, implementation of National Building Regulations Act 103 of 1977)
e. Coordinated/administered land development applications (township establishment, rezoning, consent uses, subdivision and consolidation and any developmental application).

4.6.1 TABLE:31 BELOW ILLUSTRATE APPLICATIONS FOR LAND USE DEVELOPMENT

Applications for Land Use Development									
Detail	Formalisation of Township			Rezoning			Built Environment		
	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22
Planning Applications Received	2	1	1	3	3	7	142	124	119
Determination made in a year of recipient	0	1	0	6	3	2	170	124	119
Determination made in the following year	0	1	0	0	0	0	0	0	0
Applications withdrawn	0	0	0	0	0	0	0	0	0
Applications outstanding at a year end	0	1	0	6	0	5	28	9	05

4.6.2 BUILDING PLANS APPLICATIONS –TABLE:32

Building Plans Applications: 2021/2022 Financial Year				
Number of Building Plans received		**Number of Building plans approved**		**Number of Building plans not approved**
139		97		42
Details of Building Plans Approved and Not-Approved and reasons thereafter				
Month	**Building Plans Received**	**Building Plans Approved**	**Building Plans not Approved**	**Reason**
July 2021	09	7	02	Outstanding document (Title deed) To submit Land use rights
August 2021	06	2	4	Outstanding document (Title deed) To submit Land use rights Plans were withdrawn
September 2021	10	10	0	N/A
October 2021	09	07	02	Outstanding document (Title deed) To submit Land use rights
November 2021	22	16	06	Withdrawn Pending Correction by Architect. Non-compliance with property land use rights
December 2021	16	16	0	N/A
January 2022	13	09	04	Withdrawn

				Pending Correction by Architect. Non-compliance with property land use rights
February 2022	6	02	04	Pending Correction by Architect. Non-compliance with property land use rights
March 2022	11	06	05	Withdrawn Pending Correction by Architect. Non-compliance with property land use
April 2022	03	03	0	N/A
May 2022	25	12	13	Withdrawn Pending Correction by Architect. Non-compliance with property land use
June 2022	09	07	02	Withdrawn Pending Correction by Architect. Non-compliance with property land use

4.6.3 EMPLOYEES SERVICES IN TOWN PLANNING DIVISION – TABLE:33

Employees Services in Town Planning Division			
Job Level	**2021/22**		
	Post Number	**Employees Number**	**Vacancy**
0-3	2	2	0
4-6	7	2	5

7-9	2	1	1
Total	11	5	6

4.6.4 COMMENT ON THE PERFORMANCE OF PHYSICAL PLANNING OVERALL

The Municipality has the approved Spatial Development Framework and Land Use Management Scheme which is currently implemented, however, few challenges were experienced during the implementation. Enforcement of LUMS is one of the challenges that Municipalities face, as a result, illegal land uses is experienced within Municipality areas. To educate communities about the negative impact of the illegal land use that affects municipal planning for the provision of basic services, the Municipality conducted several awareness campaigns regarding compliance with Land Use Management to reduce the illegal land use and ensure proper planning for the provision of basic services. Another major challenge identified in town planning was the shortage of land for human settlement which resulted in an increasing number of informal settlements. The Municipality has requested the Provincial Department of Cooperative Governance, Human Settlement and Traditional Affairs (CoGHSTA) through the Housing Development Agency (HDA) to purchase the land for the Municipality to develop for human settlement to reduce the number of informal settlements within the Municipality area.

4.6.5 SPA PARK (KOPPEWAAI)

The informal settlement is located at Erven 1491 & 1492. Erven 1491 is registered under the ownership of the Housing Development Agency (HAD), whereas Erf 1492 is registered under SBN Family Trust. The Map below illustrates the location of the informal Settlement:

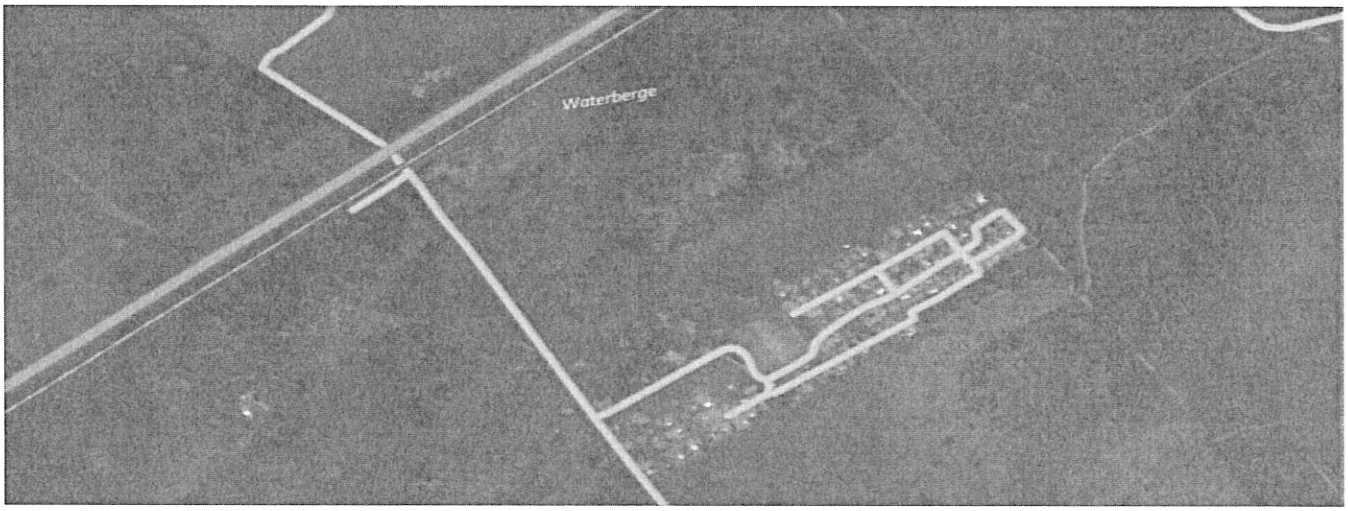
Spa Park Informal Settlement



During 2021/22 FY there were 250 stands which are serviced and 82 houses were built out of 250 serviced stands,Currently, there is an informal settlement upgrade.

4.6.6 TSAKANE INFORMAL SETTLEMENT

The informal settlement is located at portion 52 of the farm Tweefontein which is under the Bela Bela Local Municipality. The Map below illustrates the location of the settlement:



4.6.7 VINGERKRAAL INFORMAL SETTLEMENT LOCATED ON PORTION 05 OF THE FARM VINGERKRAAL 472-KQ THE SETTLEMENT IS OUTSIDE THE URBAN EDGE



During 2021/22 FY township establishment was approved at Vingerkraal with 1000 stands, the township is not yet serviced.

4.6.8 HUMAN SETTLEMENT

Bela Bela is accredited by the Department of Human Settlement and Department of Cooperative Governance, Human Settlement and Traditional Affairs to manage and administrate beneficiaries within the Municipality. During the financial year, the Municipality was allocated 82 houses which were built at Warmbaths Extension 25. Spa Park Extension 1 and Welgegund (Masakhane) there were land tenure upgrade projects that aimed at rectifying the town planning process to enable residents to receive title deeds.

4.7 INTRODUCTION TO ECONOMIC DEVELOPMENT

The Constitution of the Republic of South Africa, 1996: Section 152 states that the object of local government among others (c) is to "promote social and economic development" Section 153 states that one of the developmental duties of municipalities must be (a) to structure and manage its administration, budgeting and planning processes, to give priority to the basic needs of the community, and to promote the social and economic development of the community. White Paper on Local Government, 1998 indicates that it is the responsibility of the private sector to create jobs and that government has the role to provide an enabling environment.

4.7.1 LOCAL ECONOMIC DEVELOPMENT BY-LAWS

Municipality through the Local Economic Development Division initiated a process of developing By-laws and this particular case Outdoor Advertising Controls By-Law and Informal Trading By-Laws were developed and gazetted. By-laws are laws that are adopted by Council of a municipality to regulate the affairs and the services within the jurisdiction of the municipality.

4.7.1.1 Informal Trading By-Law

Its objectives is to:

- Support and encourage street trading as a way of enhancing the Municipality's existing informal economic activities; and
- Manage street trading in such a way that is acceptable and in line with public health, pedestrian and motorist safety and a free flow of traffic is maintained.

4.7.1.2 Outdoor Advertising By-law

Its objectives is to:

- To regulate Outdoor Advertising within the Municipal Jurisdiction
- Promote safe outdoor advertising in a regulated areas
- Support Businesses and Tourism industry
- Promote uniform outdoor advertisement

4.7.2 LOCAL ECONOMIC DEVELOPMENT INITIATIVES

LED initiatives aimed in improving small businesses within the jurisdiction of Bela Bela. One of the critical interventions have been skills development in partnership with various Agencies of government and the private sector. One of the most important training intervention held was Contractor Development Programme which is aimed to equip local contractors to be able to take advantage of the opportunities presented by SANRAL which is investing its resources in upgrading of Bela Bela Local Municipality strategic road network.

Bela Bela Local Economic Development Forum (BBLEDF) is a group of representatives from different local stakeholder formations that are working together and share knowledge for the developments of Bela Bela.

4.7.2.1 Objectives of Bela Bela Local Economic Development Forum:

- To provide strategic input on the LED Strategies and drive the implementation of LED projects / programmes outlined in the IDP
- Improve integrated economic planning
- Co-ordinate access to funding for LED initiatives by creating a multi-sourced funding streams
- Assist the municipality in identifying and capitalizing on local competitive advantage for the economic and social development

- Improve access to sustainable investment finance and capitalize on local competitive advantage for economic development
- Ensure participation of the historically disadvantaged communities in economic development
- Attract investment for projects that will enhance sustainable economic prosperity
- Serve as a vehicle for channeling resources for socio-economic development in terms of social investment obligation
- Promote knowledge management and share best practices
- Foster public private partnerships

4.7.2.2 LOCAL ECONOMIC DEVELOPMENT FORUM MEETINGS:

LOCAL ECONOMIC DEVELOPMENT FORUM MEETINGS HELD AS FOLLOWS:	
DATE	VENUE
17th of March 2022	Council Chamber
21st of April 2022	Council Chamber
12th of May 2022	Council Chamber
23rd of June 2022	Council Chamber

4.7.3 ECONOMIC EMPLOYMENT BY SECTOR –TABLE:34

Economic Employment by Sector			Jobs
Financial Year	**2019/20**	**2020/21**	**2021/22**
Sector	**Year 2**	**Year -1**	**Year 0**
Agric, forestry and fishing	1 403	1 002	2 127
Mining and quarrying	529	532	571
Manufacturing	412	514	536
Wholesale and retail trade	4 311	4 392	4 507
Finance, property, etc.	1 760	1 633	1 714
Govt, community and social services	2 818	2 872	2 942
Infrastructure services	1 508	1 976	2 267
Total	**12 741**	**12 921**	**14 664**

4.7.4 JOB CREATION THROUGH EXTENDED PUBLIC WORKS PROGRAMME – TABLE: 35

Number of jobs created through Municipality's LED initiatives including capital projects (EPWP, CWP)		
Program	**EPWP Projects**	**Number of jobs created**
Municipal Capital Project	Technical Services Department	73
CWP	Community Works Program	1 002
EPWP	EPWP	99

4.7.5 EMPLOYEES: LOCAL ECONOMIC DEVELOPMENT SERVICES – TABLE:36

Employees: Local Economic Development Services			
Job Level	**2021/2022**		
	Number of Posts	**Number of Employees**	**Number of Vacancies**
0 - 3	1	1	0
4 - 6	2	1	1
7 - 9	1	1	0
Total	4	3	1
Totals should equate to those included in Chapter 4 total employee schedule. Employees and Posts numbers are as of 30 June2022			

4.7.6 COMMENTS ON LOCAL ECONOMIC DEVELOPMENT

The Constitution of the Republic of South Africa, 1996: Section 152 states that the object of local government among others (c) is to "promote social and economic development" Section 153 states that one of the developmental duties of municipalities must be (a) to structure and manage its administration, budgeting and planning processes, to give priority to the basic needs of the community, and to promote the social and economic development of the community. White Paper on Local Government, 1998 indicates that it is the responsibility of the private sector to create jobs and that government has the role to provide an enabling environment.

The following are the main objectives of Bela Bela Local Economic Development Forum:

- To provide strategic input on the LED Strategies and drive the implementation of LED projects and programmes outlined in the IDP
- Improve integrated economic planning
- Co-ordinate access to funding and finance for LED initiatives and the creation of multi-sourced funding streams
- Assist the municipality in identifying and capitalizing on local competitive advantage for the economic and social development
- Improve access to sustainable investment finance and capitalize on local competitive advantage for economic development
- Ensure participation of the historically disadvantaged communities in economic development
- Attract investment for projects that will enhance sustainable economic prosperity
- Serve as a vehicle for channeling resources for socio-economic development in terms of social investment obligation
- Promote knowledge management and share best practices
- Foster public private partnerships

One of the interventions that the Municipality through the Local Economic Development Division was to establish Bela Bela Local Economic Development Forum (BBLEDF) as a group of representatives from local stakeholder groups working together to utilize their knowledge of the area in proposing developments.

4.8 COMMUNITY & SOCIAL SERVICES

This component includes: community parks & open spaces, community halls, sports fields, grounds and courts, cemeteries & crematoria and libraries & archives and waste management services

4.8.1 INTRODUCTION TO SOCIAL AND COMMUNITY SERVICES

Two of the objects of local government as enshrined in Section 152 (1) (c) (d) of the Constitution of the RSA is:

a. To promote social and economic development and

b. To promote a safe and healthy environment.

Section 24 of the Constitution of RSA Chapter 2 (b) i, ii and iii of Bill of Rights mandate municipalities to protect the environment for the benefit of present and future generations, through reasonable measures that prevent pollution and ecological degradation, promote conservation, secure ecologically sustainable development and use of natural resources. In recognition of this Constitutional obligation, National Environmental Management: Protected Areas Act No 57 of 2003 and Biodiversity Act No 10 of 2004 was promulgated to provide for the protection and conservation of ecologically viable areas and biodiversity.

Some of the local government matters listed in Part B of Schedule 4 and Part B of Schedule 5 within the Constitution of RSA are as follows:

a. Cemeteries and crematoria

b. Local sports facilities

c. Municipal parks and recreation

d. Bela-Bela Local Municipality within the Social and Community Services department aims to improve the quality of life of its citizens by effectively and efficiently identifying, developing and delivering comprehensive programmes that provide safe, sustainable and aesthetically pleasing recreational parks, municipal buildings, community facilities, streetscape locations, road reserves/verges, sports facilities and cemeteries in accordance with acceptable management practices or standards.

e. Provide the community with a dignified and responsive cemetery and memorialisation service and consistent maintenance in accordance with acceptable management practices or standards.

f. promote effective and sustainable "Greening initiatives.

4.8.2 CEMETERIES AND CREMATORIUM

Bela-Bela local Municipality has Four cemeteries that are consistently maintained.

a) Mokoena cemetery is closed and inactive. However, those who have previously booked conduct burials as and when funerals occur.
b) Masakhane cemetery is used by both communities of Masakhane and Pienaarsrivier.

c) Warmbaths cemetery is actively used by the community members from Bela-Bela Township, Muslim community, Town, Spa Park and Jinnah Park areas.

d) Luna street cemetery is inactive and currently closed. We confirm that the cemetery is currently maintained and situated next to the Municipal Main Building.

4.8.3 MAINTENANCE ACTIVITIES

Maintenance activities at the cemetery include the following:

a) Clearing of space;
b) Mowing, edging, and blowing grass;
c) Herbicides application and Litter picking;
d) Tree pruning;
e) Digging of graves as per bookings.

Challenges

1. The paupers' burials (burial of unknown persons) requests from Sector Departments;
2. The Municipality is gradually running out of burial space;
3. No information board on the operations of the cemeteries
4. There is no numbering from row markings at cemeteries.
5. Theft and vandalism of tombstones and ablution facilities;
6. Rainy seasons leads to overgrowing of grass;
7. Inadequate fleet and equipment.
8. There is no IT system in place for recording and capturing of cemeteries/burial information

Recommendations and interventions

1. Development of land at new cemetery in Pienaarsrivier as matter of urgency;
2. Security officers to be placed in all graveyards to curd theft and vandalism;
3. Construction of a crematorium to be fast-tracked;
4. Installation of high mast lights in all cemeteries which are solar operated.

4.8.4 PARKS AND RECREATIONAL FACILITIES

Municipal parks and recreational facilities are used and enjoyed by members of the community and members. The Municipality should emphasise measures to protect and preserve the natural vegetation of parks and recreational facilities to control the use and enjoyment by members of the community.

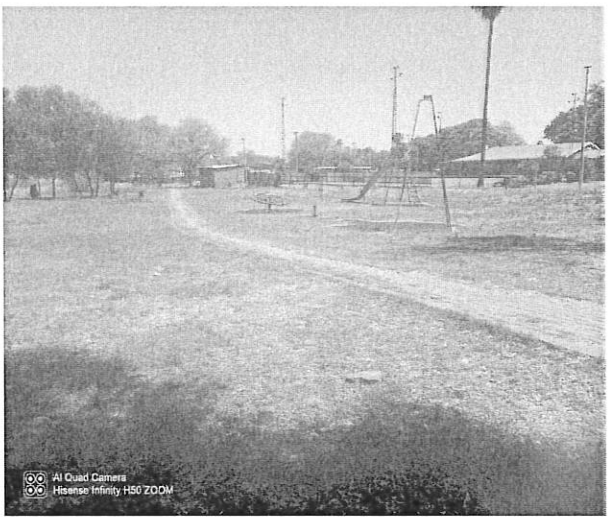
The Municipality maintained the following parks Mabusela Street park, Leseding Park, Bulbulia street park, Grobler street park, Miles Street park, Oosthuizen Street park, Wood Packer,Moloto park,Pienaarsrivier park and Town park.

The Municipality had an obligation of taking care of the parks and hereunder are scheduled maintenance activities: Cutting and mowing of grass; Irrigation; Weed control; Litter picking, Pruning of trees; Laying of soil/compost/fertilizers.

FIGURE: 1 LETLHABILE PARK



FIGURE: 2 TOWN PARK



Challenges

a) Most of our parks are not secured as a result their amenities are vandalised as people have unfettered access to the parks
b) Trees and plants are stolen from the parks
c) Water restrictions because of drought which leads to incapacity to irrigate

Recommendations

a) Installation of the security fence in all parks;
b) Installation Access control gates;
c) Installation of a functioning system to transport greywater to the identified facilities.

4.8.5 COMMUNITY HALLS

Bela-Bela Municipality rents out the community halls to the community as part of revenue collection. Community halls are booked for various events such as funerals, wedding, church services, political gatherings and any other event that meet the municipal policy concerning bookings. However, the Municipality uses this venue for its meetings and other government stakeholders are allowed to use these public facilities.

The Municipality has and maintained the following 5 Community Halls:

a) Spa Pak Community Hall
b) Jinnah Park Community hall
c) Bela-Bela Community Hall
d) Multi-Purpose Center

e) Pienaarsrivier Community Hall

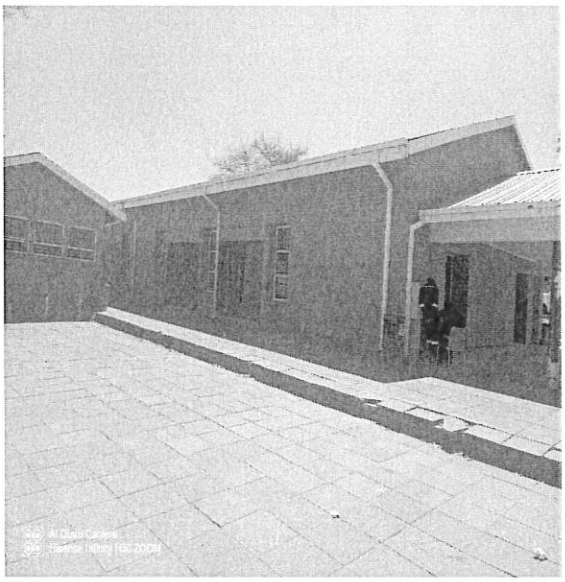
Scheduled maintenance activities:

a) Cleaning of the hall
b) Litter picking
c) Cutting of grass outside and the surrounding

FIGURE: 3 BELA BELA COMMUNITY HALL



FIGURE: 4 JINNAH PARK COMMUNITY HALL



4.8.6 SPORTS FIELDS, GROUNDS AND COURTS

The Municipality has and maintained 14 Sports facilities

Bela-Bela high, SUNFA, Ext 6 ,Ext 8, Ponto, Khabele A, Khabele B, Masakhane A, Masakhane B, Pienaarsrivier, Rapotokwane, Moloto, Leseding and Spa Park)

Concerning the Bela-Bela Sports Fields, it should be noted that seven of the ten are just ground sports fields and two with lawn pitches. Furthermore, it should be noted that the Municipality has the responsibility of maintaining the sports fields, however, there is a challenge of insufficient cleaning machinery such as Graders. The Municipality is currently depending on one grader to maintain both Roads and Municipal Sports Fields hence the delays and or non-adherence to the maintenance schedule which also lead to the outsourcing of the function.

Scheduled maintenance activities are:

a) Cutting of lawn;
b) Cutting of grass of surrounding areas;
c) Litter control;
d) Weed control;
e) Line markings with lime;
f) Irrigation;
g) Laying of soil/compost/fertilizers and
h) Grading of sports grounds

FIGURE: 5 SUNFA STADIUM

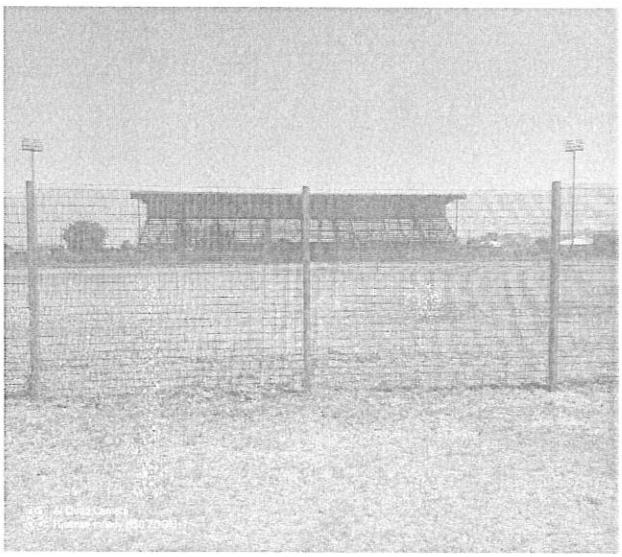


FIGURE: 6 LESEDING SPORTS GROUND

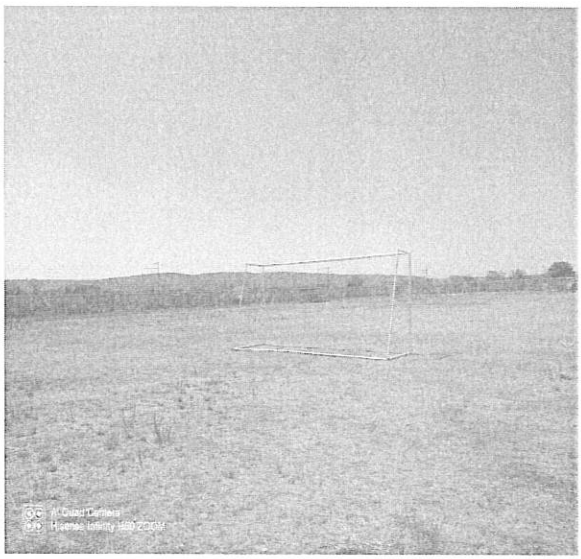
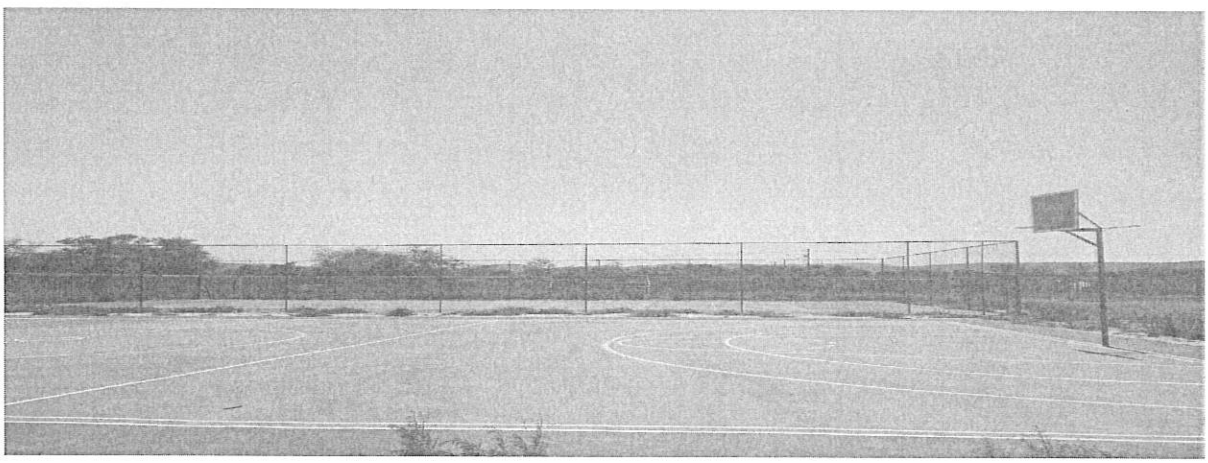


FIGURE: 7 LESEDING TENNIS AND NETBALL COURTS



4.8.7 COMMUNITY FACILITIES – TABLE: 38

Bela Bela Municipality Community Facilities							
Service Objectives Service Indicators (i)	OUTPUT	2019/20		2020/21		2021/22	
		Target	Actual	Target	Actual	Target	Actual
Community Halls	Cleaning of 5 Com Hall	5	5	5	5	5	5
Maintenance of Parks	Maintenance of 10 Parks	11	11	8	8	10	10
Maintenance of Sports Fields	Maintain 14 sports grounds	13	13	13	13	14	14
Cemeteries	Maintenance of Cemeteries	4	4	4	4	4	4

4.9 INTRODUCTION TO WASTE MANAGEMENT (THIS SECTION TO INCLUDE: REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANSING AND RECYCLING

Section 24(Chapter 2) of the Constitution indicates that everyone has the right to have an environment that is not harmful to his or her health and to have the environment protected for the benefit of present and future generations through reasonable legislative and other measures that :

prevent pollution and ecological degradation;

promote conservation, and Secure ecologically sustainable development and use of natural resources while promoting justifiable economic and social development.

Based on the Constitution National Environmental Management Act (NEMA) 107 of 1998 came to effect with the objective to:

protect health, wellbeing and the environment by providing reasonable measures for-

Minimising the consumption of natural resources.

Avoiding and minimising the generation of waste

Reducing, reusing, recycling and recovering waste.

Treating and safely disposing of waste as a last resort.

Preventing pollution and ecological degradation.

Securing ecologically sustainable development while promoting justifiable economic and social development.

Promoting and ensuring the effective delivery of waste services.

Remediating land where contamination presents or may present a significant risk of harm to health or the environment and

Achieving integrated waste management reporting and planning.

To ensure that people are aware of the impact of waste on their health, well- being and the environment.

To provide for compliance with the measures set out.

Generally, it gives effect to section 24 of the constitution to secure an environment that is not harmful to health and well-being.

The Municipality has an approved Integrated Waste Management Plan (IWMP), w which has an optimum approach to waste management planning in terms of the resources allocation, time scheduling achievable targets and allocation of responsibilities.

The overall objective of this IWMP is to reduce the generation of waste and the environmental impact of all forms of waste, thereby ensuring sound socio-economic development, a healthy population and that the quality of environmental resources is no longer adversely affected by uncontrolled and uncoordinated waste management. The internationally accepted waste hierarchy approach for waste avoidance/reduction, reuse, recovery, treatment and disposal is adopted in the strategy.

The Municipality is offering efficient curbside collection programs for recyclables and engaging community participation, recycling programs also contribute to the overall wellbeing of a community. The amount of waste being sent to landfills can both be reduced

The saying that one men's trash is another men's treasure couldn't be true than in the case of recycling, these days there are growing opportunities for communities to earn money by selling their recyclable or their already recycled materials such as papers, plastic bottles and cans. With communities earning money and companies saving money, this is a recycling win-win.

4.9.1 WASTE AND REFUSE REMOVAL ACHIEVEMENTS:

To comply with the requirements of Section 24 of the 1996 Constitution of Republic of South Africa, (NEMA) 107 of 1998 and Bela Local Municipality approved Integrated Waste Management Plan, which highlighted all the pivotal areas where the Municipality is responsible for Waste Management. During the 2021/2022 financial year, the Municipality collected waste from all formal settlements once per week per household which was at (Bela-Bela Town, Bela-Bela Township, Pienaarsrivier and Masakhane). The collection of waste was also done twice per week in business areas. Furthermore, it should be noted that apart from the collection of waste in the formalised areas, the Municipality could not ignore the informal settlements. The collection of waste was further extended to informal settlements through emptying of Mass Refuse Containers placed in different areas of the informal settlements. The Waste collection service in informal settlements covered Zuma, Koppewaai ,Tsakane, Ext 8 and Ext 9.

FIGURE:1 &2 KERBSIDE COLLECTION BY COMPACTOR TRUCK





FIGURE:3 MASS REFUSE CONTAINER AT MMAMAKWA PRIMARY SCHOOL



FIGURE: 4 LANDFILL SITE ENTRANCE

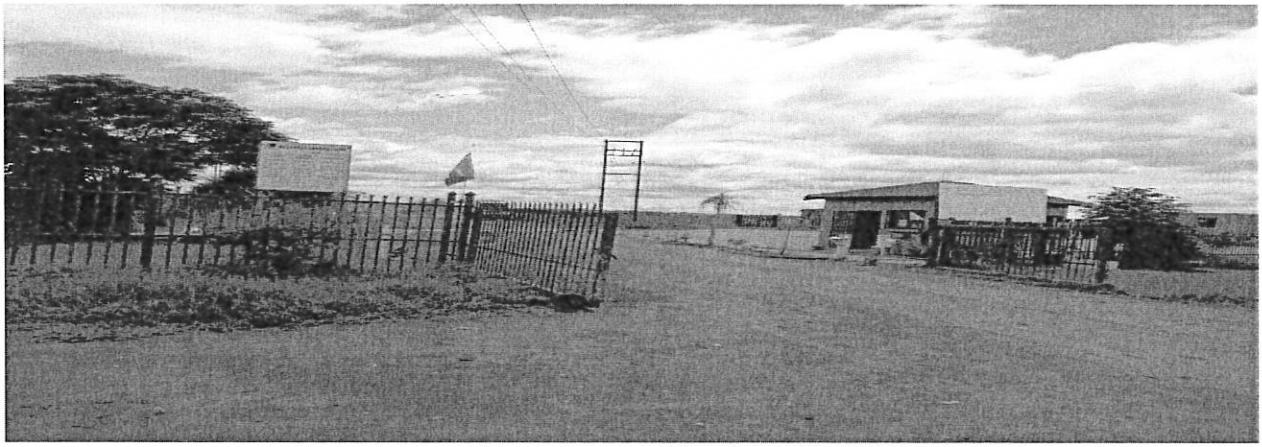


FIGURE:5 LANDFILL DISPOSAL AREA (BEFORE)



FIGURE:6 LANDFILL(WORK IN PROGRESS)



FIGURE:7 LANDFILL DISPOSAL AREA (AFTER)

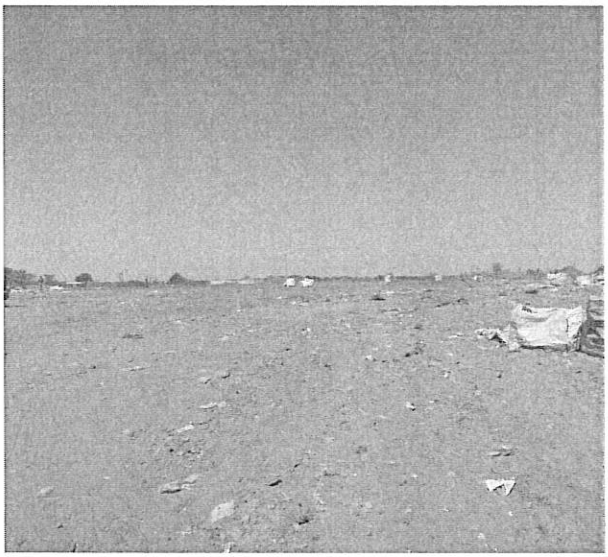


FIGURE:8 LANDFILL DISPOSAL AREA(AFTER)

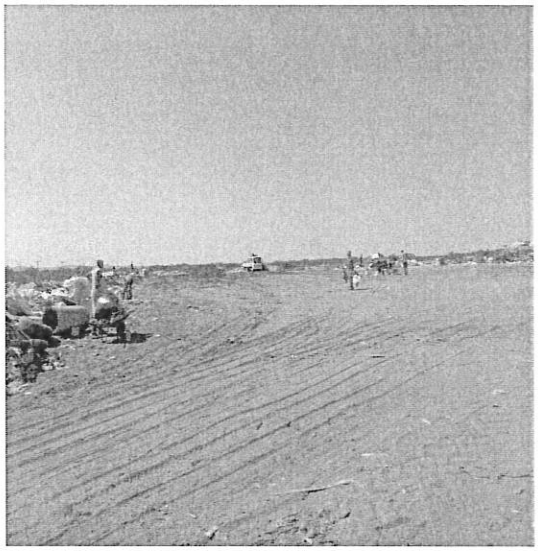


FIGURE:9 STREETS CLEANSING



FIGURE:10 LITTER PICKING



4.9.2 ILLEGAL DUMPING SITES

Due to the mushrooming of informal settlements in the municipal area, the Municipality is faced with the challenge of illegal dumping in some areas. For the Municipality to comply with the provisions of Section 24 of the Constitution of RSA the Municipality cleared the illegal dumping areas bi-weekly.

4.9.3 ENVIRONMENTAL AWARENESS CAMPAIGNS

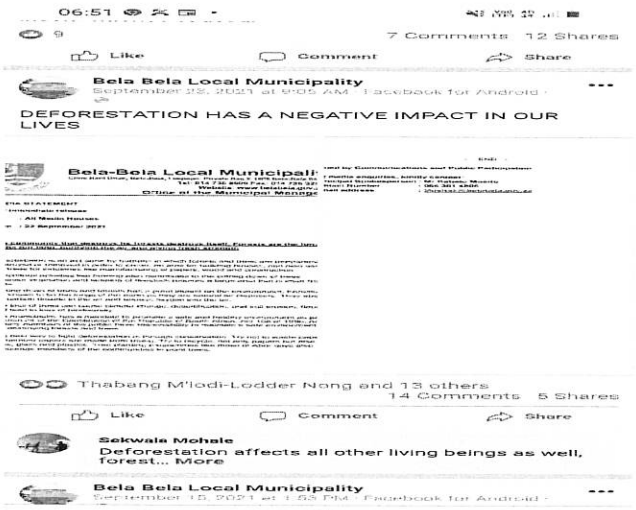
The Municipality conducted 4 community awareness campaigns. Due to the COVID 19 outbreak restrictions, physical interaction with communities could not take place, therefore the Municipality came with a strategy of conducting awareness campaigns through social media, by writing media statements and posting them on the municipal Facebook page and also on the municipal website.

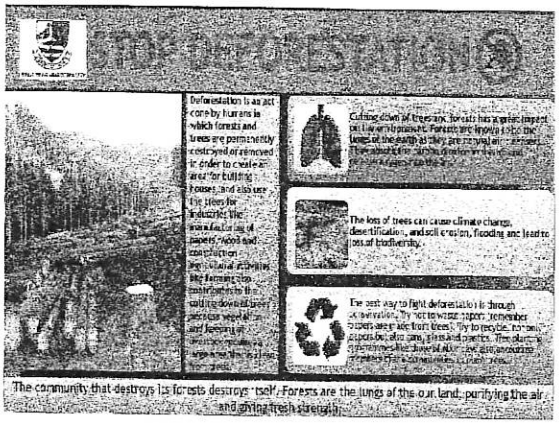
4.9.4 WASTE MANAGEMENT AWARENESS CAMPAIGNS (DEFORESTATION)

An awareness campaign was conducted to educate the community on waste management. The Municipality was concerned about the alarming rate of deforestation. Cutting down trees and forests has great impact on the the environment, forests are known to be the lungs of the earth as they are natural air cleaners. The loss of the trees can cause climate change, soil erotion,flooding and lead to loss of biodiversity.

The awareness campaign was conducted using media statements (facebook and the Municipal website), Municipalities statement of account and pamphlets.

FIGURE: 11 &12 DEFORESTATION



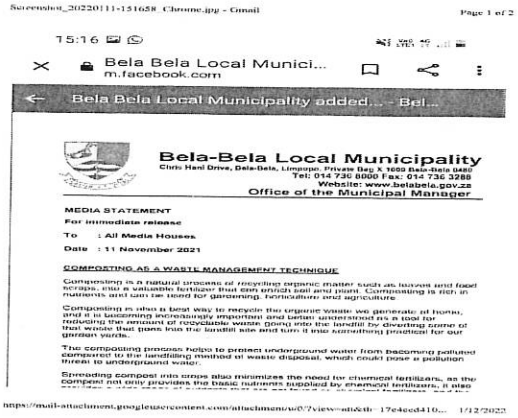


4.9.5 ENVIRONMENTAL AWARENESS CAMPAIGN (COMPOSTING)

An Environmental awareness campaign was conducted to educate the community on composting. The awareness campaign was aimed at encouraging members of the community to compost their waste.

Composting is also a best way to recycle the organic waste we generate at home,and it is becoming increasingly important and better understood as a tool for reducing the amount of recyclable waste going into the landfill by diverting some of that waste th goes into the landfill site and turn it into something paractical for our garden yards. The awareness campaign was conducted using media statements (facebook and the Municipal website), Municipalities statement of account and pamphlets.

FIGURES: 13&14 COMPOSTING



Bela Bela Local Municipality added... Bel...

Bela-Bela Local Municipality
Chris Hani Drive, Bela-Bela, Limpopo. Private Bag X 1609 Bela-Bela 0480
Tel: 014 736 8000 Fax: 014 736 3288
Website: www.belabela.gov.za
Office of the Municipal Manager

MEDIA STATEMENT
For immediate release
To : All Media Houses
Date : 11 November 2021

COMPOSTING AS A WASTE MANAGEMENT TECHNIQUE

Composting is a natural process of recycling organic matter such as leaves and food scraps, into a valuable fertilizer that can enrich soil and plant. Composting is rich in nutrients and can be used for gardening, horticulture and agriculture.

Composting is also a best way to recycle the organic waste we generate at home, and it is becoming increasingly important and better understood as a tool for reducing the amount of recyclable waste going into the landfill by diverting some of that waste that goes into the landfill site and turn it into something practical for our garden yards.

The composting process helps to protect underground water from becoming polluted compared to the landfilling method of waste disposal, which could pose a pollution threat to underground water.

Spreading compost into crops also minimizes the need for chemical fertilizers, as the compost not only provides the basic nutrients supplied by chemical fertilizers, it also

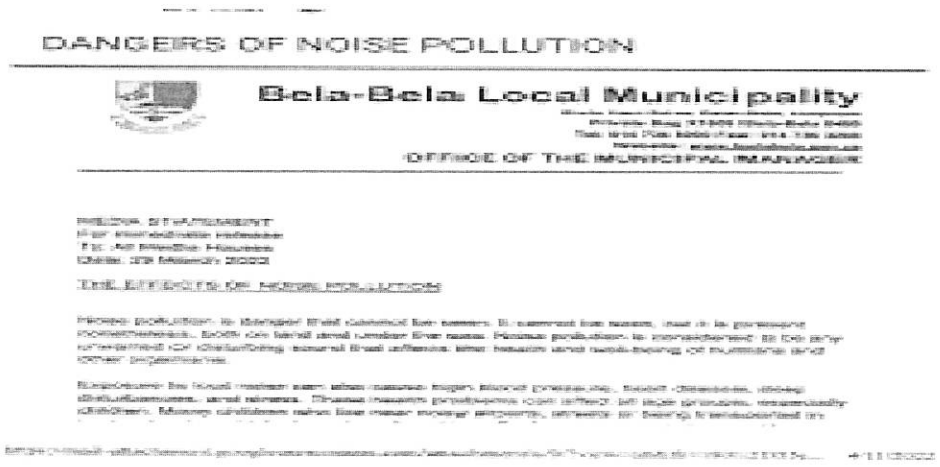


4.9.6 ENVIRONMENTAL AWARENESS CAMPAIGN (NOISE POLLUTION)

An Environmental awareness campaign was conducted to educate the community on noise pollution.The awareness campaign was aimed at making the public aware of the noise pollution. Noise pollution is considered to be any unwanted or disturbing sound that affects the health and well-being of humans and other organisms. Exposure to loud noise can also cause high blood pressure, heart disease, sleep disturbances, and stress. These health problems can affect all age groups, especially children. Many children who live near noisy airports, streets or being transported in loud and noisy vehicles have been found to suffer from stress and other problems, such as impairments in memory, attention level, and reading skill. Noise pollution also impacts the health and well-being of animals.

The awareness campaign was conducted using media statements through facebook and the Municipal website), Municipalities statement of account and pamphlets.

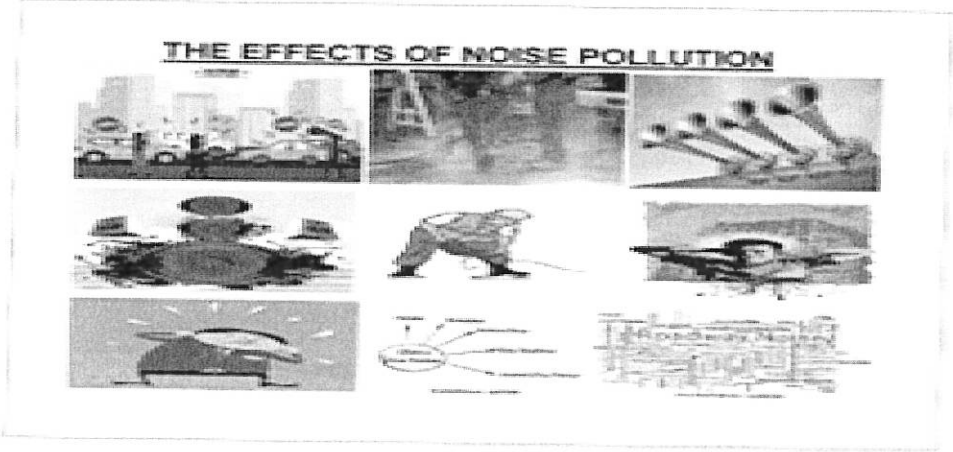
FIGURES: 15 & 16 NOISE POLLUTION



DANGERS OF NOISE POLLUTION

Bela-Bela Local Municipality

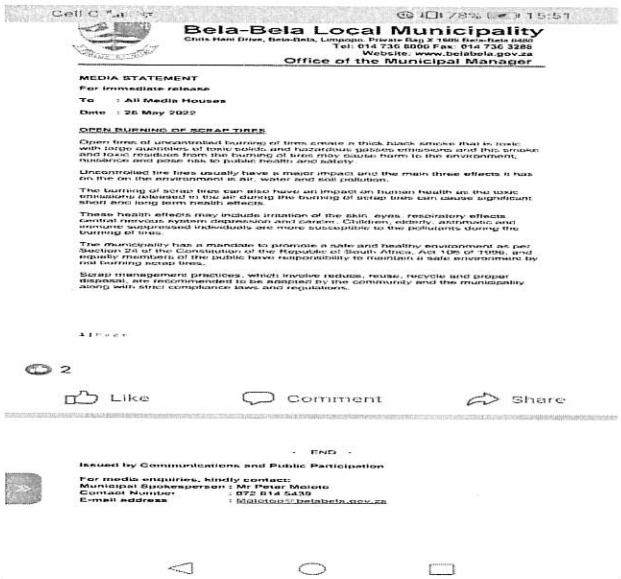
OFFICE OF THE MUNICIPAL MANAGER



4.9.7 ENVIRONMENT AWARENESS CAMPAIGN(BURNING OF SCRAP TIRES)

An Environmental awareness campaign was conducted to educate the community on the burning of scrap tires. The awareness campaign was aimed at making the public aware of the dangers of burning old tyres as this can have a long term effect on the environment which are land, water and soil pollution and also causing health problems which include respiratory problems. The community was encouraged to practice scrap tire management practice which involves reducing, reusing, recycle and proper disposal. The awareness campaign was conducted using media statements (facebook and the Municipal website), Municipalities statement of account and pamphlets.

FIGURES: 17 & 18 BURNING OF SCRAP TIRES


Bela-Bela Local Municipality
Chris Hani Drive, Bela-Bela, Limpopo. Private Bag X 1609 Bela-Bela 0480
Tel: 014 736 8000 Fax: 014 736 3288
Website: www.belabela.gov.za
Office of the Municipal Manager

MEDIA STATEMENT
For Immediate release
To : All Media Houses
Date : 26 May 2022

OPEN BURNING OF SCRAP TIRES

Open fires of uncontrolled burning of tires create a thick black smoke that is toxic with large quantities of toxic solids and hazardous gaseous emissions and this smoke and toxic residues from the burning of tires may cause harm to the environment, nuisance and pose risk to public health and safety

Uncontrolled tire fires usually have a major impact and the main three effects it has on the on the environment is air, water and soil pollution.

The burning of scrap tires can also have an impact on human health as the toxic emissions released in the air during the burning of scrap tires can cause significant short and long term health effects.

These health effects may include irritation of the skin, eyes, respiratory effects, central nervous system depression and cancer. Children, elderly, asthmatic and immune suppressed individuals are more susceptible to the pollutants during the burning of tires.

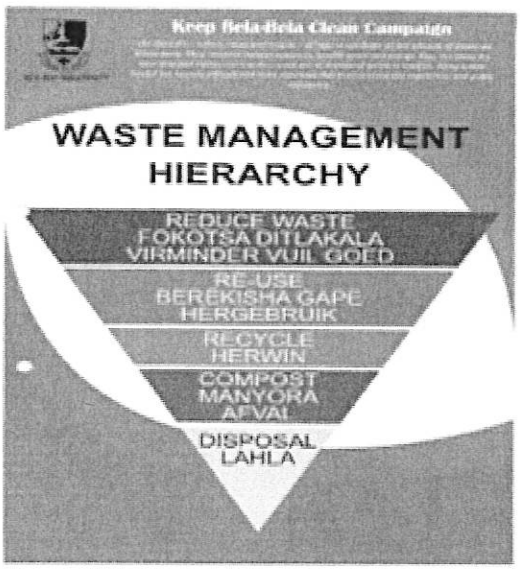
The Municipality has a mandate to promote a safe and healthy environment as per Section 24 of the Constitution of the Republic of South Africa, Act 108 of 1996, and equally members of the public have responsibility to maintain a safe environment by not burning scrap tires.

Scrap management practices, which involve reduce, reuse, recycle and proper disposal, are recommended to be adopted by the community and the municipality along with strict compliance laws and regulations.

2
Like Comment Share

- END -
Issued by Communications and Public Participation

For media enquiries, kindly contact:
Municipal Spokesperson : Mr Peter Molobi
Contact Number : 072 814 5439
E-mail address : Molobip@belabela.gov.za



4.9.8 WASTE COMPLAINTS MANAGEMENT

The Municipality had developed a complaints management register. The Municipality registered all complaints received from community members and other stakeholders as well as all complaints identified by municipal officials. All complaints reported in either way were attended to within 48 hours upon receipt.

4.9.9 WASTE MANAGEMENT INITIATIVES

In cognizance of the challenges of a high rate of unemployment, the Municipality came up with waste management initiatives whereby the community can make use of recyclable material to create commodities that can be sold to make money and support their own families or create jobs for other community members

4.9.10 WASTE MANAGEMENT INITIATIVES (PLASTIC RECYCLING)

A community member based in Bela Bela Township has come up with a waste minimization and recycling initiative by starting a project of designing mats using plastic bags. She collects the plastic bags around town, township including the landfill site and reuse them by crouching them together into plastic mats .The mats are sold to the community, the money assists in providing for the needs of her family and grandchildren as she is the sole provider. This waste management initiative assists the municipality by significantly decreasing the amount of waste that goes to the landfill site. It also helps to reduce land pollution as landfills play a major role in the destruction of the environment.

FIGURE: 19 TO 21 PLASTIC RECYCLING







4.9.11 CHALLENGES

The Municipality is experiencing an increase in the number of illegal dumping areas. There is also a shortage of mass refuse containers to be used at illegal dumps and for rental to businesses and to the community.

The Municipality has only 1 permitted landfill site which has a lifespan of 5 years remaining, furthermore the landfill site is not accessible during rainy days. With regard to waste collection, it should be noted that most households are using 85l waste bins which are not able to handle the amount of waste generated. Other households use receptacles without handles (e.g bathtubs and buckets) which pose danger to workers

Due to the new demarcation of boundaries conducted during the 2005/2006 financial year Rapotokwane (Kwa – Litho) was transferred from Mpumalanga province to Limpopo Province within Bela-Bela municipal jurisdiction. Rapotokwane is a rural area situated about 80km from the Bela-Bela landfill site and is currently not serviced in terms of waste management.

Absence of a recycling infrastructure will enable separation of waste at source and diversion of waste streams to material recovery and buy back facilities.

A growing population and economy, which means increased volumes of waste generated. This puts pressure on waste management facilities, which are already in short supply.

4.9.12 SOLID WASTE SERVICE DELIVERY – TABLE:39

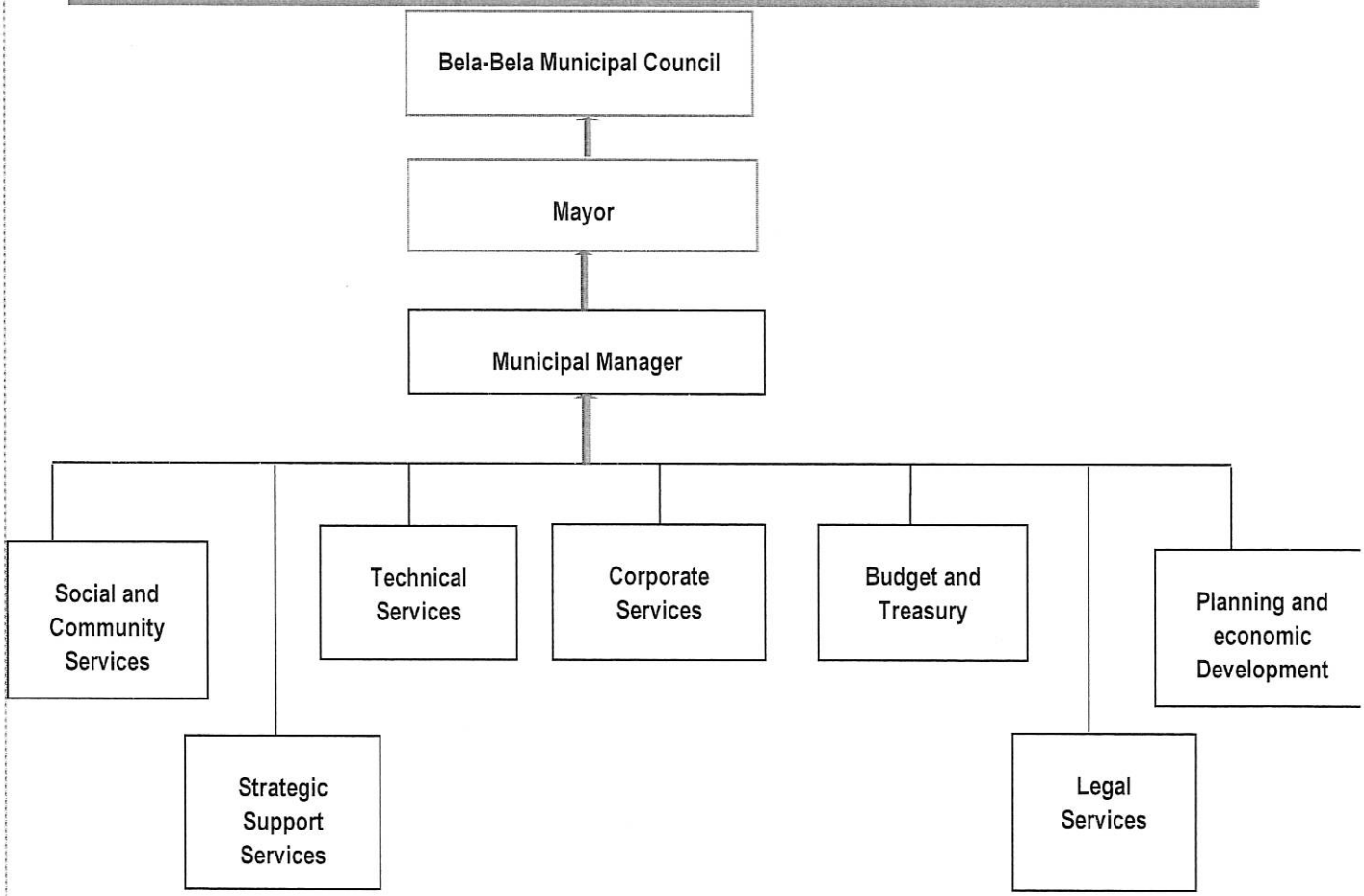
Solid Waste Service Delivery Levels Households				
Description	Year -3	Year -2	Year -1	2021/2022
	Actual No.	Actual No.	Actual No.	Actual No.
Solid Waste Removal: (Minimum level)				
Removed at least once a week	9779	9189	9294	9324
Minimum Service Level and Above sub-total	9779	9189	9294	9324
Minimum Service Level and Above percentage	100%	100%	100%	100%
Solid Waste Removal: (Below minimum level)				
Removed less frequently than once a week	0	0	0	0
Using communal refuse dump	0	0	0	0
Using own refuse dump	0	0	0	0
Other rubbish disposal	0	0	0	0
No rubbish disposal	0	0	0	0
Below Minimum Service Level sub-total	0	0	0	0
Below Minimum Service Level percentage	0%	0%	0%	100%
Total number of households	9779	9189	9294	9324

CHAPTER 5 – ORGANISATIONAL DEVELOPMENT PERFORMANCE

5. INTRODUCTION ORGANISATIONAL DEVELOPMENT PERFORMANCE

Organizational Structure of Bela- Bela Local Municipality makes provision for a Municipal Manager and five Section 56 Managers and additional two non-sectional Managers who are also reporting directly to the Municipal manager. This indicates that there are 7 Head of Departments reporting to the Municipal Manager thematically depicted as follows:

FIGURE: 1



5.1 INTRODUCTION TO THE MUNICIPAL PERSONNEL

EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Section 66 of the MSA, requires the Municipality through the Office of the Municipal Manager within the Policy Framework as determined by the Municipal Council subject to any applicable legislation to develop a staff establishment for the Municipality which subsequently led to the appointment of personnel as per the Council approved organizational structure. It is in light of the above that the Municipality managed to appoint 330 permanent staff members and 15 contract employees during the 2021/2022 financial year. It should further be noted that although most posts were advertised in an attempt to reduce the vacancy rate some of the positions could not be filled due to financial constraints. The tables below provide details of employee totals, vacancy rate and staff turnover.

5.1.1 TOTAL NUMBER OF EMPLOYEES – TABLE:41

Employees					
Description	**2020/2021**	**2021/2022**			
	Approved Posts	**Approved Posts**	**Appointed Employees**	**2021/2022 Variance**	**2021/2022 Variance**
	No.	No.	No.	No.	%
Water	60	60	35	25	42%
Waste Water (Sanitation)	45	45	24	21	46%
Electricity	63	62	32	30	48%
Waste Management	80	81	42	39	48%
Housing	11	11	3	8	73%
Waste Water (Storm	27	26	7	19	73%

Employees					
Description	**2020/2021**	**2021/2022**			
	Approved Posts	**Approved Posts**	**Appointed Employees**	**2021/2022 Variance**	**2021/2022 Variance**
	No.	No.	No.	No.	%
water Drainage)					
Roads	25	24	10	15	62%
Transport/Fleet Management	9	5	3	2	40%
Planning	13	13	5	8	61%
Local Economic Development	8	7	3	4	57%
Planning (Strategic & Regulatory)	2	2	1	1	50%
Community & Social Services	2	2	1	1	50%
Protection & Emergency	43	43	32	11	26%
Parks, Sport and Recreation	79	78	45	33	42%
Corporate, Budget, MM, Audit and Other	167	175	93	82	46%

Employees					
Description	**2020/2021**	**2021/2022**			
	Approved Posts	**Approved Posts**	**Appointed Employees**	**2021/2022 Variance**	**2021/2022 Variance**
	No.	No.	No.	No.	%
Totals	634	634	336	298	47%

5.1.2 VACANCY RATE – TABLE: 42

VACANCY RATE 2021/2022		
Designations	*Total Approved Posts	*Variances (Total time that vacancies exist using full-time equivalents)
	No.	No.
Municipal Manager	1	1
CFO	1	0
Firefighters	Function of WDM	Function of WDM
Other Management: Levels 1-3 (excluding Finance Posts)	39	6

VACANCY RATE 2021/2022		
Designations	*Total Approved Posts	*Variances (Total time that vacancies exist using full-time equivalents)
Senior Management: Levels 1-3 (Finance posts)	14	5
Highly Skilled Supervision: Levels 4-6 (excluding Finance posts)	82	39
Highly Skilled Supervision: Levels 4-6 (Finance posts)	23	11
Total	160	61

5.1.3 TURNOVER RATE – TABLE: 43

Turn-over Rate			
Details	Total appointments as of beginning of Financial Year	Terminations during the Financial Year	Turn-over Rate%
	No.	No.	
2021/2022	356	27	7.6%

5.1.4 COMMENT ON VACANCIES AND TURNOVER:

During the 2021/2022 financial year, the Municipality had twenty seven (27) terminations of services. The terminations were due to the following reasons: fourteen (14) reached retirement age,one (1) death case,six (6) resignations and six (6) end of employment contract.

5.1.5 APPROVED POLICIES – TABLE: 44

During the 2021/2022 financial year the Municipality had 18 employee related policies as depicted as follows:

No	Policy Name	Status
1	Recruitment and Selection Policy	Approved
2	Staff Retention Policy	Approved
3	Overtime Policy	Approved
4	Training Policy	Approved
5	HIV AIDS Policy	Approved
6	Occupational Health and Safety Policy	Approved
7	Code of Conduct	Approved
8	Travelling Allowance Policy	Approved
9	Stand-by Allowance	Approved
10	Cell phone Allowance	Approved
11	Dress Code Policy	Approved
12	Bereavement Policy	Approved
13	Employment Equity	Approved
14	Disciplinary Code and Procedure Policy	Approved

No	Policy Name	Status
15	Long service Recognition Policy	Approved
16	Scarce Skills Policy	Approved
17	EAP Policy	Approved
18.	Leave Policy	Approved

5.1.6 INJURY ON DUTY AND SICK LEAVES

Bela-Bela Local Municipality developed and approved the Occupational Health and Safety Policy as guided by the provisions of the OHS Act No 85 of 1993. The policy is aimed at giving effect to the provisions of the OHS Act which requires the Municipality to ensure that all employees and other people who are in any of the premises of the Municipality are safe and the environment is conducive for employees to perform their duties. Although there are policies in place, it should be noted that no institution is risk-free hence always striving to mitigate and prevent the risks. With all the efforts of avoiding risks, there are some accidents such as injuries occurring while performing official duties. Table 45 below depicts the details of the injuries that occurred during the financial year under review:

5.1.7 NUMBER AND COST OF INJURIES ON DUTY 2021/2022 – TABLE:45

Number and Cost of Injuries on Duty 2021/2022					
Type of injury	Injury Leave Taken	Employees using injury leave	Average injury leave taken per employee	Average Injury Leave per employee	Total Estimated Cost
	Days	No.	%	Days	R'000
Required basic medical attention only	0	0	0	0	0
Temporary total disablement	250	1	67.5%	0.67	R 213 360.12
Permanent disablement	0	0	0	0	0
Fatal	0	0	0	0	0
Total	250	0	67.5%	0.67	R 213 360.12

Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	Total sick leave	The proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per Employee	Estimated cost
	Days	%	No.	No.	Days	R' 000
Senior management (Levels 0-2)	106	0	3	39	2.7	251 349.32
Highly skilled supervision (Levels 3-5)	33	2	6	32	1.03	84 605.68
Highly skilled production (levels 6-8)	20	2	3	56	0.35	66 405.78
Skilled (levels 9-12)	20	1	3	55	0.36	46 243.87
Lower skilled(Levels 13-15)	204	7	29	160	1.28	134 509.71
MM and S56	0	0	0	5	0	0
Total	363	7	44	347	5.72	583 114.36
* - Number of employees in post at the beginning of the year						
*Average calculated by taking sick leave in column 2 divided by total employees in column 5						

5.1.8 COMMENT ON INJURY AND SICK LEAVE:

For the financial year under review, 250 injury leave days were taken by 1 employee who was injured on duty. Awareness campaigns and employee wellness programmes have been initiated and conducted by the Municipality to alert employees on how to avoid health hazards. Capacity building was also identified as a means of reducing injuries on duty. The table above provides details of injuries on duty and the sick leave days taken during the 2021/2022 financial year.

5.1.9 NUMBER OF DISCIPLINARY / MISCONDUCT CASES AND STATUS – TABLE:46

No:	Number of Employees	NATURE OF THE ALLEGED MISCONDUCT	DATE OF SUSPENSION	DETAILS OF THE DISCIPLINARY HEARING: STATUS OF THE CASE	DATE FINALISED
1.	1	Gross misconduct and Fraud	27 May 2022	Still in progress	Not Finalised

5.1.10 COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT:

The Municipality adheres strictly to the provisions of the Disciplinary Code, the Collective Agreement and the Labour Relations Act 66 of 1995. The table above depicts only the disciplinary case in place for the year 2021/2022 financial year.

5.2 CAPACITATING THE MUNICIPAL WORKFORCE

Section 68 (1) of the Local Government Municipal System Act No: 32 of 2000, 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. For the Municipality to comply with the above-mentioned act, the Municipality had developed the 2021/2022 Work Skills Plan (WSP) which was submitted to the Local Government Sector Education Training Authority (LGSETA). The Municipality implements its WSP throughout the year to ensure workforce capacity development. Though the Municipality is required to train its employees and councillors, the Municipality has also focused on initiating training of community members through different groups. The table below depicts the details of training programmes offered during the financial year under review.

5.2.1 SKILLS MATRIX –TABLE: 47

SKILLS MATRIX				
Management level	Gender	Number of skilled employees trained by 30 June 2022		
		Learnership	Skills programmes & another short course	Other forms of training

		Actual 30 June 2022	Target	Actual 30 June 2022	Target	Actual 30 June 2022	Target
Mayor and Councilor's	Female	0	0	7	7	0	0
	Males	0	0	10	10	0	0
MM and S57	Female	0	1	2	2	0	0
	Males	0	0	1	1	0	0
Technicians and trade workers	Female	0	0	4	4	0	0
	Males	0	0	17	17	0	0
Professionals	Female	0	2	13	7	0	0
	Males	0	3	13	5	0	0
Community and personal service workers	Female	0	0	1	12	0	0
	Males	0	0	2	14	0	0
Clerical and administrative workers	Females	0	6	16	23	0	0
	Males	0	4	14	11	0	0
Machine Operators and Drivers	Females	0	4	0	3	0	0
	Males	0	36	0	23	0	0
Skilled Agricultural,	Females	0	0	0	2	0	0

SKILLS MATRIX							
Management level	Gender	Number of skilled employees trained by 30 June 2022					
		Learnership		Skills programmes & another short course		Other forms of training	
		Actual 30 June 2022	Target	Actual 30 June 2022	Target	Actual 30 June 2022	Target
Forestry, Fishery, Craft and Related Trades Workers	Males	0	0	0	9	0	0
Elementary Occupations	Females	0	26	5	59	0	0
	Males	0	22	12	60	0	0
Total Trained as 30 June 2022	**Females**	**48**					
	Males	**69**					

5.3 INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

The purpose of Information and Communication Technology (ICT) is to enable the Public Service in its service delivery quest. The ICT House of Values depicts the values and key focus areas of ICT service delivery. These objectives, principles, values and key focus areas inform the acquisition, management and use of ICT. ICT Governance is one of the key performance areas as indicated in the 2021/2022 Bela-Bela Municipality's SDBIP. This accountability enables the Institution to align the delivery of ICT services with the strategic and business goals of the Institution.

During 2021/2022 Financial Year (FY), Bela-Bela Local Municipality ICT division has conducted ICT Steering committee meetings to ensure effective and efficient management of ICT resources and processes to facilitate the achievement of Municipal goals and objectives as stipulated in the Municipal Finance Management Act (MFMA) No 56 of 2003. The table below depicts details of Steering Committee meetings held during 2021/2022 FY.

5.3.1 ICT STEERING COMMITTEE MEETINGS – TABLE:48

ICT STEERING COMMITTEE MEETINGS WERE HELD AS FOLLOWS:	
DATE	VENUE
15th of September 2021	Virtual
15th of October 2021	Virtual
15th of February 2022	Virtual
17th of June 2022	Virtual

The Information Communication and Technology (ICT) Governance Framework guides the organizational accountability and responsibilities concerning the ICT functions and its operations as per the Corporate Governance of ICT Policy Framework and the Public Service Act. The ICT Division has the responsibility to develop, implement and review ICT policies to comply with the ICT Governance Framework and Standards Procedures and to adapt to the technological changes of the ICT infrastructure.

The lack of an ICT governance framework can result in a fragmented approach to the implementation and adherence to policies, standards and unlocking the value that ICT could contribute to business enablement, hence it is of vital importance to continuously develop and review policies that will give effect to different pieces of legislation guiding the usage of ICT in the Public Sector inclusive of Municipalities. It is in light of the above that Bela-Bela Local Municipality developed and reviewed its ICT Policies.

Below are the details of the ICT Policies developed, reviewed and approved by the Municipal Council for implementation during the financial year under review (2021/2022 FY).

- ICT Help Desk Policy
- ICT Patch Management policy
- ICT Management Framework
- ICT Charter policy
- ICT Continuity Management policy
- ICT Disaster Recovery
- ICT Usage policy
- ICT Change Management Policy

5.3.1.1 WEBSITES

Section 21B of the Local Government Municipal Systems Act (MSA) No 32 of 2000 requires Municipalities to establish official Municipal Website depending on its affordability, the Municipality is further expected to place on the Municipal Website information required to be made public in terms of the MSA and the Local Government Municipal Finance Management Act (MFMA) No 56 of 2003

Municipal Website: Content and Currency on Material	
Documents published on the Municipality's Website	Yes/No
Current annual and adjustments budget and all budget-related documents	Yes
All current budget-related policies	Yes
All quarterly reports tabled in Council in terms of Section 52 of the Municipal Finance Management Act no 56 of 2003 during 2021/2022 Financial Year	Yes
The previous Annual Report (2020/2021)	Yes
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act no 32 of 2000	Yes
All service delivery agreements 2021/2022	N/A
All long term borrowing contracts 2021/2022	N/A
All supply chain management contracts above a prescribed value give the value for 202012022 FY	N/A
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of Section 14 (2) or (4) during 2021/2022 FY	Y
Contracts agreed in 2021/2022 to which subsection (1) of Section 33 applies, subject to subsection (3) of that section	N/A

5.3.1.2 COMMENT MUNICIPAL WEBSITE CONTENT AND ACESS

In terms of Section 75 of the Municipal Finance Act, No 56 of 2003, the Accounting Officer of a Municipality is expected to place on the municipal website referred to in section 21 of the Local Government Municipal Systems Act No 32 of 2000 information as may be required and prescribed by the above-mentioned Acts. It is in this regard that Bela-Bela Local Municipality established its website which is regularly updated.

5.3.2 ICT HUMAN RESOURCE STATISTICS

In terms of Section 67 (1) (a)- (K) of the Local Government Municipal Systems Act (MSA) No 32 of 2000, human resource development must ensure fair, efficient, effective and transparent personnel administration amongst others –

a) *The recruitment, selection and appointment of persons as staff members,*
b) *Service conditions of staff*

In terms of the section stated above and Section 66 of the MSA No 32 of 2000, the Municipal Manager established the ICT Division and appointed staff thereof, and further determined the conditions of service. The table below depicts the details of the Human Resource statics for the ICT Division

Table:49 below depicts the details of the Human Resource statics for the ICT Division.

Job Level	Number of employees	Number of posts approved	Number of posts filled	Vacancies
Level 1	1	1	1	0
Level 3	1	2	1	1
Level 4	1	2	1	1
Level 6	3	5	3	2

CHAPTER 6

6 ANNUAL PERFORMANCE SCORECARD REPORT FOR THE 2021/2022 FINANCIAL YEAR

Bela-Bela Local Municipality established Performance Management Systems (PMS) as guided by Section 38 of the Local Government Municipal Systems Act, No 32 of 2000. As required by the above mentioned Act the established PMS commensurate with the resources of the Municipality, its circumstances and is also in line with the priorities, objectives, indicators and targets contained in its Integrated Development Plan (IDP). Furthermore, the Municipality set appropriate key performance indicators as a yardstick for measuring the 2021/2022 performance. The set indicators also outlined the outcomes and impact concerning the Municipality's developmental priorities and objectives as set out in the Approved 2021/2022 Integrated Development Plan (IDP).

Emanating from 2021/2022 Approved IDP and 2021/2022 budget, the Municipality developed an SDBIP which organizational scorecard providing a strategic direction on how will the organization implement and account for the budget, developmental objectives and priorities approved for the financial year under review. The Municipality also established the process of regular reporting to Council and to communities, whereby Management, Audit Performance Committee, and the Mayor tabled quarterly Service Delivery and Budget Implementation Plan performance reports. The Municipality also complied with the provisions of Section 46 of the Local Government Municipal Systems Act by compiling the 2021/2022 Annual Performance Report which was submitted to the Auditor General as required by Section 45 of the Local Government Municipal Systems Act No 32 of 2000.

AUDITOR-GENERAL REPORT FOR 2021/2022 FINANCIAL YEAR

Bela-Bela Local Municipality complied with the provisions of Section 125 of MFMA and Section 45 of MSA of 2000 by compiling and submitting both the 2021/2022 Annual Performance Report and the 2021/2022 Annual Financial Statements. Both the 2021/2022 Annual Performance Report and 2021/2022 Annual Financial Statements were submitted to the Auditor General for auditing by the Auditing as per regulation

2021/2022 AUDITED ANNUAL FINANCIAL STATEMENT : ANNEXURE A

2021/2022 ANNUAL PERFORMANCE REPORT : ANNEXURE B

2021/2022 AUDITOR - GENERAL REPORT : ANNEXURE C

STATUTORY ANNUAL REPORT PROCESS – TABLE: 50

No.	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feed seamlessly into the Annual Report process at the end of the Budget/IDP implementation period.	July
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalize 4th quarter Report for the previous financial year	
4	Submit the Draft 2021/2022 Annual Report to Internal Audit and Auditor-General	
5	Audit/Performance committee considers Annual Performance Report of the Municipality	August
6	Municipality submits 2021/2022 Annual Performance Report including consolidated 2021/2022 Annual Financial Statements to Auditor General.	
7	Auditor General assesses Draft Annual Report including consolidated Annual Financial Statements and Performance data	September - October
8	The Municipality receives the Auditor General findings and began to address the Auditor General's comments	November
9	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	
10	Audited Annual Report is made public and representation is invited	
11	Oversight Committee (MPAC) assesses Annual Report	February/ Mar
12	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	March
13	Council adopts Annual and Oversight report, Publicise both reports and Submitted to the relevant provincial and national sector departments	March
14	Commencement of draft Budget/ IDP finalization for next financial year. Annual Report and Oversight Reports being used as input.	March

6.1 COMMENT ON THE ANNUAL REPORT PROCESS

In terms of Section 127 (2) of the Local Government Municipal Finance Management Act No 56 of 2003, the Mayor of the Municipality must within seven months after the end of the year, the table in the Municipal Council the Annual Report of the Municipality and any Municipal Entity under the Municipality's sole or shared control. To comply with the provisions of the above-mentioned Act, Bela-Bela Local Municipality established a process of compiling the 2021/2022 Annual Report. The process began with the adoption of the National Treasury Circular 11 and 63 which provides guidance on how and when to compile and to submit the Annual Report. It should be noted that the requirements of the two circulars complement each other hence both applied in the compilation of the 2021/2022 Annual Report of the Municipality.

Over and above, the compilation of the 2021/2022 Annual Report as per the above mentioned National Treasury Circulars allow the Municipality to provide more and comprehensive information on the activities and decisions made by the Municipality during the financial year under review.

Furthermore, the Municipality adhered to the timeliness on the compilation of the Annual Report to provide more range of information on the challenges, successes and the overall performance of the Municipality. The information assists the new planning cycle for the 2021/2022 Financial Year. The Municipality also compiled the 2021/2022 four quarterly performance reports in line with the Approved 2021/2022 IDP, Approved 2021/2022 Service Delivery and Budget Implementation Plan (SDBIP) and the Approved 2021/2022 Budget, which formed the basis of the 2021/2022 Annual Performance Report which was compiled and submitted to the relevant sector departments on the 31st August 2022

6.2 TABLE:51 2021/2022 AUDIT ACTION PLAN

Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	Documents used by executive authorities to give *"full and regular"* reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
Activities	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe *"what we do"*.
Adequacy indicators	The quantity of input or output relative to the need or demand.
Annual Report	A report is to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
Approved Budget	The annual financial statements of a Municipality as audited by the Auditor General and approved by a council or a provincial or national executive.
Baseline	The current level of performance that a Municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
Basic municipal service	A municipal service is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
Budget year	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
Cost indicators	The overall cost or expenditure of producing a specified quantity of outputs.
Distribution indicators	The distribution of capacity to deliver services.
Financial Statements	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
General Key performance indicators	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
Impact	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
Inputs	All the resources that contribute to the production and delivery of outputs. Inputs are "what we use to do the work". They include finances, personnel, equipment and buildings.
Integrated Development Plan (IDP)	Set out municipal goals and development plans.
National Key performance areas	• Service delivery & infrastructure • Local Economic development • Municipal transformation and institutional development • Financial viability and management • Good governance and community participation • Spatial Rational
Outcomes	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
Outputs	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
Performance Indicator	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to

	which output has been achieved (policy developed, presentation delivered, service rendered)
Performance Information	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measures.
Performance Standards:	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed on 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.
Performance Targets:	The level of performance that municipalities and their employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a Municipality aims to achieve within a given time period
Service Delivery Budget Implementation Plan	The detailed plan was approved by the mayor for implementing the Municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
Vote:	One of the main segments into which a budget of a Municipality is divided for the appropriation of money for the different departments or functional areas of the Municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area. Section 1 of the MFMA defines a "vote" as: *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* *b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned*

APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Section 18 (1) of the Local Government Municipal Structures Act No 117 of 1998 indicates that Municipalities must have Municipal Councils whi consists of a number of Councillors determined by the MEC for Local Government in the Province. Sub-section 2 of the Act further indicates that Municipal Council must meet at least quarterly, however, it should be noted that Bela-Bela Local Municipality held Council meetings quarterly as p the Council approved schedule of meetings, furthermore, Special Council meetings were also held as and when necessary. Table 51 below depic the number of Council and Subcommittee meetings held and the attendance by each Councillor.

01 JULY 2021 TO 29 OCTOBER 2022.

NAME OF COUNCILLOR	FULL TIME/ PART-TIME	PARTY REPRESENTATIVE	NO OF COUNCIL MEETINGS SCHEDULED	NO OF COUNCIL MEETINGS ATTENDED	% OF ATTENDANCE	NO OF SUBCOMMITTEE MEETINGS SCHEDULED	NO OF SUBCOMMITTEE MEETINGS ATTENDED	% OF ATTENDANCE
CLLR NGOBENI MJ	Full time	ANC	03	02	67%	04	00	0%
CLLR MOELETSI RZ	Full time	ANC	03	02	67%	Not assigned to attend Subcommittees	Not assigned to attend Subcommittees	Not assigned to attend Subcommittees
CLLR LEDWABA MH	Full time	ANC	03	01	33%	04	00	0%
CLLR HLUNGWANE FS	Part time	ANC	03	02	67%	04	01	25%
CLLR MALULEKA SE	Part time	ANC	03	02	67%	04	01	25%
CLLR SEALE SD	Part time	EFF	03	02	67%	04	01	25%
CLLR MALETE YMS	Part time	ANC	03	02	67%	04	1	25%
CLLR MODIMOLA LR	Part time	ANC	03	02	67%	Not assigned to attend Subcommittees	Not assigned to attend Subcommittees	Not assigned to attend Subcommittees

NAME OF COUNCILLOR	FULL TIME/ PART-TIME	PARTY REPRESENTATIVE	NO OF COUNCIL MEETINGS SCHEDULED	NO OF COUNCIL MEETINGS ATTENDED	% OF ATTENDANCE	NO OF SUBCOMMITTEE MEETINGS SCHEDULED	NO OF SUBCOMMITTEE MEETINGS ATTENDED	% OF ATTENDANCE
CLLR APHANE MP	Part time	ANC	03	01	33%	04	00	0%
CLLR SHIKA MA	Part time	ANC	03	02	67%	04	01	25%
CLLR MOTHOKWA KF	Part time	DA	03	02	67%	11	04	25%
CLLR SENOSHA MD	Part time	DA	03	01	33%	Not assigned to attend Subcommittees	Not assigned to attend Subcommittees	Not assigned to attend Subcommittees
CLLR MAKHUBELA MJ	Part-time	BRA	03	02	67%	Not assigned to attend Subcommittees	Not assigned to attend Subcommittees	Not assigned to attend Subcommittees
CLLR MOSWEOU AR	Part time	EFF	03	02	67%	04	00	0%
CLLR RAS MN	Part time	DA	03	02	67%	04	00	0%
CLLR KRUGER HJL	Part time	DA	03	02	67%	04	01	25%
CLLR MANAME B	Part time	ANC	03	01	33%	04	01	25%

NEW COUNCIL 22 NOVEMBER 2022 TO 30 JUNE 2022

NAME OF COUNCILLOR	FULL TIME/ PART-TIME	PARTY REPRESENTATIVE	NO OF COUNCIL MEETINGS SCHEDULED	NO OF COUNCIL MEETINGS ATTENDED	% OF ATTENDANCE	NO OF SUBCOMMITTEE MEETINGS SCHEDULED	NO OF SUBCOMMITTEE MEETINGS ATTENDED	% OF ATTENDANCE
CLLR GM Seleka	Full time	ANC	10	10	100%	6	6	100%
CLLR TN Zikhali	Full time	ANC	10	10	100%	Not assigned to attend Subcommittees	Not assigned to attend Subcommittees	Not assigned to attend Subcommittees
CLLR JM Mabua	Full time	ANC	10	10	100%	Not assigned to attend Subcommittees	Not assigned to attend Subcommittees	Not assigned to attend Subcommittees
CLLR FS Hlungwane	Part time	ANC	10	8	80%	6	5	83%
CLLR PV Mashaba	Part time	ANC	10	8	80%	6	4	67%
CLLR MH Ledwaba	Part time	DA	10	9	90%	6	6	100%
						6	5	83%
CLLR SD Seale	Part time	EFF	03	9	90%	6	Not assigned to attend Subcommittees	Not assigned to attend Subcommittees
CLLR MJ Ngobeni	Part time	ANC	10	8	80%	6	2	33%
CLLR KS Rachidumela	Part time	ANC	10	10	100%	6	6	100%
CLLR K Sepuru	Part time	ANC	10	10	100%	6	5	83%
CLLR MF Koover	Part time	ANC	10	9	90%	6	5	83%

NAME OF COUNCILLOR	FULL TIME/ PART-TIME	PARTY REPRESENTATIVE	NO OF COUNCIL MEETINGS SCHEDULED	NO OF COUNCIL MEETINGS ATTENDED	% OF ATTENDANCE	NO OF SUBCOMMITTEE MEETINGS SCHEDULED	NO OF SUBCOMMITTEE MEETINGS ATTENDED	% OF ATTENDANCE
CLLR JH Mills	Part time	DA	10	9	90%	6	5	83%
						6	6	100%
CLLR JD Cloete	Part time	DA	10	10	100%	6	6	100%
						6	6	100%
CLLR MJ Makhubela	Part-time	BRA	10	10	100%	Not assigned to attend Subcommittees	Not assigned to attend Subcommittees	Not assigned to attend Subcommittees
CLLR MO Tlaka	Part time	EFF	10	8	80%	6	4	67%
CLLR MN Ras	Part time	DA	10	9	90%	6	4	67%
CLLR HJL Kruger	Part time	DA	10	10	100%	6	5	83%

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

Section 79 of the Local Government Municipal Structures Act No 117 of 1998 requires Municipal Councils to establish one or more Section 80 Committees necessary for the effective and efficient performance of any of its functions or to exercise its powers. It is in light of the above that Bela-Bela Local Municipal Council during its inaugural sitting in 2021 established various Council Committees to assist the Executive Committee to function effectively and further determined the functions of each Committee and also appointed the Chairpersons for each Committee. Table 52 below depicts the details of the Committees established as well as the purpose of such Committees.

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees established in terms of Section 79 of the Municipal Systems Act No 117 of 1998	**Purpose of Committee**
Social and Community Services Sub-Committee	Section 80 Committee appointed in terms of Section 79 of MSA No 117 of 1998 to assist the Executive Committee in performing its responsibilities of amongst others advising Council on matters related to Social and Community Services.
Planning and Economic Development/Infrastructure Sub-committee	Section 80 Committee appointed in terms of Section 79 of MSA No 117 of 1998 to assist the Executive Committee in performing its responsibilities of amongst others advising Council on matters related to Planning and Technical Services.
Governance and Transformation/ Budget & Treasury Subcommittee	Section 80 Committee appointed in terms of Section 79 of MSA No 117 of 1998 to assist the Executive Committee in performing its responsibilities of amongst others advising Council on matters related to the Budget and Treasury and Corporate Services.
Municipal Public Account Committee (MPAC)	Oversight Committee which plays an oversight role over the work of the administration and advice Council as per the legislative requirements.
Audit and Risk Management Committees	Oversight Committee established in terms of Section 166 of the Local Government Municipal Finance Management Act (MFMA) No 56 of 2003. This Committee advises the Municipal Council, the Political Office Bearers, the Accounting Officer and the Management Staff on matters listed under Section 166 (2)(a-e) of the MFMA.
Integrated Development Planning (IDP) Steering Committee	Technical support through IDP Review process
IDP Rep Forum	Stakeholder participatory mechanism during the IDP Review process
Top Management	Strategic management decision-making structure established in terms of Section 77 of the Local Government Municipal Finance Management Act no 56 of 2003. This Committee assists the Accounting Officer in managing and coordinating the financial administration of the Municipality.
Broader Management	Operational management decision-making structure established to assist the Top Management in performing its responsibilities.

COMMITTEES OF COUNCIL EXCLUDING THE MAYORAL/EXECUTIVE COMMITTEES

APPENDIX C –THIRD-TIER ADMINISTRATIVE STRUCTURE

Third Tier Structure		
Initials & Surname	Title	Directorate/ Department
Ramolobeng MN	Divisional Manager: Human Resources Management	Corporate Services
Nkuna D	Divisional Manager: Information Technology	Corporate Services
Seima MA	Divisional Manager: Council Support and Administration	Corporate Services
Mahlare K	Divisional Manager: Human Resources Development	Corporate Services
Vacant	Manager Legal Services	Office of the Municipal Manager
Tshikovhi C	Divisional Manager: Integrated Development & Planning	Office of the Municipal Manager
Mogweemang L	Divisional Manager: Local Economic Development	Planning & Economic Development
Mhlongo v	Divisional Manager: Performance Management System	Office of the Municipal Manager
Manzini M	Divisional Manager: Town Planning	Planning & Economic Development
Vacant	Divisional Manager Human Settlement	Planning & Economic Development
Pilane T	Divisional Manager: Roads & Stormwater	Technical Services
Moloto MJ	Divisional Manager: Water & Sanitation	Technical Services
Kotsokoane T	Divisional Manager Electrical	Technical Services
Vacant	Divisional Manager: Parks and Cemeteries	Social & Community Services
Monare I	Divisional Manager: Protection and Emergency Services	Social & Community Services

Third Tier Structure		
Initials & Surname	Title	Directorate/ Department
Mohlala AMS	Divisional Manager: Waste & Cleansing	Social & Community Services
Raborolo D	Divisional Manager Sport, Arts & Culture	Social & Community Services
Kabe KC	Chief Audit Executive	Office of the Municipal Manager
Moloto OPK	Divisional Manager: Communications	Office of the Municipal Manager
Mothapo TJ	Manager Strategic Support Services	Office of the Municipal Manager
Titi T	Divisional Manager: Revenue	Budget & Treasury Office
Matwalana LT	Divisional Manager: Licensing	Social & Community Services
Vacant	Divisional Manager: Expenditure	Budget & Treasury Office
Mohale T	Divisional Manager: SCM	Budget & Treasury Office
Motshoane LJ	Divisional Manager: Budget and Reporting	Budget & Treasury Office
Vacant	Specialist Financial Statements	Budget & Treasury Office
Vacant	Divisional Manager Assets, Fleet & Inventory	Budget & Treasury Office

2021/2022 AUDITED ANNUAL FINANCIAL STATEMENT: ANNEXURE A



BELA BELA MUNICIPALITY

Bela Bela Local Municipality
Annual Financial Statements
for the year ended 30 June 2022

Bela Bela Local Municipality

Annual Financial Statements for the year ended 30 June 2022

General Information

Legal form of entity	Municipality in terms of section 1 of the Local Government: MunicipalStructures Act (Act No. 117 of 1998) read with section 115 (1) of theConstitution of the Republic of South Africa (Act No. 108 of 1996)
Nature of business and principal activities	Bela-Bela is a category B Local Municipality performing the functions as set out in the Constitution (Act No 108 of 1996)
Executive Committee	
Executive Mayor	Hon. M.J. Ngobeni (July 2021 - 8 Nov 2021) Hon. G.M. Seleka (9 Nov 2021- June 2022)
Executive Councillors	Cllr M.J. Ngobeni (9 Nov 2021- June 2022) Cllr M.N. Ras (9 Nov 2021- June 2022)
Speaker	Cllr R.Z. Moeletsi (July 2021 - 8 Nov 2021) Cllr TN Zikhali (9 Nov 2021- June 2022)
Chief Whip	Cllr M.H. Ledwaba (July 2021 - 8 Nov 2021) Cllr K. Sepuru (9 Nov 2021- June 2022)
Councillors	Cllr S.E. Maluleka (July 2021 - 8 Nov 2021) Cllr M.N. Ras (July 2021 - 8 Nov 2021) Cllr P.M. Aphane (July 2021 - 8 Nov 2021) Cllr F.S. Hlongwane Cllr M.J. Makhubela (July 2021 - 8 Nov 2021) Cllr Y.M.S. Malete (July 2021 - 8 Nov 2021) Cllr B.T. Maname (July 2021 - 8 Nov 2021) Cllr L.R. Modimola (July 2021 - 8 Nov 2021) Cllr A.R. Mosweou (July 2021 - 8 Nov 2021) Cllr K.L. Mothokwa (July 2021 - 8 Nov 2021) Cllr S.D. Seale Cllr M.D. Senosha (July 2021 - 8 Nov 2021) Cllr M.A. Shika (July 2021 - 8 Nov 2021) Cllr H.J.L Kruger Cllr M.F. Kroover (9 Nov 2021- June 2022) Cllr K.S. Rachidumela (9 Nov 2021- June 2022) Cllr J.M.Mabua (9 Nov 2021- June 2022) Cllr M.H. Ledwaba (9 Nov 2021- June 2022) Cllr M.J. Makhubela (9 Nov 2021- June 2022) Cllr M.O. Tlaka (9 Nov 2021- June 2022) Cllr J.H.T Mills (9 Nov 2021- June 2022) Cllr J.D. Cloete (9 Nov 2021- June 2022) Cllr P.V. Mashaba (9 Nov 2021- June 2022)
Grading of local authority	Level 3
Accounting Officer	Ms. J.B. Selapyane
Chief Financial Officer (CFO)	Mr. R.M Marutha
Registered office	58 Chris Hani Drive Bela Bela
Website	www.belabela.gov.za
Postal address	Private Bag X1609 Bela Bela

General Information

	0480
Bankers	ABSA
Auditors	Auditor-General of South Africa
Attorneys	Motalane Incorporated
Legislation applicable to the municipality	Local Government: Municipal Finance Management Act (Act No. 56 of 2003)
	Local Government: Municipal Systems Act (Act No. 32 of 2000)
	Local Government: Municipal Structures Act (Act No.117 of 1998)
	Constitution of the Republic of South Africa (Act No.108 of 1996)
	Division of Revenue Act (Act No. 1 of 2007)
	Municipal Property Rates Act (Act No. 6 of 2004)
Published	31 August 2022

Index

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

	Page
Accounting Officer's Responsibilities and Approval	4
Statement of Financial Position for the year ended 30 June 2022	5
Statement of Financial Performance for the year ended 30 June 2022	6
Statement of Changes in Net Assets for the year ended 30 June 2022	7
Cash Flow Statement for the year ended 30 June 2022	8
Statement of Comparison of Budget and Actual Amounts as at 30 June 2022	9 - 12
Accounting Policies for the year ended 30 June 2022	13 - 28
Notes to the Annual Financial Statements	29 - 81

Abbreviations used:

COID	Compensation for Occupational Injuries and Diseases
DBSA	Development Bank of South Africa
HDF	Housing Development Fund
IAS	International Accounting Standards
IPSAS	International Public Sector Accounting Standards
mSCOA	Municipal Standard Chart of Accounts
ASB	Accounting Standard Board
MEC	Member of the Executive Council
SCM	Supply Chain Management

Accounting Officer's Responsibilities and Approval

The accounting officer is required by the Municipal Finance Management Act (Act 56 of 2003), to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the accounting officer to ensure that the annual financial statements fairly present the state of affairs of the municipality is at the end of the financial year and the results of its operations and cash flows for the period then ended. The Auditor-Genereal is engaged to express an independent opinion on the annual financial statements and was given unrestricted access to all financial records and related data.

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board and in the manner required by the Municipal Finanance Management Act, 2003.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The accounting officer acknowledges that she is ultimately responsible for the system of internal financial control established by the municipality and place considerable importance on maintaining a strong control environment. To enable the accounting officer to meet these responsibilities, the accounting officer sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the municipality and all employees are required to maintain the highest ethical standards in ensuring the municipality's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the municipality is on identifying, assessing, managing and monitoring all known forms of risk across the municipality. While operating risk cannot be fully eliminated, the municipality endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

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

The accounting officer has reviewed the municipality's cash flow forecast for the year to 30 June 2023 and, in the light of this review and the current financial position, she is satisfied that the municipality has or has access to adequate resources to continue in operational existence for the foreseeable future.

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

The Auditors-General is responsible for independently reviewing and reporting on the municipality's annual financial statements.

The annual financial statements set out on page 5, which have been prepared on the going concern basis, were approved by the accounting officer on 31 August 2022 and were signed on its behalf by:

Ms. J.B. Selapyane
Accounting Officer

Bela-Bela

Wednesday, 31 August 2022

Statement of Financial Position for the year ended 30 June 2022

Figures in Rand	Note(s)	2022	2021 Restated*
Assets			
Current Assets			
Inventories	10	549 448	388 122
Receivables from exchange transactions	11	18 769 003	18 664 752
Other receivables from exchange transactions	12	1 472 903	994 174
Statutory receivables from exchange transactions	13	5 655 813	3 173 941
Receivables from non-exchange transactions	14	32 437 399	27 697 772
Cash and cash equivalents	15	16 830 835	12 516 771
		75 715 401	**63 435 532**
Non-Current Assets			
Investment property	3	134 917 076	109 865 416
Property, plant and equipment	4	825 256 789	812 421 081
Intangible assets	5	1 628 642	1 722 249
Heritage assets	6	538 950	538 950
Other receivables from exchange transactions	12	224 290	73 024
		962 565 747	**924 620 720**
Total Assets		**1 038 281 148**	**988 056 252**
Liabilities			
Current Liabilities			
Payables from exchange transactions	7	170 832 360	154 670 759
Consumer deposits	8	6 735 686	6 395 360
Employee benefit obligation	9	1 680 000	1 793 000
Unspent conditional grants and receipts	16	214 343	18 365 820
Provisions	17	344 370	573 950
		179 806 759	**181 798 889**
Non-Current Liabilities			
Employee benefit obligation	9	54 263 870	52 911 870
Provisions	17	75 793 017	70 494 746
		130 056 887	**123 406 616**
Total Liabilities		**309 863 646**	**305 205 505**
Net Assets		**728 417 502**	**682 850 747**
Accumulated surplus		728 417 502	682 850 747
Total Net Assets		**728 417 502**	**682 850 747**

* See Note 36

Statement of Financial Performance for the year ended 30 June 2022

Figures in Rand	Note(s)	2022	2021 Restated*
Revenue			
Revenue from exchange transactions			
Service charges	18	189 321 078	178 847 201
Sale of goods and rendering of services		410 640	324 710
Rental of facilities and equipment	19	1 601 858	1 365 599
Agency services	21	3 894 845	4 593 392
Cemetery Fees		498 758	449 027
Commission received		123 416	99 846
Demand charges		157 843	144 589
Other income	22	4 021 110	16 177 543
Interest earned	23	6 362 251	5 469 941
Fair value adjustments	52	25 051 660	-
Total revenue from exchange transactions		**231 443 459**	**207 471 848**
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	24	81 047 794	79 460 505
Property rates - Interest received	24	8 492 774	7 588 387
Licences and permits (non-exchange)	50	2 232 263	1 938 558
Transfer revenue			
Government grants and subsidies	25	178 250 539	192 586 288
Fines	20	31 257 812	16 060 600
Total revenue from non-exchange transactions		**301 281 182**	**297 634 338**
Total revenue		**532 724 641**	**505 106 186**
Expenditure			
Employee related costs	26	(140 448 292)	(147 034 989)
Remuneration of councillors	27	(7 248 348)	(7 508 552)
Depreciation and amortisation	28	(35 513 938)	(32 602 835)
Impairment of assets	51	(4 204 687)	-
Finance costs	29	(14 514 176)	(10 537 838)
Debt impairment	31	(65 266 022)	(66 602 774)
Bulk purchases	33	(117 551 012)	(98 910 251)
Contracted services	34	(40 885 967)	(38 468 434)
Loss on disposal of assets and liabilities		(25 150)	(289 543)
Fair value adjustments	52	-	(169 273 436)
General expenses	32	(61 500 295)	(54 731 652)
Total expenditure		**(487 157 887)**	**(625 960 304)**
Surplus (deficit) for the year		**45 566 754**	**(120 854 118)**

* See Note 36

Statement of Changes in Net Assets for the year ended 30 June 2022

Figures in Rand	Accumulated surplus / deficit	Total net assets
Opening balance as previously reported	838 103 064	838 103 064
Adjustments		
Correction of errors 36	(34 398 199)	(34 398 199)
Balance at 01 July 2020 as restated*	**803 704 865**	**803 704 865**
Changes in net assets		
Restated Surplus for the year 2021	(120 854 118)	(120 854 118)
Total changes	(120 854 118)	(120 854 118)
Restated* Balance at 01 July 2021	**682 850 748**	**682 850 748**
Changes in net assets		
Surplus for the year	45 566 754	45 566 754
Total changes	45 566 754	45 566 754
Balance at 30 June 2022	**728 417 502**	**728 417 502**

* See Note 36

Cash Flow Statement for the year ended 30 June 2022

Figures in Rand	Note(s)	2022	2021 Restated*
Cash flows from operating activities			
Receipts			
Property rates and traffic fines		89 540 568	65 572 663
Service charges		257 932 319	178 847 201
Grants		160 099 062	189 104 968
Interest income		6 362 251	13 058 328
		513 934 200	446 583 160
Payments			
Employee costs		(145 001 172)	(147 839 541)
Suppliers		(297 618 923)	(206 901 011)
Finance costs		(14 514 176)	(9 795 615)
		(457 134 271)	(364 536 167)
Net cash flows from operating activities	35	**56 799 929**	**82 046 993**
Cash flows from investing activities			
Purchase of property, plant and equipment	4	(52 485 865)	(79 503 278)
Proceeds from sale of property, plant and equipment	4	-	(228 908)
Net cash flows from investing activities		**(52 485 865)**	**(79 732 186)**
Net increase/(decrease) in cash and cash equivalents		**4 314 064**	**2 314 807**
Cash and cash equivalents at the beginning of the year		12 516 771	10 201 964
Cash and cash equivalents at the end of the year	15	**16 830 835**	**12 516 771**

The accounting policies on pages 13 to 28 and the notes on pages 29 to 81 form an integral part of the annual financial statements.

* See Note 36

Statement of Comparison of Budget and Actual Amounts as at 30 June 2022

Budget on Accrual Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Service charges	245 410 681	-	**245 410 681**	189 321 078	**(56 089 603)**	Note 49
Sale of goods and rendering of services	492 112	-	**492 112**	410 640	**(81 472)**	Note 49
Rental of facilities and equipment	1 588 091	-	**1 588 091**	1 601 858	**13 767**	
Agency services	-	-	**-**	3 894 845	**3 894 845**	
Cemetry fees	635 619	-	**635 619**	498 758	**(136 861)**	Note 49
Commission received	-	4 000 000	**4 000 000**	123 416	**(3 876 584)**	
Demand charges	526 145	-	**526 145**	157 843	**(368 302)**	Note 49
Other income	6 242 304	-	**6 242 304**	4 021 110	**(2 221 194)**	Note 49
Interest received - investment	13 351 245	(4 621 000)	**8 730 245**	6 362 251	**(2 367 994)**	Note 49
Total revenue from exchange transactions	**268 246 197**	**(621 000)**	**267 625 197**	**206 391 799**	**(61 233 398)**	
Revenue from non-exchange transactions						
Taxation revenue						
Property rates	92 979 240	-	**92 979 240**	81 047 794	**(11 931 446)**	Note 49
Property rates - penalties imposed	2 161 116	(2 161 116)	**-**	8 492 774	**8 492 774**	
Licences and permits (non-exchange)	5 800 000	(4 000 000)	**1 800 000**	2 232 263	**432 263**	Note 49
Interest, dividends and rent on land	2 161 116	4 621 000	**6 782 116**	-	**(6 782 116)**	
Transfer revenue						
Government grants and subsidies	169 724 000	8 684 129	**178 408 129**	178 250 539	**(157 590)**	
Fines, penalties and forfeits	8 519 800	-	**8 519 800**	31 257 812	**22 738 012**	Notes 49
Total revenue from non-exchange transactions	**281 345 272**	**7 144 013**	**288 489 285**	**301 281 182**	**12 791 897**	
Total revenue	**549 591 469**	**6 523 013**	**556 114 482**	**507 672 981**	**(48 441 501)**	
Expenditure						
Employee costs	(159 211 670)	-	**(159 211 670)**	(140 448 292)	**18 763 378**	Note 49
Remuneration of councillors	(7 737 114)	-	**(7 737 114)**	(7 248 348)	**488 766**	
Depreciation and amortisation	(31 999 999)	2 000 000	**(29 999 999)**	(35 513 938)	**(5 513 939)**	Note 49
Impairment loss/ Reversal of impairments	-	-	**-**	(4 204 687)	**(4 204 687)**	
Finance costs	(13 000 000)	5 823 000	**(7 177 000)**	(14 514 176)	**(7 337 176)**	Note 49
Debt impairment	(11 999 999)	2 000 000	**(9 999 999)**	(65 266 022)	**(55 266 023)**	Note 49
Bulk purchases	(120 000 000)	-	**(120 000 000)**	(117 551 012)	**2 448 988**	
Contracted services	(58 887 100)	1 740 019	**(57 147 081)**	(40 885 967)	**16 261 114**	Note 49
General expenses	(56 234 628)	(28 321 625)	**(84 556 253)**	(61 500 295)	**23 055 958**	Note 49
Total expenditure	**(459 070 510)**	**(16 758 606)**	**(475 829 116)**	**(487 132 737)**	**(11 303 621)**	
Operating surplus	**90 520 959**	**(10 235 593)**	**80 285 366**	**20 540 244**	**(59 745 122)**	

Statement of Comparison of Budget and Actual Amounts as at 30 June 2022

Budget on Accrual Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Loss on disposal of assets and liabilities	-	-	-	(25 150)	**(25 150)**	
Fair value adjustments	-	-	-	25 051 660	**25 051 660**	
	-	**-**	**-**	**25 026 510**	**25 026 510**	
Surplus for the year	**90 520 959**	**(10 235 593)**	**80 285 366**	**45 566 754**	**(34 718 612)**	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	**90 520 959**	**(10 235 593)**	**80 285 366**	**45 566 754**	**(34 718 612)**	

Statement of Comparison of Budget and Actual Amounts as at 30 June 2022

Budget on Accrual Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Statement of Financial Position						
Assets						
Current Assets						
Inventories	-	-	-	549 448	**549 448**	
Receivables from exchange transactions	-	-	-	1 472 903	**1 472 903**	
Receivables from non-exchange transactions	174 566 337	2 000 000	**176 566 337**	32 437 399	**(144 128 938)**	
VAT receivable	400 000	-	**400 000**	80 344 291	**79 944 291**	
Receivables from echange transactions	40 049 879	-	**40 049 879**	18 769 003	**(21 280 876)**	
Cash and cash equivalents	53 656 922	(24 066 803)	**29 590 119**	16 830 835	**(12 759 284)**	
	268 673 138	**(22 066 803)**	**246 606 335**	**150 403 879**	**(96 202 456)**	
Non-Current Assets						
Investment property	287 683 918	-	**287 683 918**	134 917 076	**(152 766 842)**	
Property, plant and equipment	833 557 354	10 524 128	**844 081 482**	825 256 789	**(18 824 693)**	
Intangible assets	823 001	-	**823 001**	1 628 642	**805 641**	
Heritage assets	538 950	-	**538 950**	538 950	-	
Other receivables from exchange transactions	-	-	-	224 290	**224 290**	
Employee benefit asset	-	-	-	8 903 013	**8 903 013**	
	1 122 603 223	**10 524 128**	**1 133 127 351**	**971 468 760**	**(161 658 591)**	
Total Assets	**1 391 276 361**	**(11 542 675)**	**1 379 733 686**	**1 121 872 639**	**(257 861 047)**	
Liabilities						
Current Liabilities						
Payables from exchange transactions	139 809 191	(3 468 198)	**136 340 993**	170 832 356	**34 491 363**	
VAT payable	-	-	-	74 688 478	**74 688 478**	
Consumer deposits	5 836 473	-	**5 836 473**	6 735 686	**899 213**	
Employee benefit obligation	-	-	-	1 680 000	**1 680 000**	
Unspent conditional grants and receipts	-	-	-	214 343	**214 343**	
Provisions	-	-	-	344 370	**344 370**	
	145 645 664	**(3 468 198)**	**142 177 466**	**254 495 233**	**112 317 767**	
Non-Current Liabilities						
Employee benefit obligation	-	-	-	63 166 883	**63 166 883**	
Provisions	62 249 899	-	**62 249 899**	75 793 017	**13 543 118**	
	62 249 899	**-**	**62 249 899**	**138 959 900**	**76 710 001**	
Total Liabilities	**207 895 563**	**(3 468 198)**	**204 427 365**	**393 455 133**	**189 027 768**	
Net Assets	**1 183 380 798**	**(8 074 477)**	**1 175 306 321**	**728 417 506**	**(446 888 815)**	

Statement of Comparison of Budget and Actual Amounts as at 30 June 2022

Budget on Accrual Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Net Assets						
Net Assets Attributable to Owners of Controlling Entity						
Reserves						
Accumulated surplus	1 183 380 798	(8 074 477)	**1 175 306 321**	728 417 506	**(446 888 815)**	

Accounting Policies for the year ended 30 June 2022

Figures in Rand	Note(s)	2022	2021

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act (Act 56 of 2003).

These annual financial statements have been prepared in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below.

1.1 Significant judgements and sources of estimation uncertainty

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

Provisions

Provisions were raised and management determined an best estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 17 - Provisions.

Useful lives of property, plant and equipment, and intangible assets

Management determines the estimated useful lives and related depreciation charges for its property, plant and equipment and intangible assets. This estimate involves a matter of judgement based on the experience of the municipality with similar assets. The municipality considers all facts and circumstances in estimating the useful lives of assets, which includes the consideration of financial, technical and other factors. Management will increase the depreciation charge where useful lives are less than previously estimated useful lives and decrease the depreciation charge where useful lives are more than previously estimated useful lives.

Employee obligations

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

The municipality determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the post-retirement and long- term obligations. In determining the appropriate discount rate, the municipality considers the market yields at the reporting date on government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related obligation or other long-term liabilities. Where there is no deep market in government bonds with a sufficiently long maturity to match the estimated maturity of all the benefit payments, the municipality uses current market rates of the appropriate term to discount shorter term payments, and estimates the discount rate for longer maturities by extrapolating current market rates along the yield curve.

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

Effective interest rate

The municipality used the prime interest rate to discount future cash flows on consumer debtors.

Impairment of receivables as financial assets

The calculation in respect of the impairment of receivables is based on an assessment of the extent to which receivables have defaulted on payments already due, and an assessment of their ability to make payments based on their creditworthiness. This is performed per service-identifiable categories across all classes of receivables.

Accounting Policies for the year ended 30 June 2022

1.1 Significant judgements and sources of estimation uncertainty (continued)

Recognition and Derecognition of Land

The municipality assesses whether it controls or does not control land by considering the principles contained in IGRAP 18.

The municipality is assessed to not control land of which it is the legal owner or the custodian and relevant transactions are accounted for per the requirements of the relevant Standards of GRAP and the required disclosure are made in the relevant Nortes to the Financial Statements.

In order to assess that the municipality does not control the land, the following factors are considered in applying its judgement:

- Another entity acts as the custodian of the land in terms of a binding arrangement with the municipality and that entity has the right to direct access to the land, and to restrict or deny the access of others to the land.
- Another entity is required or granted a right to use the land in terms of a binding arrangement with the municipality and that entity has the right to direct access to the land, and to restrict or deny the access of others to the land to meet its service delivery objectives.

Impairment of statutory receivables

The calculation in respect of the impairment of receivables is based on an assessment of the extent to which receivables have defaulted on payments already due, and an assessment of their ability to make payments based on their creditworthiness. This is performed per identifiable categories across all classes of receivables.

Revenue sources

Revenue from traffic fines

There is uncertainty regarding the probability of the flow of economic benefits or service potential in respect of spot fines as these fines are usually not given directly to an offender. Further legal processes have to be undertaken before the spot fine is enforceable.

In respect of summonses the public prosecutor can decide whether to waive the fine, reduce it or prosecute for non-payment by the offender.

The full amount of traffic fines issued during the year is recognised at the initial transaction date as revenue. Where a reliable estimate cannot be made of revenue from summonses, the revenue is recognised when the public prosecutor pays the cash collected over to the municipality

Impairment of non-financial assets

Management considers all property plant and equipment to be non-cash generating, except for investment property, which are cash generating.

Management further considers whether indicators of impairment exist. This requires management to exercise judgement as to the whether an individual or combination of factors exist which should be taken into consideration in determining whether the recoverable service amount of the asset is lower than it's carrying amount.

Accounting policy on impairment of assets, and accounting policy subsequent measurement, amortisation and impairment intangible assets, describe the conditions under which nonfinancial assets are tested for potential impairment losses by the management of the municipality.

Significant estimates and judgements are made relating to impairment testing of property, plant and equipment, and intangible assets.

Accounting Policies for the year ended 30 June 2022

1.1 Significant judgements and sources of estimation uncertainty (continued)

Water inventory

The estimation of the water inventory in reservoirs is based on the measurement of water via electronic level sensors, which determines the depth of water in the reservoirs, which is then converted into volumes based on the total capacity of the reservoir. Furthermore, the length and width of all pipes are also taken into account in determining the volume of water on hand at year-end

Write-down of inventories to the lowest of cost and net realisable value or current replacement cost is based on is based on management's estimate of the net realisable value or current replacement cost.

Classification of property as either property, plant and equipment or investment property

Judgement is needed to determine whether a property qualifies as investment property. The municiplaity develops criteria so that it can exercise that judgement consistently in accordance with the definition of investment property, PPE or inventory.

1.2 Investment property

Investment property is property (land or a building - or part of a building - or both) held to earn rentals or for capital appreciation or both, rather than for:

- use in the production or supply of goods or services or for
- administrative purposes, or
- sale in the ordinary course of operations.

Investment property is recognised as an asset when, it is probable that the future economic benefits or service potential that are associated with the investment property will flow to the municipality, and the cost or fair value of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Where investment property is acquired through a non-exchange transaction, its cost is its fair value as at the date of acquisition.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

Fair value

Investment property is measured at fair value.

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

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

Investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no
future economic benefits or service potential are expected from its disposal.

Gains or losses arising from the retirement or disposal of investment property is the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in surplus or deficit in the period of retirement or disposal.

The municipality separately discloses expenditure to repair and maintain investment property in the notes to the annual financial statements.

The municipality discloses relevant information relating to assets under construction or development in the notes to the annual financial statements, which include: the cumulative expenditure recognised in the carrying value of investment property; the carrying value of investment property that is taking a significantly longer period of time to complete than expected; and the carrying value of investment property where construction or development has been halted.

Accounting Policies for the year ended 30 June 2022

1.3 Property, plant and equipment

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

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

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

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

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

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the entity is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Items such as spare parts, standby equipment and servicing equipment are recognised when they meet the definition of property, plant and equipment.

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

Property, plant and equipment are depreciated on the straight-line basis over their expected useful lives to their estimated residual value. The depreciation charge for each period is recognised in surplus or deficit.

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

Item	Depreciation method	Average useful life
Land	Straight-line	Indefinite
Buildings	Straight-line	5-80 years
Machinery and equipment	Straight-line	3-10 years
Furniture and office equipment	Straight-line	3-10 years
Transport assets	Straight-line	3-20 years
Computer Equipment	Straight-line	3-5 years
Infrastructure	Straight-line	2-100 years
Community	Straight-line	5-80 years
Recreational facilities	Straight-line	5-100 years
Emergency equipment	Straight-line	2-5 years

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

1.3 Property, plant and equipment (continued)

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

The municipality separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note).

The municipality discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note).

The municipality discloses relevant information relating to assets under construction or development, in the notes to the financial statements, which include: the cumulative expenditure recognised in the carrying value of an item of property, plant and equipment; the carrying value of an item of property, plant and equipment that is taking a significantly longer period of time to complete than expected; and the carrying value of an item of property, plant and equipment where construction or development has been halted.

Compensation from third parties for an item of property, plant and equipment that was impaired, lost or given up is recognised in surplus or deficit when the compensation becomes receivable.

The municipality has an obligation to dismantle, remove and restore items of property, plant and equipment. Such obligations are referred to as 'decommissioning, restoration and similar liabilities'. The cost of an item of property, plant and equipment includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which a municipality incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

If the related asset is measured using the cost model:

(a)subject to (b), changes in the liability are added to, or deducted from, the cost of the related asset in the current period;

(b) if a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in surplus or deficit; and

(c) if the adjustment results in an addition to the cost of an asset, the municipality considers whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If it is such an indication, the asset is tested for impairment by estimating its recoverable amount or recoverable service amount, and any impairment loss is recognised in accordance with the accounting policy on impairment of cash-generating assets and/or impairment of non-cash-generating assets.

1.4 Intangible assets

An intangible asset is an identifiable, non-monetary asset without physical substance. The municipality has classified computer software and servitudes as intangible assets.

An asset is identifiable if it either:

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

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

An intangible asset is recognised when:

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

Accounting Policies for the year ended 30 June 2022

1.4 Intangible assets (continued)

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

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

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

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

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

Item	Depreciation method	Average useful life
Computer software	Straight-line	2-30 years
Servitudes		Indefinite

The gain or loss arising from the derecognition of an item of intangible assets is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

1.5 Heritage assets

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations.

The municipality separately discloses expenditure to repair and maintain heritage assets in the notes to the financial statements (see note).

Measurement

Heritage assets are measured at cost less any accumulated impairment losses.

The gain or loss arising from the derecognition of an item of heritage assets is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Subsequent measurement

After recognition as an asset, a class of heritage assets is carried at its cost less any accumulated impairment losses.

Impairment

The municipality assesses at each reporting date whether there is an indication that it may be impaired. If any such indication exists, the municipality estimates the recoverable amount or the recoverable service amount of the heritage asset.

Derecognition

The municipality derecognises heritage asset on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

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

1.6 Impairment of non-cash-generating assets

The Municipality assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Municipality estimates the asset's recoverable service amount.

1.6 Impairment of non-cash-generating assets (continued)

Value in use

Value in use of non-cash-generating assets is the present value of the non-cash-generating assets remaining service potential.

Depreciated replacement cost approach

The present value of the remaining service potential of a non-cash-generating asset is determined as the depreciated replacement cost of the asset. The depreciated replacement cost is measured as the current reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.

Recognition and measurement

If the recoverable service amount of a non-cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Reversal of an impairment loss

The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a non-cash-generating asset may no longer exist or may have decreased. If any such indication exists, the municipality estimates the recoverable service amount of that asset.

An impairment loss recognised in prior periods for a non-cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable service amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a non-cash-generating asset is recognised immediately in surplus or deficit.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

1.7 Financial instruments

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

A financial asset is:

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

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

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

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

Accounting Policies for the year ended 30 June 2022

1.7 Financial instruments (continued)

Classification

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

Class	Category
Receivables from exchange transactions	Financial asset measured at amortised cost
Cash and cash equivalents	Financial asset measured at amortised cost
Agreements (Consumer debtors payments)	Financial asset measured at amortised cost

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

Class	Category
Payables from exchange transactions	Financial liability measured at amortised cost
Consumer deposits	Financial liability measured at amortised cost

The municipality measures all financial assets and financial liabilities after initial recognition at amortised cost. If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced directly or through the use of an allowance account. The amount of the loss is recognised in surplus or deficit. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed directly or by adjusting the allowance account. The amount of the reversal is recognised in surplus or deficit.

1.8 Statutory receivables

The municipality measures statutory receivables after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is changed subsequent to initial recognition to reflect any:

- interest or other charges that may have accrued on the receivable (where applicable);
- impairment losses; and
- amounts derecognised.

Impairment losses

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

If there is an indication that a statutory receivable, or a group of statutory receivables, may be impaired, the municipality measures the impairment loss as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable, or group of statutory receivables, is reduced, either directly or through the use of an allowance account. The amount of the losses is recognised in surplus or deficit.

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

1.9 Value Added Tax

The municipality is registered with the South African Revenue Service (SARS) for VAT on the payment basis, in accordance with Section 15(2) of the Value-added Tax Act (Act No. 89 of 1991)..

The municipality is registered as a category C VAT vendor. VAT receivable or payable is calculated on a monthly basis. VAT receivable is treated as current assets while VAT payable is treated as current liablity.

Accounting Policies for the year ended 30 June 2022

1.10 Leases

Finance leases - lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

In discounting the lease payments, the Municipality uses the interest rate that exactly discounts the lease payments and unguaranteed residual value to the fair value of the asset plus any direct costs incurred.

Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of on the remaining balance of the liability.

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

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

1.11 Inventories

Inventories are measured at the lower of cost and current replacement cost where they are held for;

- distribution at no charge or for a nominal charge; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

The cost of inventories is assigned using the first-in, first-out (FIFO) formula. The same cost formula is used for all inventories having a similar nature and use to the municipality.

The carrying amount of inventories is recognised as an expense in the period that the inventory was sold, distributed, written off or consumed, unless that cost qualifies for capitalisation to the cost of another asset.

1.12 Cash and cash equivalents

Cash includes cash on hand (including petty cash) and cash with banks. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, highly liquid deposits and net of bank overdrafts. The Municipality categorises cash and cash equivalents as financial assets carried at amortised.

Amounts owing in respect of bank overdrafts are categorised as financial liabilities: other financial liabilities carried at amortised cost.

1.13 Employee benefits

Short-term employee benefits

When an employee has rendered service to the entity during a reporting period, the municipality recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The municipality measures the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The entity recognises the expected cost of bonus, incentive and performance related payments when the entity has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the entity has no realistic alternative but to make the payments.

Accounting Policies for the year ended 30 June 2022

1.13 Employee benefits (continued)

Post-employment benefits

The municipality provides post-retirement health care benefits upon retirement to some retirees.

The entitlement to post-retirement health care benefits is based on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment. Independent qualified actuaries carry out valuations of these obligations. The municipality also provides a long service awards to certain employees.

The entity shall recognise the net total of the following amounts as expense or revenue, except to the extent that another Standard requires or permits their inclusion in the cost of an asset:

- current service cost;
- interest cost;
- the expected return on any plan assets and on any reimbursement right recognised as an asset;
- actuarial gains and losses, which shall all be recognised immediately;
- past service cost, which shall all be recognised immediately; and
- the effect of any curtailments or settlements.

1.14 Provisions and contingencies

- Provisions are recognised when:
- the municipality has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

When the effect of discounting is material, provisions are determined by discounting the expected future cash flows that reflect current market assessments of the time value of money.

The impact of the periodic unwinding of the discount is recognised in Surplus or Deficit as a finance cost as it occurs. Where the provision being measured involves a large population of items, the obligation is estimated by weighting all possible outcomes by their associated probabilities.

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

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating surplus (deficit).

If an entity has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

A provision is a liability of uncertain timing or amount.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in notes to the AFS..

A contingent asset is a possible asset that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the municipality..

Accounting Policies for the year ended 30 June 2022

1.14 Provisions and contingencies (continued)

A contingent liability is:.

- possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the municipality; or;
- a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.;

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

Decommissioning, restoration and similar liability

Changes in the measurement of an existing decommissioning, restoration and similar liability that result from changes in the estimated timing or amount of the outflow of resources embodying economic benefits or service potential required to settle the obligation, or a change in the discount rate, is accounted for as follows:

If the related asset is measured using the cost model:

- changes in the liability is added to, or deducted from, the cost of the related asset in the current period.
- the amount deducted from the cost of the asset does not exceed its carrying amount. If a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in surplus or deficit.
- if the adjustment results in an addition to the cost of an asset, the entity consider whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If there is such an indication, the entity tests the asset for impairment by estimating its recoverable amount or recoverable service amount, and account for any impairment loss, in accordance with the accounting policy on impairment of assets as described in accounting policy 1.22 and 1.6.

If the related asset is measured using the revaluation model:

- changes in the liability alter the revaluation surplus or deficit previously recognised on that asset, so that:
  - a decrease in the liability is credited directly to revaluation surplus in net assets, except that it is recognised in surplus or deficit to the extent that it reverses a revaluation deficit on the asset that was previously recognised in surplus or deficit; and
  - an increase in the liability is recognised in surplus or deficit, except that it is debited directly to revaluation surplus in net assets to the extent of any credit balance existing in the revaluation surplus in respect of that asset;
- in the event that a decrease in the liability exceeds the carrying amount that would have been recognised had the asset been carried under the cost model, the excess is recognised immediately in surplus or deficit;
- a change in the liability is an indication that the asset may have to be revalued in order to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date. Any such revaluation is taken into account in determining the amounts to be taken to surplus or deficit and net assets. If a revaluation is necessary, all assets of that class is revalued; and
- the Standard of GRAP on Presentation of Financial Statements requires disclosure on the face of the statement of changes in net assets of each item of revenue or expense that is recognised directly in net assets. In complying with this requirement, the change in the revaluation surplus arising from a change in the liability is separately identified and disclosed as such.

The adjusted depreciable amount of the asset is depreciated over its useful life. Therefore, once the related asset has reached the end of its useful life, all subsequent changes in the liability is recognised in surplus or deficit as they occur. This applies under both the cost model and the revaluation model.

The periodic unwinding of the discount is recognised in surplus or deficit as a finance cost as it occurs.

1.15 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners

An exchange transaction is one in which the municipality receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Accounting Policies for the year ended 30 June 2022

1.15 Revenue from exchange transactions (continued)

Measurement

Revenue from the sale of goods is recognised when:

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

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the municipality has transferred to the purchaser the significant risks and rewards of ownership of the goods
- the municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
- ithe costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

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

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

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight-line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

Service charges relating to refuse are recognised on a monthly basis in arrears and on an accrual basis by applying the approved tariff to each consumer that makes use of the landfill site.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable

Service revenue is recognised by reference to the stage of completion of the transaction at the reporting date.

Interest

Revenue arising from the use by others of entity assets yielding interest, or similar distributions is recognised when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality, and
- The amount of the revenue can be measured reliably.

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

Accounting Policies for the year ended 30 June 2022

1.16 Revenue from non-exchange transactions

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

Grants, transfers and donations received or receivable are recognised when the resources that have been transferred meet the criteria for recognition as an asset. A corresponding liability is raised to the extent that the grant, transfer or donation is conditional. The liability is transferred to revenue as and when the conditions attached to the grant are met. Grants without any conditions attached are recognised as revenue when the asset is recognised.

Revenue from property rates is recognised when the legal entitlement to this revenue arises. At the time of initial recognition, the full amount of revenue is recognised. Collection charges are recognised when such amounts are legally enforceable. Rebates and discounts are offset against the related revenue, as there is no intention of collecting this revenue.

Revenue from public contributions and donations is recognised when all conditions associated with the contribution have been met or where the contribution is to finance property, plant and equipment, when such items of property, plant and equipment qualifies for recognition and first becomes available for use by the Municipality. Where public contributions have been received but the Municipality has not met the related conditions, it is recognised as an unspent public contribution (liability).

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Municipal Finance Management Act (Act No. 56 of 2003) and is recognised when the recovery thereof from the responsible councillors or officials is virtually certain.

Services in-kind that are significant to the Municipality's operations are recognised as an expense and related revenue for the consumption of services in-kind.

Fines

Fines are measured at the transactions amount and the related asset as statutory receivable if not received in cash.

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

1.17 Unauthorised expenditure

Unauthorised expenditure means:

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

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

1.18 Fruitless and wasteful expenditure

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

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

1.19 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the economic entity's supply chain management policy.

Accounting Policies for the year ended 30 June 2022

1.19 Irregular expenditure (continued)

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

1.20 Segment information

The mandate of the municipality is to provide basic services to the community over which it governs. In order to properly execute its mandate and achieve its strategic goals, internal management reporting is based on each service objective and also considered separately for each of the towns within the municipal jurisdiction. The components described below have been identified as individually significant segments for purposes of reporting in terms of GRAP 18 (Segment Reporting).

The following services are considered significant to the municipality and is accordingly managed separately:

- Governance and administration.
- Community, and public safety.
- Economic and environmental services.
- Trading services.
- Other.

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

Measurement

All other sources of income and expenditure is aggregated through means of the administrative function as these services are not significant to the other services of the municipality as a whole.

The municipality only operates in a single geographical location and accordingly does not report separately on each location within its jurisdction.

The accounting policies for segmental reporting in the management accounts are aligned to the requirements of GRAP as descriped in these accounting policies.

1.21 Budget information

The presentation of budget information is prepared in accordance with GRAP 24 and guidelines issued by National Treasury. The comparison of budget and actual amounts is disclosed as separate additional financial statements, namely Statements of comparison of budget and actual amounts.

Budget information is presented on the accrual basis and is based on the same period as the actual amounts. The budget information is therefore on a comparable basis to the actual amounts.shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The comparable information includes the following:

-The approved and final budget amounts; and

-Actual amounts and final budget amounts.

Explanations for material differences between the final budget amounts and actual amounts are included the notes to the annual financial statements.

The disclosure of comparative information in respect of the previous period is not required.

1.22 Impairment of cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Accounting Policies for the year ended 30 June 2022

1.22 Impairment of cash-generating assets (continued)

Identification

The municipality assesses at each reporting date whether there is any indication that a cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable amount of the asset.

In assessing whether there is any indication that an asset may be impaired, the Municipality considers the following indications:

External sources of information:

-During the period, an asset's market value has declined significantly more than would be expected as a result of the passage of time or normal use;

-Significant changes with an adverse effect on the Municipality have taken place during the period, or will take place in the near future, in the technological, market, economic or legal environment in which the Municipality operates or in the market to which an asset is dedicated; or

-Market interest rates or other market rates of return on investments have increased during the period, and those increases are likely to affect the discount rate used in calculating an asset's value in use and decrease the asset's recoverable amount materially.

Internal sources of information:

-Evidence is available of obsolescence or physical damage of an asset;

-Significant changes with an adverse effect on the Municipality have taken place during the period, or are expected to take place in the near future, in the extent to which, or manner in which, an asset is used or is expected to be used. These changes include the asset becoming idle, plans to discontinue or restructure the operation to which an asset belongs, plans to dispose of an asset before the previously expected date, and reassessing the useful life of an asset as finite rather than indefinite;Evidence is available of obsolescence or physical damage of an asset.

-A decision to halt the construction of the asset before it is complete or in a usable condition; or

-Evidence is available from internal reporting that indicates that the economic performance of an asset is, or will be, worse than expected.

The re-designation of assets from a cash-generating asset to a non-cash generating asset or from a non-cash-generating asset to a cash-generating asset shall only occur when there is clear evidence that such a re-designation is appropriate. A re-designation, by itself, does not necessarily trigger an impairment test or a reversal of an impairment loss. Instead, the indication for an impairment test or a reversal of an impairment loss arises from, as a minimum, the indications listed above.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. Impairment losses are recognised in the Statement of Financial Performance in those expense categories consistent with the function of the impaired asset.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Municipality estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Financial Performance.

Accounting Policies for the year ended 30 June 2022

1.23 Borrowing costs

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

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

1.24 Accounting by principals and agents

Identification

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

Identifying whether an entity is a principal or an agent

Special consideration is given to the classification of an agreement (once the standard is triggered) to carefully consider whether the municipality is an agent. The considerations include (all of) the following:

-Who determines significant terms?

-Who receives the benefit from the transactions?

-Is the municipality exposed to the variability of the outcome?

If these are not met, but the standard is applicable, the municipality would be regarded as the principal in the transaction.

Recognition

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

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

Note to the Annual Financial Statements

2. New standards and interpretations

2.1 Standards and interpretations issued, but not yet effective

The municipality has not applied the following standards and interpretations, which have been published and are mandatory for the municipality's accounting periods beginning on or after 01 July 2022 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• Guideline: Guideline on Accounting for Landfill Sites	01 April 2023	Unlikely there will be a material impact
• GRAP 25 (as revised): Employee Benefits	To be determined	Unlikely there will be a material impact
• GRAP 104 (as revised): Financial Instruments	01 April 2025	Unlikely there will be a material impact
• iGRAP 21: The Effect of Past Decisions on Materiality	01 April 2023	Unlikely there will be a material impact

Note to the Annual Financial Statements

Figures in Rand

3. Investment property

	2022			2021		
	Fair value adjustment	Opening balance	Carrying value	Fair value adjustment	Opening balance	Carrying value
Investment property	25 051 660	109 865 416	134 917 076	(169 273 436)	279 138 852	109 865 416

Reconciliation of investment property - 2022

	Opening balance	Fair value adjustments	Total
Investment property	109 865 416	25 051 660	134 917 076

Reconciliation of investment property - 2021

	Opening balance	Fair value adjustments	Total
Investment property	279 138 852	(169 273 436)	109 865 416

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

The valuation was based on comparable market transactions.No discount rate is applicable and the fair value represents the market value.

Amounts recognised in surplus or deficit

Rental revenue from Investment property	1 499 324	-

4. Property, plant and equipment

	2022			2021		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	78 909 942	-	78 909 942	78 909 942	-	78 909 942
Buildings	67 868 477	(47 360 346)	20 508 131	67 868 477	(46 155 355)	21 713 122
Machinery and equipment	3 537 348	(2 472 165)	1 065 183	3 772 546	(2 288 837)	1 483 709
Furniture and office equipment	7 004 466	(5 647 752)	1 356 714	8 005 232	(6 120 512)	1 884 720
Transport assets	44 958 350	(21 298 396)	23 659 954	44 958 350	(18 220 131)	26 738 219
Computer equipment	9 966 949	(8 603 561)	1 363 388	9 896 341	(7 929 636)	1 966 705
Infrastructure	1 279 065 533	(656 273 519)	622 792 014	1 232 068 140	(630 367 053)	601 701 087
Community facilities	80 748 149	(45 676 567)	35 071 582	80 748 148	(43 085 358)	37 662 790
Recreational assets	53 190 304	(12 660 423)	40 529 881	51 315 359	(10 954 572)	40 360 787
Total	**1 625 249 518**	**(799 992 729)**	**825 256 789**	**1 577 542 535**	**(765 121 454)**	**812 421 081**

Reconciliation of property, plant and equipment - 2022

	Opening balance	Additions	Disposals	Other changes, movements	Depreciation	Impairment loss	Total
Land	78 909 942	-	-	-	-	-	78 909 942
Buildings	21 713 122	-	-	10	(1 205 001)	-	20 508 131
Machinery and equipment	1 483 709	50 315	(1 297)	-	(467 544)	-	1 065 183
Furniture and office equipment	1 884 720	129 359	(16 848)	-	(640 517)	-	1 356 714
Transport assets	26 738 219	-	-	(2)	(3 078 263)	-	23 659 954
Computer equipment	1 966 705	414 559	(7 003)	1	(1 010 874)	-	1 363 388
Infrastructure	601 701 087	50 016 687	-	(1)	(25 373 246)	(3 552 513)	622 792 014
Community facilities	37 662 790	-	-	1	(1 939 396)	(651 813)	35 071 582
Recreational assets	40 360 787	1 874 945	-	-	(1 705 490)	(361)	40 529 881
	812 421 081	**52 485 865**	**(25 148)**	**9**	**(35 420 331)**	**(4 204 687)**	**825 256 789**

4. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2021

	Opening balance	Additions	Disposals	Reclassification Costs	Reclassification Depreciation	Depreciation	Impairment loss	Impairment reversal	Total
Land	78 909 942	-	-	-	-	-	-	-	78 909 942
Buildings	22 965 469	-	-	-	-	(1 252 347)	-	-	21 713 122
Machinery and equipment	1 107 980	457 747	-	4 670	(4 342)	(82 346)	-	-	1 483 709
Furniture and office equipment	1 516 170	-	-	(72 945)	42 750	398 745	-	-	1 884 720
Transport assets	26 794 637	2 879 998	-	-	-	(2 936 416)	-	-	26 738 219
Computer equipment	579 817	241 163	-	68 276	(38 408)	1 115 857	-	-	1 966 705
Infrastructure	561 319 151	66 153 306	-	(2)	-	(25 074 861)	(696 507)	-	601 701 087
Community facilities	35 443 449	5 138 071	(60 635)	-	-	(2 796 195)	(121 604)	59 704	37 662 790
Recreational assets	37 148 602	4 632 993	-	-	-	(1 419 971)	(837)	-	40 360 787
	765 785 217	**79 503 278**	**(60 635)**	**(1)**	**-**	**(32 047 534)**	**(818 948)**	**59 704**	**812 421 081**

Note to the Annual Financial Statements

Figures in Rand

	2022	2021
4. Property, plant and equipment (continued)		
Property, plant and equipment in the process of being constructed or developed		
Cumulative expenditure recognised in the carrying value of property, plant and equipment		
Community assets	-	1 953 252
Infrastructure assets	100 600 795	87 168 585
	100 600 795	**89 121 837**
Carrying value of property, plant and equipment where construction or development has been halted either during the current or previous reporting period(s)		
There was no funding No impairment losses have been recognised in relation to these assets	3 130 749	3 130 749
Sub-Contractors stopped all activities on site in January 2020 due to non-payment by the main contractor. After that was resolved, the nationwide lockdown enforced to combat the spread of the Covid-19 pandemic delayed the project further and it could not recover since then. No impairment losses have been recognised in relation to these assets.		
MV substations: construction of 20 MVA substation in Bela Bela The none completion of this project was due to the underperformance of the appointed service providers; hence the termination was realised. No impairment losses have been recognised in relation to these assets.	45 941 300	45 941 300
Electrification Bela Bela Ext 9 Phase 2 (Integrated National Electrification Programme (INEP) No allocation of funds. No impairment losses have been recognised in relation to these assets.	7 616 051	7 616 051
Distribution: Water Desalination Plant - Rapotokwane There was no funding No impairment losses have been recognised in relation to these assets.	10 107 135	10 107 135
	66 795 235	**66 795 235**

Included in the infrastructure assets are 38 components with a carrying amount of R649 679.51 that are under investigation.

Reconciliation of Work-in-Progress 2022

	Included within Infrastructure	Included within Sports and recreation facilities	Total
Opening balance	87 168 585	1 953 251	89 121 836
Additions/capital expenditure	51 148 901	1 874 945	53 023 846
Transferred to completed items	(37 716 691)	(3 828 196)	(41 544 887)
	100 600 795	**-**	**100 600 795**

Reconciliation of Work-in-Progress 2021

	Included within Infrastructure	Included within Community	Included within Sports and recreation facilities	Total
Opening balance	96 584 313	394 327	16 672 156	113 650 796
Additions/capital expenditure	61 855 692	4 779 672	3 265 670	69 901 034
Transferred to completed items	(71 271 420)	(5 173 999)	(17 984 575)	(94 429 994)
	87 168 585	**-**	**1 953 251**	**89 121 836**

Note to the Annual Financial Statements

Figures in Rand	2022	2021

4. Property, plant and equipment (continued)

Expenditure incurred to repair and maintain property, plant and equipment

Expenditure incurred to repair and maintain property, plant and equipment included in Statement of Financial Performance		
Infrastructure	8 953 899	5 834 178

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

Note to the Annual Financial Statements

Figures in Rand

5. Intangible assets

	2022			2021		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software	2 506 689	(1 523 711)	982 978	2 506 689	(1 430 104)	1 076 585
Servitudes	645 664	-	645 664	645 664	-	645 664
Total	**3 152 353**	**(1 523 711)**	**1 628 642**	**3 152 353**	**(1 430 104)**	**1 722 249**

Reconciliation of intangible assets - 2022

	Opening balance	Amortisation	Total
Computer software	1 076 585	(93 607)	982 978
Servitudes	645 664	-	645 664
	1 722 249	**(93 607)**	**1 628 642**

Reconciliation of intangible assets - 2021

	Opening balance	Amortisation	Total
Computer software	1 214 701	(138 116)	1 076 585
Servitudes	645 664	-	645 664
	1 860 365	**(138 116)**	**1 722 249**

Note to the Annual Financial Statements

Figures in Rand	2022	2021

5. Intangible assets (continued)

Other information

Intangible assets with an idefinite usefil life	645 664	645 664

The servitudes recognised in the asset register represent a right of way to land in order to service and maintain municipal infrastructure, such as below ground water networks, and since land is considered to have an indefinite lifespan, the servitude embeds the same lifespan properties.

Note to the Annual Financial Statements

Figures in Rand

6. Heritage assets

	2022			2021		
	Cost / Valuation	Accumulated impairment losses	Carrying value	Cost / Valuation	Accumulated impairment losses	Carrying value
Historical assets	538 950	-	538 950	538 950	-	538 950

Reconciliation of heritage assets 2022

	Opening balance	Total
Historical assets	538 950	538 950

Reconciliation of heritage assets 2021

	Opening balance	Total
Historical assets	538 950	538 950

Heritage assets which fair values cannot be reliably measured

Fair value for the heritage assets cannot be reliably measured because there is no comparative market for these assets.

Note to the Annual Financial Statements

Figures in Rand

	2022	2021
7. Payables from exchange transactions		
Trade payables	106 160 798	84 066 012
Payments received in advanced	19 498 226	18 089 340
Accruals	1 323 580	4 635 882
Retentions	21 540 542	21 905 173
Accrued leave pay	11 491 458	11 270 458
Accrued bonus	3 151 967	2 858 514
Deposits on sale of land	417 559	417 559
Other deposits	-	(168 863)
Other creditors	108 670	108 670
Accrued payroll expenses	1 870 201	5 777 220
Unknown deposits	5 269 359	5 710 794
	170 832 360	**154 670 759**
8. Consumer deposits		
Electricity	5 340 640	5 322 004
Water	1 018 390	772 531
Refuse	2 034	2 034
Regional services levies	368 654	291 733
Housing rental	5 968	7 058
	6 735 686	**6 395 360**

Figures in Rand	2022	2021

9. Employee benefit obligations

Defined benefit plan

Post retirement medical aid plan

The municipality provides certain post-retirement health care benefits by funding the medical aid contributions of qualifying retired members of the municipality. According to the rules of the Medical Aids Funds, with which the municipality is associated a member (who is on the current Conditions of Service) is entitled to remain a continued member of such medical aid fund on retirement, in which case the municipality is liable for a certain portion of the medical aid membership fee. The municipality operates an unfunded defined benefit plan for these qualifying employees. No other post retirement benefits are provided to these employees.

The most recent actuarial valuation of the present value of the post-employment medical aid benefits liability was carried out at 30 June 2022 by ZAQ Consultants and Actuaries, a fellow of the Actuarial Society of South Africa. The present value of the defined benefit obligation, the related current service cost and past service cost were measured using the Projected Unit Credit Method. An actuarial valuation has been performed of the liability in respect of the post-employment health care benefits to employees and retirees of Bela- Bela Municipality and to their registered dependants.

The nominal and real zero curves as at 30 June 2022 supplied by the Johannesburg Stock Exchange was used to determine the discount rate and Consumer Price Index (CPI) assumptions at each relevant time period.

For the year ended 30 June 2022 : 230 (2021 : 240) employees were entitled to receive post-employment medical aid subsidies. The current service cost for the year ended 30 June 2022 is estimated to be R 3 025 000 (2021: R 2 505 000). The normal retirement age for all active employees was assumed to be 65 years.

The medical aid contribution inflation used in the valuation is 6.25% (CPI + 1%).

As at the valuation date, the medical aid liability was unfunded

Long service award

The municipality operates an unfunded defined benefit plan for all its employees. Under the plan, a long service award is payable after 10 years of conitinuous service and every 5 years thereafter to employees. The provision is an estimate of the long service based on historical staff turnover. No other long service benefits are provided to employees.

The most recent actuarial valuations of plan assets and the present value of the defined benefit obligation were carried out at 30 June 2022 by ZAQ Consultants and Actuaries, a fellow of the Actuarial Society of South Africa. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

For the year ended 30 June 2022 : 323 (2021 : 342) employees were eligible for long service awards. The current service cost for the year ended 30 June 2022 is estimated to be R623 000 (2021: R603 000). The average retirement age for all active employees was assumed to be 62 years. The underlying future rate of consumer price index inflation (CPI inflation) was derived from the relationship between the (yield curve based) Conventional Bond Rate for each relevant time period and the (yield curve based) Inflation-linked Bond rate for each relevant time period.

Normal salary increase rate used is 6.25%.

Note to the Annual Financial Statements

Figures in Rand	2022	2021

9. Employee benefit obligations (continued)

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

Carrying value		
Opening balance of the Post-Employment Medical aid benefit	(47 986 870)	(41 699 870)
Movement in the Post-Employment Medical aid benefit	(652 000)	(6 287 000)
Opening balance Long service awards	(6 718 000)	(6 301 000)
Movement in Long service awards	(587 000)	(417 000)
	(55 943 870)	**(54 704 870)**
Non-current liabilities	(54 263 870)	(52 911 870)
Current liabilities	(1 680 000)	(1 793 000)
	(55 943 870)	**(54 704 870)**

Changes in the present value of defined benefit obligation and long service awards

Opening balance	54 704 870	48 000 870
Net expense recognised in the statement of financial performance	1 239 000	6 704 000
	55 943 870	**54 704 870**

Net expense recognised in the statement of financial performance

Current service cost Post-Employment Medical aid benefit	3 025 000	2 505 000
Current service cost Long service awards	623 000	603 000
Interest cost Post-Employment Medical aid benefit	5 221 000	5 167 000
Interest cost Long service awards	696 000	753 000
Actuarial (gains) losses Post-Employment Medical aid benefit	(6 442 392)	(133 000)
Actuarial (gains) losses Long service awards	(506 761)	90 000
Benefits paid Post-Employment Medical aid benefit	(1 151 608)	(1 252 000)
Benefits paid Long service awards	(225 239)	(1 029 000)
	1 239 000	**6 704 000**

Calculation of actuarial gains and losses

Actuarial (gains) losses – Post-Employment Medical aid benefit	(6 442 392)	(133 000)
Actuarial (gains) losses – Long service awards	(506 761)	90 000
	(6 949 153)	**(43 000)**

Key assumptions used

Assumptions used at the reporting date:

LSA		
Discount rates used	11,82 %	10,69 %
Normal salary increase rate	9,02 %	7,78 %
Net effective discount rate	2,69 %	2,69 %
CPI (Consumer Price Inflation)	8,02 %	6,78 %
PEMA		
Discount rates used	11,82 %	10,69 %
Medical Aid Contribution Inflation	9,02 %	7,78 %
Net effective discount rate	2,57 %	2,69 %
CPI (Consumer Price Inflation)	8,02 %	6,78 %

Note to the Annual Financial Statements

Figures in Rand	2022	2021

9. Employee benefit obligations (continued)

Other assumptions

Assumed medical aid inflation on post retirement medical contributions and salary inflation on long service awards rates have a significant effect on the amounts recognised in surplus or deficit. A one percentage point change in assumed healthcare cost trends rates would have the following effects:

	One percentage point increase	One percentage point decrease
Effect on the aggregate of the service cost and interest cost	12 301 000	9 069 000
Effect on defined benefit obligation	64 594 000	48 850 000

Amounts for the current and previous four years are as follows:

	2022	2021	2020	2019	2018
Post retirement medical benefits	48 638 000	47 986 000	41 699 000	33 447 773	41 613 870
Long service awards	7 305 000	6 718 000	6 301 000	6 208 417	5 854 000

10. Inventories

Water		549 448	388 122
Carrying value of inventories carried at fair value less costs to sell		28 986 968	17 587 770
Water for distribution			
Opening balance		234 795	327 740
Purchases		73 408 462	52 037 354
Sales		(57 533 614)	(19 173 100)
Distribution losses	33	(15 560 195)	(32 803 872)
Closing balance		**549 448**	**388 122**

11. Receivables from exchange transactions

Consumer Debtors Gross balances		
Merchandising and jobbing	19 321 568	20 366 174
Electricity	15 079 965	15 732 314
Water	52 259 210	47 289 038
Sewerage	31 013 415	27 680 708
Refuse	11 846 220	10 806 392
Fees	3 546 017	3 980 190
	133 066 395	**125 854 816**
Less: Allowance for impairment		
Merchandising and jobbing	(15 490 182)	(15 995 505)
Electricity	(10 085 412)	(10 800 358)
Water	(47 424 420)	(42 760 722)
Sewerage	(28 075 597)	(25 300 484)
Refuse	(10 706 697)	(9 673 381)
Fees	(2 515 084)	(2 659 614)
	(114 297 392)	**(107 190 064)**

Note to the Annual Financial Statements

Figures in Rand	2022	2021

11. Receivables from exchange transactions (continued)

Net balance		
Merchandising and jobbing	3 831 386	4 370 669
Electricity	4 994 553	4 931 956
Water	4 834 790	4 528 316
Sewerage	2 937 818	2 380 224
Refuse	1 139 523	1 133 011
Fees	1 030 933	1 320 576
	18 769 003	**18 664 752**
Merchandising and jobbing		
Current (0 -30 days)	88	71 160
31 - 60 days	240 208	182 872
61 - 90 days	206 817	124 545
91 - 120 days	158 340	114 628
121 - 365 days	1 277 075	1 058 640
> 365 days	17 439 040	18 814 329
Impairment	(15 490 182)	(15 995 505)
	3 831 386	**4 370 669**
Electricity		
Current (0 -30 days)	5 866	2 126
31 - 60 days	5 116 025	4 778 506
61 - 90 days	677 302	1 173 932
91 - 120 days	376 221	669 011
121 - 365 days	2 201 927	3 215 517
> 365 days	6 702 624	5 893 222
Impairment	(10 085 412)	(10 800 358)
	4 994 553	**4 931 956**
Water		
Current (0 -30 days)	5 588	30 205
31 - 60 days	3 751 779	3 555 407
61 - 90 days	1 963 246	2 308 622
91 - 120 days	1 661 164	1 762 802
121 - 365 days	9 088 127	10 602 589
> 365 days	35 789 306	29 029 413
Impairment	(47 424 420)	(42 760 722)
	4 834 790	**4 528 316**
Sewerage		
Current (0 -30 days)	196 018	42 474
31 - 60 days	1 928 282	1 996 644
61 - 90 days	1 084 606	1 201 064
91 - 120 days	921 344	1 049 507
121 - 365 days	6 122 366	6 621 900
> 365 days	20 760 800	16 769 120
Impairment	(28 075 598)	(25 300 485)
	2 937 818	**2 380 224**

Note to the Annual Financial Statements

Figures in Rand

	2022	2021
11. Receivables from exchange transactions (continued)		
Refuse		
Current (0 -30 days)	906	23 452
31 - 60 days	866 017	883 491
61 - 90 days	428 389	477 295
91 - 120 days	357 541	390 554
121 - 365 days	2 332 087	2 535 521
> 365 days	7 861 278	6 496 079
Impairment	(10 706 695)	(9 673 381)
	1 139 523	**1 133 011**
Fees		
Current (0 -30 days)	2 568	1 567
31 - 60 days	7	29 624
61 - 90 days	2 342	624 292
91 - 120 days	6	174 908
121 - 365 days	744 912	23 982
> 365 days	2 796 182	3 125 817
Impairment	(2 515 084)	(2 659 614)
	1 030 933	**1 320 576**

Note to the Annual Financial Statements

Figures in Rand	2022	2021

11. Receivables from exchange transactions (continued)

Summary of debtors by customer classification

Consumers		
Current (0 -30 days)	208 760	171 575
31 - 60 days	5 658 890	6 389 388
61 - 90 days	3 323 424	4 204 775
91 - 120 days	2 941 281	3 156 060
121 - 365 days	18 629 812	19 208 636
> 365 days	71 860 508	62 259 922
	102 622 675	95 390 356
Less: Allowance for impairment	(90 724 877)	(83 012 166)
	11 897 798	**12 378 190**
Industrial/ commercial		
Current (0 -30 days)	2 274	-
31 - 60 days	5 290 879	4 466 106
61 - 90 days	623 660	1 005 089
91 - 120 days	386 178	591 346
121 - 365 days	2 591 363	2 919 156
> 365 days	11 792 995	12 044 143
	20 687 349	21 025 840
Less: Allowance for impairment	(14 795 919)	(15 336 174)
	5 891 430	**5 689 666**
National and provincial government		
31 - 60 days	952 550	571 050
61 - 90 days	415 617	699 886
91 - 120 days	147 157	414 003
121 - 365 days	545 320	1 930 357
> 365 days	7 706 749	5 823 326
	9 767 393	9 438 622
Less: Allowance for impairment	(8 776 596)	(8 841 724)
	990 797	**596 898**
Total		
Current (0 -30 days)	211 034	171 575
31 - 60 days	11 902 319	11 426 543
61 - 90 days	4 362 701	5 909 750
91 - 120 days	3 474 616	4 161 409
121 - 365 days	21 766 495	24 058 149
> 365 days	91 349 230	80 127 390
	133 066 395	125 854 816
	133 066 395	**125 854 816**
Less: Allowance for impairment		
Current (0 -30 days)	-	-
31 - 60 days	(7 487 261)	(8 553 765)
61 - 90 days	(3 013 510)	(3 596 177)
91 - 120 days	(3 969 691)	(3 839 672)
121 - 365 days	(16 110 167)	(18 832 370)
> 365 days	(83 716 763)	(72 368 080)
	(114 297 392)	**(107 190 064)**

Note to the Annual Financial Statements

Figures in Rand	2022	2021

11. Receivables from exchange transactions (continued)

Total debtor past due but not impaired

Current (0 -30 days)	211 034	171 575
31 - 60 days	4 415 058	2 872 778
61 - 90 days	1 349 191	2 313 573
91 - 120 days	(495 075)	321 737
121 - 365 days	5 656 328	5 225 779
> 365 days	7 632 467	7 759 310
	18 769 003	**18 664 752**

Reconciliation of allowance for impairment

Balance at beginning of the year	(107 190 064)	(97 941 569)
Contributions to allowance	(7 107 328)	(9 248 495)
	(114 297 392)	**(107 190 064)**

Consumer debtors pledged as security

No receivables from exchange transactions were pledged as security.

Credit quality of consumer debtors

The credit quality of consumer debtors that are neither past nor due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates.

None of the financial assets that are fully performing have been renegotiated in the last year.

Receivables from exchange transactions impaired

As of 30 June 2022, consumer debtors of 133 066 395 (2021: 125 854 816) were impaired and provided for.

The amount of the provision was (114 297 392) as of 30 June 2022 (2021: (107 190 064)).

12. Other receivables from exchange transactions

Agreements	1 056 966	426 971
Water - District Municipality fire fighting	640 227	640 227
	1 697 193	**1 067 198**
Non-current assets	224 290	73 024
Current assets	1 472 903	994 174
	1 697 193	**1 067 198**

13. Statutory receivables from exchange transactions

VAT	5 655 813	3 173 941

VAT Receivable arise where the municiplity has a claim from the South African Revenue Service where the VAT Inputs exceeded the VAT outputs as per the Value-Added Tax Act 89 of 1991.

VAT Receivable is not impaired nor is it discounted as the amount is expected to be receivable within 60 days.

Note to the Annual Financial Statements

Figures in Rand	2022	2021

14. Receivables from non-exchange transactions

Fines	6 521 425	3 412 075
Property Rates	20 698 072	19 094 630
Other	5 217 902	5 191 067
	32 437 399	**27 697 772**
Statutory receivables included in receivables from non-exchange transactions above are as follows:		
Property Rates Gross balance	148 730 189	127 736 243
Less: Allowance for impairment	(128 032 116)	(108 641 613)
Net	20 698 072	19 094 630
Fines Gross balance	43 301 044	22 747 165
Less: Allowance for impairment	(36 779 619)	(19 335 090)
Net	6 521 425	3 412 075
	27 219 497	**22 506 705**
Financial asset receivables included in receivables from non-exchange transactions above	**5 217 902**	**5 191 067**
Total receivables from non-exchange transactions	32 437 399	27 697 772

Figures in Rand	2022	2021

14. Receivables from non-exchange transactions (continued)

Statutory receivables general information

Transaction(s) arising from statute

The levying of Property Rates is governed by the Municipal Property Rates Act 6 of 2004.

Traffic fines are issued according the National Road Traffic Act 93 of 1996. The fines issued are divided into Radar Fines and Section 56 Fines.

Determination of transaction amount

Property Rates is a tax levied by a municipality to a property owner used to fund services delivered. Property Rates are calculated by multiplying the market value of the property with a rate determined by the Municipal Council.

Traffic Fines arise from fines issued by the municipality's traffic officials.

Radar fines are speed control fines issued when a motorist is caught speeding on a radar camera device. The device takes a picture of the vehicle and takes a speed reading. The speeding fine is then delivered to the registered owner of the vehicle by post. The Section 56 fine is imposed when a motorist is stopped by the traffic officer and his or her identity therefore is known and a Traffic Offence occurred.

Interest or other charges levied/charged

Interest is charged on overdue debtors - property rates, and is calculated using the nominal interest rate.

Basis used to assess and test whether a statutory receivable is impaired

All statutory receivables that are past due or uncollected were impaired.

Impairment on property rates is calculated based on a risk and payment scoring system.

Impairment on traffic fines is calculated on an average rate of payment for the current and prior years.

Discount rate applied to the estimated future cash flows

No discount rate was used in the property rates and traffic fines impairment calculation.

Statutory receivables impaired

As of 30 June 2022, Statutory receivables of 192 000 330 (2021: 150 483 408) were impaired and provided for.

The amount of the provision was 164 811 737 as of 30 June 2022 (2021: 127 976 704).

The ageing of the statutory receivables (Consumer debtors - Property rates) is as follows:

Current (0 - 30 days)	36 292	4 590
31 - 60 days	7 089 038	6 669 713
61 - 90 days	3 937 558	3 996 885
91 - 120 days	3 577 894	3 326 022
121- 365 days	25 756 095	24 398 188
>365 days	108 333 313	89 340 846
Less: Allowance for impairment	(128 032 116)	(108 641 613)
Total	**20 698 073**	**19 094 630**

Factors the entity considered in assessing statutory receivables impaired

The calculations and scoring used when completing the Type Risk Payment report for property rates are based on the following:

-Account satus

Note to the Annual Financial Statements

Figures in Rand

	2022	2021

14. Receivables from non-exchange transactions (continued)

-Account Type

The average payment rate is used to evaluate the traffic fines.

Reconciliation of provision for impairment for statutory receivables

Opening balance	(127 976 705)	(100 528 422)
Provision for impairment	(36 835 033)	(27 448 283)
	(164 811 738)	**(127 976 705)**

No statutory receivables were pledged as security.

None of the financial assets that are fully performing have been renegotiated in the last year.

The credit quality of statutory receivable transactions that are neither past nor due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates.

15. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	3 264	3 264
Cash balances	15 636 457	11 374 119
Short-term deposits	1 191 114	1 139 388
	16 830 835	**12 516 771**

Credit quality of cash at bank and short-term deposits, excluding cash on hand

The credit quality of cash at bank and short term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates

Cash and cash equivalents pledged as collateral

LImited cession of ABSA fixed deposit number 2066701092	800 000	800 000

The municipality had the following bank accounts

Account number / description	Bank statement balances			Cash book balances		
	30 June 2022	30 June 2021	30 June 2020	30 June 2022	30 June 2021	30 June 2020
ABSA Bank - Current Account (primary bank account) - 13-3000-0062 and tmt account	6 329 058	7 780 316	6 907 944	15 636 460	11 033 352	8 460 258
ABSA Bank - Call Account - 40-7836-0937	1 633 225	338 056	730 739	1 022 957	513 922	733 452
ABSA Bank - Call Account -92-9574-5884	168 157	162 818	99 493	168 158	162 818	99 493
ABSA Bank - Fixed Deposit - 206-670-1092	1 022 957	976 571	916 796	-	976 571	916 796
Total	**9 153 397**	**9 257 761**	**8 654 972**	**16 827 575**	**12 686 663**	**10 209 999**

Note to the Annual Financial Statements

Figures in Rand	2022	2021

16. Unspent conditional grants and receipts

Unspent conditional grants and receipts comprises of:

Unspent conditional grants and receipts		
Water Services Infrastructure Grant	111 827	18 365 820
Municipal Infrastructure Grant	9 056	-
Energy Efficiency and Demand Side Management Grant	93 460	-
	214 343	**18 365 820**

Movement during the year

Balance at the beginning of the year	18 365 680	21 847 790
Additions during the year	159 884 000	189 046 550
Income recognition during the year	(178 035 337)	(192 528 520)
	214 343	**18 365 820**

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

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

See note 25 for reconciliation of grants from National/Provincial Government.

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

Note to the Annual Financial Statements

Figures in Rand	2022	2021

17. Provisions

Reconciliation of provisions - 2022

	Opening Balance	Increase / (Decrease) in provisions	Total
Rehabilitation of landfill site	70 494 746	5 298 271	75 793 017
Performance bonus	573 950	(229 580)	344 370
	71 068 696	**5 068 691**	**76 137 387**

Reconciliation of provisions - 2021

	Opening Balance	Increase / (Decrease) in provisions	Total
Rehabilitation of landfill site	62 284 208	8 210 538	70 494 746
Performance bonus	813 055	(239 105)	573 950
	63 097 263	**7 971 433**	**71 068 696**

Non-current liabilities	75 793 017	70 494 746
Current liabilities	344 370	573 950
	76 137 387	**71 068 696**

Rehabilitation of landfill site

The provision for the rehabilitation of the landfill site relates to the legal obligation to rehabilitate landfill sites used for waste disposal. The valuation of the landfill site was performed as at 30 June 2022 by i@Consulting (Pty) Ltd. The cost of the closure cost elements has been determined based on quotation and confirmed via cost escalation of the previously proposed rehabilitation cost, through engineering and construction indices, drawn from SAFCEC and StatsSA.

Key assumptions:

-The discount rate used for the provision calculation for the restoration liability was based in the 5 year fixed rate RSA retail bond.

-Discount rate 9.27% (2021: 7.25%).

-The current expected remaining life as at 30 June 2022 is estimated to be 3 years.

Performance bonus

The provision for the performance bonus has been calculated at 14% of the relevant Section 56 Manager's package as per the Department of Provincial and Local Government guidelines on Performance Management and based on the past experience of Section 56 Managers paid out bonuses.

In accordance with regulation 32, a performance bonus, based on affordability, may be paid to the employee after:

- the annual report for the financial year under review has been tabled and adopted by municipal council.
- the evaluation of performance in accordance with the provisions of regulation 23; and
- approval of such evaluation by the municipal council as a rewards for outstanding performance.

Employee benefit cost provision

A brief description of the nature of the obligation and the expected timing of any resulting outflows of economic benefits or service potential.

An indication of the uncertainties about the amount or timing of those outflows. Where necessary to provide adequate information, an entity shall disclose the major assumptions made concerning future events, as addressed in paragraph .61.

Note to the Annual Financial Statements

Figures in Rand	2022	2021

17. Provisions (continued)

The amount of any expected reimbursement, stating the amount of any asset that has been recognised for that expected reimbursement.

18. Service charges

Sale of electricity	124 154 388	114 564 863
Sale of water	37 262 664	35 636 136
Solid waste	8 951 869	9 207 343
Sewerage and sanitation charges	18 952 157	19 438 859
	189 321 078	**178 847 201**

19. Rental of facilities and equipment

Facilities and equipment		
Rental of facilities	1 601 858	1 365 599

20. Fines, Penalties and Forfeits

Municipal Traffic Fines	31 257 812	16 060 600

21. Agency services

Vehicle Registration	3 894 845	4 593 392

22. Other income

Admin fee	62 107	174 433
Building plan approval	409 325	359 445
Fire brigade levies	730	889
Collection Charges	961 332	985 140
Licensing street vending	-	129
Other income	1 652	12 938 061
Penalties - tampered meters	83 246	5 903
Printing and duplicates	2 717	1 828
Procurement income	546 576	386 520
Staff recoveries	9 336	10 031
Surplus cash	1 944 089	1 315 164
	4 021 110	**16 177 543**

23. Interest received

Interest revenue		
Bank	189 368	95 452
Interest charged on trade and other receivables from exchange transactions	6 172 883	5 374 489
	6 362 251	**5 469 941**

Note to the Annual Financial Statements

Figures in Rand	2022	2021

24. Property rates

Rates received

Residential	54 272 902	52 340 781
Commercial	10 189 699	10 249 088
State	7 856 511	7 194 580
Small holdings and farms	9 101 435	9 975 649
Other	(372 753)	(299 593)
	81 047 794	79 460 505
Property rates - Interest received	8 492 774	7 588 387
	89 540 568	**87 048 892**

Valuations

Accomodation establishment	62 051	62 051
Commercial	738 219	738 219
Farms agricultural	3 818 881	3 818 881
Farms business	586 359	586 359
Farms other	45 635	45 635
Farms residential	631 632	631 632
Farms vacant land	528 796	528 796
Industrial	15 400	15 400
Municiplal property	21 078	21 078
Private open space	15 959	15 959
Public benefit activities	54 217	54 217
Public service infrastructure	8 433	8 433
Residential	3 667 770	3 667 770
Small holdings agricultural	18 803	18 803
Small holdings business	39 994	39 994
Small holdings other	393	393
Small holdings residential	123 903	123 903
Small holdings vacant land	167 484	167 484
Vacant business	8 616	8 616
Vacant residential	776 268	776 268
	11 329 891	**11 329 891**

Valuations on land and buildings are performed every five (5) years. The last general valuation came into effect on 1 July 2016. Interim valuations are processed on an annual basis to take into account changes in individual property values due to alterations and subdivisions.

The rate randages are as follows:

Business and industrial R 0.0169 (2021: R 0.0164)

Farms agriculture R 0.0033 (2021: R 0.0032)

Government properties R 0.0169 (2021: R 0.0164)

Residential properties R 0.0135 (2021: R 0.0131)

Vacant land business R 0.0169 (2021: R 0.0164)

Vacant land residential R 0.0169 (2021: R 0.0164)

The new general valuation was implemented on 01 July 2021.

Note to the Annual Financial Statements

Figures in Rand	2022	2021

25. Government grants & subsidies

Operating grants		
Equitable share	104 441 000	115 041 000
Local Government Finance Management Grant	1 650 000	1 700 000
Expanded Pubplic Works Programme	1 353 000	1 060 000
SETA Grant	215 062	198 828
	107 659 062	**117 999 828**
Capital grants		
Integrated National Electrification Programme	-	8 548 000
Energy Efficency and Demand Side Management Grant	2 906 540	3 600 000
Municipla Infrastructure Grant	27 184 944	25 443 778
Municipal Water Infrastructure Grant	40 499 993	36 994 682
	70 591 477	**74 586 460**
	178 250 539	**192 586 288**

Equitable Share

The Equitable Share is the unconditional share of the revenue raised nationally and is allocated in terms of S214 of the Constitution (Act 108 of 1996) to the to the municipality by the National Treasury. In terms of the constitution, this grant is used to subsidise the provision of basic services to indigent community members.In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members.

Integrated National Electrification Programme

Balance unspent at beginning of year	-	6 903 978
Current-year receipts	-	8 548 000
Conditions met - transferred to revenue	-	(8 548 000)
Other	-	(6 903 978)
	-	-

Conditions still to be met - remain liabilities (see note 16).

The purpose of this grant is to facilitate the planning, funding and implementation of national electrification projects and all related bulk infrastructure.

Municipal Water Infrastructure Grant

Balance unspent at beginning of year	18 365 820	12 362 508
Current-year receipts	32 086 000	47 475 000
Conditions met - transferred to revenue	(40 499 993)	(36 994 682)
Rollover repayment	(9 840 000)	(4 477 006)
	111 827	**18 365 820**

Conditions still to be met - remain liabilities (see note 16).

The purpose of this grant is to ensure that the country's water resources are protected, used, developed, conserved, managed and controlled in a sustainable manner for the benefit of all people and environment, through effective policies, integrated planning, strategies, knowledge based and procedures.

Local Government Finance Management Grant

Current-year receipts	1 650 000	1 700 000
Conditions met - transferred to revenue	(1 650 000)	(1 700 000)
	-	-

Note to the Annual Financial Statements

Figures in Rand	2022	2021

25. Government grants & subsidies (continued)

Conditions still to be met - remain liabilities (see note 16).

The purpose of the FMG Grant is to promote and support municipal financial management reforms and assist municipalities with the implementation of the MFMA.

Expanded Public Works Programme

Current-year receipts	1 353 000	1 060 000
Conditions met - transferred to revenue	(1 353 000)	(1 060 000)
	-	-

Conditions still to be met - remain liabilities (see note 16).

The grant is to incentivise municipalities to increase labour intensive employment through infrastructure programmes that maximise job creation and skills development in line with the EPWP guidelines.

Municipal Infrastructure Grant

Balance unspent at beginning of year	-	2 581 304
Current-year receipts	27 194 000	25 444 000
Conditions met - transferred to revenue	(27 184 944)	(25 443 778)
Other	-	(2 581 526)
	9 056	**-**

Conditions still to be met - remain liabilities (see note 16).

The municipal infrastructure grants complement the equitable share grants for local government; however, it is provided conditionally to municipalities

The key principles underpinning the design of the MIG are outlined below:

The MIG programme is aimed at providing only basic infrastructure.

Maximising economic benefits: The programme will be managed to ensure that the local economic spin-offs through providing infrastructure are maximised.

Equity in all the allocation and use of funds: The mechanism for distributing funds must provide for equitable access to such funds by the poor to make uniform progress in closing the infrastructure gap.

Municipal Disaster Relief Grant

Balance unspent at beginning of year	-	(650)
Conditions met - transferred to revenue	-	650
	-	-

Conditions still to be met - remain liabilities (see note 16).

The purpose of the grant is to assist the municipality in responding and implementing measures to prevent the spread of Covid-19.

Energy Efficiency and Demand Side Management

Current-year receipts	3 000 000	3 600 000
Conditions met - transferred to revenue	(2 906 540)	(3 600 000)
	93 460	**-**

Figures in Rand	2022	2021

25. Government grants & subsidies (continued)

Conditions still to be met - remain liabilities (see note 16).

The purpose of the grant is to assist the municipality to improve efficiency in a most cost effective, least polluting and readily available energy source.

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Note to the Annual Financial Statements

Figures in Rand	2022	2021

26. Employee related costs

Acting allowances	2 361 006	352 275
Bargaining council	73 382	43 202
Basic	80 626 797	81 341 842
Bonus	5 922 997	6 069 399
Car allowance	9 975 147	10 171 456
Cellphone allowance	2 392 613	1 865 739
Current service cost	105 837	-
Post employment benefits	14 704 170	15 946 146
Fire allowance	-	2 100
Housing benefits and allowances	432 891	401 235
Leave pay provision charge	3 324 729	5 634 425
Long-service awards	588 478	547 963
Medical aid - company contributions	7 172 118	8 128 647
Post employee benefits PEMA and LSA (Service cost and benefits paid)	2 271 153	827 000
Post employee benefits actuarial (gains)/losses	(6 949 153)	(43 000)
Overtime payments	16 094 396	14 079 644
SDL	1 213 886	1 007 141
UIF	137 845	659 775
	140 448 292	**147 034 989**

Below is a summary for the remuneration of key management included above:

Remuneration of municipal manager: S.M. Makhubela

Annual Remuneration	-	505 545
Car Allowance	-	202 216
Contributions to UIF, Medical and Pension Funds	-	101 109
Cellphone allowance	-	24 500
	-	**833 370**

Remuneration of chief financial officer: R.M. Marutha

Annual Remuneration	550 818	551 514
Car Allowance	223 608	223 608
Contributions to UIF, Medical and Pension Funds	120 016	119 325
Cellphone allowance	36 000	36 000
	930 442	**930 447**

Remuneration of Corporate Services Manager: J.B. Selapyane

Annual Remuneration	602 262	599 190
Car Allowance	255 552	255 552
Contributions to UIF, Medical and Pension Funds	171 889	173 514
Cellphone Allowance	36 000	36 000
Other Allowances (Acting)	364 411	121 470
	1 430 114	**1 185 726**

Remuneration of Technical Services Manager: H.B. Maswanganyi

Annual Remuneration	595 188	603 933
Car Allowance	255 552	255 552
Contributions to UIF, Medical and Pension Funds	171 480	162 732
Cellphone Allowance	36 000	36 000
	1 058 220	**1 058 217**

Note to the Annual Financial Statements

Figures in Rand	2022	2021

26. Employee related costs (continued)

Remuneration of Planning and Economic Development Manager: T.B. Mnisi

Annual Remuneration	559 029	559 029
Car Allowance	223 612	223 812
Contributions to UIF, Medical and Pension Funds	111 806	111 806
Cellphone Allowance	36 000	36 000
	930 447	**930 647**

Remuneration of Manger for Social Department: M.A. Serote

Annual Remuneration	568 500	568 500
Car Allowance	223 608	223 500
Contributions to UIF, Medical and Pension Funds	102 330	102 300
Cellphone Allowance	36 000	36 000
	930 438	**930 300**

Remuneration of Manager Strategic Support: T.J. Mothapo

Annual Remuneration	588 504	611 742
Car Allowance	252 924	252 924
Contributions to UIF, Medical and Pension Funds	170 277	157 560
Cellphone Allowance	36 000	36 000
Acting Allowance	149 231	49 744
	1 196 936	**1 107 970**

Remuneration of Deputy Chief Financial Officer

Annual Remuneration	-	253 215
Car Allowance	-	104 625
Contributions to UIF, Medical and Pension Funds	-	60 663
Cellphone Allowance	-	15 000
	-	**433 503**

Remuneration of the Divisional Manager WASTE MANAGEMENT

Annual Remuneration	587 793	-
Car Allowance	205 188	-
Contributions to UIF, Medical and Pension Funds	170 989	-
Cellphone Allowance	32 712	-
Other allowances (acting allowance Social manager during martenity leave)	80 422	-
	1 077 104	**-**

Remuneration of the Divisional Manager Road & Storm Water

Annual Remuneration	587 793	-
Car Allowance	198 162	-
Contributions to UIF, Medical and Pension Funds	182 287	-
Cellphone Allowance	32 712	-
Other allowances (acting allowance Technical Manager during Martenity Leave)	112 367	-
	1 113 321	**-**

Remuneration of the Divisional Manager WASTE MANAGEMENT

Note to the Annual Financial Statements

Figures in Rand	2022	2021
26. Employee related costs (continued)		
Other allowances (acting allowance Social manager during martenity leave)	80 422	-
Remuneration of the Divisional Manager Road & Stroam Water		
Other allowances (acting allowance Technical Manager during Martenity Leave)	112 367	-
27. Remuneration of councillors		
Executive Major	947 621	905 259
Speaker	1 671 652	1 092 259
Chief Whip	419 971	733 088
Other councillors	3 942 704	4 087 900
Executive Committee members	266 400	690 046
	7 248 348	**7 508 552**

In-kind benefits

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

The Mayor has the use of separate Council owned vehicle for official duties.

Additional information

The salaries, allowance and benefits of councillors are within the upper limits of the framework envisaged in section 219 of the Constitution of South Africa.

Note to the Annual Financial Statements

Figures in Rand	2022	2021

27. Remuneration of councillors (continued)

Excecutive Mayor: M.J. Ngobeni (JULY-2021 TO NOVEMBER 2021)		
Remuneration	191 925	514 830
Cellphone Allowance	14 800	44 400
Car Allowance	71 734	215 219
Contributions to SDL, medical and pension funds	43 949	136 951
	322 408	**911 400**
Speaker: R.Z. Moeletsi (JULY-2021 TO NOVEMBER 2021)		
Remuneration	199 887	551 352
Cellphone Allowance	14 800	44 400
Contributions to SDL, medical and pension funds	46 202	142 197
	260 889	**737 949**
Chief Whip: M.H. Ledwaba (JULY-2021 TO NOVEMBER 2021)		
Remuneration	155 852	421 068
Cellphone Allowance	14 800	44 400
Car Allowance	53 827	161 418
Contributions to SDL, medical and pension funds	18 162	67 673
	242 641	**694 559**
Mayoral Commitee Member: S.E. Maluleka (JULY-2021 TO NOVEMBER 2021)		
Remuneration	139 988	375 273
Cellphone Allowance	14 800	44 400
Car Allowance	53 796	161 410
Contributions to SDL, medical and pension funds	36 919	114 472
	245 503	**695 555**
Mayoral Commitee Member: M.N. Ras (JULY-2021 TO NOVEMBER 2021)		
Remuneration	353 895	313 212
Cellphone Allowance	29 600	44 400
Contributions to SDL, medical and pension funds	51 450	49 458
	434 945	**407 070**
Councillor: P.M. Aphane (JULY-2021 TO NOVEMBER 2021)		
Remuneration	70 295	186 636
Cellphone Allowance	14 800	44 400
Car Allowance	29 111	87 402
Contributions to SDL, medical and pension funds	25 500	78 133
	139 706	**396 571**
Councillor: F.S. Hlunwane (JULY-2021 TO NOVEMBER 2021)		
Remuneration	54 846	145 560
Cellphone Allowance	14 800	44 400
Car Allowance	22 685	68 107
Contributions to SDL, medical and pension funds	19 798	60 752
	112 129	**318 819**
Councillor: M.J. Makhubela (JULY-2021 TO NOVEMBER 2021)		
Remuneration	58 042	155 016
Cellphone Allowance	14 800	44 400
Car Allowance	22 690	68 108
Contributions to SDL, medical and pension funds	16 603	51 270

Note to the Annual Financial Statements

Figures in Rand	2022	2021
27. Remuneration of councillors (continued)		
	112 135	**318 794**
Councillor: Y.M.S. Malete (JULY-2021 TO NOVEMBER 2021)		
Remuneration	73 451	195 882
Cellphone Allowance	14 800	87 408
Car Allowance	29 136	44 400
Contributions to SDL, medical and pension funds	22 480	68 905
	139 867	**396 595**
Councillor: B.T. Maname (JULY-2021 TO NOVEMBER 2021)		
Remuneration	74 410	204 282
Cellphone Allowance	14 800	44 400
Contributions to SDL, medical and pension funds	22 970	70 343
	112 180	**319 025**
Councillor: T.R. Masemola (JULY-2021 TO NOVEMBER 2021)		
Remuneration	-	94 773
Cellphone Allowance	-	25 900
Car Allowance	-	39 732
Contributions to SDL, medical and pension funds	-	24 006
	-	**184 411**
Councillor: T.R. Modimola (JULY-2021 TO NOVEMBER 2021)		
Remuneration	84 395	228 012
Cellphone Allowance	14 800	44 400
Car Allowance	29 121	87 404
Contributions to SDL, medical and pension funds	11 401	36 646
	139 717	**396 462**
Councillor: A.R. Mosweou (JULY-2021 TO NOVEMBER 2021)		
Remuneration	57 322	152 838
Cellphone Allowance	14 800	44 400
Car Allowance	22 700	68 111
Contributions to SDL, medical and pension funds	17 323	53 451
	112 145	**318 800**
Councillor: K.L. Mothokwa (JULY-2021 TO NOVEMBER 2021)		
Remuneration	52 958	140 076
Cellphone Allowance	14 800	44 400
Car Allowance	22 704	68 112
Contributions to SDL, medical and pension funds	21 689	66 255
	112 151	**318 843**
Councillor: S.D. Seale (JULY-2021 TO NOVEMBER 2021)		
Remuneration	85 519	236 896
Cellphone Allowance	14 800	44 400
Contributions to SDL, medical and pension funds	11 847	37 407
	112 166	**318 703**
Councillor: M.D. Senosha (JULY-2021 TO NOVEMBER 2021)		
Remuneration	65 762	179 425
Cellphone Allowance	14 800	44 400
Car Allowance	22 685	68 107

Note to the Annual Financial Statements

Figures in Rand	2022	2021
27. Remuneration of councillors (continued)		
Contributions to SDL, medical and pension funds	8 884	28 555
	112 131	**320 487**
Councillor: M.A. Shika (JULY-2021 TO NOVEMBER 2021)		
Remuneration	29 121	228 012
Cellphone Allowance	14 800	44 400
Car Allowance	44 734	87 404
Contributions to SDL, medical and pension funds	11 401	36 646
	100 056	**396 462**
Councillor: M.J.L. Kruger (JULY-2021 TO NOVEMBER 2021)		
Remuneration	65 762	59 224
Cellphone Allowance	14 800	14 800
Car Allowance	22 704	22 704
Contributions to SDL, medical and pension funds	8 884	9 576
	112 150	**106 304**
Executive Mayor: GM SELEKA (November 2021 - June 2022)		
Remuneration	452 873	-
Cellphone Allowance	29 600	-
Contributions to Medical and Pension Funds	83 950	-
	566 423	**-**
Speaker: TN ZIKHALI (November 2021 - June 2022)		
Remuneration	342 273	-
Cellphone Allowance	29 600	-
Car Allowance	28 696	-
Contributions to Medical and Pension Funds	60 672	-
	461 241	**-**
Chief Whip: K SEPURU (November 2021 - June 2022)		
Remuneration	155 623	-
Cellphone Allowance	29 600	-
Contributions to Medical and Pension Funds	23 343	-
	208 566	**-**
Councillor: MJ NGOBENI : EXCO MEMBER (November 2021 - June 2022)		
Remuneration	232 478	-
Cellphone Allowance	29 600	-
Car Allowance	94 157	-
Contributions to Medical and Pension Funds	72 380	-
	428 615	**-**
Councillor: M.N. Ras Exco Member (November 2021 - June 2022)		
Remuneration	353 895	-
Cellphone Allowance	29 600	-
Contributions to Medical and Pension Funds	51 450	-
	434 945	**-**
Councillor: MF KROOVER (November 2021 - June 2022)		
Remuneration	171 755	-
Cellphone Allowance	29 600	-
Contributions to Medical and Pension Funds	51 464	-

Note to the Annual Financial Statements

Figures in Rand	2022	2021
27. Remuneration of councillors (continued)		
	252 819	**-**
Councillor: KS Rachidumela (November 2021 - June 2022)		
Remuneration	159 987	-
Cellphone Allowance	29 600	-
Car Allowance	36 420	-
Contributions to Medical and Pension Funds	23 627	-
	249 634	**-**
Councillor: J.M.MABUA (November 2021 - June 2022)		
Remuneration	158 646	-
Cellphone Allowance	29 600	-
Car Allowance	36 420	-
Contributions to Medical and Pension Funds	24 968	-
	249 634	**-**
Councillor: M H LEDWABA (November 2021 - June 2022)		
Remuneration	121 078	-
Cellphone Allowance	29 600	-
Car Allowance	39 732	-
Contributions to Medical and Pension Funds	18 162	-
	208 572	**-**
Councillor: SD SEALE (November 2021 - June 2022)		
Remuneration	130 903	-
Cellphone Allowance	29 600	-
Contributions to Medical and Pension Funds	48 065	-
	208 568	**-**
Councillor: MJ MAKHUBELA (November 2021 - June 2022)		
Remuneration	141 693	-
Cellphone Allowance	29 600	-
Contributions to Medical and Pension Funds	39 491	-
	210 784	**-**
Councillor: FS HLONGWANI (November 2021 - June 2022)		
Remuneration	128 822	-
Cellphone Allowance	29 600	-
Car Allowance	49 380	-
Contributions to Medical and Pension Funds	44 924	-
	252 726	**-**
Councillor: HJ KRUGER (November 2021 - June 2022)		
Remuneration	139 484	-
Cellphone Allowance	29 600	-
Contributions to Medical and Pension Funds	20 923	-
	190 007	**-**
Councillor: MO TLAKA (November 2021 - June 2022)		
Remuneration	155 623	-
Cellphone Allowance	29 600	-
Contributions to Medical and Pension Funds	23 343	-

Note to the Annual Financial Statements

Figures in Rand	2022	2021
27. Remuneration of councillors (continued)		
	208 566	**-**
Councillor: JHT MILLS (November 2021 - June 2022)		
Remuneration	121 078	-
Cellphone Allowance	29 600	-
Car Allowance	39 732	-
Contributions to Medical and Pension Funds	18 162	-
	208 572	**-**
Councillor: JD CLOETE (November 2021 - June 2022)		
Remuneration	155 623	-
Cellphone Allowance	29 600	-
Contributions to Medical and Pension Funds	23 343	-
	208 566	**-**
Councillor: PV MASHABA (November 2021 - June 2022)		
Remuneration	191 657	-
Cellphone Allowance	29 600	-
Contributions to Medical and Pension Funds	28 378	-
	249 635	**-**
28. Depreciation and amortisation		
Property, plant and equipment	35 420 331	32 464 719
Intangible assets	93 607	138 116
	35 513 938	**32 602 835**
29. Finance costs		
Overdue accounts	2 166 691	704 911
Landfill site	6 430 485	3 912 927
GRAP 25 Interest on medical aid and long service awards	5 917 000	5 920 000
	14 514 176	**10 537 838**
30. Auditors' remuneration		
Fees	3 681 551	5 718 492
31. Debt impairment		
Debt impairment allowance - Consumer debtors	26 497 832	25 172 076
Debt impairment allowance - traffic fines	17 444 529	9 972 096
Bad debts written off	21 323 661	31 458 602
	65 266 022	**66 602 774**

Note to the Annual Financial Statements

Figures in Rand

	2022	2021
32. General expenses		
Advertising	169 673	(522 882)
Auditors remuneration	3 681 551	5 718 492
Bank charges	1 254 948	1 463 971
Cleaning	-	371 043
Commission paid	3 109 453	3 299 654
Water inventory consumed	28 986 968	17 587 770
Hire	2 311 599	5 021 857
Insurance	1 459 372	925 010
Conferences and seminars	7 800	-
IT expenses	6 312 841	5 535 947
Fuel and oil	4 220 917	2 186 578
Postage and courier	-	5 735
Printing and stationery	203 852	297 960
Protective clothing	1 828 502	2 049 935
Repairs and maintenance	2 389 176	5 611 172
Software expenses	2 245 599	-
Subscriptions and membership fees	1 623 168	2 201 657
Telephone and fax	1 309 113	2 179 224
Travel - local	186 360	46 795
Assets expensed	199 403	-
Management fee	-	191 883
Capacity building	-	167 739
Other expenses	-	392 112
	61 500 295	**54 731 652**
33. Bulk purchases		
Electricity - Eskom	117 551 012	98 910 251

Electricity Losses: Technical losses occur when power dissipates in the transmission lines and transformers due to electrical resistance. Contributing factors to these losses are: system failures, unbalanced loading, overloading, low voltage, load shedding and deteriorating infrastructure. Non-technical losses are due to consumers or personnel actions. Contributing factors are: power theft, meter tampering, meter bypass, illegal connections, unpaid bills, consumer non-payment and faulty meters.

Water Losses: Technical losses occur when water is lost in the reticulation lines and in treatment plants due to backwash. Contributing factors to these losses are :system failures, unbalanced networks, high pressure, pipe bursts and deteriorating infrastructure. Non-technical losses on water are due to consumers or personnel actions. Contributing factors are: water theft, meter tampering ,meter bypass, illegal connections, no billing, unpaid bills, consumer non-payment and faulty meters and the delay by operators to repair reported leakages.

Note to the Annual Financial Statements

Figures in Rand	2022	2021

33. Bulk purchases (continued)

Electricity losses

	Number 2022	Number 2021		
Units purchased	83 312 916	84 156 078	142 278 014	150 342 028
Units sold	(65 265 650)	(72 202 599)	(111 400 094)	(128 987 536)
Total loss	**18 047 266**	**11 953 479**	**30 877 920**	**21 354 492**
Comprising of:				
Technical losses	1 919 737	1 195 348	4 040 087	2 135 449
Non-technical losses	17 277 637	10 758 131	36 360 788	19 219 043
Total	**19 197 374**	**11 953 479**	**40 400 875**	**21 354 492**
Percentage Loss:				
Technical losses	10 %	10 %	10 %	10 %
Non-technical losses	13 %	4 %	13 %	4 %
Total	**23 %**	**14 %**	**23 %**	**14 %**

Water losses

	Kilolitre 2022	Kilolitre 2021		
Units purchased	3 236 278	3 283 910	73 103 388	30 433 619
Units sold	(2 547 469)	(2 363 925)	(57 543 193)	(21 840 756)
Total	**688 809**	**919 985**	**15 560 195**	**8 592 863**
Comprising of:				
Technical losses	571 712	137 998	12 914 951	1 274 988
Non-technical losses	117 098	781 987	2 645 244	7 317 875
Total	**688 810**	**1 839 970**	**15 560 195**	**8 592 863**

34. Contracted services

Outsourced Services		
Connection/Dis-connection	173 093	257 916
Security Services	13 530 789	8 573 556
Traffic Fines Management	2 126 214	629 595
Consultants and Professional Services		
Business and Advisory	8 080 300	7 539 421
Legal Cost	6 160 854	2 935 647
Contractors		
Aerial Photography	-	153 033
Catering Services	8 873	22 190
Electrical	1 340 328	-
Event Promoters	65 617	-
Interior Decorator	410 533	1 311 234
Maintenance of Equipment	173 459	-
Maintenance of Unspecified Assets	7 635 553	17 045 842
Sewerage Services	1 180 354	-

Note to the Annual Financial Statements

Figures in Rand

	2022	2021
34. Contracted services (continued)		
	40 885 967	**38 468 434**
35. Cash generated from operations		
Surplus (deficit)	45 566 754	(120 854 118)
Adjustments for:		
Depreciation	35 513 938	32 602 835
Loss on disposal of assets	25 150	-
Fair value adjustments	(25 051 660)	169 273 436
Impairment loss	4 204 687	-
Debt impairment	65 266 022	66 602 774
Movements in retirement benefit assets and liabilities	1 239 000	6 704 000
Movements in provisions	5 068 691	7 971 433
Non-cash item	-	631 585
Changes in working capital:		
Inventories	(161 326)	(60 382)
Other receivables from exchange transactions	(629 995)	175 133
Consumer debtors	(65 370 273)	(65 677 247)
Receivables from non-exchange transactions	(4 739 627)	(3 781 173)
Payables from exchange transactions	16 161 591	(13 166 679)
Consumer deposits	(2 481 872)	4 735 263
Unspent conditional grants and receipts	(18 151 477)	(3 481 460)
Consumer deposits	340 326	371 593
	56 799 929	**82 046 993**

36. Prior-year adjustments

Presented below are those items contained in the statement of financial position, statement of financial performance and cash flow statement that have been affected by prior-year adjustments:

Statement of financial position

2020

	Note	As previously reported	Correction of error	Re-classification	Restated
Inventories		327 740	-	-	327 740
Receivables from exchange transactions		23 189 926	-	279 461	23 469 387
Statutory receivables		18 948 093	-	-	18 948 093
VAT receivable		7 909 199	-	-	7 909 199
Agreements - Current		279 461	-	(279 461)	-
Receivables from non-exchange transactions		2 218 490	-	-	2 218 490
Cash and cash euivalents		10 201 964	-	-	10 201 964
Investment property		279 138 852	-	-	279 138 852
Property, plant and equipment		800 183 275	(34 398 058)	-	765 785 217
Intangible assets		1 860 365	-	-	1 860 365
Heritage assets		538 950	-	-	538 950
Agreements - Non Current		113 240	-	(113 240)	-
Other receivables from exchange transactions - Non Current		-	-	113 240	113 240
Payables from exchange transactions					
Consumer deposits		(167 837 459)	-	-	(167 837 459)
Employee benefit obligation - Current		(6 023 767)	-	-	(6 023 767)
Unspent conditional grants and receipts		(2 726 000)	-	-	(2 726 000)
Provisions - Current		(21 847 140)	(141)	-	(21 847 281)
Employee benefit obligation - Non Current		(813 055)	-	-	(813 055)
Provisions - Non Current		(45 274 870)	-	-	(45 274 870)
		(62 284 208)	-	-	(62 284 208)
		838 103 056	**(34 398 199)**	**-**	**803 704 857**

Note to the Annual Financial Statements

Figures in Rand	2022	2021

36. Prior-year adjustments (continued)

2021

	Note	As previously reported	Correction of error	Re-classification	Restated
Inventories		234 795	153 327	-	388 122
Receivables from exchange transactions		21 158 511	800 226	(3 293 985)	18 664 752
Other Receivables from Exchange transactions		-	-	994 174	994 174
Statutory receivables from exchange transactions		-	-	3 173 941	3 173 941
Statutory receicables		21 527 219	-	(21 527 219)	-
Receivables from Non Exchange transactions		2 537 308	979 485	24 180 977	27 697 770
VAT receivable		3 173 941	-	(3 173 941)	-
Agreements - Current		353 947	-	(353 947)	-
Cash and cash euivalents		12 516 771	-	-	12 516 771
Investment property		279 138 852	(169 273 436)	-	109 865 416
Property, plant and equipment		808 350 481	4 070 606	-	812 421 087
Intangible assets		1 722 249	-	-	1 722 249
Heritage assets		538 950	-	-	538 950
Agreements - Non Current		73 024	-	(73 024)	-
Other Receivables from Exchange transactions - Non Current		-	-	73 024	73 024
Payables from exchange transactions		(155 705 442)	1 012 715	21 960	(154 670 767)
Consumer deposits		(6 373 400)	-	(21 960)	(6 395 360)
Employee benefit obligation - Current		(1 793 000)	-	-	(1 793 000)
Unspent conditional grants and receipts		(18 365 820)	-	-	(18 365 820)
Provisions - Current		(573 950)	-	-	(573 950)
Employee benefit obligation - Non Current		(52 911 870)	-	-	(52 911 870)
Provisions - Non Current		(70 494 746)	-	-	(70 494 746)
		845 107 820	**(162 257 077)**	**-**	**682 850 743**

Statement of financial performance

2021

	Note	As previously reported	Correction of error	Re-classification	Restated
Revenue from exchange transactions		218 293 793	-	(10 821 945)	207 471 848
Revenue from non-exchange transactions		288 107 392	-	9 526 945	297 634 337
Employee related costs		(148 329 989)	-	1 295 000	(147 034 989)
Remuneration of councillors		(7 508 552)	-	-	(7 508 552)
Depreciation and amortisation		(36 209 274)	3 606 437	-	(32 602 837)
Finance costs		(10 537 838)	-	-	(10 537 838)
Debt impairment		(68 382 485)	1 779 711	-	(66 602 774)
Bulk purchases		(116 651 348)	153 327	17 587 770	(98 910 251)
Contracted services		(38 336 785)	464 169	(595 818)	(38 468 434)
Loss on disposal of assets and liabilities		(289 543)	-	-	(289 543)
Fair value adjustments		-	(169 273 436)	-	(169 273 436)
Actuarial losses		-	-	-	-
General expenditure		(38 752 418)	1 012 716	(16 991 952)	(54 731 654)
Surplus for the year		**41 402 953**	**(162 257 076)**	**-**	**(120 854 123)**

Cash flow statement

Figures in Rand

	2022	2021

36. Prior-year adjustments (continued)

2021

	Note	As previously reported	Correction of error	Re-classification	Restated
Cash flow from operating activities					
Property rates and traffic fines		56 799 931	25 247 060	-	82 046 991
Grants		189 104 828	140	-	189 104 968
Interest received		-	-	13 058 328	-
Employee costs		(147 839 541)	-	(5 065 040)	(152 904 581)
Suppliers		(50 829 313)	(155 329 477)	5 065 040	(201 093 750)
		47 235 905	**(130 082 277)**	**13 058 328**	**(82 846 372)**
Cash flow from investing activities					
Purchase of property, plant and equipment		(78 925 968)	(577 308)	-	(79 503 276)
Proceeds from sale of property, plant and equipment		-	(228 908)	-	(228 908)
		(78 925 968)	**(806 216)**	**-**	**(79 732 184)**
Cash flow from financing activities					
Interest received		13 058 328	-	(13 058 328)	-

Property plant and equipment

Movable assets previously not recorded in the fixed asset register where taken on and the opening balances where restated by R 1 173 786.08.

Remaining useful life for movable assets were corrected in the prior year resulting in the restatement of depreciation in the amount of R 2 726 268.77.

Opening balances for Infrastructure including WIP, community, and sport and recreational assets were restated after aligning the fixed asset register and the financial system in the amount of (R 35 571 844). Depreciation in the prior year were also restated by (R 880 168) due a correction of change in useful life and correction of depreciation.

Investment properties

The fair value for Investment properties were adjusted by (R 169 273 436).

Unspent conditional grants

Corrections for the opening balances for unspent conditional grants for revenue incorrectly recognised in the amount of R (141).

Debt impairment

Reversal of debt impairment in the amount of (R 1 779 711) in the prior year resulted in a restatement of R 800 226 for receivables from exchange and R 979 485 for non-exchange transactions.

Irregular expenditure

Opening balance	63 048 510	-
Adjustments made	27 898 615	-
Restated opening balance	**90 947 125**	**-**

	2022	2021

36. Prior-year adjustments (continued)

Reclassifications

Certain comparative figuress as per the tables above have been reclassified due to incorrect classifications in the prior year.

The following reclassifications occurred:

Statement of Financial Performance

Actuarial gains reclassified to employee cost

Increase in employee related cost of R 1 295 000 and a decrease in Actuarial gains R 1 295 000. Included in the amount of R 1 295 000 disclosed as actuarial gains was an amount of R 1 252 000 that was for benefits paid, incorrectky classified as actualrial gains.

GRAP 25 Par 74 state that the municipality shall recognise the net total of employee related cost in surplus or deficit. The net amount of employee related cost includes the movement in actuarial valuation, hence should this movement be part of employee related cost and must not be disclosed separately as disclosed in previous years.

Interest earned non exchange transactions reclassified from interest earned exchange transactions. Interest received on rates in the amount of R 7 588 387 that was included in interest received from exchange transactions in the prior year was reclassified.

Road transport license fees reclassified to revenue from non-exchange transaction. License fees in the amount of R 1 938 558 included in revenue from exchange transactions was reclassified to revenue from non-exchange transactions.

Bulk purchases water reclassified to inventory consumed. Bulk purchases for water in the amount of R 17 587 770 was reclassified as inventory consumed included under general expenses. This was done in line with the mSCOA Structure that has been set up to account for water in terms of applicable legislation and requirements from governing bodies.

Reclassification form general expenses to contracted services. Items identified as per mSCOA classification incorrectly classified as general expenses R 595 818.

VAT receivable reclassified to statutory receivables form exchange transaction

Decrease in VAT receivable Incresae statutory receivables from exchange transactions.

VAT receivables are receivables that arise from legislation and require settlement by another entity (SARS) hence the reclassification was made.

Receivables form exchange and non-exchange transactions

Decrease in receivable from exchange transactions and incresae in receivable fom non-exchange transactions.

The municipality discovered that items classified as receivables from non-exchange transactions as per their mSCOA chart of accounst where previously incorrectly classified as receivables from exchange transactions in the AFS.

Decrease in agreements and increase in other receivables from exchange transactions as they are still part of receivables from exchange transactions.

Decrease in statutory receivables and increase in receivables form non-exchange transactions. Statutory receivables were reclassified as receivables from non-exchange transactions on the face of the statement of financial performance. Statutory receivables included in receivables from non-exchange transactions are separately disclosed in the note.

Paybles from exhnange transactions and consumer deposits

Decrease in payables from exchange transactions and increase in consumer deposits.

The municipality identified consumer deposits incorrectly classified as payables from exchange transactions.

Note to the Annual Financial Statements

Figures in Rand	2022	2021

37. Going concern

We draw attention to the fact that at 30 June 2022, the municipality's current liabilities exceed its current assets by 104 091 358.

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The ability of the municipality to continue as a going concern will be assisted trough the implementation of the following:

- The municipality developed budget funding and revenue enhancement plans to address municipal cash flow challenges.
- The municipality entered into payment arrangements with key suppliers to suppress interest.
- The municipality intensified credit control measures to recover long outstanding amounts from consumers.
- The period for assessment is in line with medium term expenditure framework budget.
- There is alignment of procurement plan and cash flow projections to reduce payment rate ratio.
- During budgeting the strategy is to eliminate non-core expenditures.
- Recruitment in the current financial year will be focused on critical post in Revenue and service delivery division.t
- Favorable cost coverage ratio will assist in reducing current liabilities.
- Favorable cost coverage ratio will assist in reducing current liabilities.
- Conditional grants to be ring fenced from financial year 2023.

38. Unauthorised expenditure

Opening balance as previously reported	115 364 792	44 369 261
Add: Unauthorised expenditure - current	52 945 881	70 995 531
Closing balance	**168 310 673**	**115 364 792**

Assessment as required by Circular 68 was conducted between the approved budget and the actual spent relating to vote structure (departmental functions). This resulted in material unauthorised expenditure per vote or per department. As a result the overall unauthorised expenditure of R 52 945 881 was added during the current year.

39. Fruitless and wasteful expenditure

Opening balance as previously reported	9 975 540	9 141 537
Add: Fruitless and wasteful expenditure identified - current	2 166 691	834 003
Closing balance	**12 142 231**	**9 975 540**

The current year fruitless and wasteful expenditure is largely impacted by interest on late payment of Eskom invoices, Magalies Water invoices and interest on late payment on VAT.

The classification, validation and recoverability of all fruitless and wasteful expenditure was submitted to council in terms of section 32 of the MFMA for determination. The said submission was routed to by council for further investigation which is still ongoing.

40. Irregular expenditure

Opening balance as previously reported	90 947 125	55 967 351
Opening balance as restated	**90 947 125**	**55 967 351**
Add: Irregular Expenditure - current	28 828 164	14 448 304
Add: Irregular Expenditure - prior period	18 794 421	20 531 470
Closing balance	**138 569 710**	**90 947 125**

Irregular expenditure is disclosed net of VAT

40. Irregular expenditure (continued)

Incidents/cases identified/reported in the current year include those listed below:

	Disciplinary steps taken/criminal proceedings		
Tender process where certain qualifying bidders were disqualified	The classification, validation and recoverability of all irregular expenditure was submitted to council in terms of section 32 of the MFMA for determination. The said submission was routed to by council for further investigation which is still ongoing.	-	1 635 722
PPPFA Regulations, 2017 Evaluation criteria not included on the bid document	The classification, validation and recoverability of all irregular expenditure was submitted to council in terms of section 32 of the MFMA for determination. The said submission was routed to by council for further investigation which is still ongoing.	2 785 285	-
ontract extended without following proper procedures	The classification, validation and recoverability of all irregular expenditure was submitted to council in terms of section 32 of the MFMA for determination. The said submission was routed to by council for further investigation which is still ongoing.	254 284	-
Not evaluated in terms of PPPFA	The classification, validation and recoverability of all irregular expenditure was submitted to council in terms of section 32 of the MFMA for determination. The said submission was routed to by council for further investigation which is still ongoing.	-	3 421 613
As a result of not following Section 32 of MSCR	The classification, validation and recoverability of all irregular expenditure was submitted to council in terms of section 32 of the MFMA for determination. The said submission was routed to by council for further investigation which is still ongoing.	586 495	1 615 206
Tax clearances not obtained	The classification, validation and recoverability of all irregular expenditure was submitted to council in terms of section 32 of the MFMA for determination. The said submission was routed to by council for further investigation which is still ongoing.	-	8 424 975
PPPFA Regulations, 2017 Local Content Production not included on the bid document and tender advert	The classification, validation and recoverability of all irregular expenditure was submitted to council in terms of section 32 of the MFMA for determination. The said submission was routed to by council for further investigation which is still ongoing.	40 548 601	17 368 210
Payments made exceeds contract or tendered price or purchase order value.	The classification, validation and recoverability of all irregular expenditure was submitted to council in terms of section 32 of the MFMA for determination. The said submission was routed to by council for further investigation which is still ongoing.	3 447 921	2 369 964

40. Irregular expenditure (continued)			
PPPFA Regulations, 2017 Bidder did not meet pre-qualifying Criteria	The classification, validation and recoverability of all irregular expenditure was submitted to council in terms of section 32 of the MFMA for determination. The said submission was routed to by council for further investigation which is still ongoing.	-	144 084
		47 622 586	**34 979 774**

Disciplinary steps taken/criminal proceedings

The classification, validation and recoverability of all irregular expenditure was submitted to council in terms of section 32 of the MFMA for determination. The said submission was routed to by council for further investigation which is still ongoing.Provide information

41. Segment information

General information

Identification of segments

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

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

The municipality operates in the Limpopo Province.

Note to the Annual Financial Statements

Figures in Rand	2022	2021

41. Segment information (continued)

Types of services by segment

These reportable segments as well as the goods and/or services for each segment are set out below:

Reportable segment	Included in segment
Governance and administration	Excecutive and Council, finance and administration, asset management risk management and internal audt
Community and public safety	Community and social services, Recreational Facilities:Sports Arts and Culture and public safety
Economic and environmental services	Planning and development and road transport
Trading services	Energy sources, water management, waste water management and waste management

41. Segment information (continued)

Segment surplus or deficit

2022

	Governance and administration	Community and public safety	Economic and environmental services	Trading services	Total
Revenue					
Revenue from non-exchange transactions	(197 199 630)	(33 486 192)	(27 215 210)	(43 463 394)	(301 364 426)
Revenue from exchange transactions	(5 352 718)	(4 482 971)	(791 378)	(195 681 487)	(206 308 554)
Total segment revenue	**(202 552 348)**	**(37 969 163)**	**(28 006 588)**	**(239 144 881)**	**(507 672 980)**
Fair value adjustments					(25 051 660)
Entity's revenue					**(532 724 640)**
Expenditure					
Employee related costs	54 251 655	29 929 787	19 334 260	42 667 856	146 183 558
Remuneration of Councillors	7 248 347	-	-	-	7 248 347
Bulk purchases	-	-	-	117 551 012	117 551 012
Contracted services	27 661 196	4 628 453	1 413 618	7 182 700	40 885 967
General expenses	27 612 311	2 008 202	2 308 897	30 784 771	62 714 181
Total segment expenditure	**116 773 509**	**36 566 442**	**23 056 775**	**198 186 339**	**374 583 065**
Total segmental surplus/(deficit)					**158 141 575**
Finance cost					14 514 176
Debt impairment					65 266 022
Loss on disposal of assets					25 149
Depreciation and amortisation					35 513 937
Impairment of assets					4 204 687
Actuarial gains and losses					(6 949 153)
Entity's surplus (deficit) for the period					**45 566 757**

Following a change in the composition of its reportable segments, the corresponding items of segment information for earlier periods has been restated.

Note to the Annual Financial Statements

Figures in Rand

	2022	2021

42. Accounting by principals and agents

The entity is a party to a principal-agent arrangement.

Details of the arrangment(s) is|are as follows:

The municipality acts on behalf of the Department of Transport and issues motor vehicle licences to motorists in the municipal area in exchange for a prescribed fee.

The municipality facilitates the issuing of these licences and the collection of the prescribed fees.

The agreement commenced on the 1st of April 2021 and will be in force for a period of three years, terminating 31 March 2024.

The aggregate amount of revenue that the entity recognised as compensation for the transactions carried out on behalf of the principal is R 3 894 845 (2021: R 4 593 392)

In terms of this agreement the municipality is obligated to perform the following functions:]

- Motor Vehicle registration and licensing
- Learner and driver license functions
- Motor vehicle testing functions

43. BBBEE Performance

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

44. Financial instruments disclosure

Categories of financial instruments

2022

Financial assets

	At amortised cost	Total
Trade and other receivables from exchange transactions	20 466 196	20 466 196
Receivables from non-exchange transactions	32 437 399	32 437 399
Cash and cash equivalents	16 830 835	16 830 835
	69 734 430	**69 734 430**

Financial liabilities

	At amortised cost	Total
Trade and other payables from exchange transactions	151 334 133	151 334 133
Consumer deposits	6 735 686	6 735 686
	158 069 819	**158 069 819**

2021

Financial assets

	At amortised cost	Total
Trade and other receivables from exchange transactions	19 731 950	19 731 950
Receivables from non-exchange transactions	27 697 772	27 697 772

Note to the Annual Financial Statements

Figures in Rand	2022	2021

44. Financial instruments disclosure (continued)

Cash and cash equivalents	12 516 771	12 516 771
	59 946 493	**59 946 493**

Financial liabilities

	At amortised cost	Total
Trade and other payables from exchange transactions	136 581 421	136 581 421
Consumer deposits	6 395 360	6 395 360
	142 976 781	**142 976 781**

45. Commitments

Authorised capital expenditure

Already contracted for but not provided for

• Property, plant and equipment	23 116 898	34 195 547

Total capital commitments

Already contracted for but not provided for	23 116 898	34 195 547

Total commitments

Total commitments

Authorised capital expenditure	23 116 898	34 195 547

This committed expenditure relates to plant and equipment and will be financed from government grant allocations.

Operating leases - as lessee (expense)

Minimum lease payments due

- within one year	-	262 267

Operating lease payments represent rentals payable by the municipality for certain of its office equipment. No contingent rent is payable.

Nashua - The municipality leased printers from Nashua for a period of 36 months, effective from 24 July 2014. There were no defaults or breaches and no terms or condition were negotiated during the reporting period.

Fedelity Cash Solutions - The municipality has a lease with Fedelity Cash Solutions for a period of 36 months, effective from 1 August 2017. There were no defaults or breaches and no terms or conditions were renegotiated during the reporting period.

	2022	2021

46. Contingencies

Nakevi Abel Makgato/Bela Bela Municipality.

Nature of the matter: On 17 August 2020, Summons were issued against the Municipality by the Plaintiff for alleged damages sustained to his vehicle as a result of a pothole.

Status 2022: Matter is in the Bela Bela Magistrates court for damages claim. Pre-trail to be held on 15/07/2022.

Claim amount: R52 683.00

Aurecon South Africa (Pty) Ltd : Civil-claim in relation to professional fees

Summary of facts: On 05 August 2020 summons were issued against the Municipality. The claim is an amount of R509 125.01 which is in relation to the appointment of the Plaintiff to render certain professional consultancy engineering services on the project known as Bela-Bela Pave Bus Route- Rapotokwane (MIG/LP/2126/R,ST/16/18).

Status 2022: The matter is being defended in the High Court but the proceedings are stayed in order to claim refund the Municipality paid as security for a boroweed pit utilized for the sain project from the Department of Minerals and Energy (DME).

Amount Claimed: R509 125.

47. Related parties

Relationships	
Accounting Officer	Refer to accounting officers' report.
Members of key management	Refer to Notes 26 (details for Key management) and 27(details for council)

Related party balances

Remuneration of management

Senior managemnt

Refer to note 26 Remuneration of key management.

Councillors

Refer to note 27 Remuneration of councillors for detail.

Additional information

The salaries, allowances and benefits of councillors are within the upper limits of the framework envisaged in section 219 of the Constitu

48. Risk management

Financial risk management

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

	2022	2021

48. Risk management (continued)

Liquidity risk

The municipality's risk to liquidity is a result of the funds available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments and credit facilities.

Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

The table below analyses the municipality's financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

At 30 June 2022

Consumer deposits	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
• Consumer deposits	6 735 686	-	-	-
• Trade and other payables	170 832 359	-	-	-
• Unspent conditional grants and receipts	214 343	-	-	-

At 30 June 2021

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
• Consumer deposits	6 395 360	-	-	-
• Trade and other payables	154 670 761	-	-	-
• Unspent conditional grants and receipts	18 365 820	-	-	-

Credit risk

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

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. The calculations and scoring used when completing the Type Risk Payment report, for consumers debtors are based on accounts ageing, account status and account type.This assist the municipality to calculate the payment risk.

There was no change in the municipality's risk profile or risk policies.

Financial assets exposed to maximum credit risk at year end were as follows:

Financial instrument	2022	2021
Cash and cash equivalents	16 830 835	12 516 771
Receivables form exchange transactions	18 769 003	18 664 752
Other receivables from exchange transactions	1 472 903	994 174

Market risk

Interest rate risk

As the municipality has no significant interest-bearing assets, the municipality's income and operating cash flows are substantially independent of changes in market interest rates.

49. Budget differences

Material differences between budget and actual amounts

Material differences of 10% or more are explained below:

Figures in Rand	2022	2021

49. Budget differences (continued)

Service Charges: Service charges have a difference of -23%. The variance arose from differences between budget and actual amount for electricity revenue, water revenue and sanitation revenue. These variances are attributable to illegal connections (theft of electricity and water), faulty and inaccessible water meters (inaccurate levying of water revenue) and inaccurate/incomplete consumer information on the financial system.

Sales of Goods and Rendering of Services: Sale of goods and services has a variance of -35%. The revenue from sales of goods and rendering of services is dependent on the demand by the community during the financial year. The actual demand was lower than anticipated.

Cemetry Fees: The negative variance of -19% indicates that there were less cemetery services rendered during the financial year than anticipated in the budget.

Demand Charges: Demand charges have a variance of -70%. Illegal connections of electricity have negatively affected the amount of revenue earned from demand charges. The negative variance also indicates that the municipality rendered fewer than anticipated services in the financial year.

Other income: Other income is earned as and when the related services are rendered. The variance of -34% indicates that fewer than anticipated services were rendered in the financial year due to a lower demand from the community.

Interest received on investments and bank accounts: The variance is due to financial constraints faced by the municipality and as a result could not increase its investments earning.

Licences and permits (non-exchange): The variance of 24% is indicates that the municipality exceeded initial budget estimates.

Interest - Property Rates: The variance is as a result of underbudgeting, The interest estimate was adjusted during the 2021/22 budget adjusment process

Fines: The variance between budget and actual is 267%. This is attributable to feasibility of law enforcement on the roads whereby they issued more fines for transgression of the traffic laws than projected.

Debt impairment: The major variance is attributable to the impairment on Traffic fines and balance on Recievables which are irrecovable after exausting all Debt collection measures.

Interest, penalties and forfeits: This revenue type is depended on transgression of the municipal by laws.

Property rates: The variance of -13% is attributable to the over-estimation of the budget for property rates.

Employee related costs: The variance between budget and actual is -12%. Some of the positions that were budgeted for were not filled during the financial year.

Depreciation and amortization: The variance of 18% is due to additions of infrastructure assets which were depreciated during the year.

Finance cost: The finance cost variance of 102% is attributable to the increase in the finance cost charged on the provision on the Landfill site.

Debt impairment: The major variance is attributable to the impairment on Traffic fines and balance on receivables which are irrecoverable after exhausting all Debt collection measures.

Contracted services: The variance of -29% is caused by implementation of cost containment measures.

General expenses: The variance of -27% is caused by implementation of cost containment measures.t

50. Licences and permits (non-exchange)

Trading	3 882	-
Road and Transport	2 228 381	1 938 558
	2 232 263	**1 938 558**

51. Impairment loss		
Impairments		
Property, plant and equipment	4 204 687	-
52. Fair value adjustments		
Investment property (Fair value model)	25 051 660	(169 273 436)
53. Additional disclosure in terms of Municipal Finance Management Act		
Contributions to organised local government		
Opening balance	1 513 869	-
Current year subscription / fee	-	1 513 869
	1 513 869	**1 513 869**
Material losses through criminal conduct		
Opening balance as previously reported	3 030 857	2 997 932
Add: Losses identified - current period	558 565	345 284
Less: Amounts recovered - current	(735 741)	(312 359)
	2 853 681	**3 030 857**

The material losses are debit orders which went fraudulently through the bank account. Invetsigation is still ongoing and no amounts were wrtten off in the current year.

SDL		
Current year payroll deductions and council contributions	1 239 447	-
Amount paid -current year	(1 239 447)	-
	-	**-**
Audit fees		
Opening balance	5 724 052	9 348 855
Amount paid - current year	(1 185 486)	(3 624 803)
	4 538 566	**5 724 052**
PAYE and UIF		
Opening balance	1 775 933	1 649 692
Current year payroll deductions and council contributions	22 055 554	22 055 554
Amount paid - current year	(22 055 554)	(20 279 621)
Amount paid - previous years	(1 775 933)	(1 649 692)
	-	**1 775 933**
Pension and Medical Aid Deductions		
Opening balance	3 021 589	2 946 759
Current year payroll deductions and council contributions	39 330 287	36 308 699
Amount paid - current year	(39 330 287)	(33 287 110)
Amount paid - previous years	(3 021 589)	(2 946 759)
	-	**3 021 589**

53. Additional disclosure in terms of Municipal Finance Management Act (continued)

Councillors' arrear consumer accounts

The following Councillors had arrear accounts outstanding for more than 90 days at 30 June 2022:

30 June 2022

	Outstanding less than 90 days	Outstanding more than 90 days	Total
MAKHUBELA MJ	1 678	554	2 232
MASHABA RL	2 994	1 953	4 947
	4 672	**2 507**	**7 179**

30 June 2021

	Outstanding less than 90 days	Outstanding more than 90 days	Total
Cllr. Ledwaba MH	2 097	-	2 097
Cllr. Makhubela MJ	1 265	2 710	3 975
Cllr. Malete YMS	1 930	1 293	3 223
Cllr.Maluleke SE	1 953	11	1 964
Cllr.Moeletsi RZ	2 017	42 552	44 569
	9 262	**46 566**	**55 828**

30 June 2022

	Highest outstanding amount	Month
MAKHUBELA MJ		
MASHABA RL	5 883	November 2021
	4 947	June 2022
	10 830	**-**

30 June 2021

	Highest outstanding amount	Aging (in days)
Cllr. Moeletsi RZ	44 569	-
Cllr. Makhubela MJ	3 976	-
	48 545	**-**

Deviation from supply chain management regulations

Paragraph 12(1)(d)(i) of Government gazette No. 27636 issued on 30 May 2005 states that a supply chain management policy must provide for the procurement of goods and services by way of a competitive bidding process.

Paragraph 36 of the same gazette states that the accounting officer may dispense with the official procurement process in certain circumstances, provided that he records the reasons for any deviations and reports them to the next meeting of the accounting officer and includes a note to the annual financial statements.

Incident
Emergency procurement

1 359 081	5 944 586

2021/2022 ANNUAL PERFORMANCE REPORT : ANNEXURE B

ANNUAL PERFORMANCE REPORT

FOR THE FINANCIAL YEAR ENDED

30 JUNE 2022



BELA BELA MUNICIPALITY

31 AUGUST 2022

TABLE OF CONTENTS

1.0 INTRODUCTION 1

2.0 LEGISLATIVE REQUIREMENT 1

3.0 PERFORMANCE MANAGEMENT OVERVIEW AND PROCESS 2

3.1 Summary of indicators and their classifications 2

3.2 List of withdrawn indicators 3

3.3 Overview of the performance summary 4

4.0 PERFORMANCE COMPARISON OF THE 2021/2022 FINANCIAL YEAR AND THE PRIOR-YEAR 2020/2021 FINANCIAL YEAR. 5

5.0 SUMMARY OF ALLOCATED BUDGET AND EXPENDITURE PERFORMANCE ON CAPITAL PROJECTS AS OF 30 JUNE 2022 7

7.0 DETAILED ANNUAL PERFORMANCE INFORMATION 8

APPENDIX A: DETAILED PERFORAMNCE INFORMATION 9

8.0 LIST OF SERVICE PROVIDERS AND THEIR PERFORMANCE ON GRANT FUNDED SERVICE DELIVERY CAPITAL PROJECTS 52

8.1 Performance Rating of Service Providers on Grant Funded Service Delivery Capital Projects .. 52

APPENDIX B: EXTERNAL SERVICE PROVIDERS AND THEIR RATINGS 53

APPENDIX C: CONTRACT REGISTER 59

APPENDIX D: PROJECT PERFOMANCE INDICATOR IMPLEMENTATION (PPII) 68

9.0 ANALYSIS OF AND LESSONS OF THE OVERALL PERFORMANCE 69

10. CONCLUSION 70

ACRONYMS

MFMA	Municipal Finance Management Act No 56 of 2003
MSA	Municipal System Act No 32 of 2000
SDBIP	Service Delivery and Budget Implementation Plan
IDP	Integrated Development Plan
PMS	Performance Management System
NKPA	National Key Performance Areas
KPA	Key Performance Area
KPI	Key Performance Indicators
UoM	Unit of Measurement
S.M.A.R.T	Specific, Measurable, Attainable, Realistic and Timely
BBLM	Bela-Bela Local Municipality
WTW	Water Treatment Works
WWTW	Waste Water Treatment Works
AGSA	Auditor General of South Africa
MPAC	Municipal Public Accounts Committee
AFS	Annual Financial Statements
APR	Annual Performance Report
AR	Annual Report
FMB	Financial Misconduct Board
CoGHSTA	Cooperative Governance , Human Settlement and Traditional Affairs
CoGTA	Cooperative Governance and Traditional Affairs
HRM	Human Resource Management
HRD	Human Resource Development
WSP	Workplace Skill Plan
LGSETA	Local Government Sector Education Training Authority
LLF	Local Labour Forum
ICT	Information and Communication Technology
PED	Planning and Economic Development
LED	Local Economic Development
SDF	Spatial Development Framework
LUMS	Land Use Management Scheme
SPLUMA	Spatial Planning and Land Use Management Act No16 of 2013
FY	Financial Year
MVA	Mega Voltage Amps
MIG	Municipal Infrastructure Grant
INEP	Integrated National Electrification Programme
WSIG	Water Services Infrastructure Grant
EEDSM	Energy Efficiency Demand Side Management

1.0 INTRODUCTION

The Annual Performance Report (APR) is hereby prepared for Bela-Bela Local Municipality in terms of Section 46 (1) and (2) of the Local Government: Municipal Systems Act (MSA) No. 32 of 2000, Section 121 (2)(b) and (3)(c) of the Local Government: Municipal Financial Management Act (MFMA) No. 56 of 2003 as well as MFMA Circular 11 on annual reporting.

This report covers the performance information from 01 July 2021 to 30 June 2022 and focuses on the implementation of the Service Delivery Budget and Implementation Plan (SDBIP) as revised in conjunction with the Budget Adjustment during February 2022, in relation to the objectives and targets as summarized in the Municipality's Integrated Development and Plan (IDP).

The report further reflects the actual performance of the Municipality as measured against the performance indicators and targets in its 2021/2022 IDP, 2021/2022 Annual Budget and SDBIP.

Furthermore, this report takes into account the National Government's Strategic key Performance Areas for local government, which are (1) Basic Service Delivery and Infrastructure Development; (2) Local Economic Development; (3) Municipal Institutional Transformation and Development; (4) Municipal Financial Viability and Management, (5) Good Governance and Public Participation, and (6) Spatial Rationale as added.

The format of the report will reflect the Municipality's Key Performance Indicators (KPI) per Municipal Key Performance Area (KPA). Each KPA has several Municipal Programmes which are linked to the IDP of the Bela-Bela Local Municipality to focus on priority development initiatives in a more coherent and organised manner.

The report further contains, *inter alia*, the list of service providers and their performance on grant-funded service delivery capital projects and the performance of other external service providers.

2.0 LEGISLATIVE REQUIREMENT

This APR has been prepared in compliance with the requirements of section 46 (1) of the Local Government: MSA as amended; which stipulates as follows:

A municipality must prepare for each financial year a performance report reflecting:

- *(a) the performance of the Municipality and each external service provider during that financial year;*
- *(b) a comparison of the performance referred to in paragraph (a) with targets set for performance in the previous financial year; and*
- *(c) measures taken to improve performance.*

Further to the above, this APR should form part of the 2021/2022 Annual Report in terms of section 121(3)(c) of the Local Government: MFMA which stipulates as follows:

(3) The annual report of a municipality must include-

- *a) ----------;*
- *b) ----------;*
- *c) the annual performance report of the municipality prepared by the municipality in terms of section 46 of the Municipal Systems Act*

3.0 PERFORMANCE MANAGEMENT OVERVIEW AND PROCESS

Performance management in the municipality is managed through the Council approved Performance Management System Framework which clearly defines the process and reporting cycles of the performance information. The reporting cycles in the SDBIP are monitored quarterly and early warning indicators are picked up which are therefore discussed and corrective measures effected, this is referenced on revised indicators of the SDBIP. The APR contains both performance information from the Original (Initial) SDBIP as well as the revised performance information from the revised SDBIP.

Targets indicated as "*withdrawn*" are the ones that will not be applicable for reporting hereunder.

3.1 Summary of indicators and their classifications

Table 01: Summary of KPIs per KPA

No.	KPAs	No. of original KPIs	No. of KPIs withdrawn	No. of new KPIs	No. of applicable KPIs
1	Basic Service Delivery and Infrastructure Development	**33**	**0**	**1**	**34**
2	Local Economic Development	**5**	**2**	**0**	**3**
3	Municipal Transformation and Institutional Development	**12**	**0**	**0**	**12**
4	Municipal Financial Viability and Management	**17**	**0**	**0**	**17**
5	Good Governance and Public Participation	**29**	**0**	**0**	**29**
6	Spatial Rationale	**6**	**6**	**0**	**0**
Total		**102**	**8**	**1**	**95**
Total No. of applicable KPIs		**95**			

There are five legislated KPAs and one which was later added after the enacting of the Spatial Planning and Land Use Act. The KPA is called *"Spatial Rationale"*. Given the importance of the KPA, the Municipality has included indicators that relate to this KPA which its implementation mandate is under the Planning and Economic Development Department. There is a total of 102 KPIs which are inclusive of capital projects, 01 KPI was added during the revision of the SDBIP and 8 of them are KPIs that are not applicable for reporting and are termed as *"withdrawn"* and were not considered for performance rating in terms of targets achievements. The total number of applicable KPIs for reporting stands at 95 and these were KPIs considered for performance rating for targets achieved.

3.2 List of withdrawn indicators

Table 02: Withdrawn indicators

KPI Code	Key Performance Indicator (KPI)	Department	Reasons for Withdrawal
KPI 78	Number of Awareness Campaigns on Market Access programmes (Tourism & Manufacturing) by 30 June 2022	Planning & Economic Development	Responsible Official has since resigned and post not yet filled
KPI 80	Number Town revitalization Plan developed (Town Improvement Plan) by 30 June 2022	Planning & Economic Development	The KPI was withdrawn due to Financial Constraints.
KPI 81	Number of Historic Land Transaction concluded by 30 June 2022	Planning & Economic Development	The KPI was withdrawn due to Financial Constraints
KPI 82	Number Township Surveyor General Plan amended by 30 June 2022	Planning & Economic Development	The KPI was withdrawn due to Financial Constraints
KPI 83	Number of Council Owned properties consolidated and rezoned by 30 June 2022	Planning & Economic Development	The KPI was withdrawn due to Financial Constraints
KPI 84	Number of Council Owned properties subdivided by 30 June 2022	Planning & Economic Development	The KPI was withdrawn due to Financial Constraints
KPI 85	Number of Precinct Plan developed by 30 June 2022	Planning & Economic Development	The KPI was withdrawn due to Financial Constraints
KPI 86	Number of Township property registration concluded by 30 June 2022	Planning & Economic Development	The KPI was withdrawn due to Financial Constraints

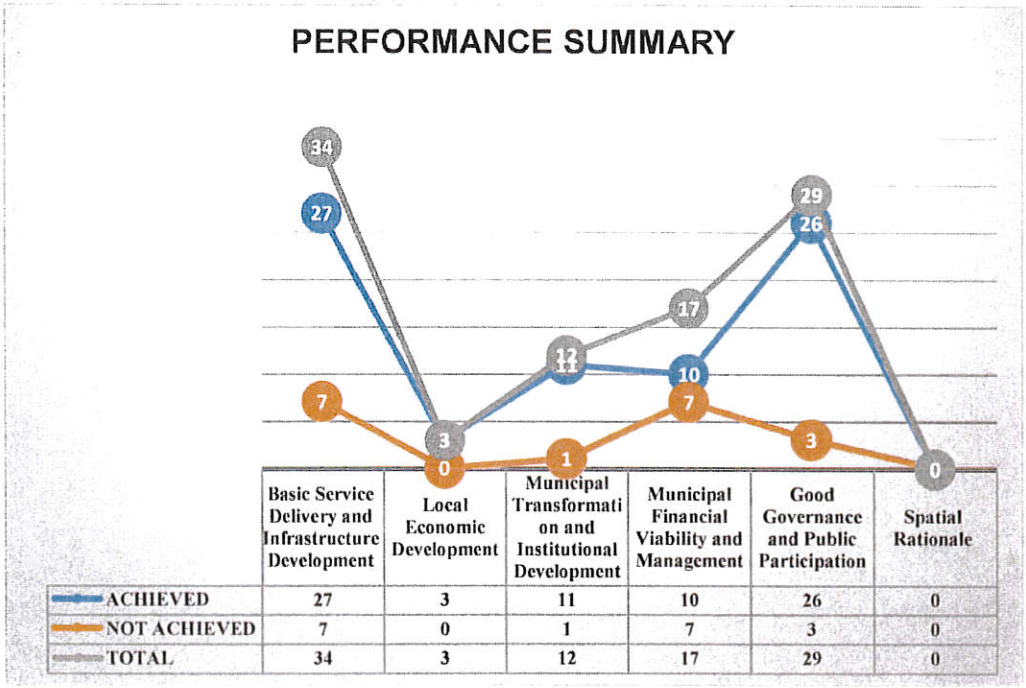
3.3 Overview of the performance summary

Table 03: Summary of performance rating per KPAs in terms of targets achievements.

No.	KPAs	Achieved	Not Achieved	Withdrawn
1	Basic Service Delivery and Infrastructure Development	27	7	**0**
2	Local Economic Development	3	0	**2**
3	Municipal Transformation and Institutional Development	11	1	**0**
4	Municipal Financial Viability and Management	10	7	**0**
5	Good Governance and Public Participation	26	3	**0**
6	Spatial Rationale	-	-	**6**
	Totals	**77**	**18**	**8**
		103		

A total of 77 KPIs were achieved out of 95 applicable indicators which are due for reporting by end of the financial year. A total of 17 were not achieved of which reasons and corrective measures are indicated on the report. The overall performance of the institution is at 77 achieved out of 95 which translates to 81 percentage of achievement.

Graph 01: Performance summary per KPA



The graph above represents performance indicators per KPA in the Municipality. The information on the graph is directly derived from the reported information of actual work achieved as reported by end of the financial year (30 June 2022).

4.0 PERFORMANCE COMPARISON OF THE 2021/2022 FINANCIAL YEAR AND THE PRIOR-YEAR 2020/2021 FINANCIAL YEAR.

Section 46 (1) (b) of the Local Government: MSA requires the Annual Performance Report to include a comparison of set targets of the reported year with the previous years' performance. This section summarises the performance trend of the two financial years. The rating is based on indicators that were achieved and a total of indicators not achieved for both financial years. The table below presents a summary of performance trends based on the two financial years.

Table 04: Performance comparison in terms of the number of KPIs

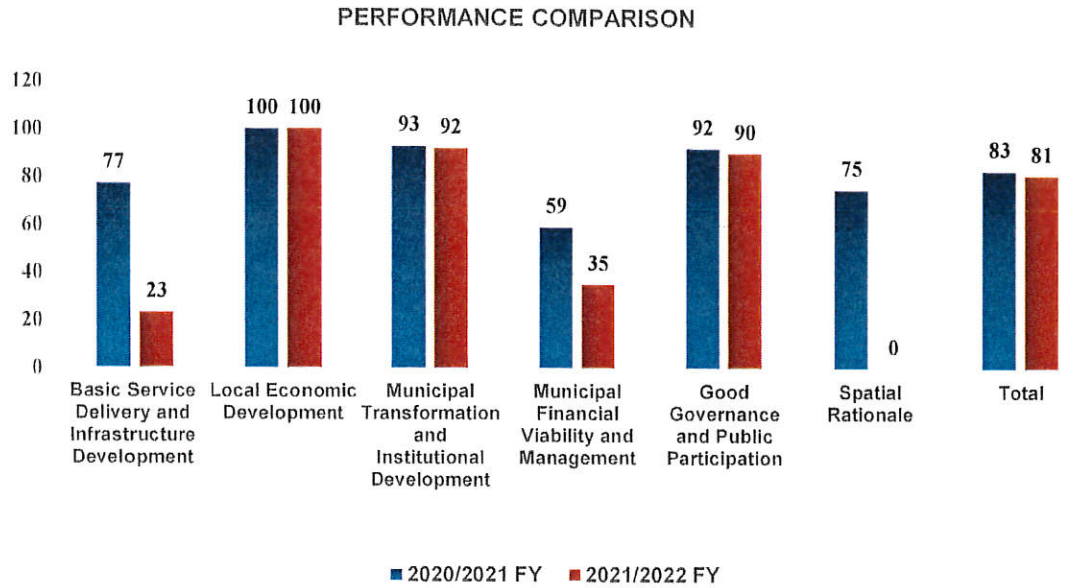
No.	KPAs	2020/2021 FY		2021/2022 FY	
		Achieved	Not Achieved	Achieved	Not Achieved
1	Basic Service Delivery and Infrastructure Development	36	8	27	7
2	Local Economic Development	4	0	3	0
3	Municipal Transformation and Institutional Development	13	1	11	1
4	Municipal Financial Viability and Management	10	7	10	7
5	Good Governance and Public Participation	24	2	26	3
6	Spatial Rationale	3	1	-	-
Totals		**90**	**19**	**77**	**18**
		109		**95**	

The table above presents the comparison of the overall performance of the institution based on the applicable indicators and targets. In the 2021/2022 financial year, the Municipality has achieved a total of 77 targets compared to 91 achieved targets for 2020/2021. However, the total number of indicators applicable for the 2021/2022 financial year was 95 which is less compared to 109 for the 2020/2021 financial year. The numbers can be translated as follows: In the 2020/2021 financial year, the Municipality achieved 83 per cent of the overall achievements as compared to 81 percent for the 2021/2022 financial year.

Table 05: Performance comparison in terms of percentages

No.	KPAs	2020/2021 FY		2021/2022 FY	
		Achieved	Not Achieved	Achieved	Not Achieved
1	Basic Service Delivery and Infrastructure Development	82%	18%	77%	23%
2	Local Economic Development	100%	0%	100%	0%
3	Municipal Transformation and Institutional Development	93%	7%	92%	8%
4	Municipal Financial Viability and Management	59%	41%	59%	41%
5	Good Governance and Public Participation	92%	8%	90%	10%
6	Spatial Rationale	75%	25%	-	-
	Totals	**83%**	**17%**	**81%**	**19%**

Graph 02: Performance comparison (% for KPIs achieved) between 2020/21 and 2021/2022 financial years



Rating based on performance

The overall rating of the performance of the Municipality is based on the overall work performed. If there has been an overachievement on the planned annual targets, the overall work performed is recognised and if there has been underachievement on the planned annual targets, the overall work performed is also recognised. Each indicator is rated individually and scored based on the work performed. The rating system is applied on all targets i.e achieved and not achieved on all applicable indicators. The total percentage of all indicators is added and divided by the total number of applicable indicators and multiplied by 100 to derive a percentage rating.

Table 06: Overall performance (%) for KPAs based on the performance of each KPI

No.	KPAs	No. of KPIs	Cumulative percentage of KPIs	Average %
1	Basic Service Delivery and Basic Infrastructure	34	3275.98	96.35
2	Local Economic Development	3	443.33	147.77%
3	Municipal Institutional Transformation and Development	12	1199.11	99.93%
4	Municipal Financial Viability and Management	17	1392.98	81.94
5	Good Governance and Public Participation	29	3075	106.03%
6	Spatial Rationale	-	-	-
	Totals	**95**	**9386.4**	**98.80%**

Based on the formula presented above for recognition of the overall work performed, the calculated overall institutional performance is 99.04 percent.

5.0 SUMMARY OF ALLOCATED BUDGET AND EXPENDITURE PERFORMANCE ON CAPITAL PROJECTS AS OF 30 JUNE 2022

Table 07: Summary of Budget allocation and Expenditure by end of June 2022

Grant	Initial Total Allocation	Adjusted Allocation	Actual Expenditure by 30 June 2022	Expenditure %
MIG	R 27 194 000.00	R 27 194 000.00	R 27 184 944.00	99.97%
WSIG	R 32 086 000.00	R 32 086 000.00	R 32 085 142.73	100%
EEDSM	R 3 000 000.00	R 3 000 000.00	R 2 999 800	100%
TOTAL	**R62 280 000.00**	**R62 280 000.00**	**R 62 269 886.73**	**99.98%**

The Municipality had a total of **R 62 280 000.00** of total conditional grants allocated to implement basic service delivery projects. A total of **R 62 269 886.73** has been spent by end of June 2022 which translates to **100 percent expenditure**. The small unspent amount of R10 113.27 is declared savings.

6.0 VALIDATION OF PERFORMANCE INFORMATION

The performance reports (In year and annual) are submitted to internal audit for verification and validation of reported information. The comments and or outcomes from the internal audit are reflected on the Internal Audit reports on performance which are then submitted to the Audit Committee. After internal audit comments, the report, therefore, becomes final. Which is therefore taken through the Council process for approval.

7.0 DETAILED ANNUAL PERFORMANCE INFORMATION

Table 08 on the following page details the performance information as reported and verified by Internal Audit Unit within the Bela-Bela Local Municipality as of 30 June 2022.

APPENDIX A: DETAILED PERFORAMNCE INFORMATION

Achieved	Not Achieved	Withdrawn

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
PRIORITY AREA: BASIC SERVICE DELIVERY																	
PRIORITY AREA: WATER SERVICES																	
Basic Service Delivery and Infrastructure Development	Resource Management of Infrastructure and Services	100% of the work completed as measured according to the PPII (Table 9) for the Construction of the Water Desalination Plant in Rapotokwane .	***NOT ACHIEVED*** 95% Practical Completion of the Works ***(Restated Refer to paragraph 7.1)***	Construction of the Water Desalination Plant in Rapotokwane ***(Roll-over)***	-	Percentage of the work completed as measured according to the PPII ***(Appendix D)*** for construction of the Water Desalination Plant in Rapotokwane the by 30 June 2022.	%	KPI 1	The project is a roll-over. The quality of the water from boreholes supplying the community does not comply with SANS 241 standards, due to the high Fluoride content. Therefore, there is a need to treat the water.	-	100% of the work completed as measured according to the PPII ***(Appendix D)*** for construction of the Water Desalination Plant in Rapotokwane	***NOT ACHIEVED*** 95% (Practical Completion of works)	The project could not be fully completed due to delays to install the transformer by Eskom to power the package plant.	Write a letter to Eskom to follow-up and highlight the effects of the delay, further seek intervention from the higher authority in the relevant region by 31 July 2022.	Construction Quarterly progress report and Completion Certificate	Technical Services	***95%***
Basic Service Delivery and Infrastructure Development	Resource Management of Infrastructure and Services	19% of the work completed as measured according to the PPII (Table 9) for Water Conservation and Demand	***NOT ACHIEVED*** 15% Preliminary designs completed and approved	Completion and approval of Designs for the Water Conservation and Demand Management (WCDM): Replacement of damaged	Bela-Bela: Water Conservation and Demand Management (WCDM): Installation of Bulk Zonal Meters in Bela-Bela Town &	Number of Detailed Design Reports completed and approved for the Bela-Bela: Water Conservation and Demand	#	KPI 2	There is a need to account for huge water losses in various zones of the Bela-Bela Water Network, and ensure	100% of the work completed as measured according to the for the Bela-Bela: Water Conservation and Demand	1 Detailed Design Report completed and approved for the Bela-Bela: Water Conservation and Demand Management	***ACHIEVED*** 1 Detailed Design completed and approved	None	None	Design Approval Letter	Technical Services	***100%***

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
		Management (WCDM): The Installation of Bulk Zonal Meters in Bela-Bela Town & Township and the Installation of Counter Bulk Meters on all Magalies Draw Points.		valves and the Installation of Bulk Zonal Meters in Bela-Bela Town & Township and the Installation of Counter Bulk Meters on all Magalies Draw Points project.	Township and Installation of Counter Bulk Meters on all Magalies Draw Points by 30 June 2022.	Management (WCDM): Installation of Bulk Zonal Meters in Bela-Bela Town & Township and Installation of Counter Bulk Meters on all Magalies Draw Points project by 30 June 2022.			accuracy of the billing for bulk water supply from Magalies water while also determining possible water losses between the draw-off point and bulk metering. Further on; there is a need to replace all non-functional valves for ease of isolation of water supply areas during repairs of pipe bursts and zonal measuring of consumption.	Management (WCDM): Installation of Bulk Zonal Meters in Bela-Bela Town & Township and Installation of Counter Bulk Meters on all Magalies Draw Points	(WCDM): Installation of Bulk Zonal Meters in Bela-Bela Town & Township and Installation of Counter Bulk Meters on all Magalies Draw Points project.						
Basic Service Delivery and Infrastructure Development	Resource Management of Infrastructure and Services	57% of the work completed as measured according to the PPII (Table 9) for the Bela-Bela: Refurbishment of the Warmbad Dam	***ACHIEVED*** 81% (Construction Stage at 71 - 80%)	Refurbishment of the Warmbad Dam	Percentage of the work completed at Bela-Bela: Refurbishment of the Warmbad Dam by 30 June 2022.	Percentage of the work completed as measured according to the PPII ***(Appendix D)*** for the Bela-Bela: Refurbishment of the Warmbad Dam by 31 December 2021.	%	KPI 3	There is a need to refurbish the inlet works of the Dam and improve the road to access the Dam.	100% of the work completed as measured according to the PPII ***(Appendix D)*** for the Bela-Bela: Refurbishment of the Warmbad Dam The project entails the repair of the access road,	100% of the work completed as measured according to the PPII ***(Appendix D)*** for the Bela-Bela: Refurbishment of the Warmbad Dam.	***ACHIEVED*** 100% (Completion of the Works)	None	None	Construction Quarterly progress report and Completion Certificate	Technical Services	***100%***

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
										construction of 5 culverts over river crossings, repair spillway and install new valve at outlet works, new handrails.							
Basic Service Delivery and Infrastructure Development	Resource Management of Infrastructure and Services	100% (9 097 formal households to be provided with a basic level of water)	***ACHIEVED*** 135.31% (12 302 formal households were provided with a basic level of water).	Water	Percentage of formal households to be provided with basic level of water by 30 June 2022.		%	KPI 4	100% (9 103 of formal households were provided with basic level of water)	100% (9 103 formal households to be provided with basic level of water)	100% (9 136 formal households to be provided with basic level of water)	***ACHIEVED*** 105.23% (9 204 formal households were provided with basic level of water)	None	None	Billing Report	Technical Services	***100.74%***
Basic Service Delivery and Infrastructure Development	Resource Management of Infrastructure and Services	100% (4 269 informal households to be provided with a basic level of water	***ACHIEVED*** 108% (4 612 informal households provided were with a basic level of water)	Water	Percentage of informal households to be provided with basic level of water by 30 June 2022.		%	KPI 5	100% (4 269 of Informal HH were provided with relief level of water)	100% (4 269 informal households to be provided with basic level of water)		***ACHIEVED*** 100% (4 269 informal households were provided with basic level of water).	None	None	Report on informal settlements and villages	Technical Services	***100%***
Basic Service Delivery and Infrastructure Development	Resource Management of Infrastructure and Services	100% 458 non-residential properties (business, churches, schools & hospitals) to be provided with a basic level of water)	***ACHIEVED*** 129,4% (593 non-residential properties (business, churches, schools & hospitals) were provided with	Water	Percentage of non-residential properties (businesses, churches, schools & hospitals) provided with access to basic level of water by 30 June 2022.		%	KPI 6	100% 468 of non-residential properties (business, churches, schools & hospitals) were provided with access to basic level of water)	100% 468 non-residential properties (businesseses, churches, schools & hospitals) to be provided with basic level of water)	100% 418 non-residential properties (businesses, churches, schools & hospitals) to be provided with basic level of water)	***NOT ACHIEVED*** 98% (410 non-residential properties (businesses, churches, schools & hospitals) were provided with	Due to continuous data cleasing, there will always be reported viariances. Delays in submission of rendering of service forms by new owners and Delays in submission of	Conduct data cleansing on a continuous base and the development of Revenue Enhamnce Strategy by 30 June 2023	Billing Report	Technical Services	***98%***

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
			a basic level of water).									basic level of water)	Suspension of account forms by sellers of Properties.				
PRIORITY AREA: SANITATION SERVICES																	
Basic Service Delivery and Infrastructure Development	Resource Management of Infrastructure and Services	76 % of the work completed as measured according to the PPII for the refurbishment and automation of the Bela Bela Waste Water Treatment Works (WWTW) Phase 1A	***ACHIEVED*** 76% (Construction stage 61-70% complete	Refurbishment and Automation of the Bela-Bela Waste Water Treatment Works - Phase 1A	Refurbishment and Automation of the Bela-Bela Waste Water Treatment Works - Phase 1A by 30 June 2022.	Percentage of the work completed as measured according to the PPII ***(Appendix D)*** for the Refurbishment and Automation of the Bela-Bela Waste Water Treatment Works - Phase 1A by 30 June 2022.	%	KPI 7	The Bela-Bela WWTW is deteriorating and under capacitated due to the rapid growth with additional households connected to the sewer network. There is a need to upgrade the works.	100% Refurbishment and Automation of the Bela-Bela Waste Water Treatment Works - Phase 1A (Inlets upgrade, automation of screens, automation of grit removal, design and produce mechanical drawings of inlets mechanical screen and pumps with pipework, pipe specials, valves. New generator and associated infrastructure)	100% of the work completed as measured according to the PPII ***(Appendix D)*** for the Refurbishment and Automation of the Bela-Bela Waste Water Treatment Works - Phase 1A	***NOT ACHIEVED*** 95% (Practical completion of the Works)	Project is practically completed pending commissioning.	Commissioning of the project by 31 August 2022.	Construction Quarterly progress report and Completion Certificate	Technical Services	***95%***
Basic Service Delivery and Infrastructure Development	Resource Management of Infrastructure and Services	N/A	N/A	Refurbishment and Automation of the Bela-Bela Waste Water Treatment Works - Phase 1B	Percentage of Refurbishment and Automation of the Bela-Bela Waste Water Treatment Works – Phase	Percentage of the work completed as measured according to the PPII ***(Appendix D)*** for the	%	KPI 8	The Bela-Bela WWTW is deteriorating and under capacitated due to the rapid growth with additional	80% Refurbishment and Automation of the Bela-Bela Waste Water Treatment	71% of the work completed as measured according to the PPII ***(Appendix D)*** for the	***ACHIEVED*** 76% (Construction Stage at 61 - 70%)	None	None	Designs Approval Letter, Appointment Letter of the Contractor and Construction	Technical Services	***76%***

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
					1B by 30 June 2022.	Refurbishment and Automation of the Bela-Bela Waste Water Treatment Works - Phase 1B by 30 June 2022.			households connected to the sewer network. There is a need to upgrade the works.	Works – Phase 1B	Refurbishment and Automation of the Bela-Bela Waste Water Treatment Works - Phase 1B				Quarterly Progress Report		
Basic Service Delivery and Infrastructure Development	Resource Management of Infrastructure and Services	19% Percentage of the work completed as measured according to the PPII (Table 9) for the for the Refurbishment of sewer outfall from Aventura PS to Bela-Bela WWTW	***NOT ACHIEVED*** 14% (Preliminary designs completed and approved)	Construction of Sewer outfall from Aventura Pump Station (PS) to the Waste Water Treatment Works (WWTW)	Percentage of Construction of Sewer outfall from Aventura PS to WWTW by 30 June 2022.	Percentage of the work completed as measured according to the PPII ***(Appendix D)*** for the Construction of Sewer outfall from Aventura PS to WWTW by 30 June 2022.	%	KPI 9	The outfall sewer pipeline from the Aventura Pump Station (PS) to the Bela-Bela Waste Water Treatment Works (WWTW) has deteriorated and collapsed in some portions and thereby causing spillages into the environment. Therefore, there is an urgent need to construct a new sewer outfall and decommission the old one.	100% Construction of Sewer outfall from Aventura Pump Station (PS) to the Waste Water Treatment Works (WWTW)The project entails the construction of a 2688m x 350mm diameter Pvc sewer line	86% of the work completed as measured according to the PPII ***(Appendix D)*** for the Construction of Sewer outfall from Aventura Pump Station (PS) to the Waste Water Treatment Works (WWTW)	***NOT ACHIEVED*** 67% (Construction Stage at 41 - 50%)	Stoppage in the works due to delayed permission to access the Aventura Property, hard and unaffordable conditions were submitted to the Municipality.	Designs were changed to construct a portion of the sewer pipeline along the Transnet servitude. Therefore a wayleave application was submitted to Transnet in February 2022. The wayleave was approved on the 14th June 2022 and now the Contractor has returned to site. An application for extension of time will be considered for completion of the project by 15 October 2022.	Copy of the tender Advert, Appointment letter of the contractor,Construction Quarterly Progress Report	Technical Services	***67%***

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
Basic Service Delivery and Infrastructure Development	Resource Management of Infrastructure and Services	100% (9 536 formal HH to be provided with access to a basic level of Sanitation)	***ACHIEVED*** 133% (12 652 formal HH were provided with access to a basic level of Sanitation)	Sanitation	Percentage of formal households with access to basic level of Sanitation by 30 June 2022.		%	KPI 10	(11 899) formal HH were provided with access to basic level of Sanitation	100% (11 899) formal HH to be provided with access to basic level of Sanitation	100% (10 042 formal HH to be provided with access to basic level of Sanitation)	***ACHIEVED*** 100.39% (10 081 formal HH were provided with access to basic level of Sanitation)	None	None	Billing report	Technical Services	***100.39%***
Basic Service Delivery and Infrastructure Development	Resource Management of Infrastructure and Services	100% (314 non-residential properties (businesses, churches, schools & hospitals) to be provided with access to a basic level of sanitation)	***ACHIEVED*** 101% (317 non-residential properties (businesses, churches, schools and hospitals) were provided with access to a basic level of sanitation)	Sanitation	Percentage of non-residential properties (businesses, churches, schools & hospitals) to be provided with access to basic level of sanitation by 30 June 2022.		%	KPI 11	100% (314 of non-residential properties (businesses, churches, schools & hospitals) were provided with access to basic level of sanitation)	100% (314 non-residential properties (businesses, churches, schools & hospitals) to be provided with access to basic level of sanitation)	100% (320 non-residential properties (businesses, churches, schools & hospitals) to be provided with access to basic level of sanitation)	***ACHIEVED*** 100.31% (321 non-residential properties (businesses, churches, schools & hospitals) were provided with access to basic level of sanitation)	None	None	Billing report	Technical Services	***100.31%***
PRIORITY AREA: ROADS AND STORM WATER																	
Basic Service Delivery and Infrastructure Development	Resource Management of Infrastructure and Services	29% of the work completed as measured according to the PPII (Table 9) for the Construction of the R101 Intersection in Bela-Bela Ext 6	***NOT ACHIEVED*** 14% (Preliminary Designs completed and approved)	Construction of the R101 intersection in Bela-Bela Ext 6	Percentage on construction of the R101 intersection in Bela-Bela Ext 6 by 30 June 2022	Percentage of the work completed as measured according to the PPII ***(Appendix D)*** for the construction of the R101 intersection in Bela-Bela Ext 6 by 30 June 2022	%	KPI 12	The entrance into Bela-Bela X6 is informal and unsafe for road users as it crosses the railway and intersects with the R101. Therefore, there is a need to formalize the entrance.	100% of the R101 intersection in Bela-Bela Ext 6. The project entails the construction of a 180m concrete paved access road to BB X6, two storm water culverts and shoulder widening on the R101	100% of the work completed as measured according to the PPII ***(Appendix D)*** for the construction of the R101 intersection in Bela-Bela Ext 6	***ACHIEVED*** 100% (Completion of works)	None	None.	Copy of the Tender Advert, Appointment letter of the Contractor ,Construction Quarterly progress report and Completion Certificate	Technical Services	***95%***

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
Basic Service Delivery and Infrastructure Development	Resource Management of Infrastructure and Services	29% of the work completed as measured according to the PPII (Table 9) for the Construction of Road paving & Stormwater in Bela-Bela Ext 7 - Phase 1	***ACHIEVED*** 29% (Tender Advertised)	Construction of road paving & stormwater in Bela-Bela Ext 7 - Phase 1	Percentage of construction on road paving & stormwater in Bela-Bela Ext 7 - Phase 1 by 30 June 2022	Percentage of the work completed as measured according to the PPII ***(Appendix D)*** for the construction of road paving & stormwater in Bela-Bela Ext 7 - Phase 1 by 30 June 2022	%	KPI 13	The condition of roads in Bela-Bela is bad and there is a lack of sufficient stormwater drainage. Therefore, there is a need to improve the road infrastructure and provide sufficient stormwater drainage.	100% of construction of road paving & stormwater in Bela-Bela Ext 7 - Phase 1 The project entails the construction of 1360m of paved roads and 760m x 600mm storm water pipes and mountable kerbing	100% of the work completed as measured according to the PPII ***(Appendix D)*** for the construction of road paving & stormwater in Bela-Bela Ext 7 - Phase 1	***ACHIEVED*** 100% (Completion of the works	None	None	Appointment letter of the Contractor,Construction Quarterly progress report and Completion Certificate	Technical Services	***100%***
Basic Service Delivery and Infrastructure Development	Resource Management of Infrastructure and Services	29% of the work completed as measured according to the PPII (Table 9) for the Construction of Road paving & Stormwater in Bela-Bela Ext 8 - Phase 1	***ACHIEVED*** 29% (Tender Advertised)	Construction of road paving & stormwater in Bela-Bela Ext 8 - Phase 1	Percentage on construction of road paving & stormwater in Bela-Bela Ext 8 - Phase 1 by 30 June 2022	Percentage of the work completed as measured according to the PPII ***(Appendix D)*** for the construction of road paving & stormwater in Bela-Bela Ext 8 - Phase 1 by 30 June 2022	%	KPI 14	The condition of roads in Bela-Bela is bad and there is a lack of sufficient stormwater drainage. Therefore, there is a need to improve the road infrastructure and provide sufficient stormwater drainage.	100% Construction of Road paving & Stormwater in Bela-Bela Ext 8 - Phase 1 The project entails the construction of 721m paved streets with mountable kerbing and 704m x 600mm storm water pipes	100% of the work completed as measured according to the PPII ***(Appendix D)*** for the construction of Road paving & Stormwater in Bela-Bela Ext 8 - Phase 1	***ACHIEVED*** 100% (Completion of the works)	None	None	Appointment letter of the Contractor ,Construction Quarterly progress report and Completion Certificate	Technical Services	***100%***
Basic Service Delivery and Infrastructure Development	Resource Management of Infrastructure and Services	N/A	N/A	Construction of road paving & stormwater in Bela-Bela Kgosana,	Percentage of construction on road paving & stormwater in Bela-Bela	Percentage of the work completed as measured according to	%	KPI 15	The condition of roads in Bela-Bela is bad and there is a lack of	15% Development of Design Report, Drawings and	48% of the work completed as measured according to	***ACHIEVED*** 57% (Construction	None	None	Designs Approval Letter	Technical Services	***57%***

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
				Matshapa and street 49 streets	Kgosana, Matshapa and street 49 streets by 30 June 2022	the PPII ***(Appendix D)*** for the construction of road paving & stormwater in Bela-Bela Kgosana, Matshapa and street 49 streets by 30 June 2022			sufficient stormwater drainage. Therefore, there is a need to improve the road infrastructure and provide sufficient stormwater drainage.	advertisement of construction of road paving & stormwater in Bela-Bela Kgosana, Mashapa and street 49 streets The project entails the construction of 810m concrete surfaced streets with mountable kerbs and 820m x 600mm storm water pipe	the PPII ***(Appendix D)*** for the construction of road paving & stormwater in Bela-Bela Kgosana, Matshapa and street 49 streets	Stage at 21 - 30%)			Copy of the Tender Advert and Construction Quarterly progress report		
Basic Service Delivery and Infrastructure Development	Resource Management of Infrastructure and Services	N/A	N/A	Advertisement of tender for the construction of road paving and stormwater in Bela-Bela X6 - Phase 2 project.	Percentage on construction of road paving and stormwater in Bela-Bela X6 - Phase 2 by 30 June 2022	Number of tenders advertised for the construction of road paving and stormwater in Bela-Bela X6 - Phase 2 by 30 June 2022	#	KPI 16	The condition of roads in Bela-Bela is bad and there is a lack of sufficient stormwater drainage. Therefore, there is a need to improve the road infrastructure and provide sufficient stormwater drainage.	15% of consulting Engineers for development of design report drawing and advertisement for the construction of road paving and stormwater in Bela-Bela X6 - Phase 2	1 Tender advertised for the construction of road paving and stormwater in Bela-Bela X6 - Phase 2 project.	***ACHIEVED*** 1 Tender advertised for the construction of road paving and stormwater in Bela-Bela X6 - Phase 2 project.	None	None	Appointment Letter of the Consulting Engineers, Designs Approval Letter and Copy of the Tender Advert	Technical Services	***100%***
Basic Service Delivery and	Resource Management	N/A	N/A	Advertisement of tender for the	Percentage on construction of	Number of tenders	#	KPI 17	The condition of roads in	15% Consulting	1 Tender advertised for	***ACHIEVED***	None	None	Appointment Letter of the	Technical Services	***100%***

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
Infrastructure Development	of Infrastructure and Services			construction of road paving and stormwater in Bela-Bela X8 - Phase 2 project.	road paving and stormwater in Bela-Bela X8 - Phase 2 by 30 June 2022	advertised for the construction of road paving and stormwater in Bela-Bela X8 - Phase 2 by 30 June 2022			Bela-Bela is bad and there is a lack of sufficient stormwater drainage. Therefore, there is a need to improve the road infrastructure and provide sufficient stormwater drainage.	Engineers for development of design report drawing and advertisement for the construction of road paving and stormwater in Bela-Bela X8 - Phase 2	the construction of road paving and stormwater in Bela-Bela X8 - Phase 2 project	1 Tender advertised for the construction of road paving and stormwater in Bela-Bela X8 - Phase 2 project.			Consulting Engineers, Designs Approval Letter and Copy of the Tender Advert		
PRIORITY AREA: ELECTRICITY																	
Basic Service Delivery and Infrastructure Development	Resource Management of Infrastructure and Services	100% (10 468 formal households to be provided with access to a basic level of electricity).	ACHIEVED 100% (10 629 formal households provided were with access to the basic level of electricity).	Electricity	Percentage of formal households to be provided with access to basic level of Electricity by 30 June 2022		%	KPI 18	100% (10 468 households were provided with access to basic level of Electricity)	100% (10 468 formal households to be provided with access to basic level of Electricity).	100% (10 583 formal households to be provided with access to basic level of Electricity).	ACHIEVED 100.43 % (10 628 formal households were provided with access to basic level of Electricity	None	None	Billing Report for conventional meters and Prepaid reports	Technical Services	100.43%
Basic Service Delivery and Infrastructure Development	Resource Management of Infrastructure and Services	100% (1 433 non-residential properties (Business, Churches, Schools & Hospitals) to be provided with access to electricity).	ACHIEVED 100% (1 524 non-residential properties (Business, Churches, Schools & Hospitals) were provided with access to electricity)	Electricity	Percentage of non-residential properties to be provided with access to electricity by 30 June 2022		%	KPI 19	100% (1 604 non-residential properties (businesses, churches, schools & hospitals) to be provided with access to electricity)	100% (1 604 non-residential properties (businesses, churches, schools & hospitals) to be provided with access to electricity)	100% (1 551 non-residential properties (businesses, churches, schools & hospitals) to be provided with access to electricity)	NOT ACHIEVED 78% (1 205 non-residential properties (businesses, churches, schools & hospitals) were provided with access to electricity)	Due to continuous data cleasing, the will always be reported viariances. Delays in submission of rendering of service forms by new owners and Delays in submission of Suspension of	Conduct data cleansing on a continuous base and the development of Revenue Enhamnce Strategy by 30 June 2023	Billing Report for conventional meters and Prepaid reports	Technical Services	78%

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
													account forms by sellers of Properties.				
PRIORITY AREA: PUBLIC LIGHTING																	
Basic Service Delivery and Infrastructure Development	Resource Management of Infrastructure and Services	462 HPS Street Lights replaced with LED Luminaires	**ACHIEVED** 462 HPS Street Lights were replaced with LED Luminaires	Energy Efficiency Demand Side Management (EEDSM) Programme: Replacement of HPS Street Lights with LED Luminaires in Bela-Bela	Number of Energy Efficiency Demand Side Management (EEDSM) Programme: Bela-Bela - Replacement of HPS Street Lights with LED Luminaires by 31 March 2022	-	#	KPI 20	462 HPS Street Lights have been replaced with LED Luminaires in the 2020/21 financial year, and this is a continuation of the programme through EEDSM funding.	100% 385 HPS Street Lights to be replaced with LED Luminaires	682 HPS Street Lights replaced with LED Luminaires	**ACHIEVED** 682 HPS Street Lights replaced with LED Luminaires	None	None	List of street names and number (quantities) where streetlights were replaced.	Technical Services	**100%**
PRIORITY AREA: WASTE MANAGEMENT																	
Basic Service Delivery and Infrastructure	Resource Management of Infrastructure and Services	N/A	N/A	Completion and approval of designs for the construction of the Bela-Bela Municipal Landfill Site project.	Percentage of upgrading of the Bela-Bela Municipal Landfill Site by 30 June 2022	Number of Detailed Design Reports completed and approved for the construction of the Bela-Bela Municipal Landfill Site project by 30 June 2022	#	KPI 21	The Bela-Bela Municipal Landfill Site is approaching its saturation point, and therefore there is an urgent need to either upgrade it or construct a new one.	15% Development of design report drawing and advertisement for the upgrading of the Bela-Bela Municipal Landfill Site the construction of a surfaced access road of 440m, an administration building, recycling facilities, weigh	1 Detailed Design Report completed and approved for the construction of the Bela-Bela Municipal Landfill Site project.	**NOT ACHIEVED**	Preliminary Designs completed, but there are delays in the completion of detailed designs due the additional comments and requirements from the Limpopo Department of Economic Development, Environment and Tourism (LEDET) as the licencing authority for landfill sites.	Revise the scope of works and divide the project into multi-year phases. Address the additional requirements from LEDET to complete the designs by 31 July 2022.	Designs Approval Letter	Technical Services	**14%**

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
										bridge, concrete palisade fence and monitoring bore holes.							
Basic Service Delivery and Infrastructure Development	To promote the welfare of the community	100% (9 294 formal HH) with access to Solid Waste Removal)	**ACHIEVED** 100.5% (11 932) formal HH were) provided with access to Solid Waste Removal)	Waste Management and Cleansing	Percentage of formal households with access to Solid Waste Removal by 30 June 2022		%	KPI 22	100% (11 310) formal HH) with access to Solid Waste Removal)	100% (11 310 formal HH) with access to Solid Waste Removal)	100% (9 324 formal HH) with access to Solid Waste Removal)	**ACHIEVED** 100.24% (9 346 formal HH) have access to Solid Waste Removal)	None	None	Collection Schedule and billing report	Social and Community Services	***100.24%***
Basic Service Delivery and Infrastructure Development	To promote the welfare of the community	100% (3 088 informal HH) with access to Solid Waste Removal)	**ACHIEVED** 100% (3 088 informal HH) were provided with access to Solid Waste Removal)	Waste Management and Cleansing	Percentage of informal households with access to waste collection by 30 June 2022		%	KPI 23	100% (3 088 informal HH) with access to Solid Waste Removal)	100% (3 088 informal HH) with access to Solid Waste Removal)		**ACHIEVED** 100% (3 088 informal HH) have access to Solid Waste Removal	None	None	Collection Schedule	Social and Community Services	***100%***
Basic Service Delivery and Infrastructure Development	To promote the welfare of the community	100% 343 non-residential properties (Businesses, Churches, Schools & Hospitals) with access to Waste collection	**ACHIEVED** 101% (345 non-residential properties (Business, Churches, Schools and Hospitals) were provided with access to waste collection)	Waste Management and Cleansing	Percentage of non-residential properties (business, Schools & Hospital) with access to waste collection by 30 June 2022		%	KPI 24	100% 343 non-residential properties (Businesses, Churches, Schools & Hospitals) with access to Waste collection	100% 343 non-residential properties (Businesses, Churches, Schools & Hospitals) with access to Waste collection	100% 347 non-residential properties (Businesses, Churches, Schools & Hospitals) with access to Waste collection	**NOT ACHIEVED** 99.71% 346 non-residential properties (Businesses, Churches, Schools & Hospitals) have access to Waste collection	Due to continuous data cleasing, the will always be reported viariances. Delays in submission of rendering of service forms by new owners and Delays in submission of Suspension of account forms by sellers of Properties.	Conduct data cleansing on a continuous base and the development of Revenue Enhamnce Strategy by 30 June 2023	Collection Schedule and billing report	Social and Community Services	***99.71%***

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
Basic Service Delivery and Infrastructure Development	Promote the welfare of the community	4x messages of awareness on waste management through the distribution of pamphlets, messages on Municipality's statement of account and website on waste management	***ACHIEVED*** 4x messages of awareness on waste management through the distribution of pamphlets, messages on municipality's statement of account and website on waste management were shared.	Waste Management and Cleansing	Number of messages of awareness on waste management by 30 June 2022		#	KPI 25	3x Waste Management awareness campaigns conducted	4x messages of awareness on waste management to be distributed through of pamphlets, messages on Municipality's statement of account and website on waste management		***ACHIEVED*** 4x messages of awareness on waste management were distributed through pamphlets, messages on Municipality's statement of account and website on waste management as follows: 22nd of September 2021, 11th of November 2021, 29th Of March 2022 and the 26th of May 2022	None	None	Social media statement, pamphlet, Municipality's statement of account and website.	Social and Community Services	***100%***
Basic Service Delivery and Infrastructure Development	Promote the welfare of the community	5x Landfill Site Audit Reports	***ACHIEVED*** 5x Landfill Site Audit Reports	Waste Management and Cleansing	Number of Landfill Site permit Audit report conducted by 30 June 2022		#	KPI 26	5x Landfill Site Audit Reports	5x Landfill Site Audit Reports		***ACHIEVED*** 6x Landfill audit were conducted as follows: 11th of August 2021, 15th of September 2021, 11th of November, 2021, 01 February 2022, 17th of March 2022 and	None	None	Audit Reports on Landfill site	Social and Community Services	***120%***

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
												14th of June 2022					
Basic Service Delivery and Infrastructure Development	Promote the welfare of the community	2x Waste Minimization Initiatives	**ACHIEVED** 2x Waste minimization initiatives were conducted	Waste Management and Cleansing	Number of Waste Minimization Initiatives to be conducted by 30 June 2022		#	KPI 27	1x Waste Minimization Initiative conducted	2x Waste Minimization Initiatives to be conducted (Keep Bela-Bela Clean, Creative Arts initiative with Primary Schools and Good-Green Deeds campaign.)		**ACHIEVED** 2x Waste Minimization Initiative were conducted as follows: on 7th December 2021 and 14th May 2022.	None	None	Reports	Social and Community Services	**100%**
PRIORITY AREA: PUBLIC SAFETY																	
Basic Service Delivery and Infrastructure Development	Promote the welfare of the community	24 X Roadblocks to be conducted	**ACHIEVED** 26 X Roadblocks conducted	Protection and emergency services	Number of road blocks conducted by June 2022		#	KPI 28	24x Road blocks conducted	24x Road blocks to be conducted		**ACHIEVED** 43 x Roadblocks were conducted as follows: 26 July 2021 - R101 Potgieter Rd , 27 July 2021 – R101 Waterfront , 28 July 2021 – R101 Potgieter Rd , 24 August 2021 -R101 Potgieter Rd , 25 August 2021 – Riechi and Chris Hani Drive , 23 Septtember	None	None	Schedule, Staff signed attendance Registers and Reports	Social and Community Services	**179, 16%**

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
												2021, 24 September 2021- Potgieter Rd (R101), 25 September 2021- Potgieter road (R101), 17 November 2021 Potgieter, 18 November 2021 – Waterfront, 19 November 2021 – Ronvill, 30 November 2021 - , Sutter Road, 10 December 2021 – Mile Street Level Crossing, 15 December 2021 - Potgieter and R101, 17 December 2021 R101 & Waterfront, 24 January 2022-Potgieter R101, 27 January 2022 STATSSA Bela Bela awareness Compaigns, 04 February 2022 – Ronville, 09 February 2022 R101 & Potgietr, 11 February 2022					

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
												– R101 & Potgieter, 15 February 2022 – R 101 & Potgieter, 08 Matrch 2022 Potgieter R101, 10 March 2022- Waterfront R101, 24 March 2022- Chris Hani Drive, 28 March 2022- Railway R101, 29 March 2022-Miles & R516 Settlers Road, 30 March 2022- Potgieter R101, 05 April 2022 - Spa Park & Mmamakwa,11 April 2022 Waterfront, 12 April 2022 Potgieter CBD, 13 April 2022 – Potgieter R101,14 April 2022 – Waterfront, 15 April 2022 – R101 Potgieter, 26 April 2022 – CBD, 29 April 2022 – N1 Mantsole, , 11 May 2022 CBD, 16 May 2022 Ritch					

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
												Street, 23 May 2022 Sutter and Potgieter, 24 May 2022 kretchmar and Potgieter, 16 June 2022, Waterfront R101, 17 June 2022 Potgieter R101, 18 June 2022 Ritch Street and 21 June 2022 Potgieter R101.					
Basic Service Delivery and Infrastructure Development	Promote the welfare of the community	2x messages of road safety awareness through distribution of pamphlets.	***NOT ACHIEVED*** 1x road safety awareness conducted.	Protection and emergency services	Number of messages on road safety awareness by 30 June 2022		#	KPI 29	2x Road safety awareness campaigns conducted	2x messages of road safety awareness to be distributed through pamphlets.		***ACHIEVED*** 2x message of road safety awareness were distributed through pamphlets, message on the Municipality's statement of account and municipality's website as follows: 22nd of September 2021 and 13 April 2022	None	None	Pamphlet	Social and Community Services	***100%***
PRIORITY AREA: SPORT, ARTS, CULTURE, RECREATIONAL AND CEMETERIES																	

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
Basic Service Delivery and Infrastructure Development	Promote the welfare of the community	52% of the work completed as measured according to the PPII for the Construction of a Sports Facility in Leseding	***ACHIEVED*** 62% (Construction Stage at 31 - 40%)	Construction of a Sports Facility in Leseding	Percentage on construction of a Sports Facility in Leseding by 30 June 2022	Percentage of the work completed as measured according to the PPII for the ***(Appendix D)*** for the construction of a Sports Facility in Leseding by 30 September 2021	%	KPI 30	Insufficient Sporting facility in Leseding	100% Construction of a Sports Facility in Leseding	100% of the work completed as measured according to the PPII ***(Appendix D)*** for the construction of a Sports Facility in Leseding	***ACHIEVED*** 100% (Completion of the works)	None	None	Construction Quarterly progress report and Completion Certificate	Technical Services	***100%***
Basic Service Delivery and Infrastructure Development	Promote the welfare of the community	5x Community Halls to be maintained (Spa Pak Community Hall, Jinnah Park Community Hall, Bela-Bela Community Hall, Multi-Purpose Center & Pienaarsrivier Community Hall)	***ACHIEVED*** 5x Community Halls maintained	Parks and Community facilities	Number of community halls maintained (Spa Pak Community Hall, Jinnah Park Community Hall, Bela-Bela Community Hall. Multi-Purpose Centre & Pienaarsrevier Community Hall) by 30 June 2022		#	KPI 31	5x Community Halls maintained	5x community halls to be maintained (Spa Pak Community Hall, Jinnah Park Community Hall, Bela-Bela Community Hall. Multi-Purpose Centre & Pienaarsrevier Community Hall)		***ACHIEVED*** 5x Community Halls were maintained (Spa Pak Community Hall, Jinnah Park Community Hall, Bela-Bela Community Hall, Multi-Purpose Centre & Pienaasriever Community Hall)	None	None	Schedule and Maintenance Register	Social and Community Services	***100%***
Basic Service Delivery and Infrastructure Development	Promote the welfare of the community	4x Cemeteries to be maintained (Warmbaths Cemetery, Mokoena Street	***ACHIEVED*** 4x cemeteries maintained	Parks and Community facilities	Number of cemeteries maintained by 30 June 2022		#	KPI 32	4x cemeteries maintained	4x Cemeteries to be maintained (Warm baths cemetery Mokoena Street		***ACHIEVED*** 4x cemeteries were maintained (Warmbaths cemetery, Mokoena	None	None	Schedule and Maintenance Register	Social and Community Services	***100%***

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
		cemetery, Luna Weg Cemetery & Masakane Cemetery.								cemetery, Luna Street Cemetery & Masakhane Cemetery		Street cemetery, Luna Street Cemetery & Masakhane Cemetery)					
Basic Service Delivery and Infrastructure Development	Promote the welfare of the community	13x Sports facilities to be maintained. (Bela-Bela high, SUNFA, Ext 6, Ext 8, Ponto, Khabele A, Khabele B, Masakhane A, Masakhane B, Pienaarsrivier, Rapotokwane, Moloto & Spa Park)	***ACHIEVED*** 13x Sports facilities maintained.	Parks and Community facilities	Number of Sports facilities maintained by 30 June 2022		#	KPI 33	13 X Sports facilities maintained.	13x Sports facilities to be maintained. (Bela-Bela high, SUNFA, Ext 6, Ext 8, Ponto, Khabele A, Khabele B, Masakhane A, Masakhane B, Pienaarsrevier, Rapotokwane, Moloto & Spa Park)	14x Sports facilities to be maintained. (Bela-Bela high, SUNFA, Ext 6, Ext 8, Ponto, Khabele A, Khabele B, Masakhane A, Masakhane B, Pienaarsrevier, Rapotokwane, Moloto, Spa Park & Leseding	***ACHIEVED*** 14x Sports facilities were maintained. (Bela-Bela high, SUNFA, Ext 6, Ext 8, Ponto, Khabele A, Khabele B, Masakhane A, Masakhane B, Pienaarsrevier, Rapotokwane, Moloto, Spa Park & Leseding	None	None	Schedule and Maintenance Register	Social and Community Services	***100%***

Basic Service Delivery and Infrastructure Development	Promote the welfare of the community	8X parks to be maintained. (Parks in town, Mabusela Street park, Leseding Park, bulbulia Street park, Grobler street park, Miles Street park, Oosthuizen Street park, Woodpacker Street park)	***ACHIEVED*** 8X parks maintained.	Parks and Community facilities	Number of parks maintained by 30 June 2022		#	KPI 34	8X parks maintained.	8X parks to be maintained. (Parks in town, Mabusela Street park, Leseding Park, bulbulia Street park, Grobler street park, Miles Street park, Oosthuizen Street park, Woodpacker Street park)	10 X parks to be maintained. (Park in town, Mabusela Street park, Leseding Park, bulbulia Street park, Grobler street park, Miles Street park, Oosthuizen Street park, Woodpacker Street park), Moloto Street park, Pienaarsrivier park	***ACHIEVED*** 10 x parks maintained. (Park in town, Mabusela Street park, Leseding Park, bulbulia Street park, Grobler street park, Miles Street park, Oosthuizen Street park, Woodpacker Street park), Moloto Street park, Pienaarsrivier park	None	None	Schedule and Maintenance Register	Social and Community Services	***100%***

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
PRIORITY AREA: INSTITUTIONAL DEVELOPMENT & TRANSFORMATION																	
Good Governance and Public Participation	To Improve Administrative and Governance Capacity	4 X Council meetings to be convened	**ACHIEVED** 10 X Council Meetings convened as follows:30 July 2020 (ordinary), 30 September 2020 (special), 29 October 2020 (ordinary), 17 January 2021 (special), 29 January 2021 (ordinary), 25 February 2021 (special)y, 12 March 2021 (special), 30 March 2021 (special), 29 April 2021 (ordinary) and 27 May 2021 (special)	Council Administration	Number of Council meetings convened by 30 June 2022		#	KPI 35	8 X Council meetings were convened and successfully held.	4 X Council meetings to be convened		**ACHIEVED** 13x Council meetings were convened as follows: 29 July 2021 – ordinary, 23 Sptember 2021 – special, 29 October 2021 – ordinary, 22 November 2021 – special, 21 December 2021 – special, 21 January 2022 – special, 28 January 2022 – ordinary, 24 February 2022 – special, 28 February 2022 – special, 31 March 2022 – special, 05 April 2022 – special, 29 April 2022 - ordinary & 31 May 2022 - speacial	None	None	Notice of Council meetings	Corporate Services	**325%**
Municipal Transformation and Institutional Development	To Improve Administrative and Governance Capacity	33 X Section 79 Committee meetings to be convened	**ACHIEVED** 33 x Section 79 meetings were convened as	Council Administration	Number of Section 79 Committee meetings convened by 30 June 2022		#	KPI 36	33 X Section 79 Committee meetings convened, however, 22 were	33 X Section 79 Committee meetings to be convened	38 X Section 79 Committee meetings to be convened	**NOT ACHIEVED** 92.11%		None	Notice of Section 79 committee meetings	Corporate Service	**92.11%**

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
			follows: 20 July 2020, 24 August 2020, 28 September 2020, 16 October 2020, 30 November 2020, 18 January 2021, 24 February 2021, 23 March 2021, 19 April 2021, 19 May 2021, and 25 June 2021.						successfully held.			35 x Section 79 meetings were convened as follows: 3x 20th of July 2021, 3x 27th of August 2021, 3x 28th September 2021, 3x 18th of October 2021, 2x 17th of January 2022, 1x 18th January 2022, 2x 15th of February 2022, 1x 16th of February 2022, 1x 17th of February 2022, 2x 23rd of March 2022, 2x 24th of March 2022, 2x 19th of April 2022, 2x 20th of April 2022, 2x 16th of May 2022, 1x 17th of May 2022, 1x 23rd of May 2022, 2x 20th of June 2022, 1x 22nd of June 2022 & 1x 28th of June 2022					

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
Municipal Transformation and Institutional Development	To Improve Administrative and Governance Capacity	8x ICT Policies to be reviewed/ developed and approved by Council ICT Help Desk Policy, ICT Patch Management, ICT Management Framework, ICT Charter, ICT Continuity Management, ICT Disaster Recovery, ICT Usage and ICT Change Management Policies.	***ACHIEVED*** 8 X ICT Policies reviewed/developed and approved by Council as per Council Resolution Numbers MC69/10/2020, MC106/01/2021, MC252/05/2021 and MC04/07/2021	Corporate Governance (ICT)	Number of ICT Policies and Standards Procedures developed/ reviewed and approved by Council by 30 June 2022		#	KPI 37	8x ICT Policies were reviewed/ developed and approved by Council.	8x ICT Policies to be reviewed/ developed and approved by Council ICT Help Desk Policy, ICT Patch Management, ICT Management Framework, ICT Charter, ICT Continuity Management, ICT Disaster Recovery, ICT Usage and ICT Change Management Policies.		***ACHIEVED*** 8x ICT Policies were reviewed/ developed and approved by Council as follows: ICT Help Desk Policy, ICT Patch Management, ICT Management Framework, ICT Charter, ICT Continuity Management, ICT Disaster Recovery, ICT Usage and ICT Change Management Policies as per Council Resolution Number: MC50/10/2021, MC18/01/2022, MC66/04/2022 & MC103/05/2022	None	None	Council Resolutions	Corporate Service	***100%***
Municipal Transformation and Institutional Development	To Improve Administrative and Governance Capacity	4x ICT Steering Committee meetings	***ACHIEVED*** 4x Steering Committee meetings convened	Corporate Governance (ICT)	Number of ICT Steering Committee meetings convened by 30 June 2022		#	KPI 38	4x Steering Committee meetings convened	4x ICT Steering Committee meetings to be convened		***ACHIEVED*** 4x Steering Committee meetings convened as follows: 15th of	None	None	Agenda and the Signed Attendance Registers	Corporate Service	***100%***

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
												September 2021, 15th of October 2021, 15th of February 2022. & 17th of June 2022					
Municipal Transformation and Institutional Development	To Improve Administrative and Governance Capacity	4x Labour workshops to be conducted	***ACHIEVED*** 4x Labour workshops conducted	Human Resources (Labour Relations)	Number of training/ workshops in Labour Relations conducted by 30 June 2022		#	KPI 39	4x Workshops were held and 33x officials trained on Labour matters	4x Labour workshops to be conducted		***ACHIEVED*** 4x Labour Workshop were conducted as follows: on the 01st of September 2021, 23rd of December 2021, 23rd of March 2022 & 09th of June 2022	None	None	Signed Attendance Registers	Corporate Service	***100%***
Municipal Transformation and Institutional Development	To Improve Administrative and Governance Capacity	4x Employee Wellness Campaigns to be conducted	***ACHIEVED*** 13x Wellness campaigns conducted	Human Resources (Employee Wellness Programme)	Number of Wellness Campaigns and Workshops convened by 30 June 2022		#	KPI 40	4x Employee Wellness Campaigns held	4x Employee Wellness Campaigns to be conducted		***ACHIEVED*** 4x Employee Wellness Campaign were conducted on the 15th of September 2021, 04th of October 2021, 24th of February 2022 & 07th of June 2022	None	None	Signed Attendance Registers	Corporate Service	***100%***

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
Municipal Transformation and Institutional Development	To Improve Administrative and Governance Capacity	4x Hazard Identification and Risk Assessment to be conducted	**ACHIEVED** 4x Hazard Identification and Risk Assessment	Human Resources (Occupational Health & Safety)	Number of Hazard Identification and Risk Assessment to be conducted by 30 June 2022		#	KPI 41	4x Hazard Identification and Risk Assessment conducted	4x Hazard Identification and Risk Assessment to be conducted		**ACHIEVED** 4x Hazard Identification and Risk Assessments were conducted on the 30th of September 2021, 14th of December 2021, 10th of March 2022 & 06th of June 2022.	None	None	4x Hazard Identification and the Risk Assessment Reports	Corporate Service	**100%**
Municipal Transformation and Institutional Development	To Improve, Attract, Develop and Retain Human Capital	1x Employment Equity Report	**ACHIEVED** 1x Employment Equity Report	Human Resources	Number of Employment Equity Report compiled and submitted to Department of Labour by 31 January 2022		#	KPI 42	1x Employment Equity Report	1x Employment Equity Report		**ACHIEVED** 1x Final Employment Equity Report was submitted to the Department of Labour on the 15th of January 2022	None	None	Acknowledgement letter from Department of Labour	Corporate Service	**100%**
Municipal Transformation and Institutional Development	To Improve, Attract, Develop and Retain Human Capital	1x 2021/2022 WSP to be Developed and submitted to LGSETA	1x 2021/2022 WSP Developed and submitted to LGSETA by 30 April 2021	Human Resources & Development (Training)	Number of WSP reviewed and submitted to LGSETA by 30 April 2022		#	KPI 43	1x 2021/2022 WSP Developed and submitted	1 X 2022/2023 WSP to be Developed and submitted		**ACHIEVED** 1x 2022/2023 WSP developed and submitted to LGSETA on the 30 April 2022	None	None	Acknowledgement letter from LGSETA	Corporate Service	**100%**
Municipal Transformation and Institutional Development	To Improve, Attract, Develop and Retain Human Capital	Train 40 Officials and 3 Councillors (43)	**NOT ACHIEVED** 15x individuals were trained	Human Resources & Development (Training)	Number of Officials to be trained by 30 June 2022		#	KPI 44	40x officials	100x Officials to be trained		**ACHIEVED** 107x Officials were trained	None	None	Advert. Appointment letters Signed Attendance	Corporate Service	**107%**

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
			during the financial year under review.												Registers and a Report		
Municipal Transformation and Institutional Development	To Improve, Attract, Develop and Retain Human Capital	Train 40 Officials and 3 Councillors (43)	***NOT ACHIEVED*** 15 x individuals were trained during the financial year under review.	Human Resources & Development (Training)	Number of Councillors trained by 30 June 2022		#	KPI 45	7x Councillors trained	17x Councillors to be trained		***ACHIEVED*** 17x Councillors were trained	None	None	Signed Attendance Registers and a Report	Corporate Service	***100%***
Municipal Transformation and Institutional Development	To Improve Administrative and Governance Capacity	8x LLF Meetings to be convened	***ACHIEVED*** 8x LLF Meetings convened	Human Resources (Labour Relations)	Number of LLF meetings convened by 30 June 2022		#	KPI 46	8x LLF Meetings Convened	8x LLF Meetings to be convened		***ACHIEVED*** 8x LLF meetings were convened on 21st of July 2021, 16th of September 2021, 25th of February 2022, 29th of March 2022, 21st of April 2022, 12th of May 2022, 18th of May 2022 and 26th of May 2022.	None	None	Signed Attendance Registers and the Agenda	Corporate Service	***100%***

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
Municipal Transformation and Institutional Development	To Improve, Attract, Develop and Retain Human Capital	1x 2021/2022 Organogram reviewed and approved	***ACHIEVED*** 1x 2021/2022 Organogram reviewed and approved by Council on the 27 May 2021	Human Resources & Development	Number of Organogram reviewed and approved by 30 June 2022		#	KPI 47	1x 2021/2022 Approved Organogram	1x 2022/2023 Organogram to be reviewed and approved		***ACHIEVED*** 1x 2022/2023 Organogram was reviewed and approved by Council on the 31st of May 2022 with Council Resolution Number SMC104/05/2022	None	None	Approved 2022/2023 Organogram with Council Resolution	Corporate Service	***100%***
PRIORITY AREA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION																	
PRIORITY AREA: INTEGRATED DEVELOPMENT PLANNING																	
Good Governance and Public Participation	To Plan for the Future	2021/2022 IDP/Budget/PMS Process Plan	***ACHIEVED*** 1x 2021/2022 IDP/Budget/PMS Procss Plan was approved by Council on the 30 July 2020 as per Council Resolution Number MC60/07/2020	Integrated Development Planning	Number of IDP/Budget/PMS Process Plan approved by Council by 31 August 2022		#	KPI 48	2021/2022 IDP/Budget/PMS Process Plan Approved	1x 2022/2023 IDP/Budget/PMS Framework to be approved		***ACHIEVED*** 1x 2022/2023 IDP/Budget/PMS Framework approved by Council on 29/ 07/ 2021 as per the Council Resolution Number MC34/07/21	None	None	Council Approved 2022/2023 Process Plan and Council Resolution	Office of the Municipal Manager	***100%***
Good Governance and Public Participation	To Plan for the Future	4x IDP Representative Forums	***ACHIEVED*** 4x IDP Representative Forums were held as follows: 24	Integrated Development Planning	Number of IDP Representative Forums held by 30 June 2022		#	KPI 49	4x IDP Representative Forums held	4x IDP Representative Forums to be held		***ACHIEVED*** 4x IDP Representative Forums were held as follows: on the 22nd of	None	None	Signed attendance register, agenda, presentation & minutes	Office of the Municipal Manager	***100%***

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
			Aug. 2021, 22 Sept. 2021, 31 03 Mar. 2021 and 26 May 2021									July 2021, 26th of October 2021, 24th of March 2022 & 11th of May 2022					
Good Governance and Public Participation	To Plan for the Future	N/A	N/A	Integrated Development Planning	Number of 2020/2021 Draft IDP reviewed and approved by Council by 30 March 2022		#	KPI 50	1x 2021/2022 Draft IDP reviewed	1x 2022/2023 Draft IDP to be reviewed and approved		***ACHIEVED*** 1x 2022/2023 Draft IDP reviewed approved by council on the 31st of March 2022 with council resolution number SMC53/03/2022	None	None	Council approved 2022/2023 Draft IDP reviewed and Council Resolution	Office of the Municipal Manager	***100%***
Good Governance and Public Participation	To Plan for the Future	1x 2021/2022 IDP reviewed and approved by council	ACHIEVED 1x 2021/2022 IDP reviewed and approved by Council on the 27th of May 2021 as per Council Resolution Number SMC186/05/2021	Integrated Development Planning	Number of 2020/2021 IDP reviewed and approved by Council by 31 May 2022		#	KPI 51	1x 2021/2022 IDP reviewed	1x 2022/2023 IDP to be reviewed and approved		***ACHIEVED*** 100% 2022/2023 IDP was reviewed and approved by Council on the 31st of May 2022 as per the Council Resolution Number SMC103/05/2022	None	None	Council approved IDP and the Council Resolution	Office of the Municipal Manager	***100%***

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
PRIORITY AREA: PERFORMANCE MANAGEMENT SYSTEM																	
Good Governance and Public Participation	Clean Governance	1x 2021/2022 Approved SDBIP 28 days after budget approval	**ACHIEVED** 1x 2021/2022 SDBIP was approved by the Mayor on the 24 June 2021	Performance Management	Number of SDBIP approved by the Mayor within 28 days after the approval of the budget by 30 June 2022		#	KPI 52	1x Approved 2021/2022 SDBIP Approved	1x 2022/2023 SDBIP to be Approved within 28 days after budget approval		**ACHIEVED** 1x 2022/2023 SDBIP was approved by the Mayor on the 24th of June 2022 after the approval of the budget on the 31st of May 2022	None	None	2022/2023 Approved SDBIP and Letter of Acknowledgement from Mayor's office	Office of the Municipal Manager	**100%**
Good Governance and Public Participation	Clean Governance	1 X 2019/2020 Annual Report tabled to Council for approval	**ACHIEVED** 1x 2019/2020 Annual Report was tabled and approved by Council on the 27th of May 2021 as per Council Resolution Number SMC196/05/2021	Corporate Governance	Number of Annual reports compiled and tabled to Council for approval by 31 March 2022		#	KPI 53	2019/2020 Annual Report compiled d and approved by council	1 X 2020/2021 Annual Report to be compiled and approved		**ACHIEVED** 2020/2021 Annual Report was compiled and approved by Council on the 31st of March 2022 with Council Resolution SMC 58/03/2022	None	None	Council Approved 2020/2021 Annual Report with Council Resolution	Office of the Municipal Manager	**100%**
Good Governance and Public Participation	Clean Governance	1x 2019/2020 Oversight Report tabled to Council for approval	**ACHIEVED** 1x 2019/2020 Oversight Report was tabled to Council for approval on 27 May 2021 as per Council Resolution	Corporate Governance	Number of Oversight reports compiled and tabled to Council for approval by 31 March 2022		#	KPI 54	2019/2020 Oversight Report compiled d and approved	1x 2020/2021 Oversight Report to be compiled and approved		**ACHIEVED** 1x 2020/2021 Oversight Report was compiled and approved by Council on the 31st of March 2022 with Council Resolution	None	None	Council Approved Oversight Report with Council Resolution	Office of the Municipal Manager	**100%**

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
			Number SMC196/05/2021									SMC 58/03/2022					
Good Governance and Public Participation	Clean Governance	4x Quarterly performance reports	Achieved 4x Quarterly performance reports	Performance Management System	Number of MFMA Section 52d reports compiled and submitted to Council for approval by 30 June 2022		#	KPI 55	4x Quarterly performance reports	4x Quarterly performance reports		***ACHIEVED*** 4x Quarterly performance reports were compiled and tabled to Council as per Council Resolution Number: MC58/10/2021, MC47/01/2022 &MC49/07/2022 MC49/07/2022	None	None	4x sets of Quarterly performance reports and Council Resolutions	Office of the Municipal Manager	***100%***
Good Governance and Public Participation	Clean Governance	1x 2020/2021 MFMA Section 72 Report compiled and submitted to the Mayor, National Treasury and Limpopo Provincial Treasury by 25 January 2021	***ACHIEVED*** 1x 2020/2021 MFMA Section 72 Report compiled and submitted to the Mayor, National Treasury and Limpopo Provincial Treasury by 25 January 2021	Corporate Governance	Number of MFMA Section 72 Mid-Year report compiled and submitted to Council for approval by 31 January 2022		#	KPI 56	1x 2020/2021 Section 72 MFMA Report compiled	1x 2021/2022 Section 72 MFMA Report to be compiled and approved		***ACHIEVED*** 1x 2021/2022 Section 72 MFMA Report was compiled and approved by the Mayor and noted by Council as per the Council Resolution Number MC48/01/2022	None	None	Council Approved 2021/2022 Section 72 Mid-Year Report with Council Resolution	Office of the Municipal Manager	***100%***
Good Governance and Public Participation	Clean Governance	4x Back to Basics reports	***ACHIEVED*** 4x Back to Basics report	Performance Management	Number of Back to Basics reports compiled and submitted to		#	KPI 57	4x Back to Basics reports	4x Back to Basics reports		***ACHIEVED*** 4x Back to Basics reports were compiled	None	None	4x sets of Back to Basics Reports and proof of	Office of the Municipal Manager	***100%***

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
					CoGHSTA by 30 June 2022							and submitted to COGHSTA			acknowledgement by COGHSTA		
Good Governance and Public Participation	Clean Governance	6x Signed Performance Agreements signed	***ACHIEVED*** 6x Signed Performance Agreements to be signed	Performance Management System	Number of Performance Agreements signed by 30 July 2020		#	KPI 58	6x Signed Performance Agreements signed	6x Signed Performance Agreements to be signed		***ACHIEVED*** 6x Signed Performance Agreements.	None	None	Signed Performance Agreements	Office of the Municipal Manager	***100%***
Good Governance and Public Participation	Clean Governance	1 x 2021/2022 PMS Framework to be approved	***ACHIEVED*** 1 x 2021/2022 PMS Framework Approved by council on the 27th May 2021 as per Council Resolution Number 192/05/2021	Performance Management System	Number of Performance Management System Framework by 30 June 2022		#	KPI 59	Approved 2021/2022 PMS Framework Approved	1 x 2022/2023 PMS Framework to be approved		***ACHIEVED*** 1x 2022/2023 PMS Framework was approved by Council on the 31st of May 2022 as per the Council Resolution Number - SMC 110/05/2022	None	None	Council Approved 2022/2023 PMS Framework with council resolution	Office of the Municipal Manager	***100%***
PRIORITY AREA: COMMUNICATION																	
Good Governance and Public Participation	To improve administrative and governance capacity	4X Media statements released	ACHIEVED 4X Media statements released of Special programmes initiatives on the following dates: 09 August 2020, 01 December 2020, 01 April 2021 and 16 June 2021	Special Programmes	Number of Media statements released on Special programmes via social media (Women, HIV, STI and AIDS, Back to School campaigns Youth)) by 30 June 2022		#	KPI 60	4X Media statements released	4X Media statements released to be on Special programmes via Social Media (Women, HIV, STI and AIDS, Back to School campaigns and Youth)		***ACHIEVED*** 5 x Media Statements were released as follows: on the 09th of August 2021, 01st of December 2021, 12th of January 2022, 09th & 29th of June 2022 on the Municipal	None	None	4x Social Media statements	Office of the Municipal Manager	***100%***

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
												Facebook page.					
Good Governance and Public Participation	To improve administrative and governance capacity	1 X Reviewed and approved 2021/2022 Communication Strategy	ACHIEVED. 1 X 2021/2022 Communication Strategy was approved by Council as per the Council Resolution Number SMC192/05/2021	Corporate Governance	Number of Communication Strategy reviewed and approved by Council by 30 June 2022		#	KPI 61	1x 2021/2022 Communication Strategy Approved	1 X 2022/2023 Communication Strategy to be reviewed and approved		***ACHIEVED*** 1x 2022/2023 Communication Strategy reviewed and approved by Council with Council Resolution number: SMC106/05/2022	None	None	Approved Communication Strategy with Council Resolution	Office of the Municipal Manager	***100%***
Good Governance and Public Participation	To improve administrative and governance capacity	4 X municipal media statement released in the local newspaper	***NOT ACHIEVED*** 3 X municipal media statements released	Communication	Number of Mayoral media statement released in the local newspaper by 30 June 2022		#	KPI 62	4 X Mayoral media statements released	4 X Mayoral media statement to be released in the local news paper		***ACHIEVED*** 4x X Mayoral media statements were released on the 01st 0f October 2021, 17th of December 2021, 12th of January 2021 and 15th of June 2022 on the local newspaper	None	None	4x Newspaper articles	Office of the Municipal Manager	***100%***
Good Governance and Public Participation	To improve administrative and governance capacity	4x Ward Committees reports	***ACHIEVED*** 4x Ward Committee Reports were submitted to the Office of the Speaker on the	Corporate Governance	Number of Ward Committees reports submitted to the Office of the Speaker by 30 June 2022		#	KPI 63	4x Ward Committees reports	4x Ward Committees reports to be submitted to the Office of the Speaker		***NOT ACHIEVED*** 3x Ward Committees reports were submitted to the Office of the Speaker	The term of Office of the Ward Committees ended in October 2021	Ward Committees were re-established by end of March 2022.	4x Ward Committee Reports	Office of the Municipal Manager	***75%***

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
			functionality of Ward Committees on the following dates: 01 October 2020, 11 January 2021, 03 April 2021 and 08 July 2021.														
PRIORITY AREA: RISK AND INTERNAL AUDITOR																	
Good Governance and Public Participation	To improve administrative and governance capacity	1x Audit and Performance Committee Charter to be reviewed	***ACHIEVED*** 1x Audit and Performance Committee charter was submitted and approved by Council on the 29 October 2020 as per Council Resolution Number MC100/10/2020	Corporate Governance	Number of Audit and Performance Committee Charter reviewed by 30 September 2022		#	KPI 64	1x Audit and Performance Committee Charter Reviewed	1x Audit and Performance Committee Charter to be reviewed		***ACHIEVED*** 1x Audit and Performance Committee Charter was reviewed as per the Council Resolution number MC 82/10/2021			Copy of Audit And Performance Committee Charter, Minutes and Council Resolution	Office of the Municipal Manager	***100%***
Good Governance and Public Participation	To improve administrative and governance capacity	1x Internal Audit Charter Reviewed	***ACHIEVED*** 1x Internal Audit Charter submitted and approved by AC on the 4th of August 2020.	Corporate Governance	Number of Internal Audit Charter reviewed by 30 June 2021		#	KPI 65	1x Internal Audit Charter Reviewed	1x Internal Audit Charter to be reviewed		***ACHIEVED*** 1x Internal Audit Charter reviewed on 24 June 2021	None	None	Copy of Internal Audit Charter and minutes	Office of the Municipal Manager	***100%***

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
Good Governance and Public Participation	To improve administrative and governance capacity	N/A	N/A	Corporate Governance	1x Approved Internal Audit strategic 3 year rolling plan by 30 June 2021			KPI 66	1x Approved Internal Audit strategic 3 year rolling plan	1x Internal Audit Strategic 3 Year rolling Plan to be approved		***ACHIEVED*** 1x Internal Audit Strategic 3 Year rolling Plan was approved by the Audit Committee on the 24th of June 2021	None	None	Internal Audit strategic 3 year rolling plan and minutes of Audit Committee	Office of the Municipal Manager	***100%***
Good Governance and Public Participation	To improve administrative and governance capacity	4x Audit Committee Meetings to be held	***ACHIEVED*** 7x Audit Committee meetings were held as follows: 04 August 2020, 14 August 2020, 18 December 2020, 18 February 2021, 24 February 2021, 01 March 2021 and 26 May 2021.	Corporate Governance	Number of Audit Committee meetings held by 30 June 2022		#	KPI 67	5x Audit Committee Meetings held	4x Audit Committee Meetings to be held		***ACHIEVED*** 4x Audit Committee Meetings were held as follows: on the 30th of August 2021, 23rd of May, 24th and 30th of June 2022	None	None	Signed Attendance Registers and Minutes	Office of the Municipal Manager	***100%***
Good Governance and Public Participation	To improve administrative and governance capacity	4 X Audit Committee Reports	***ACHIEVED*** 4 X Audit Committee Reports tabled to Council on the following dates: 29 January 2021, 29 April	Corporate Governance	Number of Audit Committee Reports tabled to Council by 30 June 2022		#	KPI 68	4 X Audit Committee Reports	4x Audit Committee Reports to be tabled to Council		***NOT ACHIEVED*** 2x Audit Committee Reports were tabled to Council on the 29th of July 2021 and 29th July 2022 as	Audit Committee contract expired	Appointment of the audit committee was with effect from 1st of May 2022	Audit Committee Reports with Council Resolutions	Office of the Municipal Manager	***50%***

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
			2021 and 29 July 2021 as per Council Resolutionnumbers: MC136/01/2021, MC185/04/2021 and MC39/07/2021 respectively									per the Council Resolution numbers MC 50/07/2022 and MC37/07/2021					
Good Governance and Public Participation	To improve administrative and governance capacity	2x Performance Audit Committee meetings to be	***ACHIEVED*** 2x Performance Audit Committee meetings were held on the 26th of May 2021 and the 04th of August 2021	Corporate Governance	Number of Performance Audit Committee meetings held by 30 June 2022		#	KPI 69	2x Performance Audit Committee meetings held	2x Performance Audit Committee meetings to be held		***ACHIEVED*** 2x Performance Audit Committee meetings were held as follows: 30th of August 2021 and 30th of June 2022	None	None	Signed Attendance Registers and Minutes	Office of the Municipal Manager	***100%***
Good Governance and Public Participation	To improve administrative and governance capacity	1x 2019/2020 Strategic Risk Register reviewed	***ACHIEVED.*** 1x 2019/2020 Strategic Risk Register was reviewed on the 24th of June 2021	Corporate Governance	Number of Strategic Risk Management Registers Reviewed by 30 June 2022		#	KPI 70	1x 2019/2020 Strategic Risk Register reviewed	1x 2020/2021 Strategic Risk Register to be reviewed		***ACHIEVED*** 1x 2020/2021 Strategic Risk Register reviewed on the 13th of May 2022	None	None	2020/2021 Reviewed Strategic Register, Signed Attendance Registers	Office of the Municipal Manager	***100%***
Good Governance and Public Participation	To improve administrative and governance capacity	4x Risk Management Meetings	***ACHIEVED*** 4x Risk Management meeting held 28 July 2020, 14 October 2020, 3	Corporate Governance	Number of Risk Management meetings held by 30 June 2022		#	KPI 71	4x Risk Management meetings held	4x Risk Management Meetings to be held		***ACHIEVED*** 4x Risk Management meetings were held as follows: 04th of August 2021, 20th of	None	None	Signed Attendance Registers and minutes	Office of the Municipal Manager	***100%***

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
			March 2021 and 05 May 2021.									October 2021, 30th of March 2022, and 17th of June 2022					
Good Governance and Public Participation	To improve administrative and governance capacity	4x Risk Management Meetings	***ACHIEVED*** 4x MPAC meeting held on 29 July 2020, 27 October 2020, 21 April and 07 May 2021	Council Administration	Number of MPAC meetings held by 30 June 2022		#	KPI 72	4X MPAC meetings held	4x MPAC meetings to be held		***ACHIEVED*** 7x MPAC meetings were held as follows: 26th of July 2021,12th of January 2022,17th & 30th of March 2022, 26th of April 2022, 10th of May 2022 and 14th of June 2022..	None	None	Signed Attendance Registers and Reports	Office of the Municipal Manager	***175%***
Good Governance and Public Participation	To improve administrative and governance capacity	4x FMB meetings held	***ACHIEVED*** 4x FMB meetings were held on 14 July 2020, 18 September 2020, 11 May 2021 and 9 June 2021	Financial Misconduct Board	Number of FMB meetings held by 30 June 2022		#	KPI 73	4x FMB meetings held	3x FMB meetings to be held		***ACHIEVED*** 3x FMB meetings were held as follows: 22nd & 29th of July 2021 & 23rd of May 2022	None	None	Signed Attendance Registers and Reports	Office of the Municipal Manager	***100%***
Good Governance and Public Participation	To improve administrative and governance capacity	1 X Fraud and Anti-Corruption Prevention plan to be reviewed	***ACHIEVED*** 1 X Fraud and Anti-Corruption Prevention plan reviewed on 24 June 2021 by AC and approved by Council on	Corporate Governance	Number of Fraud and Anti-Corruption Prevention plan reviewed by 30 June 2022		#	KPI 74	1 X Number of Fraud and Anti-Corruption Prevention plan reviewed	1 X Fraud and Anti-Corruption Prevention plan to be reviewed		***NOT ACHIEVED*** 1x Fraud and Anti-Corruption Prevention Plan was not reviewed	The Fraud and Anti-Corruption Prevention Plan was reviewed in October 2021 and could not be submitted to Council due Local Government Elections.	Submit The Fraud and Anti-CorruptionPrevention Plan to the Audit Committee and Council by the 31st of October 2021	Approved Fraud and Anti-Corruption Prevention Plan with Council Resolution	Office of the Municipal Manager	***50%***

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
			the 29 July 2021 as per Council Resolution Number MC39/07/2021														
Good Governance and Public Participation	To improve administrative and governance capacity	1x Anti - Corruption and Fraud awareness campaigns to be conducted	**NOT ACHIEVED**	Corporate Governance	Number of Fraud and Anti-Corruption awareness campaigns conducted by 30 June 2022		#	KPI 75	1x Fraud and Anti - Corruption awareness campaigns conducted	1x Anti - Corruption and Fraud awareness campaigns to be conducted		**ACHIEVED** 1x Anti - Corruption and Fraud awareness campaign was conducted on 21 April 2022	None	None	Signed Attendance register	Office of the Municipal Manager	**100%**
PRIORITY AREA: LOCAL ECONOMIC DEVELOPMENT																	
Local Economic Development	Promote and Encourage Sustainable Economic Environment	N/A	N/A	Stakeholder Management and Participation	Number of LED Forums meetings facilitated by 30 June 2022		#	KPI 76	2x LED Representative Forums held	4x LED Representative Forums meetings to be facilitated		**ACHIEVED** 4x Forum meetings were held as follows: 17th of March 2022, 21st of April 2022, 12th of May 2022 and 23rd of June 2022,.	None	None	Attendance Register, Agenda	Planning & Economic Development	**100%**
Local Economic Development	Promote and Encourage Sustainable Economic Environment	200 Jobs created	**ACHIEVED** 232 Job Opportunities created.	Job Creation	Number of jobs created through Municipality's LED initiatives including capital projects (EPWP, CWP) by 30 June 2022		#	KPI 77	200	120x Jobs created		**ACHIEVED** 172x Jobs were created	None	None	Report of number of Jobs created	Planning & Economic Development	**143.33%**

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
Local Economic Development	Promote and Encourage Sustainable Economic Environment	N/A	N/A	SMME Development	Number of Awareness Campaigns on Market Access programmes (Tourism & Manufacturing) by 30 June 2022	Target withdrawn	#	KPI 78	-	2 x Awareness Campaigns on Market Access programs (Tourism & Manufacturing)	Target withdrawn (Responsible Official has since resigned and post not yet filled)	Target withdrawn	Target withdrawn	Target withdrawn	Target withdrawn	Planning & Economic Development	-
Local Economic Development	Promote and Encourage Sustainable Economic Environment	N/A	N/A	Awareness Campaign	Number of LED Awareness Campaigns / Programmes by 30 June 2022		#	KPI 79	-	4x Awareness campaigns to be conducted		***ACHIEVED*** 8x Awareness campaigns were conducted as follows: 29th of September 2021, 13th of October 2021, 20th of November 2021, 05th of May 2022, 24th of May 2022, 02nd of June 2022, 23rd & 29th June 2022	None	None	4x Attendance Register and Minutes on the awareness campaigns	Planning & Economic Development	***200%***
Local Economic Development	Promote and Encourage Sustainable Economic Environment	N/A	N/A	Town Revitalizations	Number Town revitalization Plan developed (Town Improvement Plan) by 30 June 2022	Target withdrawn	#	KPI 80	-	1x Town revitalization Plan developed (Town Improvement Plan) to be developed	Target withdrawn (Due to cash flow challenges)	Target withdrawn	Target withdrawn	Target withdrawn	Target withdrawn	Planning & Economic Development	-

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
PRIORITY AREA: SPATIAL RATIONAL																	
Spatial Planning and Rationale	Liveable and Integrated Communities	N/A	N/A	Land Disposal	Number of Historic Land Transaction concluded by 30 June 2022	Target withdrawn	#	KPI 81	-	10x Historic Land Transaction to be concluded	Target withdrawn (Due to cash flow challenges)	Target withdrawn	Target withdrawn	Target withdrawn	Target withdrawn	Planning & Economic Development	-
Spatial Planning and Rationale	Liveable and Integrated Communities	N/A	N/A	Township rectification	Number Township Surveyor General Plan amended by 30 June 2022	Target withdrawn	#	KPI 82	-	1x Township Surveyor General Plan to be amended	Target withdrawn (Due to cash flow challenges)	Target withdrawn	Target withdrawn	Target withdrawn	Target withdrawn	Planning & Economic Development	-
Spatial Planning and Rationale	Liveable and Integrated Communities	N/A	N/A	Land Use Management	Number of Council Owned properties consolidated and rezoned by 30 June 2022	Target withdrawn	#	KPI 83	-	5x Council Owned properties to be consolidated and rezoned	Target withdrawn (Due to cash flow challenges)	Target withdrawn	Target withdrawn	Target withdrawn	Target withdrawn	Planning & Economic Development	-
Spatial Planning and Rationale	Liveable and Integrated Communities	N/A	N/A	Land Use Management	Number of Council Owned properties subdivided by 30 June 2022	Target withdrawn	#	KPI 84	-	1x Council Owned properties to be subdivided	Target withdrawn (Due to cash flow challenges)	Target withdrawn	Target withdrawn	Target withdrawn	Target withdrawn	Planning & Economic Development	-
Spatial Planning and Rationale	Liveable and Integrated Communities	N/A	N/A	Township Establishment (Phase 01: Precinct Plan Development)	Number of Precinct Plan developed by 30 June 2022	Target withdrawn	#	KPI 85	-	1x Precinct Plan to be developed	Target withdrawn (Due to cash flow challenges)	Target withdrawn	Target withdrawn	Target withdrawn	Target withdrawn	Planning & Economic Development	-

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
Spatial Planning and Rationale	Liveable and Integrated Communities	N/A	N/A	Conveyancing (Township Registrations)	Number of Township property registration concluded by 30 June 2022	Target withdrawn	#	KPI 86	-	30x Township properties registration to be concluded	Target withdrawn (Due to cash flow challenges)	Target withdrawn	Target withdrawn	Target withdrawn	Target withdrawn	Planning & Economic Development	-
PRIORITY AREA: FINANCIAL VIABILITY																	
Municipal Financial Viability and Management	To improve financial viability	1x 2019/2020 AFS compiled and submitted to the Auditor General	***ACHIEVED*** 1x 2019/2020 AFS compiled and submitted to the Auditor General	Budget and Reporting	Number of Annual Financial Statements compiled and submitted to the Auditor General by 31 August 2021		#	KPI 87	1 X 2019/2020 AFS compiled and submitted to the Auditor General	1x 2020/2021 AFS to be compiled and submitted to the Auditor General		***ACHIEVED*** 1x 2020/2021 AFS compiled and submitted to the Auditor General by the 31st of August 2021	None	None	2020/201 AFS and Proof of Submissions to the Auditor General	Budget & Treasury	***100%***
Municipal Financial Viability and Management	To improve financial viability	1x Action Plan for 2019/2020 AG audit queries compiled	***ACHIEVED*** 1x Action Plan for 2019/2020 AG audit queries compiled	Budget and Reporting	Number of AG Action Plan for 2020/21 developed and submitted to Council by 31 January 2022		#	KPI 88	1x 2019/2020 Action Plan	1x 2020/2021 AG Action Plan developed and submitted to Council		***ACHIEVED*** 1x 2020/2021 AG Action Plan developed and submitted to Council	None	None	2020/2021 AG Action Plan with Council Resolution	Budget & Treasury	***100%***
Good Governance and Public Participation	To improve administrative and governance capacity	Obtain Unqualified Audit Opinion 2019/2020	***NOT ACHIEVED*** Obtained Qualified Audit Opinion	Budget and Reporting	Obtain Unqualified Audit Report by 30 November 2022		#	KPI 89	2019/2020 Qualified Audit Report	Obtain Unqualified Audit Report for 2020/2021	Obtain Unqualified Audit Report for 2020/2021 deferred to the 3rd Quarter	***NOT ACHIEVED*** Obtained Disclaimer Audit Report for 2020/2021	The Audit outcome was affected by issues of Assets and Prior year findings	Implementation of the AG action Plan to address findings by 31st of August 2022 with the finalization of the AFS.	Auditor General's Report	Budget & Treasury	***0%***
Municipal Financial Viability and Management	To improve financial viability	100% of AG queries to be resolved for 2019/2020	***NOT ACHIEVED***	Budget and Reporting	Percentage of AG queries resolved as per the Action Plan		%	KPI 90	95 % of AG findings resolved for 2019/2020	100% of AG queries to be resolved for 2020/2021		***NOT ACHIEVED*** 90 % AG reported	Disclosures and Prior year findings not finalized	Outstanding findings will be resolved during the compilation of the AFS	Progress Report on the implementation of the	Budget & Treasury	***90%***

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
			95% of AG queries resolved		by 30 June 2022							matters resolved.			Action Plan for 2020/2021		
Municipal Financial Viability and Management	To improve financial viability	1x 2021/2022 Approved Annual Budget	***ACHIEVED*** Approved 2021/2022 Annual Budget on the 27th May 2021 as per Council Resolution Number SMC186/05/2021	Budget and Reporting	Number of 2022/2023 Annual Budget approved by Council on or before the 31st May 2022		#	KPI 91	1x 2021/2022 Annual Budget approved	1x 2022/2023 Draft and Final Annual Budget to be approved by Council		***ACHIEVED*** 2022/2023 Annual Budget approved by Council on the 31st May 2022 as per Council Resolution Number SMC103/05/2022	None	None	Council Approved Draft and Final 2022/2023 Annual Budget with Council Resolutions	Budget & Treasury	***100%***
Municipal Financial Viability and Management	Improve Financial Viability	12x Monthly Section 71 Reports for 2020/21 FY	***ACHIEVED*** 12x Monthly Section 71 Reports were submitted.	Budget and Reporting	Number of MFMA Section 71 Reports submitted to the Mayor, Provincial and National Treasury by no later than 10 days after the end of each month		#	KPI 92	12x Monthly MFMA Section 71 Reports for 2020/2021 FY submitted to the Mayor, Provincial and National Treasury by no later than 10 days after the end of each month	12x Monthly MFMA Section 71 Reports for 2021/22 FY to be submitted to the Mayor, Provincial and National Treasury by no later than 10 days after the end of each month		***ACHIEVED*** 12x Monthly MFMA Section 71 Reports for 2021/22 FY have been submitted to the Mayor, Provincial and National Treasury by no later than 10 days after the end of each month	None	None	Section 71 Reports, Council Resolutions and proof of Submission to the Provincial and National Treasury	Budget & Treasury	***100%***
Municipal Financial Viability and Management	Improve Financial Viability	3 months norm	***NOT ACHIEVED*** 0.06 months	Budget and Reporting	Cash/cost coverage ratio of 1 - 3 months by 30 June 2022		#	KPI 93	0 months norm	2 months norm		***NOT ACHIEVED*** 1 month norm	Insufficient cash collected. High expenditures bill.	Improved cash flow management. Implement cost containment measures Implement revenue	Monthly Report and Bank Statements	Budget & Treasury	***50%***

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
														enhancement strategies			
Municipal Financial Viability and Management	Improve Financial Viability	N/A	N/A	Budget and Reporting	Annual liquidity ratio by 30 June 2022		Ratio	KPI 94	2 : 1 Ratio	2 : 1 Ratio		***NOT ACHIEVED*** 0.66 : 1	Growing short-term liabilities (Creditors).	Improved cash flow management. Implement cost containment measures Implement revenue enhancement strategies	Monthly reports	Budget & Treasury	***33%***
Municipal Financial Viability and Management	Improve Financial Viability	100%	***NOT ACHIEVED*** 88%	Expenditure Management	Percentage payment on budgeted capital projects identified for 2021/2022 financial year i.t.o. IDP by 30 June 2022		%	KPI 95	100%	100%		***ACHIEVED*** 99.98% Expenditure on budgeted capital projects as identified for the 2021/2022 FY	None	None	Report	Budget & Treasury	***99.98%***
Municipal Financial Viability and Management	To improve financial viability	4x quarterly assets verification to be conducted 2020/2021 FY	***ACHIEVED*** 4x quarterly assets verification conducted	Assets Management	Number of quarterly asset verification reports conducted - movables (sampling) compiled by 30 June 2022		#	KPI 96	4x quarterly assets verification for 2020/2021 FY conducted	4x quarterly assets verification for 2021/2022 FY to be conducted		***ACHIEVED*** 4x Quarterly assets verification for 2021/2022 FY conducted	None	None	4x Sets of Quarterly asset verification reports	Budget & Treasury	***100%***
Municipal Financial Viability and Management	To improve financial viability	1x 2020/2021 Indigent register	***ACHIEVED*** Indigent Registers developed and verified by 31 October 2020	Revenue Management	Number of Indigent Registers developed and verified by 30 June 2022		#	KPI 97	1x 2021/2022 Indigent register developed and verified	1x 2022/2023 Indigent register to be developed and verified		***ACHIEVED*** 1x 2022/2023 Indigent register developed and verified	None	None	Approved Indigent register for 2022/2023	Budget & Treasury	***100%***

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
Municipal Financial Viability and Management	To improve financial viability	100%	***ACHIEVED*** 100%	Revenue Management	Percentage of Registered Indigents with access to Free Basic Services by 30 June 2022		%	KPI 98	100%	100%		***ACHIEVED*** 100%	None	None	Billing Report and indigent register	Budget & Treasury	***100%***
Municipal Financial Viability and Management	Improve Financial Viability	95%	***NOT ACHIEVED*** 77%	Revenue Management	Percentage Maintenance of 95% debtors' collection rate (Consumer cash collected / Consumer billing) by 30 June 2022		%	KPI 99	90%	95%		***NOT ACHIEVED*** 85%	Non-payments of municipal services. High estimation of consumption causing disputes regarding the payments	Implement credit control measures. Reduce estimation on consumptions.	Monthly Report	Budget & Treasury	***85%***
Municipal Financial Viability and Management	Improve Financial Viability	100% payments to creditors within 30 days	***NOT ACHIEVED*** 76 %	Expenditure Management	100% payments to creditors within 30 days by 30 June 2022		%	KPI 100	70% payments to creditors within 30 days	100% payments to creditors within 30 days		***NOT ACHIEVED*** 85%	Insufficient cash flow.	Improve cash flow. Align procurement with cash forecast.	Quarterly Report	Budget & Treasury	***85%***
Municipal Financial Viability and Management	Financial Stability	5 X Bid Committee Members and other officials to be trained	***ACHIEVED*** 5x Bid Committee Members and other officials trained.	Supply Chain Management	Number of SCM Bid Committee Members and other officials trained by 30 September 2021		#	KPI 101	5 X Bid Committee Members and other officials trained	5 X Bid Committee Members and other officials trained to be trained		***ACHIEVED*** 5x Bid Committee Members and other officials were trained	None	None	Signed Attendance Register	Budget & Treasury	***100%***
Municipal Financial Viability and Management	Financial Stability	4x SCM reports compiled and tabled to Council	***ACHIEVED*** 4x SCM reports were tabled to Council as per Council Resolution Number: MC641/01/2020;	Supply Chain Management	Number of reports on the implementation of SCM Policy compiled and tabled to Council by 30 June 2022		#	KPI 102	4x SCM reports compiled and tabled to Council	4x SCM Reports to be compiled and tabled to Council		***NOT ACHIEVED*** 2x Report compiled and submitted to Council as per Council Resolution	The remaining 2x separate SCM reports were not submitted to Council because the information related to SCM was part of the section 71 Reports.	The SCM Reports will be submitted separately effective the 2022/23 financial year.	Reports with Council Resolutions	Budget & Treasury	***50%***

Key Performance Area	Strategic Objectives	2020/2021 Annual Target	2020/2021 Annual Actual Performance	Project/ Programme	Key Performance Indicator (KPI)	Revised Key Performance Indicator (KPI)	Unit of measure (UoM)	KPI Code	Baseline 2020/ 2021	Annual Targets 2021/2022	Revised Annual Target	Annual Actual Performance 2021/2022	Reasons for Variation	Corrective Action/ Measure to improve performance	Evidence Required	Department	KPI Rating
			MC104/01/2021; MC150/04/2021; and MC03/07/2021									Number: MC17/01/2022 MC05/07/2022					
Municipal Financial Viability and Management	Financial Stability	16x Budget related policies reviewed and approved	***ACHIEVED*** 16x Budget related policies reviewed and approved by Council as per Council Resolution Number SMC186/05/2021	Budget and Reporting	Number of Budget related policies reviewed and approved by 30 June 2022		#	KPI 103	16x Budget related policies reviewed and approved	16x Budget related policies to be reviewed and approved		***ACHIEVED*** 16x Budget related policies were reviewed and approved by Council as per Council Resolution Number SMC103/05/2022	None	None	Council Approved Policies with Council Resolution	Budget & Treasury	*100%*

7.1 Restate Performance: 2020/2021

The actual performance was reported incorrectly in the 2020/2021 financial year as ***100% (Completion of the works and handover),*** whereas it was at ***95% (Practical Completion of the works as measured according to the PPII (Appendix D).***

8.0 LIST OF SERVICE PROVIDERS AND THEIR PERFORMANCE ON GRANT FUNDED SERVICE DELIVERY CAPITAL PROJECTS

Section 46 (1) (a) is presented as part of the requirement of Local Government: Municipal Systems Act No. 32 of 2000 as amended; which requires the Annual Performance Report to include information on Performance of each external service provider during that financial year.

The rating for service providers is based on the current (as of June 2022) appointed service providers and terminated service providers. The rating of service providers should not be confused with the overall project performance rating.

8.1 Performance Rating of Service Providers on Grant Funded Service Delivery Capital Projects

RATING SCALE (1-5)

5: Outstanding performance

4: Performance significantly above expectations

3: Fully effective

2: Performance not fully effective

1: Unacceptable performance

Zero rated: Not achieved due to unforeseen circumstances beyond the control of the Service Provider

APPENDIX B: EXTERNAL SERVICE PROVIDERS AND THEIR RATINGS

No.	Programme	Project Description	Allocated Budget	Adjusted Budget	Annual Milestone	Expenditure by June 2022	Actual Performance By 30 June 2022	Reasons for Variations if any/ Corrective Measure	Corrective Measures	Evidence Required	Departm ent	Service Provider's Name	Rating
Municipal Infrastructure Grant													
1.	Roads and Storm Water	Construction of the R101 Intersection in Bela-Bela Ext 6	R7 500 000.00	R 7 259 569.39		R 7 259 569.39	***Achieved*** 100 % (Completion of the works)	None	None	Completion Certificate	Technical Services	***Consultant:*** Kumelkon ***Contractor:*** Luzuko	***Consultant:*** 3 ***Contractor:*** 5
2.	Roads and Storm Water	Construction of Road paving & Stormwater in Bela-Bela Ext 7 - Phase 1	R8 477 329.84	R 7 689 952.45		R 7 689 952.45	***Achieved*** 100 % (Completion of the works)	None	None	Completion Certificate	Technical Services	***Consultant:*** Zonk Consulting ***Contractor:*** Zevofusion	***Consultant:*** 5 ***Contractor:*** 3
3.	Roads and Storm Water	Construction of Road paving & Stormwater in Bela-Bela Ext 8 - Phase 1	R4 668 282.25	R 4 511 719.57		R 4 511 719.57	***Achieved*** 100 % (Completion of the works)	None	None	Completion Certificate	Technical Services	***Consultant:*** Zonk Consulting ***Contractor:*** Bomamohlala	***Consultant:*** 5 ***Contractor:*** 5
4.	Roads and Storm Water	Construction of Road paving & Stormwater in Bela-Bela Kgosana, Matshapa and street 49	R671 988.00	R 2 776 135.11		R 2 776 135.11	***Achieved*** 57% (Construction Stage at 21 - 30%)	None	None	Construction Quarterly progress report	Technical Services	***Consultant:*** Zonk Consulting ***Contractor:*** Ditlou	***Consultant:*** 5 ***Contractor:*** 4

No.	Programme	Project Description	Allocated Budget	Adjusted Budget	Annual Milestone	Expenditure by June 2022	Actual Performance By 30 June 2022	Reasons for Variations if any/ Corrective Measure	Corrective Measures	Evidence Required	Department	Service Provider's Name	Rating
5.	Roads and Storm Water	Construction of Road Paving and Stormwater in Bela-Bela X6 - Phase 2	R 496 500.00	R 440 123.79		R 440 123.79	***Achieved*** 1 Tender advertised for the construction of road paving and stormwater in Bela-Bela X6 - Phase 2 project.	None	None	Appointment Letter of the Consulting Engineers, Designs Approval Letter and Copy of the Tender Advert	Technical Services	***Consultant:*** AES Consulting ***Contractor:*** N/A	***Consultant:*** 5 ***Contractor:*** N/A
6.		Construction of Road Paving and Stormwater in Bela-Bela X8 - Phase 2	R 261 000.00	R 261 000.00		R 260 975.39	***Achieved*** 1 Tender advertised for the construction of road paving and stormwater in Bela-Bela X6 - Phase 2 project.	None	None	Appointment Letter of the Consulting Engineers, Designs Approval Letter and Copy of the Tender Advert	Technical Services	***Consultant:*** Zonk Consulting ***Contractor:*** N/A	***Consultant:*** 5 ***Contractor:*** N/A
7.	Public Amenities/ Facilities	Upgrading of the Bela-Bela Municipal Landfill Site	R1 363 136.20	R 739 613.62		R 730 581,20	***Not Achieved*** 14% (Preliminary designs completed)	Preliminary Designs completed, but there are delays in the completion of detailed designs due the additional comments and requirements from the Limpopo	Revise the scope of works and divide the project into multi-year phases. Address the additional requirements from LEDET to complete	Designs Approval Letter	Technical Services	***Consultant:*** Marungane ***Contractor:*** N/A	***Consultant:*** 3 ***Contractor:*** N/A

No.	Programme	Project Description	Allocated Budget	Adjusted Budget	Annual Milestone	Expenditure by June 2022	Actual Performance By 30 June 2022	Reasons for Variations if any/ Corrective Measure	Corrective Measures	Evidence Required	Departm ent	Service Provider's Name	Rating
								Department of Economic Development, Environment and Tourism (LEDET) as the licencing authority for landfill sites.	the designs by 31 July 2022.				
8.	Public Amenities/Facilities	Construction of sports facilities in Bela-Bela Leseding	R 2 396 063,71	R 2 156 186.09		R 2 156 186.09	***Achieved*** 100 % (Completion of the works)	None	None	Completion Certificate	Technical Services	***Consultant:*** Phamela Engineering ***Contractor:*** True Image	***Consultant:*** 4 ***Contractor:*** 2
Water Service Infrastructure Grant													
9.	Water and Sanitation	Construction of the Water Desalination Plant in Rapotokwane ***(Roll-over)***	-	R 98 849.12		R0.00	***Not Achieved*** 95% (Practical Completion of works)	The project could not be fully completed due to delays to install the transformer by Eskom to power the package plant.	Write a letter to Eskom to follow-up and highlight the effects of the delay, further seek intervention from the higher authority in the relevant region by 31 July 2022.	Construction Quarterly progress report and Completion Certificate	Technical Services	***Consultant:*** Ayamah ***Contractor:*** Luthongwa	***Consultant:*** 2 ***Contractor:*** 3

No.	Programme	Project Description	Allocated Budget	Adjusted Budget	Annual Milestone	Expenditure by June 2022	Actual Performance By 30 June 2022	Reasons for Variations if any/ Corrective Measure	Corrective Measures	Evidence Required	Department	Service Provider's Name	Rating
10.	Water and Sanitation	Water Conservation and Demand Management (WCDM): Replacement of damaged valves and the Installation of Bulk Zonal Meters in Bela-Bela Town & Township and the Installation of Counter Bulk Meters on all Magalies Draw Points	R3 724 650,00	R 113 699.90		R 113 699.90	***Achieved*** 1 Detailed Design completed and approved	None	None	Design Approval Letter	Technical Services	***Consultant:*** Studio Martini ***Contractor:*** N/A	***Consultant:*** 2 ***Contractor:*** N/A
11.	Water and Sanitation	Refurbishment of the Warmbad Dam	R7 265 925,64	R 6 779 659.90 (Including Roll-over)		R 6 779 659.90	***Achieved*** 100 % (Completion of the works)	None	None	Completion Certificate	Technical Services	***Consultant:*** Tshashu ***Contractor:*** Horizon	***Consultant:*** 5 ***Contractor:*** 5
12.	Water and Sanitation	Refurbishment and Automation of the Bela-Bela Waste Water Treatment Works - Phase 1A	R698 983,00	R6 830 761.77 (Including Roll-over)		R 6 841 190.45	***Not Achieved*** 95 % (Completion of the works)	Project is practically completed pending commissioning.	Commissioning of the project by 31 August 2022.	Completion Certificate	Technical Services	***Consultant:*** 2MC ***Contractor:*** 2MC (Turnkey)	***Consultant:*** 3 ***Contractor:*** 2

No.	Programme	Project Description	Allocated Budget	Adjusted Budget	Annual Milestone	Expenditure by June 2022	Actual Performance By 30 June 2022	Reasons for Variations if any/ Corrective Measure	Corrective Measures	Evidence Required	Department	Service Provider's Name	Rating
13.	Water and Sanitation	Refurbishment and Automation of the Bela-Bela Waste Water Treatment Works - Phase 1B	R 9 096 441.36	R13 664 179.64		R13 663 322.37	***Achieved*** 76% (Construction Stage at 61 - 70%)	None	None	Construction Quarterly Progress Report	Technical Services	***Consultant:*** 2MC ***Contractor:*** Mafunzwane JV Ponotle	***Consultant:*** 3 ***Contractor:*** 3
14.	Water and Sanitation	Construction of Sewer outfall from Aventura PS to WWTW	R11 300 000.00	R10 878 674.10		R10 878 674.10	***Not Achieved*** 67% (Construction Stage at 41 - 50%)	Stoppage in the works due delayed permission to access the Aventura Property, hard and unaffordable conditions were submitted to the Municipality.	Designs were changed to construct a portion of the sewer pipeline along the Transnet servitude. Therefore a wayleave application was submitted to Transnet in February 2022. The wayleave was approved on the 14th June 2022 and now the Contractor has returned to site. An application for extension of time will be considered for completion of the project by	Construction Quarterly Progress Report	Technical Services	***Consultant:*** Marungane ***Contractor:*** Bolombe	***Consultant:*** 4 ***Contractor:*** 4

No.	Programme	Project Description	Allocated Budget	Adjusted Budget	Annual Milestone	Expenditure by June 2022	Actual Performance By 30 June 2022	Reasons for Variations if any/ Corrective Measure	Corrective Measures	Evidence Required	Departm ent	Service Provider's Name	Rating
									15 October 2022.				
Energy Efficiency Demand Supply Management													
15	Electricity	Energy Efficiency Demand Side Management (EEDSM) Programme: Replacement of HPS Street Lights with LED Luminaires in Bela-Bela	R 3 000 000,00	-		R 2 999 800.00	***ACHIEVED*** 682 HPS Street Lights replaced with LED Luminaires	None	None	List of street names and number (quantities) where streetlights were replaced.	Technical Services	***Consultant:*** Volt ***Contractor:*** Volt (Turnkey)	***Consultant:*** 3 ***Contractor:*** 3

APPENDIX C: CONTRACT REGISTER

NO	NAME OF THE SERVICE PROVIDER	DESCRIPTION OF WORK	CONTRACT AMOUNT	COMMENCEMENT DATE	TENDER NUMBER	DURATION OF CONTRACT	EXPIRY DATE	RATING
OFFICE OF THE MUNICIPAL MANAGER								
CORPORATE SERVICES								
1.	NTK	Antennae Network	R857.22 p/m	01 May 2019	N0561769	3 Years	30 April 2022	2
2.	Mun Comp System	Mun Admin System	As per pricing schedule	18 October 2000	N/A	Indefinitely	N/A	4
3.	Nashua	Photocopy Machines	R 55 626.01 p/m	01 December 2017	Section 32	3 years	30 November 2021	5
4.	Elphash Trading Enterprise	Provision of Security Services	R1 251 215.38 p/m	01 April 2021	9/3/1/265	3 Years	31 March 2024	3
5.	SITA	Web Services	R80 992.59 p/a	01 April 2020	Sita Contracts	3 years	31 March 2023	3
6.	Ransford Mbewe Inc	Provision of Legal Services	As and when required	17 August 2018	9/3/1/250	3 years	17 Aug 2021	3
7.	EM Motalane Inc	Provision of Legal Services	As and when required	17 August 2018	9/3/1/250	3 years	17 Aug 2021	3
8.	Mahowa Attorneys	Provision of Legal Services	As and when required	17 August 2018	9/3/1/250	3 years	17 Aug 2021	3
9.	Mohale Inc	Provision of Legal Services	As and when required	17 August 2018	9/3/1/250	3 years	17 Aug 2021	1
10.	Moloto Attorneys	Provision of Legal Services	As and when required	17 August 2018	9/3/1/250	3 years	17 Aug 2021	3
11.	Noko Maimela Incorporated	Provision of Legal Services	As and when required	1 May 2022	9/3/1/330	3 years	30 April 2025	3
12.	Ndobela and Associates Inc.	Provision of Legal Services	As and when required	1 May 2022	9/3/1/330	3 years	30 April 2025	3
13.	GSM Mohlabi Inc.	Provision of Legal Services	As and when required	1 May 2022	9/3/1/330	3 years	30 April 2025	4

NO	NAME OF THE SERVICE PROVIDER	DESCRIPTION OF WORK	CONTRACT AMOUNT	COMMENCEMENT DATE	TENDER NUMBER	DURATION OF CONTRACT	EXPIRY DATE	RATING
14.	Motalane Inc.	Provision of Legal Services	As and when required	1 May 2022	9/3/1/330	3 years	30 April 2025	3
15.	Mohale Inc.	Provision of Legal Services	As and when required	1 May 2022	9/3/1/330	3 years	30 April 2025	2
			BUDGET AND TREASURY					
16.	Absa Bank	Banking Services	Per Absa Applicable rates	01 July 2015	1330-000-062	5 years	30-June-2020	4
17.	Fidelity Cash Solution	Cash Collection	R 20 854.84 p/m Inc. VAT	01 August 2017	9/3/1/131	3 years	31-July-2020	5
18.	Munsoft	Intergrated financial System	R1 978 415.00 p/a Excl Vat	01 July 2020	RT25-2016	2 Years	30 June 2022	4
19.	Kunene Makopo Risk Solutions	Provision of Short-Term Insurance	R 901 328.14 p/a	01 July 2020	9/3/1/282	3 Years	30 June 2023	4
20.	Mod Hope Propertis	Compilation of the Valuation Roll	R1 300 000.00 p/a	01 July 2020	9/23/1/288	6 Years	30 June 2026	3
21.	Sempro Consulting (Pty) Ltd	Indigent Management System	As per pricing schedule	01 September 2020	9/3/1/287	3 Years	31 August 2023	3
22.	Maximum Profit Discovery	Value Added Tax recovery service	As and when required (15%)	01 July 2017	Regulation 32	3 years	30-June-2020 It shall renew automatically for a further 3 years period unless terminated by either party by giving 3 months written notice of such	4

NO	NAME OF THE SERVICE PROVIDER	DESCRIPTION OF WORK	CONTRACT AMOUNT	COMMENCEMENT DATE	TENDER NUMBER	DURATION OF CONTRACT	EXPIRY DATE	RATING
							termination. The contract was terminated by the Municipality on the 28th of February 2022.	
23.	Sizwe Ntsaluba Godobo	Compilation of FAR Moveable and Immovable	As and when required	01 June 2021	9/3/1/259	3 years	30 June 2024	3
24.	Akhile Management and Consulting	Compilation of FAR Moveable and Immovable	As and when required	01 June 2021	9/3/1/259	3 years	30 June 2024	3
25.	Infratec Consulting	Compilation of FAR Moveable and Immovable	As and when required	01 June 2021	9/3/1/259	3 years	30 June 2024	1
26.	Ducharme Consulting Services	Accounting Support Services	As an when required	01 July 2021	9/3/1/317	3years	30 June 2024	3
PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT								
27.	Innovation Government Software Solutions	Performance management System	R4 320 000.00	01 September 2018	S32/01/2018	3 years	30 August 2021	4
SOCIAL & COMMUNITY SERVICES								
28.	Mascon	Operations, Maintenance and management of the landfill site	R285 200.00 p.m	01 December 2020	9/3/1/302	3 years	30 November 2023	4

NO	NAME OF THE SERVICE PROVIDER	DESCRIPTION OF WORK	CONTRACT AMOUNT	COMMENCEMENT DATE	TENDER NUMBER	DURATION OF CONTRACT	EXPIRY DATE	RATING
29.	TMT Services and Suppliers (Pty) Ltd	Traffic law enforcement	As per bid document	05 December 2019	9/3/1/263	3 years	05 December 2022	2
TECHNICAL SERVICES DEPARTMENT								
30.	Tshuki Trading	Supply and delivery of Personal Protective Equipment (PPE)	As and when require services	01 December 2018	9/3/1/252	3 years	30 November 2021	5
31.	Crystal Sambo Trading	Supply and delivery of Personal Protective Equipment (PPE)	As and when require services	01 December 2018	9/3/1/252	3 years	30 November 2021	5
32.	Bolelang Trading	Supply and delivery of Personal Protective Equipment (PPE)	As and when require services	01 December 2018	9/3/1/252	3 years	30 November 2021	1
MUNICIPAL INFRASTRUCTURE GRANT (MIG) FUNDED PROJECTS								
33.	Zonk Engineering Consultants	Bela Bela: Road paving & Storm water X7 Phase 1 (Ward 4,7)	R 1 218 736.56	15 July 2019	9/3/1/257 (14)	33 Months	30 April 2022	5
34.	Kumelcon (Pty) Ltd	Bela Bela: Extension 6 Road Intersection (Ward 7)	R1 601 609.49	11 November 2019	9/3/1/257 (15)	32 Months	29 July 2022	3
35.	Zonk Engineering Consultants	Bela Bela: Road paving & Storm water X8 - Phase 1 (Ward 4)	R 737 813.13	15 July 2019	9/3/1/257 (16)	33 Months	30 April 2022	5

NO	NAME OF THE SERVICE PROVIDER	DESCRIPTION OF WORK	CONTRACT AMOUNT	COMMENCEMENT DATE	TENDER NUMBER	DURATION OF CONTRACT	EXPIRY DATE	RATING
36.	Marungane Projects	Bela Bela: Upgrade of the Municipal Landfill Site	R2 350 000.00	20 May 2020	9/3/1/257 (24)	28 Months	20 September 2022	3
37.	Bo-Mamohlala Projects cc	Construction of Roads & Stormwater Ext 6 Ward 7 – Phase 1	R3 382 837.63	01 September 2020	9/3/1/292	04 Months	15 January 2021	5
38.	Phamela Engineering Services (Pty) Ltd	Leseding Sports Facilities	R722 727.27	05 October 2020	9/3/1/257 (25)	12 Months	08 October 2021	4
39.	Zonk Engineering Consultants	Construction of Road paving & Stormwater in Bela Bela Kgosana, Matshapa and street 49 (Ward 5)	R 1 010 335.84	16 February 2021	9/3/1/257 (26)	24 Months	16 February 2023	5
40.	True Image Enterprise	Leseding: Development of Sports Facilities	R3 642 295.53	25 February 2021	9/3/1/308	04 Months	08 July 2022	2
41.	Zevofusion (Pty) Ltd	Construction of Roads and Storm Water in Bela Bela Ext 7 (Ward 4 & 7) - Phase 1	R6 996 879.28	30 August 2021	9/3/1/314	07 Months	12 April 2022	3
42.	Bo-Mamohlala Projects	Construction of Road Paving and Storm Water in Bela Bela Ext 8 (Ward 4) - Phase 1	R3 986 802.75	24 August 2021	9/3/1/315	05 Months	24 February 2022	5

NO	NAME OF THE SERVICE PROVIDER	DESCRIPTION OF WORK	CONTRACT AMOUNT	COMMENCEMENT DATE	TENDER NUMBER	DURATION OF CONTRACT	EXPIRY DATE	RATING
43.	AES Consulting	Construction of Road Paving and Stormwater in Bela Bela X6 - Phase 2 (Ward 7)	R1 100 815.75	05 November 2021	9/3/1/257 (28)	30 Months	05 May 2024	5
44.	Zonk Engineering Consultants	Construction of Road Paving and Stormwater in Bela Bela X8 - Phase 2 (Ward 4)	R755 895.38	05 November 2021	9/3/1/257 (29)	24 Months	05 November 2023	5
45.	Luzuko Trading Enterprise	Construction of Bela Bela Extension 6 Road Intersection (Ward 7)	R6 403 847.45	27 January 2022	9/3/1/328	12 Months	15 December 2022	5
46.	Ditlou Supplies and Services	Construction of Paved Roads & Stormwater in Bela-Bela Township, Kgosana, Mashapa and Street 49 (Ward 5)	R5 696 414.46	20 May 2022	9/3/1/342	5 Months	20 October 2022	4

NO	NAME OF THE SERVICE PROVIDER	DESCRIPTION OF WORK	CONTRACT AMOUNT	COMMENCEMENT DATE	TENDER NUMBER	DURATION OF CONTRACT	EXPIRY DATE	RATING
WATER SERVICES INFRASTRUCTURE GRANT (WSIG) FUNDED PROJECTS								
47.	Studio Martini Ingegneria	Water Conservation and Demand Management (WCDM): Installation of Bulk Zonal Meters in Bela Bela Town & Township (Wards 1 to 7) and the Installation of Counter Bulk Meters on all Magalies Draw Points	R 682 500.00	22 June 2020	9/3/1/257 (17)	30 Months	15 December 2022	2
48.	2MC Consulting Engineers	Refurbishment of the Bela Bela Waste Water Treatment Works	R1 949 186.40	23 April 2021	9/3/1/257 (19)	9 months	23 January 2022 *(Condition of Contract changed)*	-
49.	2MC Consulting Engineers	Refurbishment and Automation of the Bela-Bela Waste Water Treatment Works - Phase 1A	R 9 998 762.38	23 April 2021	N/A	13 Months	30 June 2022	2
50.	2MC Consulting Engineers	Refurbishment and Automation of the Bela-Bela Waste Water Treatment Works - Phase 1B	R 3 353 295.91	01 June 2021	N/A	16 Months	30 September 2022	3

NO	NAME OF THE SERVICE PROVIDER	DESCRIPTION OF WORK	CONTRACT AMOUNT	COMMENCEMENT DATE	TENDER NUMBER	DURATION OF CONTRACT	EXPIRY DATE	RATING
51.	2MC Consulting Engineers	Refurbishment and Automation of the Bela-Bela Waste Water Treatment Works - Phase 1C	R 3 650 613.09	03 May 2022	N/A	16 Months	03 September 2023	3
52.	Tshashu Consulting & Project Managers	Refurbishment of Warmbad Dam	R1 630 300.00	25 May 2020	9/3/1/257 (20)	20 Months	25 January 2022	5
53.	Marungane Projects	Refurbishment of Sewer Outfall from Aventura Pump Station to the Waste Water Treatment Works	R2 436 545.42	12 February 2021	9/3/1/257 (27)	20 Months	12 October 2022	4
54.	Horizon Signature Projects	Refurbishment of Warmbad Dam	R10 687 620.23	08 March 2021	9/3/1/305	08 Months	18 November 2021	5
55.	Mafunzwani Construction and General Supply JV Ponontle Information Systems	Refurbishment and Automation of BelaBela Waste Water Treatment Works – Phase 1B	R15 203 899.36	26 November 2021	9/3/1/326	10 Months	26 September 2022	3

NO	NAME OF THE SERVICE PROVIDER	DESCRIPTION OF WORK	CONTRACT AMOUNT	COMMENCEMENT DATE	TENDER NUMBER	DURATION OF CONTRACT	EXPIRY DATE	RATING
56.	Bolombe 82 Trading and Projects	Refurbishment of the sewer outfall from Aventura Pump (PS) Station to the Bela-Bela Waste Water Treatment Works (WWTW)	R14 228 087.20	20 January 2022	9/3/1/327	08 Months	30 September 2022	4
ENERGY EFFICIENCY DEMAND SIDE MANAGEMENT (EEDSM) FUNDED PROJECTS								
57.	Volt Consulting engineers	Energy Efficiency Demand Side Management (EEDSM) Programme: Bela Bela – Replacement of HPS Street Lights with LED Luminaires	***Phase 1:*** R3 636 360.00 ***Phase 2:*** R3 000 000.00	***Phase 1:*** 05 May 2020 ***Phase 2:*** 01 July 2021	9/3/1/265 (23)	***Phase 1:*** 12 Months ***Phase 2:*** 12 Months	***Phase 1:*** 07 June 2021 ***Phase 2:*** 30 June 2022	3

APPENDIX D: PROJECT PERFOMANCE INDICATOR IMPLEMENTATION (PPII)

Item No.	Performance Description	% completed
1	Appointment of Consulting Engineers	5%
2	Scoping Report completed and approved	10%
3	Preliminary Designs completed and approved	14%
4	Detailed Design Report and Drawings approved	19%
5	Draft Tender Document (Bid Specifications) approved	24%
6	Tender Advertised	29%
7	Tender Evaluation completed	33%
8	Tender Adjudication completed	38%
9	Appointment of Contractor	43%
	Construction Stage (Completed as per scope of works and monthly reports)	
10	0-10% complete	48%
11	11-20% complete	52%
12	21-30% complete	57%
13	31-40% complete	62%
14	41-50% complete	67%
15	51-60% complete	71%
16	61-70% complete	76%
17	71-80% complete	81%
18	81-90% complete	86%
19	91-99% complete	90%
20	Practical Completion of the Works (Snag List)	95%
21	Completion of the Works	100%
22	Defects Liability Period (Retention) Stage	
23	Final Completion	

9.0 ANALYSIS OF AND LESSONS OF THE OVERALL PERFORMANCE

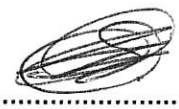
Section 46 (1) (c) of the Local Government: MSA as amended requires that the Municipality's Annual Performance Report include information on corrective action or measures taken to improve performance. Under section 10 of the report the table includes a column on reasons for poor and under achievements as well as measures taken or corrective actions to improve performance. The Municipality confirms that such indicators and their programmes or projects have found their expression in the new SDBIP for the financial year 2022/2023. In addition to this, the Municipality has considered all other necessary technical and strategic inputs stemming from various in year monitoring platforms into the new SDBIP. The reason and corrective measures provided in the report will also be used as a reference for improving performance planning and management within the Municipality moving forward.

10. CONCLUSION

Notwithstanding challenges experienced during the year under review, Bela-Bela Local Municipality strived to serve its constituent Community with distinction during the 2021/2022 financial year. This report demonstrates the commitment of the Municipality to ensure that the local community have access to their basic needs, as enshrined in the 1996 Constitution of the Republic of South. Investment in capital and social infrastructure remains a clear focus area when projects are identified in the IDP. This report to Council and the local community demonstrates the ability of the Bela-Bela Local Municipality to adapt to the ever-changing socio-economic needs of the local community. The Municipality has already put in place corrective actions in response to the unachieved targets for implementation in the 2022/2023 IDP Review; Budget and SDBIP respectively, and will duly report to Council through its Governance Structures on the progress made to address those targets.

We wish to extend our gratitude to the Municipal Council, Executive Committee, Portfolio Committees the Management Team as well as to all the employees of the Bela-Bela Local Municipality who diligently and competently assisted to ensure that our Municipality is well on its way to becoming "A Place of Excellence" in all its Service Delivery and Governance processes.

Our Governance approach is that of continuous learning from our experiences and those of other well-performing Municipalities across the country, as we embark on our journey of Good Corporate Governance, characterised by improved quality of livelihoods in all the neighbourhoods therein.



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Mr. TG RAMAGAGA
MUNICIPAL MANAGER

28/11/2022

.....

DATE

2021/2022 AUDITOR - GENERAL REPORT :
ANNEXURE C

Report of the auditor-general to the Limpopo Provincial Legislature and the council on the Bela-Bela Local Municipality

Report on the audit of the financial statements

Qualified opinion

1. I have audited the financial statements of the Bela-Bela Local Municipality set out on pages … to …, which comprise the statement of financial position as at 30 June 2022, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, except for the possible effects of the matters described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of the Bela-Bela Local Municipality as at 30 June 2022, and its financial performance and cash flows for the year then ended in accordance with the Standards of Recognised Accounting Practice (Standards of GRAP) and the requirements of the Municipal Financial Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 9 of 2021 (DoRA).

Basis for qualified opinion

Investment property

3. I was unable to obtain sufficient appropriate evidence for the fair values of investment property determined by the municipality as the fair value assessment provided did not have adequate and complete audit evidence to support the assumptions made. Additionally, included in the register, is land valued at R1. This land was not subject to a fair value determination in the current year. The land was impaired. I was unable to confirm the fair value of investment property by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to investment property stated at R134 917 076 (2020-2021: R109 865 416) in note 3 to the financial statements.

Receivables

4. The municipality did not account for allowance for impairment of doubtful receivables in accordance with GRAP 104, *financial instruments* and GRAP 108, *statutory receivables*. This was due to management not correctly determining the risk rating of consumers. Inactive accounts were classified as active as management did not correctly close the accounts. I was unable to confirm the impairment by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to the allowance for

impairment of R114 297 392 (2020-2021: R107 190 064) and R128 032 116 (2020-2021: R108 641 613) for receivables from exchange transactions and non-exchange transactions (property rates) respectively in note 11 and 14 to the financial statements. There is a resultant impact on receivables from exchange transactions in note 11 to the financial statements, receivables from non-exchange transactions (property rates) in note 14 to the financial statements and debt impairment in note 31 to the financial statements.

5. I was unable to obtain sufficient appropriate audit evidence for amounts recognised as receivables from non-exchange transactions - other, due to the status of the accounting records. There were no underlying records to support the opening balance of R5 191 067. I was unable to confirm the receivables from non-exchange transactions - other by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to receivables from non-exchange transactions - other, stated at R5 217 902 (2020-2021: R5 191 067) in note 14 to the financial statements.

6. The municipality incorrectly accounted for bad debts written off on traffic fines. Bad debts amounting to R8 285 470 were expensed in the statement of financial performance instead of being written off against the provision for impairment of traffic fines. Consequently debt impairment stated at R65 266 022 in note 31 to the financial statements is overstated by R8 295 000. There is a resultant impact on the receivables from traffic fines and surplus for the period.

Payables from exchange transactions

7. I was unable to obtain sufficient appropriate audit evidence for amounts recognised as payments received in advance, due to the status of the accounting records. I was unable to confirm the payments received in advance by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to payments received in advance, stated at R19 160 797 (2020-2021: R18 089 340) in note 7 to the financial statements.

8. I was unable to obtain sufficient appropriate audit evidence for amounts recognised as unknown deposits, due to the status of the accounting records. I was unable to confirm the unknown deposits by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to unknown deposits, stated at R5 269 359 in note 7 to the financial statements.

9. During 2020-2021, I identified an understatement of trade payables amounting to R5 080 206. My audit opinion on the financial statements for the period ended 30 June 2022 was modified accordingly. My opinion on the current year financial statements was also modified because of the possible effect of this matter on the comparability of the trade payables for the current period.

Cash and cash equivalents

10. The municipality did not establish internal control for regularly reconciling its cash and cash equivalents. I identified unreconciled differences between the balance for cash and cash equivalents as per the accounting records and the bank records at year end. I was unable to confirm the unreconciled difference by alternative means. Consequently, I was unable

determine whether any adjustments were necessary to cash and cash equivalents stated at R16 830 835 in note 15 to the financial statements.

Revenue from exchange transactions

11. Included in the comparative figure for other income of R16 177 543 in note 22 to the financial statements, are items amounting to R12 938 061 that do not meet the definition of revenue from exchange transactions in terms of GRAP 9, *Revenue from exchange transactions*. The comparative figure for other income is overstated by R12 938 061. I was unable to determine the impact of the overstatement on other account balances and classes of transactions.

12. I identified a difference of R27 80 440 between service charges of R189 321 078 and the amount as per the underlying records. The municipality did not have adequate systems of internal controls for accounting for service charges. Additionally, I identified sewerage charges amounting to R6 667 410 that I was unable to confirm if the municipality was entitled to the revenue recognised. I could not find the consumers that the municipality billed in any of the underlying records. Consequently, I was unable to determine whether any further adjustment was necessary to service charges of R189 321 078 as per note 18 to the financial statements.

Expenditure

13. The municipality did not have adequate internal control systems for classifying expenditure by nature as required by GRAP 1, *Presentation of financial statements*. I identified contracted services and items that qualify to be property, plant and equipment in terms of GRAP 17, *Property, plant and equipment*, that were incorrectly classified as general expenses. Consequently, general expenses are overstated by R12 205 152. There is a resultant impact on contracted services and property, plant and equipment.

14. The municipality did not have an adequate internal control systems for classifying expenditure by nature as required by GRAP 1, *Presentation of financial statements*. I identified general expenses of R6 459 136 that were incorrectly classified as contracted services. Consequently, contracted services is overstated by R6 459 136 and general expenses are understated by the same amount.

Cash flow statement - Net cash flows from operating activities

15. The municipality did not correctly prepare and disclose cash flow statement in accordance with GRAP 2, *Cash flow statement*. This was due to multiple errors in determining cash flows from operating activities. I was not able to determine the full extent of the errors in the cash flow statement as it was impracticable to do so. Consequently, I was unable to determine whether any adjustments to cash flows from operating activities stated at R56 799 931 (2020-2021: R82 046 991) in the cash flow statement were necessary.

Water distribution losses

16. I was unable to obtain sufficient appropriate audit evidence for water losses. The amount of the water losses as per the financial statements differed materially to the underlying records. Additionally, some of the assumptions used by management in the computation of

the water losses could not be substantiated. I was unable to confirm the water losses by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to water losses stated at R15 560 195 in note 33 to the financial statements.

Irregular expenditure

17. The municipality did not include the particulars of all irregular expenditure in the notes to the financial statements as required by section 125(2)(d)(i) of the MFMA. Furthermore, the municipality did not implement adequate internal control systems to identify and record all instances of irregular expenditure in both the current and prior year. This resulted in the irregular expenditure disclosure being understated. The full extent of the misstatement of irregular expenditure could not be quantified as it was impracticable to do so. Consequently, I was unable to determine the extent of adjustments necessary to the opening and closing balance of irregular expenditure disclosure stated at R138 569 710 (2020-2021: R90 947 125) in note 40 to the financial statements.

Segment reporting

18. The municipality did not disclose reportable segments in accordance with GRAP 18, *Segment reporting* in note 41 to the financial statements. Several disclosures required by GRAP 18 were not disclosed in the financial statements. I did not list all the omitted disclosures in this report. I was unable to determine the full extent of the omission of these disclosures in the financial statements.

Statement of comparison of budget and actual amounts

19. GRAP 24, *Budget information* requires the municipality to present a comparison of the budget amounts for which it is held publicly accountable and actual amounts either as a separate additional financial statement or as additional budget columns in the financial statements. The municipality did not have adequate controls in place for reconciling the statement of comparison of budgets and actual amounts to the other components of the financial statements. I identified a difference of R83 591 491 between the amount for total assets of R1 121 872 639 as per the budget statement and the amount of total assets of R1 038 281 148 as per the statement of financial position. I further identified a difference of R83 590 587 between the amount for total liabilities of R393 454 233 as per the budget statement and R309 863 646 for total liabilities as per the statement of financial position.

20. The municipality did not by way of a note disclosure provide an explanation of material differences between the budgets for which the municipality is held publicly accountable and actual amounts for some of the identified variances as required by GRAP 24, *Budget information*.

Presentation of financial statements

21. GRAP 1, *Presentation of financial statements* requires an entity to disclose a summary of significant accounting policies and the other accounting policies that are relevant to an understanding of the financial statements. The municipality omitted accounting policies for related parties, restatement of corresponding figures, other MFMA disclosures,

remuneration of councillors, deviations, commitments and material losses through criminal conduct contrary to the requires of GRAP 1.

Context for the opinion

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

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

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

Material uncertainty relating to going concern/ financial sustainability

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

26. I draw attention to note 37 to the financial statements, which indicates that the municipality's current liabilities exceeded its current assets by R104 091 358 as at 30 June 2022. As stated in note 37, these events or conditions, along with other matters as set forth in the note, indicate that a material uncertainty exists that may cast significant doubt on the municipality's ability to continue as a going concern.

Emphasis of matters

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

Electricity losses

28. As disclosed in note 33 to the financial statements, material electricity losses of R30 877 920 was incurred due technical losses, illegal connections, faulty meters and theft.

Unauthorised expenditure

29. As disclosed in note 38 to the financial statements, the municipality incurred unauthorised expenditure of R52 945 881, as actual expenditure for vote1: chief financial officer and vote 7: social and community services exceeded the appropriated budget.

Fruitless and wasteful expenditure

30. As disclosed in note 39 to the financial statements, the municipality incurred fruitless and wasteful expenditure of R2 166 691 due to interest and penalties for late settlement of outstanding amounts.

Restatement of corresponding figures

31. As disclosed in note 36 to the financial statements, some corresponding figures for 30 June 2021 were restated as a result of errors in the financial statements of the municipality at, and for the year ended, 30 June 2022.

Other matters

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

Unaudited supplementary schedules

33. The supplementary schedule set out on pages xx to xx does not form part of the financial statement and is presented as additional information. I have not audited this schedule and, accordingly, I do not express an opinion thereon.

Responsibilities of the accounting officer for the financial statements

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

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

Auditor-general's responsibilities for the audit of the financial statements

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

37. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

38. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected development priorities presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.

39. My procedures address the usefulness and reliability of the reported performance information, which must be based on the municipality's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the municipality enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

40. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected development priorities presented in the municipality's annual performance report for the year ended 30 June 2022:

Development priorities	Pages in the annual performance report
KPA 1 - Basic service delivery and infrastructure development	x – x

41. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

42. The material findings on the usefulness and reliability of the performance information of the selected development priorities are as follows:

KPA – Basic service delivery and infrastructure development

Various indicators

43. The achievements reported in the annual performance report materially differed from the supporting evidence provided for the indicators listed below:

Indicator description	Reported achievement
KPI 18: Percentage of formal households to be provided with access to basic level of electricity	100.43% (10 628 formal households were provided with access to basic level Electricity)
KPI 19: Percentage of non-residential properties to be provided with access to electricity	78% (1 205 non-residential properties (businesses, churches, schools & hospitals) were provided with access to electricity)
KPI 6: Percentage of non-residential properties (businesses, churches, schools & hospitals) provided with access to basic level of water	98% (410 non-residential properties (businesses, churches, schools & hospitals) were provided with basic level of water)

Other matters

44. I draw attention to the matter/s below.

Achievement of planned targets

45. Refer to the annual performance report on pages … to … for information on the achievement of planned targets for the year. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraph 41 of this report.

Adjustment of material misstatements

46. We identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of KPA 1 – Basic services delivery and infrastructure development. As management subsequently corrected the misstatements, we did not raise any material findings on the usefulness and reliability of the reported performance information. Those that were not corrected are included in the basis for qualified opinion paragraphs.

Report on the audit of compliance with legislation

Introduction and scope

47. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the municipality's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

48. The material findings on compliance with specific matters in key legislation are as follows:

Annual financial statements, performance and annual report

49. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA.

Material misstatements of non-current assets, current assets, liabilities, revenue, expenditure and disclosures identified by the auditors in the submitted financial statements were subsequently corrected and, but the uncorrected material misstatements resulted in the financial statements receiving a qualified audit opinion.

Asset management

50. An effective system of internal control for assets was not in place, as required by section 63(2)(c) of the MFMA.

Revenue management

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

Expenditure management

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

53. Reasonable steps were not taken to prevent irregular expenditure, as required by section 62(1)(d) of the MFMA. The expenditure disclosed does not reflect the full extent of the irregular expenditure incurred as indicated in the basis for qualification paragraph. The majority of the disclosed irregular expenditure was caused by non-compliance with 2017 preferential procurement regulations on local content requirements.

54. Reasonable steps were not taken to prevent fruitless and wasteful expenditure as required by section 62(1)(d) of the MFMA. The majority of the disclosed fruitless and wasteful expenditure was caused by interest charged on late payment of service providers.

55. Reasonable steps were not taken to prevent unauthorised expenditure, as required by section 62(1)(d) of the MFMA. The disclosed unauthorised expenditure was caused by overspending on two votes of the municipality.

Consequence management

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

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

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

Procurement and contract management

59. Some of the quotations were awarded to bidders that did not score the highest points in the evaluation process, as required by section 2(1)(f) of Preferential Procurement Policy Framework Act 5 of 2000 and 2017 preferential procurement regulations 11.

60. Some of the invitation to tender for procurement of commodities designated for local content and production, did not stipulate the minimum threshold for local production and content as required by the 2017 Preferential Procurement Regulation 8(2). Similar non-compliance was also reported in the prior year.

Other information

61. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report, which includes the audit committee's report. The other information does not include the financial statements, the auditor's report and those selected development priorities presented in the annual performance report that have been specifically reported in this auditor's report.

62. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.

63. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected development priorities presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

64. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

65. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report.

66. The accounting officer and management did not exercise adequate oversight responsibility regarding financial and performance reporting and compliance with laws and regulations.

67. Leadership did not exercise effective monitoring over the implementation of the audit action plan resulting in recurring prior year issues.

68. Consequence management is moving at a slow pace.

69. The basic accounting principles of daily and monthly accounting and reconciling of transactions have not been adequately implemented and monitored.

70. The financial statements and the annual performance report are not reviewed for accuracy and completeness by the accounting officer.

71. Internal controls for monitoring compliance with laws and regulations are ineffective as they do not detect and prevent instances of non-compliance with applicable laws and regulations.

72. The internal control monitoring mechanisms of the municipality are not functioning optimally, as many control weaknesses are only discovered during the audit of the financial statements and performance information.

73. Slow responses by management to address the root cause of poor audit outcomes.

Auditor - General

Polokwane

30 November 2022

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure – Auditor-general's responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected development priorities and on the municipality's compliance with respect to the selected subject matters.

Financial statements

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

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

Communication with those charged with governance

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

4. I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all