



**GREATER GIYANI
MUNICIPALITY**

GREATER GIYANI MUNICIPALITY ANNUAL REPORT 2022-23

Taking the lead in service delivery

Vision: “A Municipality where environmental sustainability, tourism and agriculture, and mineral resources thrive for economic growth”

Mission: A democratic and accountable municipality that ensures the provision of services through sound environmental management practices, local economic development and community participation



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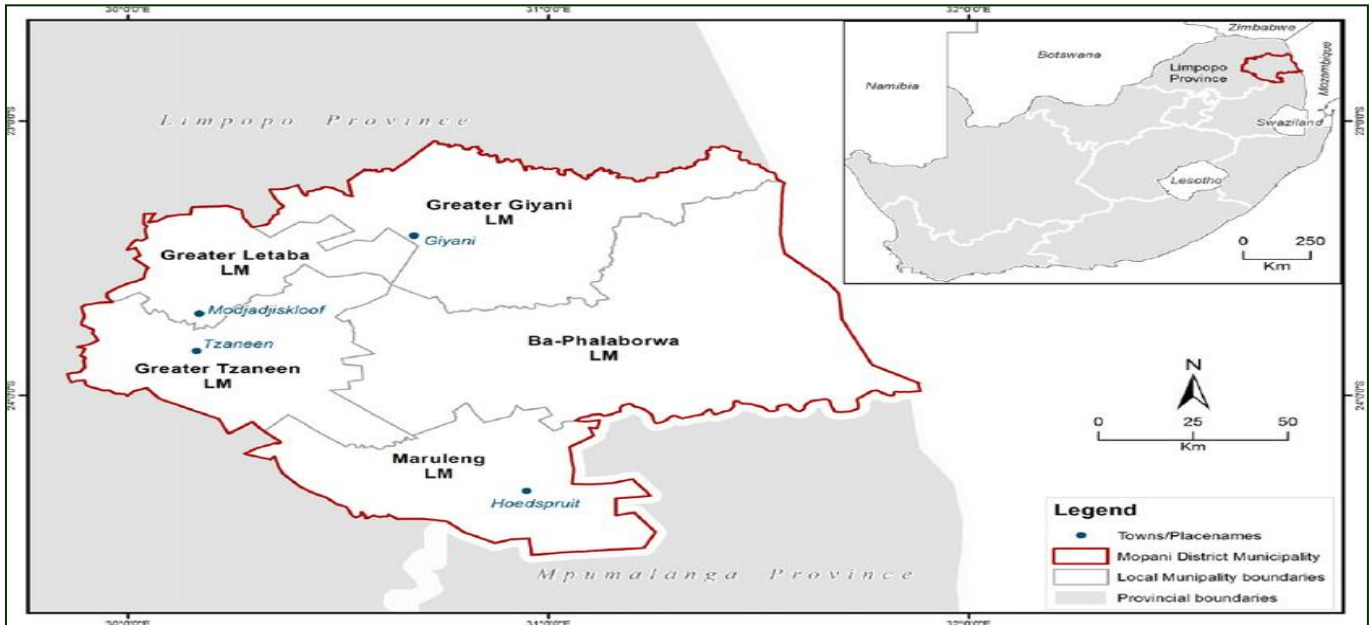
TABLE OF ACRONYMS

AG	Auditor-General
GGM	Grater Giyani Municipality
MDM	Mopani District Municipality
COMM	Communications Division
CWP	Community Works Programme
DMP	Disaster Management Plan
DoE	Department of Energy
DoHS	Department of Human Settlement
Strats	Strategic Planning and Local Economic Development
EMP	Environmental Management Plan
EPWP	Expanded Public Works Programme
FBW	Free Basic Water
FY	Financial Year
IDP	Integrated Development Plan
IGR	Intergovernmental Relation
LED	Local Economic Development
MFMA	Municipal Finance Management Act, No, 56 of 2003
MIG	Municipal Infrastructure Grant
MM	Municipal Manager
MPAC	Municipal Public Account Committee
MSIG	Municipal Systems Improvement Grant
MW	Municipal Wide
N/A	Not applicable
SLA	Service Level Agreement
PIA	Project Implementing Agent
PMS	Performance Management System
PMU	Project Management Unit
SCM	Supply Chain Management
SLP	Social and Labour Plan
SDBIP	Service Delivery and Budget Implementation Plan

GENERAL INFORMATION	
NAME OF ORGANIZATION	GREATER GIYANI MUNICIPALITY
TYPE OF ORGANAZATION	LOCAL GOVERNMENT/MUNICIPALITY CATEGORY B
PROVINCE	LIMPOPO
DISTRICT	MOPANI

REGISTERED ADDRESS	CIVIC CENTRE GIYANI MAIN ROAD GIYANI 0826
POSTAL ADDRESS	PRIVATE BAG X 9559 GIYANI 0826
TELEPHONE	015 811 5500
FAX	015 812 2068
EMAIL	INFO@GREATERGIYANI.GOV.ZA
WEBSITE	www.gretergiyani.gov.za
BANKERS	ABSA BANK LIMITED
AUDITORS	AUDITOR-GENERAL OF SOUTH AFRICA
MAYOR	CLR ZITHA T
ACCOUNTING OFFICER MUNICIPAL MANAGER	KHOZA VD

LOCATIONAL MAP



Chapter One: Mayor's Foreword and Executive Summary

The Greater Giyani Municipality hereby, in terms of section 127 subsection 2 of the MFMA Act no 56 of 2003. Present to council the annual report 2022/2023 Annual Report which outlines achievements and challenges for the year under review.

As municipality, we are committed to continuously search for mechanism to identify priorities and problems in the quest for efficient and effective alternatives towards maximum and sustainable fulfilment of our mandate as enshrined in the Constitution of the Republic of South Africa. The mandate is highlighted in Section 152 as follows; (objects of local government):

- Provision of democratic and accountable government for our communities
- Provision of basic services in a sustainable manner
- Promotion of social and economic development
- Promotion of safe and healthy environment
- Encourage the involvement of communities in matters of local government
- Involvement of communities and community organizations in matters of local government.

The municipality also engaged in a strategic planning session which took place in Karibu Leisure Resort during the second quarter, this exercise is part of the IDP review processes which look into the current vision, mission and strategic objectives of the municipality. This process is also guided by:

- The need to set out the core principles, mechanisms and processes that give meaning to development and to empower the municipality to move progressively towards social and economic upliftment of communities and the provision of basic services to all communities.
- The democratic operative for local government to actively involve and engage communities.

The review process which facilitates planning and delivery, also informs decisions on issues that include budgeting, local economic development and institutional transformation. This process was done in a consultative, systematic and strategic manner. The IDP processes also guided all the activities during the integration phase regarding all projects from other spheres of government, corporate service providers, NGOs, and the private sector institutions.

Greater Giyani Municipality has complied with all the phases of the IDP in line with the adopted process plan. We engaged communities in the form of clusters which has been adopted by the municipality. The municipality also consulted widely, key stakeholders and the private sector organizations, religious organizations, instruments of traditional leadership etc. This process has assisted the municipality in the compilation of the basket of developmental issues which remain endowed to our communities.

These developmental issues range from electricity, roads, water, sanitation, housing, access to health facilities sporting amenities, crime, unemployment etc. The consultative processes are also informed by the National Development Plan (NDP) 2030 with its central focus on the Reducing of poverty and unemployment.

This is supported by the Local Government, Municipal System Act no 32 of 2000 which stipulate that the municipality must undertake developmental oriented planning

so that to ensure that it, (a) strives to achieve the objectives of local government as set out in in section 152 of the constitution. (b) to give effect to its developmental duties as required by section 152 of the constitution.

The municipality, in line with the legislated imperatives has developed an annual report which gives account to municipal performance in terms of its own set predetermined objectives which set target that need to be achieved at the end of that financial year. the annual report also indicate challenges for the targets not achieved and the reasons for non achievement.

These are some of the achievement for the year under review:

- Nwa dzeku dzeku community hall
- Ndhambhi taxi rank
- Traffic lights
- Electrification projects in most of our communities
- Energy saving street lights
- High mast lights

These are just the highlight of some of the projects which were achieved in the financial under review. There were many projects which are implimented in a multi year set up and projects that are undertaken by the sector departments.

We want to urge all Greater Giyani residents, stakeholders, NGOs, and the private sector institutions to maximumly participate in community IDP consulatative meetings to assist the municipalty to plan better for the realisation of its predermined objectives.




Cllr. Zitha T
Mayor

30/01/2024
Date

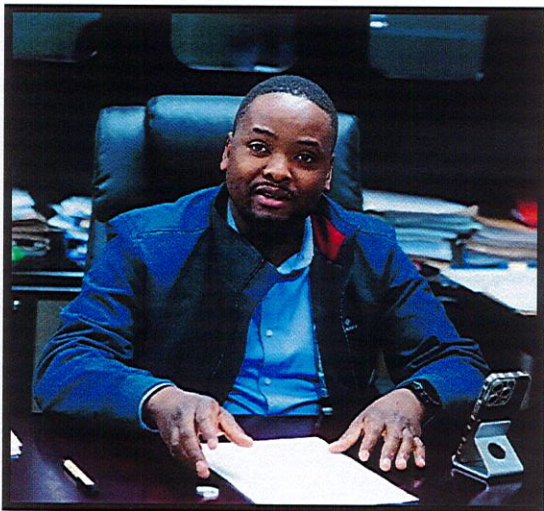
Component B: Executive Summary

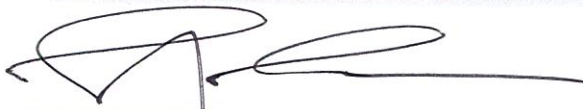
1.1 Overview by the Municipal Manager

Greater Giyani Municipality is an organization that derives its pride on environmental sustainability, tourism, and agriculture for economic growth. The 2022/23 Financial Year came with a lot of hard work from the municipal workforce and the collective commitments which resulted in significant achievement recorded in the period under reporting. The Municipality has been able to improve the lives of the Greater Giyani communities through infrastructure development such as electricity connections, paved roads, building of community halls, a taxi rank, the provision of high mast lights and energy saving streetlights. These will assist in reduction of crime, encourage social cohesion, and facilitate economic development within the affected communities. Furthermore, the provision of traffic lights will assist in reducing road accidents and congestion management.

The municipality has also managed to assist SMME's financially and by exposing them to various markets where their products were showcased to larger audiences. The markets include Rand Easter Show, Durban Indaba and Marula Festival. It is highly encouraging that our core business department, Basic Service Delivery, and Infrastructure Development, was able to achieve 57% on the planned targets. Local Economic Development achieved 86% on the LED targets. Our bid specification, evaluation and adjudication committees sit regularly to ensure timeous appointment of service providers, regardless of the overwhelming number of bids we attract. However, high vacancy rate is a challenge due to limited financial resources and high personnel turnover. We also developed policies that guided the municipality's day to day functions and the policies are reviewed at least once per year.

In conclusion, the municipality has obtained an unqualified audit outcome during 2022/23 financial year as per the Auditor General of South Africa. Furthermore, the Municipality made improvements on its project expenditure by increasing spending MIG to 100% in 2022/23 financial year and therefore realise its objectives.




Khoza VD
Municipal Manager

30/6/2024
Date

Function	Responsible Department	Definition
Municipal Planning	Strategic Planning & LED	Development of the integrated development plan in terms of the municipal Systems Act, 32 of 2000.
Local Tourism	Strategic Planning & LED	The promotion, marketing and, if applicable, the development of any tourism attraction within the area of the municipality with a view to attract Tourist; to ensure access, and municipal services to such attraction, and to regulate structure and control
Markets	Community Services and Strategic planning and LED	The establishment, operations, management, conduct, regulations and / or control of markets other than fresh produce markets including market permits, location, times, conduct, etc.
Trading Regulations	Strategic Planning & LED	To regulate of any facility and /or activity related to the trading of goods and services within the municipal area not already regulated by National and provincial legislation
Municipal Parks	Technical Services and Community Services	The provision, management, control and maintenance of any land, garden or facility set aside for recreation, sightseeing and / or tourism and including playground, but exclude sport facilities.
Open places	Community Services	The management, maintenance, and control of any or facility owned by the municipality for public use.
Noise pollution	Community Services	The control and monitoring of noise that adversely affects the well-being of human health or the eco-system that is useful to maintain, now or in the future.
Control of public nuisance	Community Services	The regulation, control and monitoring of any facility or activity.
Municipal Airport	Technical Services	A demarcation area on land or water or a building which is used or intended to be used, either completely or in part, for the arrival or departure of aircraft which includes the establishment and maintenance of such a facility, including all infrastructure and services
Municipal Public Transport	Technical Services	The regulation and control and where applicable, the provision of services for the carriage of passengers, whether scheduled, operated on demand along a specific route or routes or, where applicable, within a particular area.
Storm Water drainage	Technical Services	The Management Systems to deal with storm water in building-up areas.
Portable Water	Technical Services	The establishment, operation, management, and regulation of a potable water supply system, including the services and infrastructure required for the regulation of water conservation, purification, reticulation, and distribution; bulk supply to local supply.
Sanitation District function	Technical Services	The establishment, operation, management and maintenance and regulation of a system, including infrastructure, for the collection of human excreta and domestic wastewater to ensure minimum standard of service.
Refuse Removals, refuse dumps,	Community Services	Removal of any household or other waste and the disposal of such waste in an area, space or facility established for such purpose, and include the provision, maintenance and control

solid waste disposable		of any infrastructure or facility to ensure a clean and healthy environment.
Street Trading	Community Services	The control, regulation, and monitoring of the selling of goods and services along a public pavement or road reserve.
Billboards and the display of advertisements in public places	LED	The display of written or descriptive material, any sign or symbol or light that is not intended solely for illumination or as a warning against danger which: promotes the sale and / or encourages the used of goods and services found on the streets.
Amusement facilities/ beaches	Community Services	A public place for entertainment. The area for recreational opportunities and facilities along the seashore available for public use and any other aspect in this regard which falls outside the competency of the National and provincial government.
Cemeteries, Funeral Parlor, and crematoria	Community Services	The establishment, conduct, control facilities for the purpose of disposing of human and animal remains
Municipal Roads	Technical Services	The construction, maintenance, and control of all public roads
Street Lighting	Technical Service	The provision and maintenance of lighting for the illumination of streets.
Local Amenities	Technical services	The provision, management, preservation and maintenance of any municipal place, land and building reserved for the protection of places or objects of scenic, natural, historical, and cultural value or interest and the provision and control of any of such amenities.
Traffic and parking	Community Services	The management and regulation of traffic and parking within the area of the municipality including but not limited to the control over the operating speed of vehicles on municipal roads.
Municipal Public works	Technical Services	Any supporting infrastructure or services to empower a municipality to perform its functions
Building regulations	Technical Services	The regulation, through by-laws, of any temporary or permanent structure attached to, or to be attached to, the soil within the area of Jurisdiction of a municipality, which must at least provide for approval of building plans, building inspections.

Municipal Functions, Population and Environmental Overview

1.2.1 Municipal Functions

1.2.2 Population

According to SATSSA of 2022 census, the total population of Greater Giyani is 316, 841 with a total number of households of 79 735. This is a significant increase since the last full-blown census's that was last conducted in 2011 which was 242 311 Population and 63 900 households. Greater Giyani now is the second biggest municipality in the mopani District after Tzaneen. These figures are as a result of the current population growth rate which has also increased to 2,6% per annum as compared to 0,4% growth rate in 2011. The current statistical information available is only for the whole municipality ward information will be released in the second round which will be done early next year 2024.

1.2.3 Environmental Overview

The Greater Giyani municipality subscribes to the national environmental management act which means when we conduct our business as a municipality, we are conscious of the fact that we need to adhere to the provision of the act. The vision of the municipality also makes specific reference to environmental sustainability as the core of our business.

(Section 152 of the constitution objects of local government) also prescribe to municipalities that they must ensure that communities lives in a safe and healthy environment. Our environment is characterized by different environmental factors e.g. Climate, geomorphology, terrain, and soil suitability.

There are some environmental challenges that the municipality is having which need strong intervention from all stakeholders e.g. illegal occupation of land (sensitive areas) deforestation, overstocking, veld fires and water pollution. GGM has appointed the attorney to deal with issues of the illegal occupations. This environmental challenge has a serious impact in terms of sound environmental management practices that will ensure environmental sustainability as enshrined in our vision. GGM is currently implementing various projects that are in line with sustainable development and fight against phenomenon of global warming.

1.3 Service Delivery Overview

The Greater Giyani municipality is required to deliver necessary basic services to its populace as specified in section 52 of the constitution of the Republic of South Africa of 1996, which is the object of local government. The municipality has managed to execute the mandate by delivering services to the community of Giyani. For the year under review the municipality met the target on MIG projects within SDBIP. However, the completion was at the planned targets not final completion since the projects are

Multi- Year Projects. The municipality is working hard to ensure that extra High mast lights are provided to communities where there is high crime rate in order to fight crime. Gravel Roads were upgraded to tar and Culvert bridges were also refurbished and community halls were also constructed. The following are the list of projects and expenditure completed in the 2022/23 financial year:

Project name	Expenditure
Construction of Nwazekudzeku community hall	R19 110 000.00
Shimange Upgrading from gravel to paving.	R22 042 797.84
Ndhambi Taxi Rank	R12 207 509.31
Electrification of Makhuva (326)	R5989 032.00
Electrification of Churchview (155)	R4000 000.00
Electrification of Nhlaneki (537)	R10 740 000.00
Electrification of Nsavulani (209)	R3 481 940.00
Electrification of Nwazekudzeku Village (325)	RR5 525 000.00
Electrification of Maphata Village (140)	R2 380 000.00
Install traffic lights	R1 283 216.00
Installation of high mast	R 1 479 780.00
Installation of energy saving streetlights	R 6 961 852.82
Refurbishment of Shivulani sport centre	R 3 465 000.00

1.4 Financial Health Overview

Greater Giyani Municipality continues to maintain a healthy financial position and the year under review was no exception. The municipality was able to maintain a positive bank balance (R248 million at year-end) throughout the whole financial year with its current ratio sitting at a ratio of 2.58 at year-end. The municipality remains financially viable and a going concern, the municipality has developed a Revenue Enhancement Strategy to improve its revenue collection and revenue base with the aim of using such financial resources to sustain service delivery. The strategy aims to address the revenue collection challenges the municipality is currently facing.

The municipality plans to target customers who can afford to pay for services in implementing its credit control policies with the aim of improving the debtors' collection ratio. The municipality continues to implement its Cost Containment Policy to ensure that spending is kept within the required norms as prescribed by National Treasury. The continuous implementation of the Revenue Enhancement Strategy and Cost Containment Policy assist the municipality to main the positive bank balance. The municipality continues to spend the Municipal Infrastructure Grant (MIG) and Integrated National Electrification Grant (INEG) to accelerate service delivery and ultimately improve the standard of living within the communities of Giyani. Though the municipality spent 86% (MIG) and 94% (INEG) in the 2021/22 financial year, the

municipality managed to improve its spending in the 2022/23 financial year spending 100% in MIG and 100% in INEG.

1.5 Organizational Development Overview

The Municipality approved its Organizational Structure, and the structure is aligned with the IDP and the powers and functions to be conducted by the municipality, however there is a high vacancy rate of 49% and 53 % of the positions have been filled (293 positions were vacant and 324 positions were filled). Most of the vacancies were not funded. The municipality is in the process of reviewing its organizational structure to make sure that the structure is realistic to the financial resources of the municipality and that critical positions are funded. The organizational structure was reviewed with the 2022/23 IDP.

1.6 Auditor General Report

Legislation mandates that upon closure of the financial year the municipality must prepare Annual Performance Report in terms of section 46 of the MSA and Annual Financial statements in terms of section 122 of the MFMA and submit to the Auditor General of South Africa for auditing. For the Financial Years 2022/23 the municipality obtained an Unqualified Audit Opinion. For Financial year 2022/23 the Municipality prepared and submitted the Annual Financial Statement and Annual Performance Report to the Auditor General of South Africa and the Municipality obtain Unqualified Audit Opinion.

Chapter 2: Governance

Component A: Political and Administrative Governance

2.1 Political Governance (Public Participation)

Greater Giyani Council constitutes of 62 Councilors of which 40 are males and 22 are females, 31 Ward councilors and 31 Proportional Representatives. It is comprised of 7 full time councilors that are the Mayor, the Chief whip, the Speaker, MPAC Chairperson, Head of Infrastructure Development, Head of Budget, and Treasury and Head of Corporate and Shared Services. Ward councilors represents communities in wards they are voted in ensuring that service delivery is brought to the people. Proportional Representative play political roles in wards they are deployed together with respective ward councilors. Ward councilors and Proportional Representative Councilors both form council committees. They all attend quarterly arranged council meetings and monthly portfolio committee meetings and special meetings if arranged. The Municipality had 307 ward committee members.

Political decision taking

Political decisions are taken from the submissions of portfolio committee based on administration report generated by management led by the accounting officer. The municipality consist of six directorates namely, Office of the Municipal Manager; Community Services; Technical Services; Corporate Services; Budget and Treasury and Planning and Economic Development. Each of the six directorates is linked to portfolio committees which are chaired by councilors. Community Services Directorate is linked with Health & Social Development Portfolio Committee, Sports Recreation Arts & Culture and part of Public Transport and Roads.

Technical Services Directorate is linked with Water, Sanitation and Energy Portfolio Committee, Infrastructure Development Portfolio Committee and Public Transport and Roads. Corporate Services Directorate is linked with Portfolio Committee of Corporate and Shared Services. Budget and Treasury Directorate is linked with Finance Portfolio Committee. Planning and Economic Development directorate is linked with Portfolio Committee of Planning and Economic Development. All reports of portfolio committees originate from administration and after the portfolio committee has interrogated the report, such reports are recommended to Executive committee which with delegated powers the Executive Committee took decisions and other matters are referred to council as the council is the highest decision-making body. The council appointed the Audit Committee which assist, advice and alerting the municipality on issues of compliance. The council established the MPAC committee which plays an oversight role on the functions of council as well as compliance to all applicable legislations. The MPAC is comprised of 7 councillors namely: Cllr Makondo Risimati Eric (Chairperson), Cllr Mabunda Rhandu Clarence, Cllr Maluleke Msisinyane Respect, Cllr Maswanganyi Nxalati Nyanisi, Cllr Sambo Sharon, Cllr Mahasha Elia and Cllr Mhangwani Soyaphi Mackson

Political Management Team

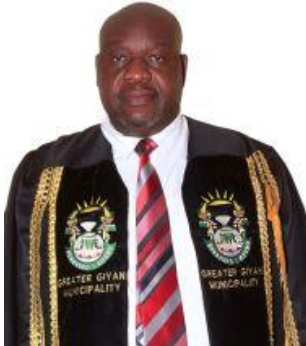
Cllr Thandi Zitha: Mayor



Powers and functions of the Mayor

- Promote the image of the municipality.
- To ensure that the executive committee meetings perform its functions properly.
- To lead and promotes social and economic development in the municipality.
- To preside over public meetings and hearings
- To promote inter- governmental and inter institutional relations.
- To ensure in consultation with the municipal manager, that a proper committee service responsible for:
 - The agendas minutes is in place for the executive and other committees and that they meet regularly.
 - Submit reports to the executive committee.

Cllr Mboweni AE: Speaker



The speaker of Municipal Council Must

- Preside at meetings of council.
- Performs the duties and exercises the powers delegated to the speaker in terms of section 59 of The local Government: Municipal System Act, 2000 (Act 32 of 2000):
- Must ensure that the council meets at least quarterly.
- Must ensure compliance in the council and council committee with the code of conduct set out in Schedule 1 to the Local Government: Municipal System Act, 2000 (Act 32 of 2000); and must ensure that council meetings are conducted in accordance with the rules and orders of the council.

Cllr Makondo T: Chief Whip



Duties of the Chief Whip to Municipal Council:

- Political Management of Council meetings and Committee Meetings
- Maintains discipline of Councillors
- Advice the Speaker on the amount of time to be allocated to the speaker and the order of such speakers addressing the council.
- Ensures that Councillors motions are prepared and timeously tabled in terms of the procedural rules of council.

Executive Committee

Cllr Ndaba NHP
Head: Finance



Cllr Mashale MR
Head: Public Roads &



Cllr Zitha TC
Head: Sports, Recreation,
Arts & Culture



Cllr Mabunda TJJ
Head :Infrastructure Development



Cllr Maluleke GA
Head: Water , Sanitation& Energy



Cllr Baloyi C
Head: Planning & Economic
Development



Cllr Nghunyule Mabunda RB
Head: Corporate & Shared Services



Cllr Manganyi TC
Head: Health & Social Development



Cllr Sekgobela NR
EXCO Member



2.2 Administrative Governance

Top Administrative Structure	
Municipal Manager:	Khoza Vusi Duncan
Chief Financial Officer:	Nkuna Fediam Budget and Treasury Office
Director:	Mdaka Nyangani Robert Corporate Services
Director:	Mashamba Rhulani Humphrey Technical Services
Director:	Sithole Khensani Veronica Planning and Economic Development
Director:	Chabalala Rachel Tinyiko Community Services

For the period under review of 2022/23 financial year, 6 positions of section 54 and 56 managers were filled: Municipal Manager, Chief Financial Officer, Director Corporate Services, Director Planning and Economic Development, Director Technical Services and Director Community Services. The position of the municipal manager was vacant and the Director responsible for Planning and Economic development acted on the position for a period of 9 months , feather more the position of the chief financial officer was vacant and the manager responsible for assets acted on the position for a period 6 months.

No	Initials and Surname	Position	Duration
1.	Khoza VD	Municipal Manager	01/06/2023 - 31/05/2028
2.	Nkuna F	CFO	01/02/2023- 31/01/2028
3.	Mdaka NR	Director Corporate Services	01/09/2022 - 31/08/2027
4.	R.H. Mashamba	Director Technical Services	01/09/2019 - 31/08/2024
5.	K.V Sithole	Director Planning and Local Economic Development	02/01/2020 – 31/12/2025
6.	Chabalala RT	Director Community Services	01/09/2022 - 31/08/2027

Component B: Intergovernmental Relations

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

COMPONENT B: INTERGOVERNMENTAL RELATIONS

For the period under review the municipality participated in various Co- Operative Governance and Intergovernmental structures at all levels from the local sphere, district sphere, provincial and national sphere. Participation in such forums and IGR structures assisted service delivery in the sense that integration and alignment of various role players is realized to avoid the silo mentality existing in the public sector. Greater Giyani Municipality has benefitted in the IGR structure in the sense of best

practice. While remarkable progress has been realized in IGR structures challenges still existed in the 2022/23 year with regard to the provision of reliable and accurate information from other public sector players and this affected the municipality 's planning especially the accuracy of the information in the IDP. Provision of progress in the implementation of sector departments within municipal boundaries is also still a challenge.

2.3 Intergovernmental Relations

NATIONAL INTERGOVERNMENTAL STRUCTURES

The municipality participates in national intergovernmental structures such as the following:

- National municipal manager's forum
- South African Local Government Association sessions including working groups
- Parliamentary Projects oversight visit (1 visit)

PROVINCIAL INTERGOVERNMENTAL STRUCTURES

The municipality participates in the following provincial intergovernmental structures:

- Premier-mayors' forum (1x Meeting)
- monitoring and evaluation forum (4 x meetings)
- provincial planning forum (3 x meetings)
- provincial municipal manager's forum

DISTRICT INTERGOVERNMENTAL STRUCTURES

The municipality participated in the following District IGR structures during the period under review:

- District and Provincial Speakers Forum (2 x meeting)
- District and Provincial Mayors' Forum (2x meeting)
- District and Provincial Chief whips Forum (2x meeting)
- District and Provincial Municipal Manager's Forum
- District and Provincial CFOs Forum
- District and Provincial Planning Forum (3x meeting)
- District and Provincial Monitoring and Evaluation Forum (x4 meeting)

The existence of the above IGR structures has assisted in the sharing of challenges, best practices, and resource mobilization. Alignment of programs and standardization of activities were also achieved from the district IGR structures.

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

The municipality also used its local IGR structures such as sector forums to ensure sector specific programs are aligned with those of other role players in the sectors. All forums were functional and holding their meetings.

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.4 PUBLIC MEETINGS

COMMUNICATION, PARTICIPATION AND FORUMS

The Municipality established six clusters for public participation. Council meetings are held in public venues that are accessible to members of the public. Other forms of communication and public participation during the 2022/23 financial years include the usage of ward public meetings for the 31 wards wherein ward councilors provide feedback and progress report to ward members.

Apart from ward public meetings, the Quarterly Mayoral Imbizos were conducted during 2022/23 financial year and the municipality has adopted the new ways of keeping in touch with its communities through constant weekly media slots at GCRFM where the mayor interacted with the people and issues raised were noted. Those that were related to the municipality were attended to and those related to sector departments were referred to relevant sector departments.

The municipal website, social media (WhatsApp & Facebook) as well as media houses are also useful tools which the municipality employed to communicate with its stakeholders to cover the cyberspace community.

The Municipal Newsletter RITO is published quarterly to communicate municipal programs.

ISSUES RAISED DURING THE MAYOR'S INTERACTION WITH THE COMMUNITIES THROUGH WEEKLY RADIO SLOT AT GCRFM

VENUE	DATE	EVENT DESCRIPTION	ISSUES RAISED	PROGRESS
Ndindani village	10/02/2023	Mayoral Imbizo	<ul style="list-style-type: none"> ○ Water ○ Internal streets 	<ul style="list-style-type: none"> ○ Currently mopani is reticulating water to household. ○ Plans to start with road constructions are underway
Jimu-nghalalume village	30/06 2023	Mayoral imbizo	<ul style="list-style-type: none"> ○ Stock theft ○ Water challenges ○ Internal streets 	<ul style="list-style-type: none"> ○ The matter has been elevated to security cluster. ○ The matter had been reported to mopani for intervention. <p>The demand of the internal street challenges had been packaged for future project consideration in IDP</p>

Ward Committees

The municipality has a fully functional ward committee system. All the 31 wards have ward committees with a total of 307 members instead of 310. Three ward committee members from ward 20 were not elected due to traditional leadership disputes.

2.5 IDP PARTICIPATION AND ALIGNMENT

The IDP is reviewed annually and in-house. The IDP is reviewed in line with the required standard and template, and it is aligned to the budget. The IDP Process plan is developed and approved by the council as the road map for the review of the IDP/Budget. The IDP Steering committee is responsible for the review of the IDP and Budget. The draft IDP/Budget is tabled before the council for public participation process to unfold to wards and the municipality established six clusters for the purpose

of the community accessibility and inputs. The IDP representative's forum where all the stake holders are represented is also conducted to interrogate the IDP document.

The other stakeholders that are consulted are the Traditional Authorities, NGO's, Businesses, Traditional Healers, and Pastors' Fraternity. Inputs to the IDP are also submitted physically to the office of the accounting officer.

All the inputs and comments are consolidated, and the report is developed based on the inputs. The process of prioritization takes place considering the available resources and capacity of the municipal.

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 54/56 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

COMPONENT D: CORPORATE GOVERNANCE

COMPONENT D: OVERVIEW OF CORPORATE GOVERNANCE

For the 2022/23 financial year Greater Giyani Municipality took leaf from the King IV report on good governance by including in its operations the functionality of risk function as well as the development and implementation of corruption and anti-fraud strategies. The risk register was developed, and its focus was on Strategic Risks, Operational Risks and Human Resources risks.

2.6 RISK MANAGEMENT

The Municipality regards risk management as one of the pillars required for the sustainability and corporate management. In compliance with the MFMA which S62 (i) (c) requires a municipality to have and maintain an effective, efficient, and transparent system of risk management. For financial year 2022/23 the municipality had a dedicated risk unit to deal with risk matters. Risk assessment sessions were conducted with the assistance of the provincial Treasury and COGHSTA to help the municipal management with the identification and profiling of risks within the municipality.

Risk	Action Plan	Progress
1. Inadequate infrastructure networks.	<p>Develop a 3-year plan on Implementation of stalled projects signed by CFO and MM</p> <p>Updating the stakeholders regarding the projects through ward councillors</p> <p>Implementation of procurement plan</p> <p>Penalize service providers for poor performance</p> <p>Monitoring of projects.</p>	<p>Budget is in place for TP Khuvutlu, Gawula and Section E sports to finish the remaining work</p> <p>Updating of stakeholders (PSC) regarding projects are being done on going</p> <p>Procurement plan is being implemented</p> <p>Service provider for Homu has been penalised for slow progress</p> <p>Monitoring of projects has been done monthly through site meeting, consultant meetings and weekly random site visit</p>
2. Dilapidated/ageing infrastructure.	<p>Establishment of the committee to review the infrastructure designs</p> <p>Implementation of maintenance plan</p> <p>Explore EPWP social grant to appoint additional security guards.</p>	<p>Committee to review infrastructure designs has not been established as yet.</p> <p>Maintenance plan on roads, streetlights and building has been developed and implemented</p> <p>No security guards have been appointed during the quarter.</p>

<p>3. Environmental degradation</p>	<p>Completion of landfill site development (phase 1)</p> <p>Adoption and Gazeting of the waste management By-Law</p> <p>Implementation of waste management by laws</p> <p>Conduct waste management education/awareness</p> <p>Utilization of landfill site</p>	<p>Waiting approval of the V.O to resume the finalisation of DWS recommendation</p> <p>Waste management by-laws have been gazzeted and adopted</p> <p>Waste management by-laws is being implemented on going</p> <p>Waste management awareness has been conducted</p> <p>Waiting approval of the V.O to resume the finalisation of DWS recommendation.</p>
<p>4. Loss of potential investors.</p>	<p>Implementation of council resolution to demolishing/removal of illegal structures</p> <p>Removal of illegal hawkers</p> <p>Maintenance of the existing new market stalls</p> <p>Relocating Street vendors to new market stalls</p> <p>Engagement with traditional authority to acquire land for future development</p> <p>Review and Gazetting of street trading by-laws</p> <p>I</p> <p>dentification of illegal structures and application to court for demolishing.</p>	<p>Demolishing of illegal structures has not been done awaiting court order</p> <p>Illegal hawkers have not been removed awaiting court order</p> <p>Maintenance of existing new market stalls has not been conducted due to budget constrain</p> <p>Street vendors are not relocated to new market stalls as the market stalls are not maintained due to budget constrain</p> <p>Engagements with Ndhengeza Traditional Authority has been done for to acquire land for future development</p> <p>Street trading by-laws to be submitted during the 4th quarter council sitting</p> <p>Illegal structures have been</p>

		identified waiting for court order to demolish them.
5. Fraud and corruption	<p>Implementation of revenue enhancement strategy</p> <p>Enforcement of revenue policy and by-laws. Conducting awareness on municipal services</p> <p>Review of Free basic electricity register</p> <p>Auditing of Free basic service register</p>	<p>Revenue enhancement strategy has been implemented</p> <p>Revenue policy is being enforced on going</p> <p>Awareness on municipal services has not been done</p> <p>Review of free basic electricity register has been done</p> <p>Audit of free basic service register has been conducted</p>
6. Fraud and Corruption	<p>Conducting fraud awareness workshop to all officials</p> <p>Develop a whistle blowing policy</p> <p>Implementation of anti-fraud corruption strategy</p> <p>Procurement of system to verify service providers employed by state.</p>	<p>Fraud and corruption awareness has been conducted to BTO officials</p> <p>Whistleblowing policy has been approved</p> <p>Anti-fraud corruption strategy is being implemented on going</p> <p>Procurement of system has not been done due to budget constrain.</p>
7. Insufficient land ownership	<p>Implementation of SDF (Spatial development framework)</p> <p>Implementation of LUS (Land use scheme) to council for approval</p> <p>Feasibility and research on town expansion. (Ngove town expansion, Application for township establishment)</p>	<p>SDF is being implemented on going</p> <p>LUS has been approved by council and is being implemented on going.</p> <p>Research on town expansion has been done. Applications for township establishment has been done waiting for the signing of agreement between the municipality and Ngove traditional authority.</p>

8. Business continuity	<p>Review of disaster recovery plan</p> <p>Implementation of disaster recovery plan</p> <p>Implementation of disaster recovery site</p> <p>Finalization of business continuity plan</p> <p>Implementation of business continuity plan</p> <p>Procurement of backup generators</p>	<p>Quotations has been sourced from services providers that are providing cloud hosting</p> <p>Quotations has been sourced from services providers that are providing cloud hosting</p> <p>Quotations has been sourced from services providers that are providing cloud hosting</p> <p>BCP policy has been approved</p> <p>Implementation of BCP has not started.</p> <p>Backup generators has been installed and tested.</p>
Inadequate organizational performance	<p>Filling of vacant positions in line with our recruitment policy</p> <p>Engagement with labour on cascading of performance management to lower level</p> <p>Including of key performance indicator on performance agreement for level 2</p>	<p>1 x position has been appointed</p> <p>PMS policy is in place, in the process of developing performance agreements for Deputy Directors as well as other lower levels.</p> <p>Key performance indicators to be included during the development of performance agreements of level 2.</p>

Risk Management Committee meetings are held on a quarterly basis.

2.7 Anti-Corruption, Anti-Fraud and ANTI-CORRUPTION STRATEGY

The municipality has a Fraud and corruption policy as well as Risk Management Policy in place. Risk Management Unit has been established and has two personnel, Risk Manager and Senior Risk Officer.

Fraud and Corruption awareness campaigns are conducted quarterly.

2.8 SUPPLY CHAIN MANAGEMENT

OVERVIEW SUPPLY CHAIN MANAGEMENT

During the 2022\23 financial year the Supply Chain Management policy was tabled to council for revision alongside other budget related policies. The revision considered the BBBEEE codes and changing supply chain regime.

SCM has two policies in place.

They have been reviewed together with other budget related policies.

1. Supply Chain management Policy
2. Inventory management policy

Supply Chain Management Policy

The following list entails the deficiencies or limitations regarding the current policy.

1. Definitions

1. Added definitions for the following words which are used frequently in the SCM Policy namely:
 - Accounting Officer
 - CFO
 - Delegation
 - Emergency
 - Financial Interest
 - Single Provider
 - CSD
2. Changed year 2011 to 2017 on the Preferential Procurement Regulations as the latest regulations were promulgated now in year 2017.

3. "Long term contract" means a contract with a duration period exceeding one year changed to exceeding 3 years.
4. "The Act" means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000) has been changed to "Act" or "MFMA" means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);
5. Added the following acts/regulations under 'Other applicable regulations namely.

- (a) the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000).
- (b) the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998

2. Supply Chain Management Policy

1. Paragraph 2(7) (a) states that the Policy states that the municipality is exempt from requesting three formal written quotations when procuring repairs and maintenance of Property, Plant and Equipment. Not all instances of the repairs and maintenance of Property, Plant and Equipment will be an emergency or the municipality cant source three quotations.
2. Added the following on paragraph 2(6) on instances of procurement for goods and services which are exempt from the SCM policy.
 - (i) Periodic or quarterly security assessments of political office bearers and key officials (as per paragraph 13(6) of the Municipal Cost Containment Regulations 2019)

3. AMENDMENT AND ADOPTION OF THE SUPPLY CHAIN MANAGEMENT POLICY

1. Changed the following words from
 - (ii) Reviewed the policy as and when required but within a cycle of 5 years to 'Review at least annually the implementation of this policy.

4. Sub delegations

1. Paragraph 5(4) (b) (i) refers to paragraph 5(2) (c) (iii) of the policy and the policy does not have such paragraph. It should be amended to the correct paragraph. (Paragraph 5(2) (c)).
2. On paragraph 4.2 and paragraph 5.1 the words Sections 79 and 106 of the Act have been changed to Section 79 of the Act because Sec 106 relates to Municipal Entities of which Greater Giyani Local Municipality does not have hence the Section is not applicable.

5. Range of procurement process

<ol style="list-style-type: none"> 1. Paragraph 12(4) was incomplete and below were the additions. 2. The following wording has been changed from "The Accounting Officer may, after consulting with the municipal council and Heads of Departments, in writing change the different values" have been changed to "The accounting officer may, in writing – <ol style="list-style-type: none"> a) Lower, but not increase, the different threshold values specified in sub-clause b) direct that – <ol style="list-style-type: none"> (i) written or verbal quotations be obtained for any specific procurement of a threshold value lower than R2 000 (VAT included); (ii) formal written price quotations be obtained for any specific procurement of a threshold value lower than R30 000 (VAT included); or (iii) a competitive bidding process be followed for any specific procurement of a threshold value lower than R200 000 (VAT included). 3. The following paragraph has been added on panel appointments: <ul style="list-style-type: none"> - The Municipality reserves the rights to appoint a panel of Service Providers or Contractors for period not more than 36 months and allocation of work must be done on rotational basis considering the final ranking and the satisfactory performance of the service provider.
<p>6. GENERAL PRE-CONDITIONS FOR CONSIDERATION OF WRITTEN QUOTATIONS OR BIDS</p>
<ol style="list-style-type: none"> 1. On Paragraph 13(1), the following items to be furnished by the prospective bidders when submitted quotations or bids: <ol style="list-style-type: none"> (i) Tax Pin (ii) CSD Registration Number 2. On Paragraph 13(1)b, the following items to be furnished by the prospective bidders when submitted quotations or bids: <p>whether any Municipal staff member is a close family member of an owner, his/her partner serves on the board of directors, or are members or trustees, of the tendering enterprise.</p> <p>The above changes have also been effected under item 6 of the General Preconditions to be aligned with legislation.</p>
<p>7. CENTRAL SUPPLIER DATABASE</p>
<ol style="list-style-type: none"> 1. On Paragraph 14(1) d, the following words have been added 'which are currently not validated by the CSD'.
<p>8. PETTY CASH</p>
<ol style="list-style-type: none"> 1. The following sentence has been added on paragraph 15 Petty cash purchases with threshold value from an amount of R1.00 up to an amount of R2 000 (VAT included) to be authorised by the Chief Financial Officer or his delegate.
<p>9. VERBAL QUOTATIONS PROHIBITED</p>
<ol style="list-style-type: none"> 1. The following has been documented under paragraph 16:

The conditions for the procurement of goods or services through written quotations for amounts under the threshold for formal quotations as stated in clause 12(1)(c) & (d) are as follows:

- a) quotations for transactions up to a value of R 2 000 (VAT Included) must be obtained from at least two different providers preferably from, but not limited to, providers whose names appear on the list of accredited prospective providers of the Municipality provided that if quotations are obtained from providers who are not listed, such providers must meet the listing criteria set out in clause 14(1) (b), c) and (d) of this Policy;
 - b) providers must be requested to submit such quotations in writing.
 - c) if it is not possible to obtain at least two quotations, the reasons must be recorded and reported quarterly to the Supply Chain Manager.
 - d) if a quotation was submitted verbally, the order may be placed only against written confirmation by the selected provider.
 - e) any other conditions determined by the Accounting Officer.
2. No orders may be placed based on verbal price quotations.
 3. No quotation, written or verbal, may be made available by an official to a prospective bidder.

10. THE PROCEDURE FOR THE PROCUREMENT OF GOODS OR SERVICES THROUGH INFORMAL AND FORMAL WRITTEN QUOTATIONS

1. Paragraph 18 (i) added and deals with the composition of the quotation committee as follows.
"procurement requirements exceeding a value of R 30 000 (VAT Inclusive) must be submitted to the Quotations Evaluation Committee which comprises of Supply Chain Manager or his delegate, End User Representative and Secretary. The Quotations Evaluation Committee must make recommendation to the Chief Financial Officer or delegated official for approval".

11. PROCESS FOR COMPETITIVE BIDDING

1. Paragraph 20 (i) added and deals with the need for Cost Containment Measures before any procurement is done as follows:
 - a. " Cost containment determination (Needs analysis reports which necessitated the tender to be advertised).
 - b. The CFO to formally confirm in writing the availability of budget for adverts above R10m.

12. Bid documentation for competitive bids

1. Paragraph 21(5) does not state that the winning bidder's account for municipal rates and taxes and municipal service charges must not be in arrears for more than 3 months at the time of awarding.
2. Column headings for the 80/20 points system have been corrected from (<R30->R50m) to (R30K-<R50m)
3. Column headings for the 90/10 points system have been corrected from (<R50m) to (>R50m)
4. The following paragraphs have been added to paragraph 21:
 9. Pre-qualification criteria for preferential procurement:
 - a. If the municipality decides to apply pre-qualifying criteria to advance certain designated groups, the municipality must a. advertise the tender with a specific tendering condition that only one or more of the following tenderers may respond.
 - b. specify tenderer having a stipulated minimum B-BBEE status level of contributor.
 11. Subcontracting as condition of tender

If feasible to subcontract for a contract above R30 million, the municipality must apply subcontracting to advance designated groups.

(2) If the municipality applies subcontracting as contemplated in sub-regulation the municipality must advertise the tender with a specific tendering condition that the successful tenderer must subcontract a minimum of 30% of the value of the contract to(a) an EME or QSE.

13. PUBLIC INVITATION FOR COMPETITIVE BIDS

1. Added the following on paragraph 22(1) on public invitation of bids.
 - Whether the briefing session/site inspection session is compulsory or not
 - Municipality reserves the right to accept or reject any bid or part thereof and is not obliged to accept the lowest bid.
 - No bid will be accepted from the person in the service of the state.
 - Municipality reserves the right to accept a bid in part.
 - The tender validity periods.
 - Council reserves the right to appoint more than one bidder.
2. On paragraph 22.1.1, the words newspapers commonly circulating locally have been removed as it is not applicable anymore. The municipality advertises on the website and on e-portal as well as the CIDB.
3. Advertising on the CIDB website has been included as well.

14. NEGOTIATIONS WITH PREFERRED BIDDERS AND COMMUNICATION WITH PROSPECTIVE PROVIDERS AND BIDDERS

1. Paragraph 24(1) (e) (ii) Should be rephrased as it is still referring to the tenderer who scored the highest points. It should refer to a bidder that scored second highest points.

2. Paragraph 24(4) (C) refers to paragraph 25(3) (b) of the policy and the policy does not have that paragraph. It should be amended to the correct paragraph. (Paragraph 24(4)(b))
4. Paragraph 24(4) (d) refers to paragraph 25(3) (C) of the policy and the policy does not have that paragraph. It should be amended to the correct paragraph. (Paragraph 24(4) (C).
5. The last paragraph 24 (e) iv which reads that “ If a market related price is not agreed as envisaged in paragraph (e) (iii), the accounting officer must re-advertise the tender”, the words re-advertise must be replaced by the words ‘CANCEL’.
6. The following has been added on paragraph 24 (1) ‘does not lead to a lower price in respect of sale of land / goods”.

15. COMMITTEE SYSTEM FOR COMPETITIVE BIDS

1. Paragraph 26(4)(A) should be amended to paragraph 27,28 and 29 of the SCM policy, and

16. BID SPECIFICATION COMMITTEE

1. The composition of the bid specification committee added to include.
Composition of Bid Specification Committee.
A Bid Specification Committee must be composed of the following.
 - a) Chairperson
 - b) At least 2 members one of which is a manager or delegated official from the user department requesting goods or services.
 - c) One official from SCM Unit providing also secretarial duties

17. Bid Evaluation Committee

1. The policy did not indicate the minimum number of members that the committee must have.
The policy was added as follows: The evaluation committee shall comprise not less than three people. The chairperson shall be an employee of Greater Giyani Municipality with requisite skills. Other members shall include a supply chain management practitioner and where relevant, include an official from the department requiring the goods and services.
2. Paragraph 28(a) (ii) refers to paragraph 28(2) (F) which is not in the policy. The correct paragraph should be quoted (Paragraph 21(9)(h)
A paragraph should be added on the policy to provide more details on administrative requirements which will lead to disqualification such as, initialling of all pages by an authorised signatory, signing of all places where the signature is required, proof of purchase of bid document.

18. Locality

1. The following wording has been removed from paragraph 34 as it refers to locality which is now outlawed:
 - (a) Firstly, suppliers and businesses within the municipality/municipal district.
 - (b) Secondly, suppliers and businesses within the relevant province; and
 - (c) Thirdly, suppliers and businesses within the Republic of South Africa.
2. These principles are to be embodied in the points allocated in terms of the Preferential Procurement Policy of the municipality.

19. APPOINTMENT OF PANEL OF CONSULTANTS

1. The following has been added on paragraph 35 (9) on remuneration of consultants.
The Accounting Officer must follow a fair and reasonable remuneration framework for consultants considering the rates:
 - (a) Determined in the Guideline on fees for audits undertaken on behalf of the Auditor General of South Africa, issued by the South African Institute of Chartered Accountants
 - (b) Set out in the 'Guide for Hourly fees for Consultants, issued by the Department of Public Service and Administration
 - (c) Where the consultant belongs to a professional body, the rate of remuneration as stipulated by that body; and
 - (d) In any other case, the rate stipulated as per competitive process.
2. The following has been added on the minimum clauses of service level agreements with consultants. The service level agreement between the municipality and the consultant must include as a minimum the following clauses namely
 - a) How the consultant will transfer skills to the officials of the municipality
 - b) objective for transfer of skills, including the nature, scope, and goals of the training programme.
 - c) The list of employees to be trained.
 - d) Contents of the skills to be transferred.
 - e) Fee retention or penalty clause for poor performance

20. Procurement of goods and services under contracts secured by other organs of state

1. Consideration is given to regulation 32 once there has been update from National Treasury from time to time in line with Circulars.

21. Deviation from, and ratification of minor breaches of, procurement processes

1. Paragraph 36(2) refers to paragraph 37(1) (a) and (b) of the policy and the policy does not have such paragraph. The correct paragraph was corrected to be quoted as follows. (Paragraph 36(1)(a) and (b))
2. Paragraph 36(3) refers to paragraph 37(2) of the policy and it does not relate to the matter on paragraph 36(3). The correct paragraph should be quoted. (Paragraph 36(2).
3. On paragraph 36 (a)i, details of emergency examples have been added as follows Circumstances that warrant emergency dispensation, includes but are not limited to.
 - a) the possibility of human injury or death.
 - b) the prevalence of human suffering or deprivation of rights.
 - c) the possibility of damage to property or suffering and death of livestock and animals.
 - d) the interruption of essential services, including transportation and communication facilities or support services critical to the effective functioning of the municipality.
 - e) the possibility of serious damage occurring to the natural environment.
 - f) the possibility that failure to take necessary action may result in the municipality not being able to render an essential community service.
 - g) the possibility that the security of the state could be compromised.
 - h) The prevailing situation, or imminent danger, should be of such a scale and nature that it could not readily be alleviated by interim measures, in order to allow time for the formal tender process.

22. UNSOLICITED BIDS

1. Paragraph 37(3) refers to paragraph 38(2) for unsolicited bid which was incorrect, The correct paragraph should be 37(2)
2. Paragraph 37(4) refers to paragraph 38(3) for unsolicited bid which is incorrect, the correct paragraph should be 37(3)
3. The following has been added on paragraph 37.
 - (1) The adjudication committee must consider the unsolicited bid and may award the bid or make a recommendation to the Accounting Officer depending on its delegations.
 - (2) A meeting of the adjudication committee to consider an unsolicited bid must be open to the public.
 - (3) When considering the matter, the adjudication committee must take into account –
 - a) any comments submitted by the public; and

b) any written comments and recommendations of the National Treasury or the relevant provincial treasury.

(4) If any recommendations of the National Treasury or provincial treasury are rejected or not followed, the accounting officer must submit to the Auditor General, the relevant provincial treasury and the National Treasury the reasons for rejecting or not following those recommendations.

(5) Closed bids shall only be accepted after the municipality failed to attract potential service providers through normal competitive bidding processes.

23. PAYMENT OF SUB-CONTRACTORS OR JOINT VENTURE PARTNERS

1. The following has been added on paragraph 55.

2. Payment of sub-contractors or joint venture partners

The Chief Financial Officer or an official designated by the Chief Financial Officer may consent to the direct payment of sub-contractors or joint venture partners by way of -

- (a) an approved cession; or
- (b) an agreement for direct payment.

3. Cessionary payment

The municipality shall accept cessionary payment under the following conditions:

- a) Signed agreement between the parties involved.
- b) Provided that the cede submit original and valid tax clearance certificate and pin.
- c) The cede is not blacklisted in the National Treasury database.
- d) The cede is listed on the Central Supplier Database
- e) The cede signs the MDB 4' Independence Declaration.

Cessionary payments shall be approved by delegated officials in terms of approved delegations.

4. Cession can only enter into if it is for purchase of the material or stock by the appointed service provider or financing cession to the appointment service provider.

5. No official other than the Accounting Officer shall enter into cession on behalf of the municipality
24. COMBATING OF ABUSE OF SUPPLY CHAIN MANAGEMENT SYSTEM
1. Paragraph 38(2) refers to paragraph 39(1) (b) (ii), (e), or F of the policy and the policy does not have that paragraph. The correct paragraph should be quoted. (Paragraph 38(1)(b)(ii),(e)or F
25. DISPOSAL MANAGEMENT
1. Paragraph 40(5) (b) (ii) refers to paragraph (41) (4) (b) (ii) for property development which is in incorrect section. The correct paragraph to be quoted is paragraph 40(5) (b) (i).
26. Risk Management
1. The municipality should have a fraud helpline or suggestion box to report fraud. This has been added as point no 41.3.9
27. PROHIBITION ON AWARDS TO PERSONS WHOSE TAX MATTERS ARE NOT IN ORDER
1. The policy should also include that the tax status of a bidder should be verified at the time of appointment.
28. ETHICAL STANDARDS
1. Paragraph 46(2) (d) refers to paragraph 47(2) (C) regarding rewards, gift, favour, hospitality or other benefits which is an incorrect paragraph. The correct paragraph should be quoted. (Paragraph 46(2) (c). Paragraph 46(3) refers to paragraph 47(2) (d) and (e) of the policy. The paragraph quoted is incorrect. The correct paragraph to be quoted is paragraph 46(2)(d) and (e)
29. INDUCEMENTS, REWARDS, GIFTS AND FAVOURS TO MUNICIPALITIES, OFFICIALS AND OTHER ROLE PLAYERS
1. Paragraph 47(2) and (3) refers to paragraph 48(1) which is an incorrect paragraph. The correct paragraph should be quoted. (Paragraph 47(1)).

2.9. By laws-New By –Laws introduced in 2022/23

2.10. WEBSITES (ICT)

Municipal website: Publishing date	content and currency of material
Tender advertisements for July 2022	29 July 2022
7 days advertisement	18 August 2022
Approved Budget	24 August 2022
Asset Management Policy	23 August 2022
Budget council resolution	18 August 2022
Budget policy	23 August 2022
Car allowance policy	23 August 2022

Cash management and investment policy	23 August 2022
Debt collection and credit control policy	23 August 2022
First quarter SDBIP report	25 August 2022
Fleet management policy	23 August 2022
Giyani-A supplementary valuation rolls	22 August 2022
Giyani-B supplementary valuation rolls	22 August 2022
Giyani-C supplementary valuation rolls	22 August 2022
Giyani-D supplementary valuation rolls	22 August 2022
Giyani-E supplementary valuation rolls	22 August 2022
Giyani-F supplementary valuation rolls	22 August 2022
Greater Giyani final supplementary valuation rolls	22 August 2022
Indigent policy	23 August 2022
Inventory and stores management policy	23 August 2022
Newspaper notices	22 August 2022
Property rates policy	23 August 2022
Provincial gazette inspection of SVR	22 August 2022
Provincial gazette levying of property rates	22 August 2022
Revenue enhancement strategy	23 August 2022
Second quarter SDBIP report	25 August 2022
Subsistence and travel allowance policy	23 August 2022
Supply and delivery of a camera	24 August 2022
Supply and delivery of A4 paper	24 August 2022
Supply and delivery of auxiliary plumbing materials	24 August 2022
Supply and delivery of building maintenance materials	24 August 2022
Supply and delivery of carpentry materials	24 August 2022
Supply chain management policy	23 August 2022
Supply chain management policy for infrastructure procurement	23 August 2023
Tariff policy	23 August 2022
Third quarter SDBIP report	25 August 2022
Unallocated deposits policy	23 August 2022
Various tender advertisements	18 August 2022
Virement policy	23 August 2022
List of awarded tenders	9 September 2022
Performance agreement acting chief financial officer	26 September 2022
Performance agreements of senior managers	26 September 2022
Quarter SDBIP report	26 September 2022
Signed final tariff as per 4.8 per cent with traffic fines	31 October 2022
7 days advertisement	4 November 2022
Advertisement November 2022	16 November 2022
Bids advertisement	4 November 2022

Cash management investment policy	1 November 2022
Chabalala financial disclosure	21 November 2022
Debt collection and credit control policy	1 November 2022
Erratum	10 November 2022
Erratum advertised posts	18 November 2022
Indigent policy	1 November 2022
Mdaka financial disclosure	21 November 2022
Performance agreement director community services	21 November 2022
Performance agreement director corporate services	21 November 2022
Property rates policy	1 November 2022
SDBIP 2022/23	28 November 2022
Adjusted SDBIP report 2022/23	10 August 2022
Special Adjusted SDBIP 2022/23	10 August 2022
Tender advert for diaries and calendars	18 November 2022
Unallocated deposits policy	1 November 2022
Various bid advertisements	9 January 2023
Advertisement	11 January 2023
Advertisement for promotional material	13 January 2023
Audit advertisement committee	9 January 2023
Various bids advertisement	18 January 2023
Annual Report 2021-2022	7 February 2023
Asset management policy	2 March 2023
Budget policy	2 March 2023
Car allowance policy	2 March 2023
Career management and retention policy	2 March 2023
Cash management and investment policy	2 March 2023
Conditions of service policy	2 March 2023
Covid-19 work procedure policy	2 March 2023
Debt collection and credit control policy	2 March 2023
Employee bereavement funeral policy	2 March 2023
First quarter SDBIP	27 March 2023
Fleet management policy	2 March 2023
Fraud and corruption policy	2 March 2023
Indigent policy	2 March 2023
Internship and learnership policy	2 March 2023
Inventory and stores management policy	2 March 2023
IT change management policy	2 March 2023
IT equipment policy	2 March 2023
IT governance framework policy	2 March 2023
IT network access policy	2 March 2023

IT security policy	2 March 2023
IT service request policy	2 March 2023
Placement policy	2 March 2023
Policy on establishment and operation of ward committees	2 March 2023
PPE policy	2 March 2023
Public participation policy	2 March 2023
Recruitment policy	2 March 2023
Remuneration policy	2 March 2023
Replacing of municipal manager	16 March 2023
Risk management policy	2 March 2023
Second quarter SDBIP	27 March 2023
Subsistence and travel allowance policy	2 March 2023
Supply chain management policy	2 March 2023
SCM policy for infrastructure procurement and delivery management	2 March 2023
Tariff policy	2 March 2023
Telecommunication policy	2 March 2023
Training and development policy	2 March 2023
Unallocated deposits policy	2 March 2023
Virement policy	2 March 2023
Adjusted SDBIP	19 April 2023
Final reviewed IDP draft	25 April 2023
Public notice for draft IDP and budget	25 April 2023
7 days bids advertisement	10 May 2023
Budget document revised	17 May 2023
Cleaning material	17 May 2023
Document policies	17 May 2023
Draft budget greater Giyani municipality	17 May 2023
Draft budget implementation and management policy	17 May 2023
Indigent notice	17 May 2023
Stationery material	17 May 2023
Supply and delivery of personal protective clothing for drivers and operators	17 May 2023
Supply and delivery of personal protective clothing for general workers	17 May 2023
Supply and delivery of personal protective clothing for meter readers	17 May 2023
Supply and delivery of personal protective clothing for office administrators	17 May 2023
Approved tariff structure	22 June 2023

Final reviewed IDP	15 June 2023
Job advertisement	14 June 2023
Municipality appoints new municipal manager	1 June 2023
Public notice for approved IDP and budget	19 June 2023
Resolution levying property rates for the financial year	22 June 2023
Supply and delivery of Mayor's cup services	14 June 2023
Tender advertisements	27 June 2023

MUNICIPAL WEBSITE CONTENT AND ACCESS

of prescribed key website Most content material were placed on the municipal website and the publishing dates are indicated on the table above such as IDP , Budget , Annual Report , Performance Agreements, Budget related policies, Adverts for tenders and Adverts for Vacancies as indicated

2.11. PUBLIC SATISFACTION ON MUNICIPAL SERVICES

PUBLIC SATISFACTION LEVELS

Public Participation surveys were conducted during the period under review. Forms were distributed at various municipal strategic points such as Giyani Library, testing grounds and Civic center. We received relatively balanced responses from the public. The municipality further relied on public participation as well as the usage of the Premier and Presidential Hotlines to gauge the level of satisfaction and \ dissatisfaction with municipal services.

Key general areas of satisfaction/ dissatisfaction include:

- State of roads conditions (Tarred Roads)
- water
- health and education services (Clinics, Hospitals and Schools)
- unemployment
- RDP houses
- Revenue services
- Long ques at the testing ground

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

COMPONENT A: BASIC SERVICES DELIVERY

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

3.1 WATER PROVISION

3.2.1 INTRODUCTION TO WATER PROVISION

The Water Services Act 108 of 1997 provides that all residents have a right to access of Water. Mopani District Municipality has been issued with a Licence to become the Water Services Authority for all its Local municipalities, in terms of the National Water Act 36 of 1998. It has appointed such Local Municipalities to become its Water Services Provider whereby a Budget for Operations and Maintenance is allocated to ensure that the Water Infrastructure is well functional. MDM is responsible for distributing water to the main pipeline. New Water Infrastructure projects remain the responsibility of the District Municipality. The report below provides information in terms of Households with water services and those that still remain with the backlog the municipality.

3.2 WASTEWATER

Sanitation Service Delivery Levels Households			
Description	2020/21	2021/22	2022/23
	Outcome No.	Actual No.	Outcome No.
Sanitation/sewerage; (above minimum level)	6430	6430	
Flush toilet (connected to sewerage)			
Flush toilet (with septic tank)	6430	6430	
Chemical toilet			
Pit toilet (ventilated)			
Other toilet provisions (above min. service level)			
Minimum service level and above sub-total			
Minimum service level and above percentage			
Sanitation/sewerage; (below minimum level)			
Bucket toilet			
Other toilet provisions (below min service level)			
No toilet provisions.			
Below Minimum service level sub-total			
Below Minimum service level percentage			
Total Households			

Households; Sanitation service delivery levels below the minimum Households						
Description	2021/2022			2022/23		
	Original Budget No.	Adjustment Budget No.	Actual No.	Original Budget No.	Adjustment Budget No.	Actual No.
Formal Settlements						
Total Households						
Households below minimum service level						
Proportion of households below minimum Service level						
Informal Settlements						
Total Households						
Households below minimum service level						
Proportion of households below Minimum service level						

Employees: Electricity Services								
Job Level	2021/22				2022/23			
	Pos ts No.	No of Employe es	Vacancie s (fulltime equivale nts) No.	Vacanci es (as a % of total posts) %	Pos ts No.	No of Employe es	Vacancie s (fulltime equivale nts) No.	Vacanci es (as a % of total posts) %
0-3	1	0	1	100%	0	0	0	0%
4-6	1	1	0	0%	5	3	2	40%
7-9	4	2	1	75%	3	2	1	33.3%
10-12	0	0	0	0%	0	0	0	0%
13-15	4	4	0	0%	5	3	2	40%
16-18					0	0	0	0%
19-20	0	0	0	0%	0	0	0	0%
Total	10	7	3	30%	13	8	5	38.50%

Employees: Water Services								
Job Level	2021/22				2022/23			
	Post s No.	No of Employe es	Vacancies fulltime equivalen ce) No.	Vacanci es (as a % of total posts) %	Posts No.	No of Employe es	Vacancie s Fulltime Equivalen ce No.	Vacanci es (as at % of total posts %)
0-3	0	0	0	0%	0	0	0	0%
4-6	0	0	0	0%	0	0	0	0%
7-9	0	0	0	0%	0	0	0	0%
10-12	1	1	0	0%	1	1	0	0%
13 - 15	13	13	0	0%	13	13	0	0%
19-20		N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total	14	14	0	0%	14	14	0	0%

Solid waste service delivery levels Households			
Description	2020/21	2021/22	2022/23
	Actual No.	Actual No.	Actual No.
Solid waste removal: (minimum level) Removed at least once a week. Minimum service level and above sub-total Minimum service level and above percentage Solid waste removal: (below minimum level) Removed less frequently than once a week. Using communal refuse dump Using own refuse dump Other rubbish disposal No rubbish disposal Below minimum service level sub-total Below minimum service level percentage Total number of households		households in townships in rural areas Total:	households in townships in rural areas Total: 6560 households in townships
	48 weeks per annum (once per week)	48 weeks per annum (once per week)	48 weeks per annum (once per week)
	Refuse collected once per week. All General Waste Disposed at a municipal disposal site. Refuses are collected on a daily basis in the CBD. 10955 Household in rural area Backyard refuse collection in rural area	Refuse collected once per week. All General Waste Disposed at a municipal disposal site. Refuses are collected on a daily basis in the CBD.	All General Waste Disposed at a municipal disposal site. Refuse is collected daily in the CBD. annum (once per week)

Employees; Solid Waste management services

Job Level	Posts No	2021/22			2022/23			
		No of Employees	Vacancies (fulltime equivalent) No.	Vacancies (as a % of total posts) %	Posts No.	No of Employees	Vacancies (fulltime equivalent) No.	Vacancies (as a % of total posts) %
0-3	1	1	0%	1	1	1	0	100%
4-6	2	1	50%	2	3	2	1	33.33%
7-9	1	0	100%	1	1	0	1	100%
10-12	12	7	42%	12	11	10	1	9.0%
13-15	30	26	13,33%	30	31	26	5	16.12%
16-18	0		0	0	0	0	0	100%
19-20	0		0	0	0	0	0	100%
Total	46	35	21,73%	46	47	39	8	17.02%

WASTE MANAGEMENT (THIS SECTION INCLUDES: REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING)

Greater Giyani Municipality Collect refuses from residential units in all townships, Businesses, Schools, Churches and industrial. Litter picking is conducted in all main roads, internal streets, and CBD. The municipality currently has one waste disposal site in use.

Financial performance 2020/21,2021/22 and 2022/23 Electricity Services R`000

Details	2020/21	2021/22				2022/23		
	Original Budget	Adjustment Budget	Actual	Original Budget	Adjustment Budget	Actual	Original Budget	Adjustment Budget
Total operational revenue (excluding tariffs)			0	0	0	0	0	0
Expenditure	27,168,764	42,590,545						
Employees	3,461,094	2,117,269	803 572	3 670 875	2 280 764	854 327	3 745 033	2 045 322
Repairs and Maintenance	1,500,000	1,500,000	4 401 569	2 500 000	6 000 000	0	6 000 000	6 000 000
Other			2 151 604	2 114 000	2 117 000	1 770 005	2 802 137	2 588 024
Total operational Expenditure			35,012,918.29	32,129,858	46,207,814	2 624 332	12 547 170	10 633 346
Net Operational (service) expenditure								

Financial performance 2020/21, 2021/22,2022/23 Refuse Solid Waste Management Services (Community Services)

Details	2020/21			2021/22			2022/23			
	Actual	Original Budget	Adjustment Budget	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	Original Budget	Adjustment Budget
Total operational revenue							8 276 420	763 580	11 200 000	9 040 000
Expenditure;	16,935,141.4	14,654,229	13,693,691.94	8 098 053	10 221 001	8 142 878				
Employees	44,668,716.97	43,722,755.43	41,330,047.96	9 795 388	10 778 875	8 533 794	6 989 783	1 588 439	11 126 875	8 578 222
Repairs and maintenance	148,211.04	500,000	500,000	312 923	500 000	200 000	0	200 000	200 000	200 000
Other				1 702 197	3 092 000	2 484 000	538 676	546 491	3 223 640	1 085 167
Total operational expenditure							7 528 459	3 098 510	14 550 514	9 863 389

Roll Out and Backlogs

WARD	AVAILABLE	BACKLOG
1	Unstructured services	Blinkwater, Ximausa, Noblehoek
2	0	Phikela, Rivala, Maxavela, Mavhuza
3	0	Babangu, Ndengeza RDP, Ntshunxi
4	0	Basani, N'wamankena, Maswanganyi
5	0	Sifasonke, Zamani, Tomu
6	0	Gon'on'o, Hlaneki, Khani
7	0	Siyandhani, Bode
8	0	Silawa, Shimange, Dingamazi, Skhiming, Botshabelo
9	0	Homu 14A, Homu 14B
10	0	Gija-Ngove, Nkomo C, Nkomo B
11	Giyani E, D1	0
12	Giyani A	Homu 14 C
13	Giyani D2 and Giyani F	B9
14	Unstructured services	Makosha, Shikukwani
15	Unstructured services	Nwazekudzeku and Shivulani

16	Unstructured services	Mninginisi B2, B3, Mhlava Willem
17	Unstructured services	Thomo
18	Unstructured services	Gawula, Khakhala, Muyexe
19	Mahlathi unstructured services	Hlomela, Ndindani, Mahlathi, Shingwedzi Camp
20	0	Bonwani, Mavalani, Mbatlo
21	Krematart, Ngove unstructured service	Ngove, Krematart, Dzingi-Dzingi
22	0	Shawela, Shikhumba
23	0	Mbhedle, Guwela, Kheyi, Mushiyan, Nsavulani
24	0	Mnghonghoma, Loloka, Mageva
25	0	Daniel Rabalelo, Mageva township, Dzumeri
26	0	Maphata, Sikhunyan, Nkomo A, Bambeni
27	0	Mayephu, Mzilela, Matsotsosela, Xitlakati, Khaxani
28	0	Mphagani, Zava
29	0	Makhuva, Mbaula, Phalaubeni
30	0	Mapuve, Jim Nghalalume
31	0	Mapayeni, N'wakhuwani, Vuhehli, Mnyangani
TOTAL		

3.6.1 CHALLENGES

There is a huge backlog of refuse removal services as the service is yet to be extended to rural communities. Lack of proper waste management infrastructure is also a challenge as waste disposal is not meeting the minimum requirements for safe disposal of waste. The municipality also does not have sufficient funds to initiate recycling initiatives. There are also ageing staff and shortage of employees as a result the municipality relies on contract workers to render the waste management services. Insufficient resources to extend refuse removal services to rural communities. Lack of law enforcers to enforce by laws. The dumping site is due for rehabilitation and closure.

3.6.2 INTERVENTIONS

A landfill site development project is under way. The Buyback Centre constructed to support recycling initiatives. Budget set aside under the EPWP Program to appoint personnel on a contract basis to work on waste. installed no dumping sign as part of awareness. Waste management by-law is Gazetted and implemented. Skip bins are rented as per the approved tariff structure. Skip bins are place in strategic areas to combat dumping waste in open spaces. Intensification of environmental education

awareness to school and community members. Development of Robust Clean-up plan for all villages. Waste disposal closure license extended by two years, thus 2024.

THE TABLE BELOW REFLECTS AVAILABILITY AND BACKLOG OF STANDARD SPORTS FACILITIES WITHIN WARDS

WARD	AVAILABLE	BACKLOG
1	0	Blinkwater, Ximawusa, Noblehoek
2	Mavhuza	Rivala, Phikela, Mashavela
3	0	Babangu, Nden'eza, RDP, Ntshuxi
4	0	Basani, Nwamankena, Maswanganyi
5	0	Sifasonke, Zamani, Tomu
6	Khani	Gon'on'o, Hlaneki
7	0	Siyandhani, Bode
8	0	Dingamazi, Shimange, Silawa, Sekhimini, Botshabelo
9	Homu 14B	Homu 14 A
10	0	Nkomo B, Nkomo C, Gija-Ngove
11	Section E	Giyani D1
12	Giyani A	Homu 14C
13	0	Giyani D2, Giyani F, B9
14	0	Makosha, Shikukwani
15	Shivulani	Nwazekudzeku
16	0	Mninginisi B3, Mninginisi B2, Mhlava Willem
17	0	Thomo
18	Gawula, Muyexe	Khakhala
19	0	Hlomela, Ndindani, Mahlathi, Shingwedzi Camp
20	0	Bonwani, Mavalani, Mbatlo
21	0	Ngove, Kremetart, Dzingi-Dzingi
22	Shawela	Shawela RDP, Shikhumba
23	0	Mbhedle, Guwela, Kheyi, Mushiyani, Nsavulani
24	Mageva	Mnghonghoma, Loloka
25	0	Daniel Rabalelo, Mageva Township, Dzumeri
26	0	Maphata, Sikhunyani, Bambeni, Nkomo A
27	Mzilela	Mayephu, Matsotsosela, Khaxani, Xitlakati
28	0	Mphagani, Zava
29	0	Makhuva, Mbaula, Phalaubeni
30	0	Mapuve, Nghalalume
31	0	Mapayeni, N'wakhuwani, Vuhehli, Mnyangani

The report reflects only halls built by the municipality. Excluded are privately owned halls and those built by another sector department.

THE TABLE BELOW REFLECTS THE AVAILABILITY AND BACKLOG OF COMMUNITY HALLS WITHIN WARDS

WARD COMMUNITY HALLS

WARD	AVAILABLE	BACKLOG
1	0	Blinkwater, Ximawusa, Noblehoek
2	0	Rivala, Phikela, Mashavela, Mavhuza
3	0	Babangu, Nden'eza, RDP, Ntshuxi
4	0	Basani, Nwamankena, Maswanganyi
5	0	Sifasonke, Zamani, Tomu
6	0	Gon'on'o, Hlaneki, Khani
7	0	Siyandhani, Bode
8	0	Dingamazi, Shimange, Silawa, Sekhimini, Botshabelo
9	0	Homu 14 A, Homu 14B
10	0	Gija-Ngove, Nkomo B, Nkomo C
11	Giyani Community Hall	Giyani E, Giyani D1
12	0	Giyani A, Homu 14C
13	0	Giyani D2, Giyani F
14	0	Makosha, Shikukwani
15	Nwazekudzeku	Shivulani
16	0	Mninginisi B2, Mninginisi B3, Mhlava Willem
17	Thomo Community Hall	N/A
18	0	Gawula, Muyexe, Khakhala
19	0	Hlomela, Ndindani, Mahlathi, Shingwedzi Camp
20	0	Bonwani, Mavalani, Mbatlo
21	0	Ngove, Kremetart, Dzingi-Dzingi
22	0	Shawela, Shikhumba
23	0	Mbhedle, Guwela, Kheyi, Mushiyani, Nsavulani
24	0	Mnghonghoma, Loloka, Mageva
25	0	Daniel Rabalelo, Dzumeri, Mageva Township
26	0	Maphata, Sikhunyani, Nkomo A, Bambeni
27	0	Mzilela, Mayephu, Matsotsosela, Khaxani, Xitlakati
28	0	Mphagani, Zava
29	0	Makhuva, Mbaula, Phalaubeni
30	0	Mapuve, Jim Nghalalume
31	0	Mapayeni, N'wakhuwani, Vuhehli, Mnyangani

3.7 Housing

The powers and functions for the provision and construction of housing lies with the provincial government under the Department of Co-operative Governance, Human Settlements and Traditional Affairs. The role of the municipality is to identify housing demands needs through the development of the Housing Chapter and identification of beneficiaries. For the 2022/23 financial year a total of 445 houses were allocated to Greater Giyani Municipality. The implementing agent was the Department of Co-operative Governance, Human Settlements and Traditional Affairs.

3.6 Free Basic Services and Indigent Support

Introduction to Free Basic Services and Indigent Support

Free basic services to low-income households										
	Number of households									
	Total	Household's earnings less than R2000 per month								
			Free basic water		Free basic sanitation		Free basic electricity		Free basic refuse	
	Total	Access	%	Access	%	Access	%	Access	%	
2019/20		371				16000				
2020/21		171		171		1809				
2022/23		390		0		6834		390		

COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT:

The municipality is faced with numerous applications of indigents; however, municipality is doing everything in its powers to support local communities with the need of free basic services.

Component B: Roads and Transport

3.7 Introduction to Roads

Gravel road infrastructure Kilometers				
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained
2019/20	608	None	7.04 KM	2332
2020/21	608	None	16.95 KM	2640
2021/22	608	None	11.4 KM	2640

ROADS AND TRANSPORT Employees	Posts No.	No of Employees.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %	Posts No.	No of Employees	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0-3					1	1	0	100%
4-6					1	1	0	100%
7-9					3	0	3	100%
10-12					20	16	4	20%
13-15					33	18	15	45.45 %
16-18					0	0	0	0%
19-20					0	0	0	0%
Total					58	36	21	36.20 %

Asphalted Road Infrastructure					
	Total Asphalted roads	New asphalt roads	Existing asphalt roads re-asphalted	Existing asphalt roads re-sheeted	Asphalt roads maintained
2021/22	91.37KM	11.4KM	79.97KM	0KM	0KM
2022/23					

Financial performance 2020/21,2021/22 and 2022/23: Road Services
R`000

Details	2020/ 21	2021/22				2022/23		
	Actual	Original budget	Actu al	Original Budget	Adjust ment Budget	Actu al	Origin al Budge t	Adjustment budget
Total operational revenue (excluding tariffs)								
Expenditure:	3,701,481.69	7,894,434	00	396 000	150 000			
Employees	12,393,408.22	10,234,458	12 294 249	13 286 321	13 261 844	7 928 690	10 064 669	8 492 620
Repairs & Maintenance	604,002.72	1,500,000	13 754 992	33 500 000	37 000 000	0	37 500 000	55 200 000
Other	3,701,481.69	7,894,434	665 506	642 000	530 000	525 131	246 265	543 265
Total operational expenditure	16,698,892.63	19,628,892	26 714 747	42 574 321	46 137 844	8 453 821	47 810 934	64 235 885
Net operational (service) expenditure	16,698,892.63	19,628,892						

Capital expenditure 2021/22 and 2022/23 Road Services										
R`000										
Capital project	2021/22					2022/23				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total project value	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total project value
Capital Projects Waste Management	500,000	1,675,960.00	1,675,960.00	-1175960						
Civic Centre Building ,Phase 4										
Electrification of Hlaneki Village						3 100 000	10 740 000	10 331 929	408 071	
Electrification of Maphat a						2 100 000	2 642 990	2 421 391	221 599	R43 608 464.59
Electrification of Church view						4 100 000	4 000 000	3 221 896	778 104	
Electrification of Nwadze kudzek u Village						3 684 000	5 994 625	4 121 863	1 872 762	

Electrification of Makhuv a village						2 100 000	5 989 032	4 638 567	1 350 465	
Electrification of Siyand hani Village						0	3 617 010	3 144 704	472 306	
Electrification of Nsavul ani Village						2 100 000	3 843 793	3 610 493	233 300	
Installation of High Mast Lights in 93 Villages (CBD)						1 000 000	1 480 000	1 286 765	193 235	R 64 261 000.00
Installation of energy saving streetlights						10 300 000	7 500 000	5 286 387	2 213 613	
Installation of Traffic Lights						0	4 000 000	3 252 190	747 810	
Capital Projects Waste						0	0			

Management										
Civic Centre Building, Phase 4						18 543 541	14 339 275	17 673 696	3 334 421	R 1 479 780.00
Refurbishment of Shivulani Sports Centre						500 000	3 454 255	0	3 454 255	
Mavalani Indoor Sports Centre						21 457 650	10 343 971	9 089 342	1 254 629	
Jim Nghalalume Community Hall						28 243 482	13 215 573	12 373 411	842 162	
Nwadzekudu Community Hall						11 897 934	15 411 877	13 549 233	1 862 644	
Silawa Upgrading of Internal Streets						3 937 908	8 300 000	7 250 127	1 049 873	
Ndhambi Taxi Rank						0	6 194 766	5 401 030	793 736	
Shimange Upgrading of						0	2 755 838	0	2 755 838	

Internal Street										
Upgrading of Nkhensani Access Road						4 000 000	50 000	0	50 000	
Section E Sports Centre						1 000 000	50 000	0	50 000	
Giyani Stadium & Section A Tennis Court						1 000 000	50 000	0	50 000	
Section Upgrading from Gravel to Paving (Voningani)						20 141 714	16 500 000	14 049 362	2 450 638	
Homu 14B Sports Centre						4 500 000	10 012 521	9 115 976	896 545	
4.4km Siyandhani ring road						1000 000	11 020 236	9 582 730	1 437 506	
2.6km Shikhumba upgrading from gravel						1000 000	8 769 695	7 655 394	1 114 301	

to paving										
3.6 km Shawela upgrading from gravel to paving						1000 000	500 000	0	500 000	
Makosha upgrading from gravel to paving phase 2						1 000 000	500 000	391 282	108 718	
13 km Section E upgrading from gravel to paving						500 000	50 000	0	50 000	
2.6 km Hlomele upgrading from gravel to paving						1 500 000	500 000	431 919	68 081	
MIG Spending										
Environmental Awareness Campaign						Operat ional	Operat ional			

Environmental Awareness Campaign	Operational	Operational				Operational	Operational			
Indigent Burial Support and Pauper Burial Policy	Operational	Operational				Operational	Operational			
Scholar Patrol	Operational	Operational				Operational	Operational			
Speed Checks	Operational	Operational				Operational	Operational			
Warrant of arrests	Operational	Operational				Operational	Operational			
Traffic summonses issued	Operational	Operational				Operational	Operational			
Pound Station Operationalization	Operational	Operational				Operational	Operational			
Driver's License Card Agency	Operational	Operational				Operational	Operational			

Road Traffic Management Corporation fees						Operational	Operational			
Vehicle Testing Station Calibration						Operational	Operational			
SABS levy						Operational	Operational			
80%Agency fees						Operational	Operational			
Road blocks						Operational	Operational			

3.8 Transport (Including Vehicle Licensing & Public Bus Operation)

Introduction to Transport

The municipality has a fully established licensing unit with the vehicle testing station, driver's license testing center and registering authority. However, these functions belong to the Department of Transport, therefore the municipality operates under a Service Level Agreement. The municipality also has a law enforcement and traffic services unit responsible for public transport management and community safety. The key activities under this function are vehicle roadworthy compliance, vehicle speed control, scholar patrols, traffic escorts and pound services amongst others.

The majority of the Greater Giyani Municipality residents rely on public transport, this is evidenced by the number of buses and taxis on our roads. The municipality usually experiences road congestion during peak hours and in festive seasons. This is due to the lack of bus rank facilities, heavily congested Giyani taxi rank and public road infrastructure such as offloading and loading zones. To resolve this, the municipality needs secure land from Public Works or traditional leaders to develop taxi rank holding facility and bus rank facility. Land negotiation process is under way.

Public Transport

Status of Taxi Rank Facilities

LOCATI ON	STATUS	DESTINATIONS
Old Spar	Operational	Bushbuckridge, Polokwane, Tzaneen and Phalaborwa, Witbank
Shoprite	Operational	Malamulele
New Boxer Supermarket	Operational	Mooketsi, Vuhehli, Gawula
Ndhambi Taxi Rank	Operational	Giyani, Tzaneen
OBC(Main Taxi Rank)	Operational	Phalaborwa, Acornhoek, Tzaneen, Polokwane, Pretoria, Rustenburg, Johannesburg

Public Transport Challenges

The major challenge experienced by the municipality is the lack of space for loading passengers. The municipality currently does not have an integrated transport plan which would then be used for management of Public Transport within area of municipal's jurisdiction.

3.9 Wastewater (Stormwater Drainage)

Actions that have been taken

Plans in place to develop the town

The Municipality will prioritize the development of Stormwater Master Plan

Component C: Planning and Development

3.10 Planning

Applications for land use development						
Detail	Formalization of township		Rezoning		Built Environment	
	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23
	0	1	0	16	0	0

3.11 Local Economic Development (Including Tourism and Marketplaces)

Financial performance 2019/20,2020/21 and 2021/22: Planning services
R`000

Details	2020/21	2021/22				2022/23		
	Actual	Original Budget	Actual	Original Budget	Adjusted Budget	Actual	Original budget	Adjustment Budget
Total Operational Revenue							1025 000	685 000
Expenditure:								
Employees	3,540,014.04	8,814,977	1 102 696	1 935 318	1 345 455	1 105 136	1 986 524	1 105 233
Repairs & Maintenance	6,845,473.54		0	0	0	0	0	0
Other			100 954	610 500	215 500	66 743	88 938	84 253
Total Operational Expenditure			1 203 650	1 995 818	1 410 955	1 171 879	2 075 462	1 189 486
Net operational (service) expenditure	4,729,821.31							

Comment on Local Economic Development Performance Overall:

- 4 SMMEs were supported financially in the 2022/23 financial year.
- 4 SMME were exposed to LED market.
- 4 SMME were exposed pop up market.

Component D: Community & Social Services

Employees: Local Economic Development Services								
Job level	2021/22				2022/23			
	Pos ts No.	No of Employ ees	Vacanci es (fulltime equivale nts) No.	Vacanc ies (as a % of total posts) %	Pos ts No.	No of Employ ees	Vacanci es (fulltime equivale nts) No.	Vacanc ies (as a % of total posts) %
0-3	1	1	0	0%	1	1	0	100%
4-6	3	3	0	0%	2	0	2	100%
7-9	9	0	0	0%	0	0	0	0%
10- 12	9	6	3	33,33%	6	4	2	33.33%
13- 15	3	3	0	0%	0	0	0	0%
16- 18	0	0	0	0%	0	0	0	0%
19- 20	0	0	0	0%	0	0	0	0%
Tot al	32	13	3	9,37%	9	5	4	44.44%

3.12 Libraries; Archives; Museums ; Galleries; Community Facilities; Other (Theaters, Zoos, etc.)

- The municipality has one functional Library in Giyani

3.13 Cemeteries and Crematoriums

Introduction to Cemeteries & Crematoriums

Employees: Cemeteries and Crematoriums						
Job level		2021/22		2022/23		
	No of Employees	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %	No of Employees	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0-3	0	0	0%	1	0	100%
4-6	1	1	0%	0	0	0%
7-9	0	0	0%%	0	1	0%
10-12	2	2	0	0	3	0%
13-15	14	24	63,15%	13	39	75%
16-18	0	0	0%%	0	0	0%
19-20	0	0	0%%	0	0	0%
Total	17	27	61,36%	14	43	75,43%

The municipality has one cemetery under its control; the number of cemeteries under the control of the traditional authorities is yet to be audited. There is also no crematorium within the jurisdiction of the municipality.

Comment on the Performance of Cemeteries & Crematoriums Overall: Ensure all funded position are appointed.

The municipality is experiencing a challenge of space for the development of future cemetery site since most of the available land is under the control of the traditional leadership. Cemetery by-laws are gazetted and include clauses which will help the municipality to save space. There are no security personnel deployed and vandalization is taking place which results in damaging of tombstones after hours or over the weekend.

3.14 Childcare; Aged Care; Social Programmes

Introduction to Childcare; Aged Care and Social Programmes

The municipality has coordinators who focuses on social programs such HIV and AIDS, Women and Children, Youth, Old age, Gender, and Disability. There are also several forums as Aids council and technical committee, Men's forum, Disability's forum, and gender forum which champions the interest of these social sectors. At the core of it is that the oversight monitoring is done through the Health and Social Development Portfolio Committee. The municipality works closely with provincial and district departments that deals with social issues such as the Department of Social Development, Department of Health, South African Police Services and Chapter Nine institutions such as Human Rights and Gender Commissions as well as nongovernmental organizations.

The municipality is working together with Mopani District, LEDET and DEFF to raise awareness on the need to protect and conserve the environment.

Component E: Environmental Protection

3.15 Pollution Control

The municipality has a functional waste management service, providing refuse removal services to the Giyani township households once per week and daily in the CBD. Due to capacity challenges, the municipality is yet to extend waste management services to rural villages. The municipality is currently developing a landfill site and rehabilitating the current waste disposal site in compliance to the National Environmental Management: Waste Act and the GN No.636 National Norms and Standards for Disposal of Waste to landfill.

3.16 Biodiversity; Landscape; (Incl. Open Spaces)

GGM works jointly with DEA and LEDET to ensure biodiversity conversation construction in line with the climate change response strategy of the province. There are also municipal community parks that are well maintained, though there is a challenge of vandalism in the parks.

Component F: Health

- The clinics and ambulance services are rendered by the provincial department of Health and Social Development.

Component G: Security and Safety Police, Fire, and Other (Disaster Management, Animal Licensing and Control, Control of Public Nuisances and Other)

Introduction to Disaster Management, Animal Licensing and Control, Control of Public Nuisances, etc.

- The Police and Fire services are rendered by the provincial department and National Department. And fire rendered by the District Municipality. The municipality has animal pound station to be used for impoundment of animals. The development of by-laws for keeping animals to deal with licensing and control of animals is in progress.

Financial performance 2020/21, 2021/22 and 2022/23: Traffic										
R`000										
Details	2020/21		2021/22				2022/2023			
	Actual	Original budget	Actual	Original Budget	Variance	Adjustment Budget	Actual	Original budget	Variance	Adjustment Budget
Total operational revenue			7914702	18230000	10315298	8740000	8262877	8300000	-262877	8000000
Expenditure:	12,298,768.35	2,514,680								
Police Officers										
Other Employees	20,548,283.84	17,720,473.43	20378428	19214761	-1163667	19367237	2063112	20290642	-923775	19707337
Repairs & Maintenance			203095	100000	-103095	200000	31076	500000	468924	500000

Other			84 34 6	1 227 500	1 143 154	202 000	16 7 90 3	850 981	292 706	460 609
Total operational expenditure	32,847,052.19	20,235,153.43	20665869	20542261	-123608	19769237	20830091	21641623	-162145	20667946
Net operational (service) expenditure										

Component H: Sport and Recreation

Introduction to Sport and Recreation

3.17 Sport.

The table below reflects availability and backlog of standard Sports facilities within Wards.

Ward	Available	Backlog
1	0	Blinkwater, Ximawusa, Noblehoek
2	0	Rivala, Phikela, Mashavela
3	0	Babangu, Nden'eza, RDP, Ntshuxi
4	0	Basani, Nwamankena, Maswanganyi
5	0	Sifasonke, Zamani, Tomu
6	Khani	Gon'on'o, Hlaneki
7	0	Siyandhani, Bode
8	0	Dingamazi, Shimange, Silawa, Sekhimini, Botshabelo
9	Homu 14B	Homu 14 A
10	0	Nkomo B, Nkomo C, Gija-Ngove
11	Section E	Giyani D1
12	Giyani A	Homu 14C
13	D2 and F	Giyani D2, Giyani F, B9

14	0	Makosha, Shikukwani
15	Shivulani	Nwazekudzeku
16	0	Mninginisi B3, Mninginisi B2, Mhlava Willem
17	0	Thomo
18	Gawula, Muyexe	Khakhala
19	0	Hlomela, Ndindani, Mahlathi, Shingwedzi Camp
20	0	Bonwani, Mavalani, Mbatlo
21	0	Ngove, Kremetart, Dzingi-Dzingi
22	Shawela	Shawela RDP, Shikhumba
23	0	Mbhedle, Guwela, Kheyi, Mushiyan, Nsavulani
24	Mageva	Mnghonghoma, Loloka
25	0	Daniel Rabalelo, Mageva Township, Dzumeri
25	0	Maphata, Sikhunyani, Bambeni, Nkomo A
26	Mzilela	Mayephu, Matsotsosela, Khaxani, Xitlakati
27	0	Mphagani, Zava
28	0	Makhuva, Mbaula, Phalaubeni
29	0	Mapuve, Nghalalume
30		
31	0	Mapayeni, N'wakhuwani, Vuhehli, Mnyangani
TOTAL		

3.18 RECREATION

THE TABLE BELOW REFLECTS THE AVAILABILITY AND BACKLOG OF COMMUNITY HALLS WITHIN WARDS

WARD COMMUNITY HALLS

WARD	AVAILABLE	BACKLOG
1	0	Blinkwater, Ximawusa, Noblehoek
2	0	Rivala, Phikela, Mashavela, Mavhuza
3	0	Babangu, Nden'eza, RDP, Ntshuxi
4	0	Basani, Nwamankena, Maswanganyi
5	0	Sifasonke, Zamani, Tomu

6	0	Gon'on'o, Hlaneki, Khani
7	0	Siyandhani, Bode
8	0	Dingamazi, Shimange, Silawa, Sekhimini, Botshabelo
9	0	Homu 14 A, Homu 14B
10	0	Gija-Ngove, Nkomo B, Nkomo C
11	Giyani Community Hall	Giyani E, Giyani D1
12	0	Giyani A, Homu 14C
13	0	Giyani D2, Giyani F
14	0	Makosha, Shikukwani
15	Nwazekudzeku	Shivulani
16	0	Mninginisi B2, Mninginisi B3, Mhlava Willem
17	Thomo Community Hall	N/A
18	0	Gawula, Muyexe, Khakhala
19	0	Hlomela, Ndindani, Mahlathi, Shingwedzi Camp
20	0	Bonwani, Mavalani, Mbatlo
21	0	Ngove, Kremetart, Dzingi-Dzingi
22	0	Shawela, Shikhumba
23	0	Mbhedle, Guwela, Kheyi, Mushiyan, Nsavulani
24	0	Mnghonghoma, Loloka, Mageva
25	0	Daniel Rabalelo, Dzumeri, Mageva Township
26	0	Maphata, Sikhunyani, Nkomo A, Bambeni
27	0	Mzilela, Mayephu, Matsotsosela, Khaxani, Xitlakati
28	0	Mphagani, Zava
29	0	Makhuva, Mbaula, Phalaubeni
30	0	Mapuve, Jim Nghalalume
31	0	Mapayeni, N'wakhuwani, Vuhehli, Mnyangani
Total		

Employees: Sport and Recreation								
Job level	2021/22				2022/23			
Job Level	Posts No.	No of Employees	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %	Pos ts No.	No of Employees	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0-3	1	1	0	0%	1	1	0	100%
4-6	1	1	0	0%	2	2	0	100%
7-9	2	2	0	0%	1	1	0	100%
10-12	1	0	1	100%	1	1	0	100%
13-15	52	18	34	65,38%	52	16	36	69,23%
16-18	1	1	0	0%	0	0	0	0%
19-20								
Total	58	23	35		57	2	36	63,15%

3.18.1 CHALLENGES: Insufficient funds

3.18.2 INTERVENTIONS: Ensure that there is budget, and all funded position are appointed

Component I: Corporate Policy Offices and Other Services

Corporate Policy Offices and Other Services

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

3.19 Introduction to Corporate Policy Offices, Executive and Council

This component includes Executive office (mayor; councilors; and municipal manager).

Comment on the Performance of the Executive and Council:

Introduction to Executive and Council:

Financial performance 2020/21,2021/22 and 2022/23 The Executive and Council R`000									
Details	2020/21	2021/22				2022/23			
	Actual	Original budget	Adjustment Budget	Actual	Original Budget	Adjustment Budget	Actual	Original Budget	Adjustment Budget
Total operational revenue	N/A	N/A	N/A					0	0
Expenditure:	1,400,367.48	8,466,237	7,444,248						
Other Employees	21,942,750.76	25,022,991	23,667,857	24 066 373	30 198 592	23 663 423	25 18 4 21 4	24 024 711	24 932 744
Repairs & Maintenance				0	0	0	0	0	0
Other				8 418 567	8 014 284	7 830 788	10 42 2 08 6	10 055 514	10 283 873
Total operational expenditure	233 431 18. 24	33,4 89,2 28	31,1 12,1 05	32 484 940	38 212 876	31 494 211	35 60 6 30 0	34 080 225	35 216 616
Net operational (service) expenditure									

3.20 Financial Services

Details of the types of account raised and recovered	Debt recovery					
	2021/22			2022/23		
	Billed in year	Estimated outturn for accounts billed in year	Estimated proportion of accounts billed that were collected %	Billed in year	Estimated outturn for accounts billed in year	Estimated proportion of accounts billed that were collected %
Property Rates	67 330 570.00	5645	81.27%	72 851 950.00	5645	63.38%
Electricity – B			N/A	N/A		
Water – B	N/A	N/A	N/A	N/A	N/A	N/A
Water – C	N/A	N/A	N/A	N/A	N/A	N/A
Sanitation	N/A	N/A	N/A	N/A	N/A	N/A
Refuse	8 209 455.00	6120	83.20	8 526 324.00	6120	127.02%
B-Basic, C-Consumption. See chapter 6 for the Auditor] General's rating of the quality of the financial Accounts and the systems behind them						

Job level		2021/22				2022/23			
Job Level	Posts No.	No of Employees	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %	Posts No.	No of Employees	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %	
0-3	1	1	0	0%	4	4	0	0%	
4-6	8	7	1	12,5%	32	12	20	63%	
7-9	0	0	0	0%	1	1	0	0%	
10-12	4	2	2	50%	35	27	8	23%	
13-15	0	0	0	0%	1	1	0	0%	
16-18	0	0	0	0%	0	0	0	0%	
19-20	0	0	0	0%	0	0	0	0%	
Total	13	10	3	24%	73	45	28	38.35%	

3.21 Human Resource Services

Introduction to Human Resource Services

Statistics for Human Resource Service

Human Resource Services Policy objectives taken from IDP								
Service Objectives To develop and retain best human capital, effective and efficient administrative and operational support system Service indicators	Outline service targets Submit Employment equity report.	2020/21		2021/22		2022/23		
		Target	Actual	Target	Actual	Target	Actual	
		Submit Equity report	Equity report submitted.	Submit Equity report	Equity report submitted.	Submit Equity report	Equity report submitted.)	

To submit the Employment equity report to Dept. of Labor by 15 January 2022									
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Employees: Human Resource Services								
Job level		2021/22				2022/23		
Job Level	Posts No.	No of Employees	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %	Posts No.	No of Employees	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0-3	1	1	0	0%	1	1	0	0
4-6	8	7	1	12,5%	9	7	2	22.2%
7-9	0	0	0	0%	0	0	0	0
10-12	4	2	2	50%	4	2	2	50%
13-15	0	0	0	0%	0	0	0	0%
16-18	0	0	0	0%	0	0	0	0%
19-20	0	0	0	0%	0	0	0	0%
Total	13	10	3	23,07%	14	10	4	29%

Comments on the Performance of Human Resource Services overall: Ensure all funded position are appointed.

3.22 Information Communication and Technology (ICT) Services

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

Introduction to Information and Communication Technology (ICT)

Information and Communication Technology ensure provision of services such as Network connectivity, information management, Email messaging for communicating with the internal stakeholders and the outside world, enhancing service delivery by providing reliable systems. Enabling the integration of systems within the municipality to achieve Municipal objectives. ICT operates under the guidance of ICT policies and frameworks as mandated by corporate governance of ICT. There's also an ICT committee that ensures good governance.

Services

Service statistics for ICT Services

For the period under review 2022/23, Information and Communication Technology provided and supplied ICT equipment e.g. computers, printers, 3Gs and Memory Sticks. The Unit also updated the Municipal website on a continuous basis and maintained network infrastructure for ease of communication. The Unit provided IT systems, user maintenance and support.

ICT Services Policy objectives taken from IDP.

ICT Services Policy objectives taken from IDP							
Service Objectives	Outline service target	2020/21		2021/22		2022/23	
		Target	Actual	Target	Actual	Target	Actual
To develop and retain best human capital, effective and	12 payments for leased desktop and laptop computers and	12 payments for leased desktop and laptop computers and	12 payments of leased desktop and laptop computers and	7 payments for leased desktop and laptop computers and Procure	7 payments of leased desktop and laptop computers and Procur	N.B: The lease of the computer expired prior to 2022/23 FY.	N.B: The lease of the computer expired prior to 2022/23 FY.

	Procurement of IT equipment.			ment of IT	ement of IT equipment		
efficient administrative and operational support system	Maintenance, support and provide connectivity to network (LAN and WAN). 12 payments for 3Gs	Maintenance and support of ICT network	Maintenance and support of ICT network performed.	Maintenance and support of ICT network	Maintenance and support of ICT network performed.	Maintenance and support of ICT network	Maintenance and support of ICT network performed.
Number of IT Steering Committee meetings coordinated	4 x IT Steering Committee meetings coordinated.	Co-ordinate 4x IT steering committee	. 4 x IT Steering Committee meetings coordinated.	Co-ordinate 4x IT steering committee	4 x IT Steering Committee meetings coordinated.	Co-ordinate 4x IT steering committee	4 x IT Steering Committee meetings coordinated.
% of network infrastructure maintenance	Network infrastructure maintenance	100% Network infrastructure maintenance	Network infrastructure maintained	100% Network infrastructure maintenance	Network infrastructure maintained	100% Network infrastructure maintenance	Network infrastructure maintained.

% update of municipal website	100% municipal website update	100% municipal website update	Municipal website updated	100% municipal website update	Municipal website updated	100% municipal website update	Municipal website updated
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The unit maintained and supported LAN/WAN connectivity within the Municipality and its remote sites.

The municipality appointed a Service Provider to assist with its ICT Security and Support. The municipality further uploaded the following documents on the website:

- Adverts for Tenders
- Performance Agreements
- Adverts for Vacancies
- Annual Budget and related policies
- SPLUMA By Laws

Job level	2021/22				2022/23			
	Post No.	No of Employees	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %	Post No.	No of Employees	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0-3	1	1	0%	1	1	1	0	0%
4-6	2	1	50%	2	2	1	1	50%
7-9	1	1	0%	1	1	1	0	0%
10-12	0	0	0%	0	0	0	0	0%
13-15	0	0	0%	0	0	0	0	0%
16-18	0	0	0%	0	0	0	0	0%
19-20	0	0	0%	0	0	0	0	0%
Total	4	3	25%	4	4	3	1	25%

Comment on the performance of ICT Services overall:

The user support turnaround for the year under review 2022/23 was satisfactory even though the Unit was unable to meet all their planned targets due to a shortage of staff.

3.22 Legal and Risk Management

Employees: legal and Risk Management								
Job level	2021/22				2022/23			
	Post No.	No of Employees	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %	Post No.	No of Employees	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0-3	1	0	0%	1	2	1	1	50%
4-6	1	0	50%	1	2	1	1	50%
7-9	N/A			N/A	N/A			
10-12					N/A			
13-15			N/A		N/A			
16-18			N/A		N/A			

Annual Performance Information

Summary of Performance for the 2022/23 financial year

1. Introduction

The Greater Giyani Municipality 2022/23 annual performance report reflects the institution's service delivery and developmental achievements, as well as challenges, in recognition of the municipality's obligation to be an accountable, transparent, and efficient organization. The compilation of this annual performance reports is done in compliance to various pieces of legislation. Key amongst such legislation is local Government: municipal system Act No. 32 of 2000, local Government: municipal finance management Act No 56 of 2003, and National Treasury circulars (especially circular 11 and 63.) The MSA and MFMA state that every municipality and entity must prepare an annual performance report which must form part of the annual report for each financial year in terms of the Act.

This annual performance report reflects the municipality's actual performance in relation to what was planned for in the IDP and SDBIP. It is therefore a post-reflection of planned targets and their actual with a provision for reasons for variance as well as mitigating\corrective measures taken. The annual performance report of the Greater Giyani municipality is aligned to the municipal IDP and Budget for the 2022\23 financial year and that it is aligned to the service delivery and Budget implementation plan and in-year reports.

2. PURPOSE

This annual performance report seeks to attain the following purpose:

- The provision of a report on performance in service delivery and budget implementation plan for the 2022/23 financial year
- To promote transparency and accountability for the activities and programmers of the municipality vis-a –vis the six key performance areas
- To provide a record of activities of the municipality for the 2022/23 financial year to which this report relates.

The table below indicates progress per KPA.

KPA	Annual Indicators Assessed	Total Achieved	Total Not Achieved	Percentages of achieved per KPA
KPA-1: Spatial Rational	23	17	06	74%
KPA-2: Institutional Development and Transformation	26	16	10	62%
KPA-3: Infrastructure Development and Basic Services	44	25	19	57%
KPA-4: Local Economic Development	07	06	01	86%
KPA-5: Financial Viability	13	13	0	100%
KPA-6: Public Participation and Good Governance	24	17	07	71%
TOTAL	137	94	43	69%

3. The Road Map

The attached Annual Performance Report of GGM is a product of in-year reports which have been consistently submitted to Council Committees and Council. Upon the signing of the SDBIP 2022/23 on the 27 May 2022, the Municipality facilitated the signing of performance agreements by the Senior Managers led by the Accounting Officer. Reports on the implementation of the SDBIP were sent to the Executive Committee monthly and to Council on quarterly basis.

The Greater Giyani Municipality was responsible for a total number of 137 Key Performance Indicators inclusive of projects for 2022/2023 financial year. The institution managed to achieve 94 indicators inclusive of projects ,43 targets were not achieved,

while 69 targets were achieved in the previous financial year out of the planned 123 targets.

The overall institutional performance for 2021/2022 was at 56 % as compared to the 69% for 2022/2023 financial year, which shows that we have improved compared to the performance of the previous financial year.

Chapter 4– Organizational Development Performance

Introduction

The municipal Organizational structure was aligned to IDP and budget. The structure was also adopted by the council. All skills gaps that were crucial in work performance were identified and training interventions were made to address the skills gap. The institution complies with the national legislation.

4.1 Employee totals, turnover and vacancies

Employees					
Description	2021/22		2022/23		
	No. of Employees	% of vacancies	No. of employees	% of vacancies	
Water	7	46,66%	7	46,66%	
Wastewater (sanitation)	5	33,335	5	33,335	
Electricity	5	50%	5	50%	
Waste Management	37	13,95%	37	13,95%	
Housing	2	0%	2	0%	
Wastewater (Storm water Drainage)	10	20%	10	20%	
Roads	19	56,81	19	56,81	
Transport	4	0%	4	0%	
Planning	3	40%	3	40%	
Local Economic Development	4	33,33%	4	33,33%	
Planning (Strategic & Regulatory)	1	50%	1	50%	
Community & social services			0		
Environmental protection			0		

Health			0		
Security & safety			37		
Sport & recreation			20		
Corporate Policy offices & other			0		
Totals	92		92		

Vacancy Rate: 2022/23			
Designation	*Total approved posts No.	*Variances (Total time that vacancies exist using fulltime equivalents) No.	*Variances (as a proportion of total posts in each category) %
Municipal Manager	1	N/A	0%
CFO	1	N/A	0%
Other S57 Managers (excluding Finance Posts)	4	N/A	0%
Other S57 Managers (Finance posts)	0		
Municipal Police	0		
Fire Fighters	0		
Senior Management: Levels 13-15 (excluding Finance Posts)	0		
Senior Management: Levels 13-15 (Finance Posts)	0		
Highly skilled supervision: Levels 9-12 (excluding Finance posts)	0		
Highly skilled supervision: Levels 9-12 (Finance posts)	0		
Total	6		

Turn-over Rate			
Details	Total Appointments as of beginning of financial year. No.	Terminations during the financial year No.	Turn-over Rate*
2022/23	35	25	

Comment on vacancies and turnover:

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

4.1. INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

The Municipality has taken into cognizance the history of apartheid laws and practices with the resultant disparities and inequalities, in the spirit of Employment Equity Act is geared towards achieving employment equity across all occupational levels and categories and therefore in order to redress the imbalance of the past and move towards a human and representative Labor market underpinned by Equity, Equity redress and Affirmative Action. The Municipality has Employment Equity Plan and active/ functional Employment Equity Committee. 2022/23 Employment Equity report was timeously submitted to the Department of Labour. HR Policies are in place.

5 POLICIES

HR Policies & Plans				
	Name of Policy	Completed %	Reviewed %	Date adopted by council or comment on failure to adopt
1	Affirmative Action	N/A		Legislated
2	Career & Retention Management	100%	100%	
3	Code of conduct for employees	100%		
4	Delegations, Authorizations & responsibility	100%		
5	Disciplinary Code & Procedures	100%		
6	Essential Services	100%		
7	Employee Assistance/ wellness	100%		
8	Employment Equity	100%		
9	Exit Management	N/A		
10	Grievance Procedures	100%		
11	HIV/AIDS	N/A		
12	Human Resource & Development	100%		
13	Information Technology	100%		
14	Job Evaluation	100%		
15	Leave	100%		
16	Occupational Health & Safety	100%		
18	Official Journeys	100%		
20	Official working hours and overtime	100%		
21	Organizational rights	100%		
22	Payroll Deductions	100%		
23	Performance Management & Development	100%		
24	Recruitment, selection & Appointments	100%		
25	Remuneration Scales & Allowances	100%		
26	Resettlement	N/A		
27	Sexual Harassment	N/A		
28	Skills development	100%		
29	Smoking	N/A		
30	Special skills	100%		
31	Work Organization	N/A		
32	Uniforms & protect clothing	100%		
33	Other	N/A		

Comment on Workforce Policy Development:

Over the years the Municipality has managed to develop all priority human resource policies, procedures, and systems in line with the MSA 2000 (S67) to ensure fair, efficient, effective and transparent personnel administration. During 2022/23 emphasis was placed on improving implementation of the policies and amendment of those policies that were outdated. The implementation of the policies is monitored through Council resolution implementation report.

4.3 Injuries, sickness, and suspensions

Comment on injury and sick leave:

- 3 Injuries on-duty
- Employees who are on sick leave attach their medical certificates.

Comment on suspensions and cases of financial misconduct:

-3 officials suspended.

Performance Rewards

- Assessment have not yet been conducted.

Introduction to Workforce:

COMPONENT C: CAPACITING THE MUNICIPAL WORKFORCE

SKILLS

The Work Skills Plan and Annual Training Report were developed and submitted to LGSETA within time frame. The municipality complies with the plan. Mandatory and discretionary grants were claimed and received to assist training interventions.

Skills Matrix												
Management	Gender	Employees in post as at 30 June 2022	Number of skilled employees required and actual as at 30 June 2023									
		No.	Learnerships			Skills program & other short courses			Other forms of training			Total
			Actual 01 July 2022	Actual 30 June 2023	Target	Actual 01 July 2022	Actual 30 June 2023	Target	Actual 01 July 2022	Actual 30 June 2023	Target	
MM & S57	1F	1	N/A	N/A	N/A	2	N/A	1	N/A	N/A	N/A	
	11M & 6 F	05	N/A		N/A	17	N/A	05	N/A	N/A	N/A	
Councilors, Senior Officials Managers	15F & 17 M	62	N/A	N/A	N/A	32	N/A	62	N/A	N/A	N/A	
	16M & 7F	18	N/A	N/A	N/A	22	N/A	22	N/A	N/A	N/A	
Technicians & associate professionals	08 M	08	N/A	N/A	N/A	08	N/A	14	N/A	N/A	N/A	
			N/A	N/A	N/A		N/A		N/A	N/A	N/A	
Professionals	13 M & 5 F	14	N/A	N/A	N/A	18	N/A	22	N/A	N/A	N/A	
			N/A	N/A	N/A		N/A		N/A	N/A	N/A	
Clerical Sub Total	18M & 25F		N/A	N/A	N/A	43	N/A	60	N/A	N/A	N/A	
			N/A	N/A	N/A		N/A		N/A	N/A	N/A	
Total			N/A	N/A	N/A		N/A		N/A	N/A	N/A	

Competency Level Requirement		
2020/2021	2021/22	2022/23
2020/2021	2021/22	2022/23
Senior Managers	Snr Managers	Senior Managers
5 M	1F 4 M	2F& 3 M
Managers	Managers	Managers
1 F 3 M	1 F M	3F &13 M
Middle Managers	Middle Managers	Middle Managers
1 F 5 M	1f 2M	1F& 2M
Admin	Admin	Admin
03 M 02 F	0	0
Skills Development		Skills Development
2020/2021	2021/22	2022/23
27 M 35 M	1F 14M	1M



GREATER GIYANI MUNICIPALITY

ANNEXETURE A ANNUAL PERFORMANCE REPORT (2022/2023)



ANNUAL PERFORMAMANCE REPORT 2022/23

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1. Introduction and Legislation

The purpose of this report is to give feedback regarding the performance of the Greater Giyani Municipality as required by the Municipal Systems Act No 32 of 2000, section 41(e) and the Municipal Finance Management Act 56 of 2003, section 52(d). This report emanates from the Integrated Development Plan (IDP) and the Adjusted Service Delivery, Budget, and Implementation Plan (SDBIP). The scorecards were developed to reflect cumulative performance; therefore, the status of indicators are a reflection of the overall performance level achieved year to date.

METHODOLOGY FOLLOWED IN COMPILING THE REPORT

In terms of Section 46 of the Municipal Systems Act 32 of 2000, Municipalities are required to prepare for each financial year an annual performance reporting reflecting-

- (a) the performance of the municipality and of each external service provider during that financial year.
- (b) a comparison of the performances referred to in paragraph (a) with targets set for and performances in the previous financial year and
- (c) Measures taken to improve performance.

According to the provisions of the Municipal Systems Act, 32 of 2000, municipalities must monitor and measure the progress of their performance by preparing quarterly and mid-year performance reports and annual performance report, in terms of Chapter 6 of the MSA, on performance management systems. These quarterly and mid-year reports make up the municipality's annual performance reports (Section 46 report), which are submitted to the Auditor-General, together with the Annual financial statements, for auditing.

2. ACRONYMS AND ABBREVIATIONS

AG	Auditor General
GGM	Greater Giyani Municipality
MDM	Mopani District Municipality
CWP	Community Works Programme
DMP	Disaster Management Plan
DoE	Department of Energy
DoHS	Department of Human Settlement
EMP	Environmental Management Plan
EPWP	Expanded Public Works Programme
IDP	Integrated Development Plan
IGR	Inter-Governmental Relations
LED	Local Economic Development
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
MM	Municipal Manager
MPAC	Municipal Public Account Committee
MSIG	Municipal Systems Improvement Grant
N/A	Not Applicable
SLA	Service Level Agreement
PMS	Performance Management System
PMU	Project Management Unit
SCM	Supply Chain Management
SDBIP	Service Delivery and Budget Implementation Plan

3. VISION AND MISSION

VISION

“A municipality where environmental sustainability, Agriculture and Tourism thrives for economic growth”.

Mission

Democratic and accountable Municipality that ensures the provision of quality and sustainable services through sound environmental management practices, local economic development, and community participation.

4. DEPARTMENTS

Greater Giyani Municipality administration is composed of the following departments: 1. Office of the Municipal Manager, 2. Corporate Services, 3. Planning & Development, 4. Budget and Treasury Office, 5. Technical Services, 6. Community Services

Municipal Manager	To lead, direct and manage a motivated and inspired Administration and account to the Greater Giyani Municipality Council as Accounting Officer for long term Municipal sustainability to achieve a good creditor rating within the requirements of the relevant legislation and whereas the following sections within the department, i.e. Performance Management, Risk Management and Internal Auditing is managed for integration, efficient, economic, and effective communication and service delivery.
Budget and Treasury Office (Finance)	To secure sound and sustainable management of the financial affairs of Greater Giyani Municipality by managing the budget and treasury office and advising and if necessary, assisting the accounting officer and other directors in their duties and delegation contained in the MFMA. Ensuring that the Greater Giyani Municipality is 100% financially viable when it comes to Cost Coverage and to manage the Grant Revenue of the municipality so that no grant funding is foregone
Community Services	To coordinate Sports, Arts and culture, Library services, Traffic and Licensing Services, Community Safety, Environmental and Waste management, Parks and Cemeteries.
Technical Services	To ensure that the service delivery requirements for roads are met and maintenance of water, sewerage and electricity are conducted for access to basic services as well as no less than an average of 100% MIG expenditure

<p>Planning and Development</p>	<p>To direct the Greater Giyani Municipality's resources for advanced economic development and investment growth through appropriate town and infrastructure planning in order that an environment is created whereby all residents will have a sustainable income</p>
<p>Corporate Services</p>	<p>To ensure efficient and effective operation of council services, human resources and management, Communication, Events and the provision of high-quality customer orientated administrative systems. Ensuring 100% compliance to the Skills Development Plan</p>

5. MUNICIPAL MANAGER'S OVERVIEW

The 2022/23 Financial Year brought with it some re-invigorated collective efforts from the municipal workforce, resulting in significant achievement recorded in the period under reporting. The Municipality has been able to improve the lives of the Greater Giyani communities through infrastructure development which include among others, electricity connections, high masts, sports Centre , and paved roads. In view of the massive backlog on service delivery - exacerbated by low revenue collection on some of our projects, the municipality needs to accelerate implementation of the revenue enhancement strategy. This, to boost revenue collection.

The institutional capacity of Greater Giyani remains the central pillar of service delivery enablers, hence, we are continuing to construct phase 4 of the new municipal building to accommodate all our departments in one roof, for efficient coordination of administration. Meanwhile the high vacancy rate remains a serious challenge due to limited financial resources and high personnel turnover.

This report is based on information received from each department. This in view of the municipal performance in the 2022/23 financial year ending on the 30th of June 2023. It is a high-level report based on scores obtained through a process whereby actual information related to Key Performance Area (KPA), Strategic Objective, Programme and the aligned Key Performance Indicators are compared to the approved 2022/23 IDP and Adjusted SDBIP scorecards.

OVERVIEW OF SERVICE DELIVERY ACHIEVEMENTS

Water

The municipality provides 6 kilolitres of free basic water to all households with piped water. Boreholes are also used in communities where there is an acute shortage of water to augment the supply; the municipality is paying for diesel and electricity used for pumping water to the communities.

Electricity

Electricity is generated and distributed by Eskom. Electricity and energy are provided by means of the following sources: Grid electricity, which is supplied from power stations. Non-Grid electricity generated from solar panels, petrol and diesel generators, as well as Other sources of energy which include batteries, paraffin, coal, wood, candles, gas, etc.

The municipality also provides free basic electricity to all qualifying household by providing electricity tokens worth 50kwh.

Sanitation

Sanitation is a major problem, which also contributes to health hazards and underground water pollution. Most of the people within the municipal jurisdiction area use pit latrines (22.5% in 2011) without ventilation while others have no sanitation facilities at all (54.9% in

2011). 22.2% of Households had RDP standard sanitation in 2011 with 41 108 (77.8%) households still below the RDP standard. The department of water and sanitation is in the planning process of constructing new sewer treatment works to augment the existing plant. (STATS SA 2011)

Refuse removal / solid waste.

The municipality has two solid waste disposal sites. The legal status of the old site is challenged since it does not adhere to the requirements of the Department of Environmental Affairs and Tourism. The site is located at the confluence of Murhogolo and Klein Letaba rivers and waste material overflows and contaminate rivers, causing health hazards. Littering and illegal dumping is also a major problem, particularly in the CBD area of Giyani Town and along the main roads. There is no proper refuse removal systems in the rural areas (63.2% use their own dump site) therefore, causing a health hazard. The municipality is intending to extend this service to rural areas (8 villages). A new land fill site has been established and has acquired the related legal status. The site is not functional. Fencing is completed and this financial year, the second phase will commence.

The municipality currently is responsible for maintenance of the Waste Disposal Site.

Roads and stormwater

The road network within Municipal area which was damaged by the rainfall during 2000 has been repaired. What remains now is for provisions to be made to ensure that they are maintained regularly. Most of the roads need rehabilitation and maintenance and bridges need to be repaired. Giyani has 79km of provincial tarred road and 608km of gravel road.

Project Management

The Municipality has for the 2022/23 financial year completed 13 projects under building, roads and electrification, 8 projects were not completed and 4 multi-year projects which will be completed in the 2023/24 financial year.

The Municipality spent 100% of its MIG budget.



MUNICIPAL MANAGER
Khoza VD

21/08/2023
DATE

6. Institutional Performance

The institution was responsible for a total number of 137 indicators in the SDBIP. KPA 3. Basic Service Delivery

The municipality did not fully achieve its planned targets on Spatial Rationale and Basic Service Delivery which contributed to the municipality not achieving 100% of planned targets in the approved Service Delivery and Budget Implementation Plan. The overall institutional performance on Service Delivery for 2022/2023 financial year as of 30 June 2023 was at 69%. All the assessed KPI's and Projects contribute to the overall performance level of the combined IDP and SDBIP Scorecards as reflected in this report.

7. Comparison of Institutional Performance Levels 2021/2022 – 2022/2023 Financial Year

In terms of Section 46 of the Municipal Systems Act, paragraph (b): the municipality must prepare for each financial year a performance report reflecting a comparison of performance referred to in paragraph (a) with targets set for and performances in the previous financial year.

The Greater Giyani Municipality was responsible for a total number of 137 Key Performance Indicators inclusive of projects for 2022/2023 financial year. The institution managed to achieve 94 indicators inclusive of projects ,43 targets were not achieved.

The overall institutional performance for 2022/2023 is at **69%** as compared to the **56%** for 2021/2022 financial year, which shows that we have improved compared to the performance of the previous financial year.

SUMMARY OF PERFORMANCE TARGETS ACHIEVED AND NOT ACHIEVED PER STRATEGIC OBJECTIVE

No	Strategic Objective	2021/22				2022/2023			
		Number of indicators Planned	Number of indicators Not Achieved	Number of Indicators Achieved	% of indicators Achieved	Number of indicators Planned	Number of indicators Not Achieved	Number of Indicators Achieved	% of indicators Achieved
1.	KPA 1: Spatial Rational	11	05	06	55%	23	06	17	74%
2.	KPA 2: Institutional Development and Municipal Transformation	21	08	13	62%	26	10	16	62%
3.	KPA 3: Basic Services and Infrastructure Development	49	23	26	53%	44	19	25	57%
4.	KPA 4: Local Economic Development	06	03	03	50%	07	01	06	86%
5.	KPA 5: Municipal Financial and Management Viability	13	02	11	85%	13	0	13	100%
6.	KPA 6: Good Governance & Public Participation	23	13	10	43%	24	07	17	71%
Overall Performance		123	54	69	56%	137	43	94	69%

Priority Issue/ Programme	Development Objective	Key performance Indicator	Baseline 2021/22	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2022/2023	Adjusted Budget 2022/2023	Special Budget Adjustment 2022/23	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
8.1 SPATIAL RATIONAL																		
Spatial and town planning	To develop an effective spatial framework that promotes integrated and sustainable development	Gazetting of the SDF by 30 June 2023	SDF not Gazetted	Review of SDF	Reviewing of SDF	Greater Giyani Municipality	All wards	Income	0	0	0	SDF gazetted by 30 June 2023	Target achieved (SDF gazetted)	None	None	None	SDF, Council Resolution & Gazette	P & Dev
Spatial and town planning	To develop an effective spatial framework that promotes integrated and sustainable	Gazetting the LUS by 30 June 2023	Lus Not Gazetted	Alignment of LUS	Alignment of LUS	Greater Giyani Municipality	All wards	Income	0	0	0	Gazetting of LUS by 30 June 2023	Target achieved (LUS gazetted)	None	None	None	LUS, Council Resolution & Gazette	P & Dev

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Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2021/22	Project Name	Project / Indicator Description	Location	Ward	Funding Source	Budget 2022/2023	Adjusted Budget 2022/2023	Special Budget Adjustment 2022/23	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
	e development																	

4.2 MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT

Council Services	To develop and retain the best human capital, effective and efficient administrative and operational support systems	# of Council Meetings convened by 30 June 2023	16 Council meetings held in 2021/22	Council Meeting	Organize Council Meeting as per schedule	Greater Giyani Municipality	Administration	Income	Operational	Operational		6 Council Meetings coordinated and supported by 30 June 2023	Over achieved (22 Council Meetings coordinated and supported)	16 more Council meetings coordinated and supported	Due to urgent matters that needed Council	None	Notices of Invitations, Minutes, Attendance Register	CORP
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Council Services	To develop and retain the best human capital, effective and efficient administrative and operationa	# of Executive Committee Meetings convened by 30 June 2023	18 Executive Committee held in 2021/22	Executive Committee Meetings	Organize Executive Committee Meetings as per schedule	Greater Giyani Municipality	Administration	Income	Operational	Operational		12 Executive Committee Meetings coordinated and supported by	Overachieve d (20 EXCO coordinated and supported)	8 more EXCO meetings coordinated and supported	Due to urgent matters that need EXCO approval	None	Notices of Invitations, Minutes, Attendance register,	CORP
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Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2021/22	Project Name	Project / Indicator Description	Location	Ward	Funding Source	Budget 2022/2023	Adjusted Budget 2022/2023	Special Budget Adjustment 2022/23	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
	IT support systems											30 June 2023						
Council Services	To develop and retain the best human capital, effective and efficient administrative and operational support systems	# of Portfolio Committee Meetings to be held by 30 June 2023	New Indicator	Portfolio Committee Meetings	Organize Portfolio Committee meetings as per schedule	Greater Giyani Municipality	Administration	Income	Operational	Operational		12 Portfolio Committee Meetings (12 Corporate Services Per Portfolio Committee) by 30 June 2023	Over achieved (16 Portfolio Committee Meetings held)	4 more Portfolio Committee meetings held.	Due to urgent matters that needed approval	None	Notices of Invitations, Minutes, Attendance Register	CORP

Council Services	To develop and retain the best human capital, effective and efficient administrative and operational support systems	# of Portfolio Committee Meetings to be held by 30 June 2023	New Indicator	Portfolio Committee Meetings	Organize Portfolio Committee meetings as per schedule	Greater Giyani Municipality	Administration	Income	Operational	Operational		12 Portfolio Committee Meetings (12 Water, Energy & Sanitation Per Portfolio Committee) by 30 June 2023	Target not achieved (8 Portfolio Committee Meetings held)	4 Portfolio Committee Meetings not held	Non-adherence to schedule	The municipality will have a schedule and constantly issue reminders to members	Progress report and Council Resolution	Tech
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Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2021/22	Project Name	Project / Indicator Description	Location	Ward	Funding Source	Budget 2022/2023	Adjusted Budget 2022/2023	Special Budget Adjustment 2022/23	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
Council Services	To develop and retain the best human capital, effective and efficient administrative and operational support systems	# of Portfolio Committee Meetings to be held by 30 June 2023	New Indicator	Portfolio Committee Meetings	Organize Portfolio Committee meetings as per schedule	Greater Giyani Municipality	Administration	Income	Operational	Operational		12 Portfolio Committee Meetings (12 Health & Social Per Portfolio Committee) by 30 June 2023	Target achieved (12 Health & Social Per Portfolio Committee Meetings held)	None	None	None	Notices of Invitations, Minutes, Attendance Register	Comm

Council Services	To develop and retain the best human capital, effective and efficient administrative and operational support systems	# of Portfolio Committee Meetings to be held by 30 June 2023	New Indicator	Portfolio Committee Meetings	Organize Portfolio Committee meeting as per schedule	Greater Giyani Municipality	Administration	Income	Operational	Operational		12 Portfolio Committee Meetings (12 Roads and Transport Portfolio Committee) by 30 June 2023	Target not achieved (8 Roads and Transport Portfolio Committee Meetings held)	4 Portfolio Committee Meetings not held	Non-adherence to schedule	The municipality will have a schedule and constantly issue reminders to members	Notice of Invitations, Minutes, Attendance Registers	Comm
Council Services	To develop and retain the best human capital, effective and efficient administration	# of Portfolio Committee Meetings to be held by 30 June 2023	New Indicator	Portfolio Committee Meetings	Organize Portfolio Committee meeting as per schedule	Greater Giyani Municipality	Administration	Income	Operational	Operational		12 Portfolio Committee Meetings (12 Sports, Arts & Culture) Per Portfolio Committee	Target achieved (12 Sports, Arts & Culture) Per Portfolio Committee	None	None	None	Notices of Invitations, Minutes, Attendance	Comm

Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2021/22	Project Name	Project / Indicator Description	Location	Ward	Funding Source	Budget 2022/2023	Adjusted Budget 2022/2023	Special Budget Adjustment 2022/23	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
	Operative and operational support systems											Portfolio Committee by 30 June 2023	Meetings held)				Register	
Council Services	To develop and retain the best human capital, effective and efficient administrative and operational support systems	# of Portfolio Committee Meetings to be held by 30 June 2023	New Indicator	Portfolio Committee Meetings	Organize Portfolio Committee meeting as per schedule	Greater Giyani Municipality	Administration	Income	Operational	Operational		12 Portfolio Committee Meetings (12 Infrastructure) Per Portfolio Committee by 30 June 2023	Target not achieved (9 Portfolio Committee Meetings were held)	3 Portfolio Committee Meetings not held	Non-adherence to schedule	The municipality will have a schedule and constantly issue reminders to members	Notices of Invitations, Minutes, Attendance Register	TECH

Council Services	To develop and retain the best human capital, effective and efficient administrative and operational support systems	# of Portfolio Committee Meetings to be held by 30 June 2023	New Indicator	Portfolio Committee Meetings	Organize Portfolio Committee meeting as per schedule	Greater Giyani Municipality	Administration	Income	Operational	Operational		12 Portfolio committee Meetings (12 Finance Portfolio Committee) by 30 June 2023	Target not achieved (4 Portfolio Committee Meetings were held)	8 Portfolio Committee Meetings not held	Non-adherence to schedule	The municipality will have a schedule and constantly issue reminders to members	Notices of Invitations, Minutes, Attendance Register	BTO
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Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2021/22	Project Name	Project / Indicator Description	Location	Ward	Funding Source	Budget 2022/2023	Adjusted Budget 2022/2023	Special Budget Adjustment 2022/23	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
Council Services	To develop and retain the best human capital, effective and efficient administrative and operational support systems	# of Portfolio Committee Meetings to be held by 30 June 2023	New Indicator	Portfolio Committee Meetings	Organize Portfolio Committee meeting as per schedule	Greater Giyani Municipality	Administration	Income	Operational	Operational		12 Portfolio Committee Meetings (12 LED Per Portfolio Committee) by 30 June 2023	Target achieved (12 LED Portfolio Committee Meetings held)	None	None	None	Notices of Invitations, Minutes, Attendance Register	P& Dev

Council Services	To develop and retain the best human capital, effective and efficient administrative and operational support systems	# of reports developed on implementation of council resolutions by 30 June 2023	4 reports developed in 2021/22	Council resolution implementation	Development of Council Resolution Register and monitor implementation of council resolutions	Greater Giyani Municipality	Administration	Income	Operational	Operational		4 progress reports on implementation of council resolutions to be developed by 30 June 2023	Target achieved (4 Progress reports on implementation of council resolution developed)	None	None	None	Signed Progress Report and Council Resolution	CORP
Human Resources and Organizational Development	To develop and retain the best human capital, effective and efficient	Develop Work Skills Plan (WSP) and Annual Training Report (ATR) and	WSP and ATR submitted on the 30 April 2022	WSP and ATR	Development and submission of the WSP and ATR	Greater Giyani Municipality	Administration	Income	Operational	Operational		Developed WSP and ATR and submitted to LGSETA by 30	Target achieved (WSP and ATR developed and submitted to	None	None	None	WSP, ATR and Acknowledgement letter	CORP

Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2021/22	Project Name	Project / Indicator Description	Location	Ward	Funding Source	Budget 2022/2023	Adjusted Budget 2022/2023	Special Budget Adjustment 2022/23	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
	administrative and operational support system	submit to LGSET A by 30 April 2023										April 2023	LGSETA)				LGETA	
Human Resources and Organizational Development	To develop and retain the best human capital, effective and efficient administrative and operational support system	Submit the Employment Equity report to Department of Labour (DoL) by 15 January 2023	2021/22 Employment Equity Report submitted	Equity	Development and submission of the Employment Equity Report	Greater Giyani Municipality	Administration	Income	Operational	Operational		Employment Equity Report submitted to DoL by 15 January 2023	Target achieved (Employment Equity Report submitted to DoL)	None	None	None	Employment Equity Report	CORP

4.3. BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT (HIGHER SDBIP)

Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2021/22	Project Name	Project / Indicator Description	Location	Ward	Funding Source	Budget 2022/2023	Adjusted Budget 2022/2023	Special Budget Adjustment 2022/23	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
Waste Management	Accessible basic and infrastructure services	# of wards to have access to refuse removal	Refuse collection done once in a week in A, E, F, D1, D2 Kremetart and CBD	Waste Management	Collection of waste in all the Townships in wards 11, 12, 13 & 21	Section A, D1, D2, E, F and Kremetart	Wards 11, 12, 13 & 21	Income	Operational	Operational		# of wards to have access to refuse removal by 30 June 2023	Target achieved All townships) A, D1, D2, E, F, Kremetart and CBD) in wards 11, 12, 13 and 21 had access to refuse removal	None	None	None	Billing Report	COM

Building and Construction	To develop sustainable infrastructure networks which promote economic growth and improve quality of life	Construction of Mavalani indoor sports centre	Design and tender draft document	Mavalani indoor sports centre	Construction of Mavalani Indoor Sports Centre	Mavalani Indoor Sport	War d20	LGE S/ MIG	21,475,650	11,726,503,62	10,343,971	Construction of Mavalani indoor sports centre by 30 June 2023	Target not achieved (Paving of public parking, palisade fence, and installation of the steel Column)	Finalisation steel structure, finalisation of brickwork, electrical and mechanical works	The project delay due to rainfall for a month	Ensuring that the project is budgeted for and completed in the next financial year	Detail design, Appointment letter, Site Handover Certificate and Signed Progress Report	TECH
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Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2021/22	Project Name	Project / Indicator Description	Location	Ward	Funding Source	Budget 2022/2023	Adjusted Budget 2022/2023	Special Budget Adjustment 2022/23	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
													in progress of Mavalani indoor sports centre)					
Building and Construction	To develop sustainable infrastructure networks which promote economic growth and improve quality of life	Construction of Jim Nghalalume community hall	Design and tender draft document	Jim Nghalalume community hall	Construction of Jim Nghalalume community hall	Jim Nghalalume	Ward 30	LGE S/ MIG	28 243 482	13,715,573,28	13,215,573,29	Construction of Jim Nghalalume community hall by 30 June 2023	Target not achieved (Construction has started at Jim Nghalalume community hall)	Installation of high mast, transformer installation by Eskom, finalisation of pavement blocks	The project delay due to rainfall for a month	Ensuring that the project is budgeted for and completed in the next financial year	Detail design, Appointment letter, Site Handover Certificate and Signed Prog	TECH

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Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2021/22	Project Name	Project / Indicator Description	Location	Ward	Funding Source	Budget 2022/2023	Adjusted Budget 2022/2023	Special Budget Adjustment 2022/23	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
Building and Construction	To develop sustainable infrastructure networks which promote economic growth and improve quality of life	Construction of Nwazekudze community hall	Design and tender draft document	Nwazekudze community hall	Construction of Nwazekudze community hall	Nwazekudze	Ward 15	LGES/MIG	11,897,934	11,897,934	11,709,257,51	Construction of Nwazekudze community hall by 30 June 2023	Target achieved (Nwazekudze community hall constructed)	None	None	None	Practical Completion Certificate and Progress Report	TECH

Roads, Bridges and Storm water	To develop sustainable infrastructure networks which promote economic growth and improve quality of life	Construct Silawa upgrading of roads from gravel to paving for 1,8 km	New Indicator	Silawa upgrading of roads from gravel to paving	To construct Silawa upgrading of roads from gravel to paving	Silawa	Ward 8	LGES/MIG	3 937 908	15 300 000	8,769,695,98	Construct Silawa upgrading of roads from gravel to paving for 1,8 km by 30 June 2023	Target not achieved (Base layer has been completed for Silawa upgrading of roads from gravel to paving for 1,8 km)	Finalisation of drainage system and installation of pavement blocks	Slow progress onsite	Contractor to submit revised program of works in line with the revised completion	Detail design, Advert, Appointment letter, Practical Completion Certificate, Signed Progress Report and Site handover	TECH
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Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2021/22	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2022/2023	Adjusted Budget 2022/2023	Special Budget Adjustment 2022/23	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
																	certificate	

Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2021/22	Project Name	Project / Indicator Description	Location	Ward	Funding Source	Budget 2022/2023	Adjusted Budget 2022/2023	Special Budget Adjustment 2022/23	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
Roads, Bridges and Storm water	To develop sustainable infrastructure networks which promote economic growth and improve quality of life	Design finalisation of alternative road to Giyani from R81	New Indicator	Alternative road to Giyani from R81	Design finalisation of alternative road to Giyani from R81	Ngo ve	Ward 21	LGE S/ MIG	1 800 000	1 800 000		Design finalisation of alternative road to Giyani from R81 by June 2023	Target not achieved (Design of alternative road to Giyani from R81 not finalised)	Design finalisation of alternative road to Giyani from R81	Budget constraints	Allocate sufficient budget to finalise the design	Detailed design	TECH

Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2021/22	Project Name	Project / Indicator Description	Location	Ward	Funding Source	Budget 2022/2023	Adjusted Budget 2022/2023	Special Budget Adjustment 2022/23	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
Roads, Bridges and Storm water	To develop sustainable infrastructure networks which promote economic growth and improve quality of life	Upgrading of Nkhensani Access	New Indicator	Upgrading of Nkhensani Access	Upgrading of Nkhensani Access	Section A		LGES/ MIG	4 000 000	50 000		Upgrading of Nkhensani Access by 30 June 2023	Target not achieved (Nkhensani Access not upgraded)	Upgrading of Nkhensani Access	Budget constraints	Allocate sufficient budget in the next financial year	Detailed design and advert	TECH

Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2021/22	Project Name	Project / Indicator Description	Location	Ward	Funding Source	Budget 2022/2023	Adjusted Budget 2022/2023	Special Budget Adjustment 2022/23	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
Building and Construction	To develop sustainable infrastructure networks which promote economic growth and improve quality of life	Appointment of Section E Sports Centre service provider / engineer	New Indicator	Section E Sports Centre	Appointment of Section E Sports Centre service provider / engineer	Section E	Ward 11	LGES/ MIG	1 000 000	50 000		Appointment of Section E Sports Centre service provider / engineer by 30 June 2023	Target not achieved (Section E Sports Centre service provider / engineer not appointed)	Appointment of Section E Sports Centre service provider / engineer	Budget constraints	The municipality will source funding from the Department of Sports, Arts and Culture	Appointment letter of consultant	TECH

Building and Construction	To develop sustainable infrastructure networks which promote economic growth and improve quality of life	Refurbishment of Giyani Stadium & Section A Tennis Court	New Indicator	Refurbishment of Giyani Stadium & Section A Tennis Court	Refurbishment of Giyani Stadium & Section A Tennis Court	Section A	Ward 12	LGE S/MIG	1 000 000	50 000		Refurbishment of Giyani Stadium & Section A Tennis Court by 30 June 2023	Target not achieved. (Giyani Stadium & Section A Tennis Court not)	Refurbishment of Giyani Stadium & Section A Tennis Court	Budget constraints	The has been budgeted for in the next financial year	Appointment letter	TECH
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Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2021/22	Project Name	Project / Indicator Description	Location	Ward	Funding Source	Budget 2022/2023	Adjusted Budget 2022/2023	Special Budget Adjustment 2022/23	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
Roads, Bridges and Storm water	To develop sustainable infrastructure networks which promote economic growth and improve quality of life	Section E Upgrading from gravel to paving (Voningani) for 3,5km	Project not completed	Section E Upgrading from gravel to paving (Voningani)	Section E Upgrading from gravel to paving (Voningani)	Section E	Ward 11	LGES/ MIG	20141714	1650000		Section E Upgrading 3.5 km from gravel to paving (Voningani) by 30 June 2023	Target achieved (Section E 3.5 km has been upgraded from gravel to paving (Voningani))	None	None	None	Practical Completion Certificate	TECH

Building and Construction	To develop sustainable infrastructure networks which promote economic growth and improve quality of life	Construction of Homu14B Sports centre	Design and tender draft document	Homu 14B Sports centre	Construction of Homu14B Sports centre	Homu 14B	Ward9	LGE S/ MIG	4 500 000	7 000 000	9 100 000	Construction of Homu 14B Sports centre by 30 June 2023	Target not achieved (Completed grandstand canopy, elevated steel tank refurbishment of the guard house	Installation of floodlights , protection of stormwater behind the abluent	Poor performance by the contractor	The contractor is under penalties and must develop a catch-up program with timelines	Signed Progress Report and Practical Completion Certificate	TECH
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Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2021/22	Project Name	Project / Indicator Description	Location	Ward	Funding Source	Budget 2022/2023	Adjusted Budget 2022/2023	Special Budget Adjustment 2022/23	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
													ng of the borehole for Homu 14B Sports centre)					
Roads, Bridges and Storm water	To develop sustainable infrastructure networks which promote economic growth and improve quality of life	Appointment and construction of service provider/engineer Siyandhani ring road for 4,4km	New Indicator	Siyandhani ring road	Appointment and construction of service provider/engineer Siyandhani ring road	Siyandhani	Ward 7	LGES/MIG	1 000 000	6 520 236	11 020 236	Appointment and construction of service provider/engineer Siyandhani ring road for 4,4km	Target not achieved (Service provider/engineer Siyandhani ring road for 4,4km has been appointed)	Construction	Slow progress on site	Ensuring that the project is budgeted for and completed in the next financial year	Scoping report Detail Design Report, advert Copy, and Appointment letter	TECH

												by 30 June 2023	nt ed and construction has started)				r of the Contractor, Signed Progress Report	
Roads, Bridges and Storm water	To develop sustainable infrastructure	Appointment of service provider/engineer Shikhumba	New Indicator	Shikhumba Upgrading from gravel	Appointment and construction of service provider/	Shikhumba	Ward 22	LGE S/MIG	1 000 000	6,698,86,08	8,769,695,18	Appointment of service provider / engineer	Target achieved (Service provider /	None	None	None	Scoping Report, Detail Design	TECH

Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2021/22	Project Name	Project / Indicator Description	Location	Ward	Funding Source	Budget 2022/2023	Adjusted Budget 2022/2023	Special Budget Adjustment 2022/23	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
	networks which promotes economic growth and improve quality of life	Upgrading from gravel to paving for 2.6 km		to paving	engineer Shikhuba Upgrading from gravel to paving							Shikhuba Upgrading from gravel to paving for 2,6km by 30 June 2023	engineer for Shikhuba Upgrading from gravel to paving for 2,6km has been appointed)				n Report, advert Copy, and Appointment letter of the Contractor, Signed Progress Report	

Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2021/22	Project Name	Project / Indicator Description	Location	Ward	Funding Source	Budget 2022/2023	Adjusted Budget 2022/2023	Special Budget Adjustment 2022/23	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
Roads, Bridges and Storm water	To develop sustainable infrastructure networks which promote economic growth and improve quality of life	Development of detailed design report for Shawela upgrading from gravel to paving for 3.6 km	New Indicator	Shawela Upgrading from gravel to paving	Appointment of service provider/engineer at Shawela Upgrading from gravel to paving	Shawela	Ward 22	LGES/MIG	1 000 000	500 000		Development of detailed design report for Shawela upgrading from gravel to paving for 3.6 km by 30 June 2023	Target not achieved (First Project site appraisal has been conducted, scoping and preliminary design has been completed for Shawela upgrading from gravel to paving for 3.6 km)	Development of detailed design report for Shawela upgrading from gravel to paving for 3.6 km	Delay in second project site appraisal by COGHSTA & MISA	The municipality will constantly make follow ups with COGHSTA and MISA to speed up the appraisal	Appointment letter of engineer, Scoping Report and Detailed Design	TECH

													paving for 3.6 km)					
Roads, Bridges and Storm water	To develop sustainable infrastructure networks which promote economic	Development of detailed design for Makosha Upgrading from Gravel to Paving	New Indicator	Makosha Upgrading from Gravel to Paving Phase 2	Appointment of service provider/ engineer at Makosha Upgrading from Gravel to	Makosha	Ward 14	LGES/ MIG	1 000 000	500 000		Development of detailed design for Makosha Upgrading from Gravel	Target achieved (Detailed design for Makosha Upgrading	None	None	None	Scoping Report and Detailed Design including	TECH

Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2021/22	Project Name	Project / Indicator Description	Location	Ward	Funding Source	Budget 2022/2023	Adjusted Budget 2022/2023	Special Budget Adjustment 2022/23	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
	growth and improve quality of life	Phase 2 for 4,1km			Paving Phase 2							to Paving Phase 2 for 4,1km) by 30 June 2023	ng from Gravel to Paving Phase 2 for 4,1km has been developed)				advert copy	

Roads, Bridges and Storm water	To develop sustainable infrastructure networks which promote economic growth and improve quality of life	Appointment of service provider / engineer at Section E upgrading of 13km from gravel to paving	New Indicator	Section E upgrading of 13km from gravel to paving	Appointment of service provider / engineer at Section E upgrading of 13km from gravel to paving	Section E	Ward 11	LGES/ MIG	500 000	50 000		Appointment of service provider / engineer at Section E upgrading of 13km from gravel to paving by 30 June 2023	Target not achieved (Appointment of service provider / engineer at Section E upgrading of 13km from gravel to paving)	Appointment of service provider / engineer at Section E upgrading of 13km from gravel to paving	Budget constraints	Allocate sufficient budget in the next financial year	Approved Memo by MM to appoint service provider	TECH
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Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2021/22	Project Name	Project / Indicator Description	Location	Ward	Funding Source	Budget 2022/2023	Adjusted Budget 2022/2023	Special Budget Adjustment 2022/23	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
Roads, Bridges and Storm water	To develop sustainable infrastructure networks which promote economic growth and improve quality of life	Development of detailed design for Hlomela upgrading from Gravel to Paving for 2,6km	New Indicator	Hlomela upgrading from Gravel to Paving	Appointment of service provider/engineer at Hlomela upgrading from Gravel to Paving	Hlomela	Ward 19	LGES/ MIG	1 500 000	500 000	500 000	Development of detailed design for Hlomela upgrading from Gravel to Paving for 2,6km by 30 June 2023	Target achieved (Development of preliminary Design Report)	None	None	None	Scoping Report and Detailed Design including advert copy	TECH

Roads, Bridges and Storm water	To develop sustainable infrastructure networks which promote economic growth and improve quality of life	Construction of 27 Access ramps to yards and connection of 19m intersection from Shiman ge Internal Street to RAL (D3180) by 30 June 2023	Designs and draft tender document and there was an overachievement the project was completed	Shim ange Upgrading from gravel to paving at Shiman ge village	2.5 km upgrading from gravel to paving at Shiman ge village	Shi m ang e	War d8	LGE S/ MIG		2,755,838.34	2,755,838.34	Const ru ction of 27 Acces ramps to yards and connection of 19m inters ection from Shima nge Intern al Street to RAL (D3180) by 30 Jun e 2023	Target achieved (27 Acces ramps to yards constr ucted and 19m inters ection from Shima nge Intern al Street to RAL (D3180) conne cted)	None	None	None	Signed Progress Report, Practical Certificate and Close-out report	TECH
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Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2021/22	Project Name	Project / Indicator Description	Location	Ward	Funding Source	Budget 2022/2023	Adjusted Budget 2022/2023	Special Budget Adjustment 2022/23	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
Building and Construction	To develop sustainable infrastructure networks which promote economic growth and improve quality of life	Construction of Ndhambi Taxi Rank by 30 June 2023	Project not completed	Ndhambi Taxi Rank		Ndhambi		MIG/LGES		6,194,765.66	6,194,765.66	Construction of Ndhambi Taxi Rank by 30 June 2023	Target achieved (Ndhambi Taxi Rank constructed)	None	None	None	Signed Progress Report and Practical Completion Certificate	TECH

Building and Construction	To develop sustainable infrastructure networks which promote economic growth and improve quality of life	Construction of Civic Centre Building Phase 4	Progress report developed	Civic Centre Building Phase 4	Construction of Civic Centre Building Phase 4	Giyanini CBD		MIG/ L GES	18 543 541	14,339,275,23	14,339,275,23	Construction of Civic Centre Building Phase 4 by 30 June 2023	Target not achieved (Installed stand-by generator, piping of the HVAC system, installation of the ceiling on the Council Chamber, preparation of the	Lift, completion of Council Chamber, commissioning of air conditioners and painting finishes	Delay by suppliers of material for specialised items	The municipality will request contractors to secure schedule of specialised material delivery by suppliers	Advise, Appoint, Signed progress report, Practical Completion Certificate	TECH
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Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2021/22	Project Name	Project / Indicator Description	Location	Ward	Funding Source	Budget 2022/2023	Adjusted Budget 2022/2023	Special Budget Adjustment 2022/23	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
													concrete works inside the Council Chamber)					
PMU	To improve financial management systems to enhance venue base	% MIG Budget spent by 30 June 2023	84 % MIG budget spent	MIG Spending	Spending 100 % of MIG allocated fund	Greater Giyani Municipality	Administration	MIG	64 105 000.00	65,858,732.98	63,358,732.98	100 % MIG Budget spent by 30 June 2023	Target achieved (100 % MIG Budget spent)	None	None	None	MIG Spending Report	TECH
4.4. LOCAL ECONOMIC DEVELOPMENT (HIGHER SDBIP)																		

LED Strategy	To Create an Enabling Environment for Sustainable Economic Growth	Review LED Strategy by 30 June 2023	LED strategy not reviewed	LED Strategy Review	LED Strategy to be reviewed and submitted to Council for approval	Greater Giyani Municipality	Giyani	Income	700 000.00	700 000.00		1 LED Strategy reviewed and approved by Council by 30 June 2023	Target not achieved (1 LED Strategy reviewed)	(1 LED Strategy not approved by Council)	LED strategy finalized during fourth quarter	To be submitted to Council during the first quarter of the next financial year	Draft LED Strategy and Council Resolution	P & Dev
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Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2021/22	Project Name	Project / Indicator Description	Location	Ward	Funding Source	Budget 2022/2023	Adjusted Budget 2022/2023	Special Budget Adjustment 2022/23	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
LED Forum	To Create an Enabling Environment for Sustainable Economic Growth	4 LED Forum held by June 2023	4	LED Forum meeting	1 LED Forum meeting held per quarter	Greater Giyani Municipality	All Wards	Income	Operational	Operational		4 LED Forum held by June 2023	Target achieved (4 LED Forum held)	None	None	None	Invitation, Minutes and Attendance Register	P & Dev
LIBRA	To Create an Enabling Environment for Sustainable Economic Growth	#Business Registration and licensing adjudication committee meetings held by 30 June 2023	2	Adjudication committee meetings	4 Adjudication Committee Meeting held per quarter	Greater Giyani Municipality	All Wards	Income	Operational	Operational		4 Business Registration and Licensing adjudication committee meetings by 30 June 2023	Target achieved (4 Business Registration and Licensing adjudication committee meeting held)	None	None	None	Invitation, Minutes and Attendance Register	P & Dev

Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2021/22	Project Name	Project / Indicator Description	Location	Ward	Funding Source	Budget 2022/2023	Adjusted Budget 2022/2023	Special Budget Adjustment 2022/23	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
SMME Support (Projects & Cooperatives)	To Create an Enabling Environment for Sustainable Economic Growth	Financially support projects & cooperatives that are operational but facing some challenges	3 SMME supported	SMM E Support	4 SMME's supported to the tune of R200 000 each by the end of 1st Quarter	Greater Giyani Municipality	All Wards	LED Support funds	R100 000	R100 000		4 SMME'S supported financially by 30 June 2023	Target achieved (4 SMME'S supported financially)	None	None	None	Invitation to apply, Application Form and Invoice	P & De
4.5 MUNICIPAL FINANCE MANAGEMENT AND VIABILITY (HIGHER SDBIP)																		
Budget and Reporting	To improve financial management systems to enhance venue base	Unqualified Audit Opinion by 30 June 2023	Qualified Audit Opinion	Unqualified Audit Opinion	Complying with legislative frameworks, keeping records and submit AFS	Greater Giyani Municipality	Administration	Income	Operational			Unqualified Audit Opinion by 30 June 2023	Target achieved (Unqualified Audit Opinion)	None	None	None	AG SA Audit Report	B&T

Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2021/22	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2022/2023	Adjusted Budget 2023	Special Budget Adjustment 2022/23	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio of Evidence	Dept.
8.6 GOOD GOVERNANCE AND PUBLIC PARTICIPATION																		

Integrated Development Planning	To develop governance structures and systems that will ensure effective public consultation and organizational discipline	Review the IDP for 2022/2023 and development of 2022/2023 IDP financial year by 31 May 2023	IDP for 2021/2022 and development of 2022/2023 IDP financial year by 31 May 2022	IDP Review	Compile IDP analysis phase, Organise the IDP report forum. Conduct Strategic Planning session and present to the IDP report forum, Draft IDP completed	Greater Giyani Municipality	Administration	Income	600 000.00			Review the IDP for 2022/2023 and development of 2023/24 IDP financial year by 31 May 2023	Target achieved (Reviewed the IDP for 2022/23 and developed 2023/24 IDP financial year)	None	None	None	Council Resolutions, Draft IDP, Strategic plan report, Attendance Register, Invitations for Strategic Plan, IDP Consultation Attendance Register, IDP	P& Dev
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Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2021/22	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2022/2023	Adjusted Budget 2023	Special Budget Adjustment 2022/23	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
					and submitted to Council for adoption by 31 March 2018, IDP Public participation, Final IDP submitted to council for adoption by 31 Ma												Analysis Phase	

					y 201 8													
Performance Management	To develop governance structures and systems that will ensure effective public consultation and organization	Develop and submit the 2023/2024 SDBIP to the Mayor for signature within 28 days after	SDBIP 2022/2023 was developed and submitted to the mayor within 28 days after approval	Development of Service Delivery and Budget Implementation Plan (SDBIP)	Collect information from departments, develop a draft SDBIP, submit to department	Greater Giyani Municipality	Administration	Income	Operational			Development and submission of the 2023/2024 SDBIP to the Mayor for signature within	Target achieved (Developed and submitted the 2023/24 SDBIP to the Mayor for signature within	None	None	None	Signed SDBIP and Proof of Submission	MM

Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2021/22	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2022/2023	Adjusted Budget 2023	Special Budget Adjustment 2022/23	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
	onal discipline	approval of the budget by 30 June 2023	l of the budget		ments for inputs, incorporate inputs Submit to the Mayor for signature, submit to council for notin g.							28 days after approval of the budget by 30 June 2023	28 days after approval of the budget)					

Risk Management	To develop governance structures and systems that will ensure effective public consultation and organizational discipline	# of risk management activities to be coordinated by 30 June 2023	4 risk activities were coordinated	Risk Management project	Facilitate and coordinate risk management meetings	Greater Giyani Municipality	Administration	Income	Operational			4 risk activities coordinated by 30 June 2023	Target achieved (4 risk activities coordinated)	None	None	None	Invitation, Minutes and Attendance Register	MM
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Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2021/22	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2022/2023	Adjusted Budget 2023	Special Budget Adjustment 2022/23	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
Internal Auditing	To develop governance structures and systems that will ensure effective public consultation and organizational discipline	To develop Audit Committee Charter and submit to council for approval by 30 June 2023	Audit Committee Charter was developed and submitted to council for approval	Audit Committee Charter	Audit Committee Charter submitted to council for approval	Greater Giyani Municipality	Administration	Income	Operational	Operational		Audit Committee Charter developed and submitted to council for approval by 30 June 2023	Target achieved. (Audit Committee Charter developed and submitted to council for approval)	None	None	None	Approved Audit Committee Charter and Council Resolution	MM

Internal Auditing	To develop governance structures and systems that will ensure effective public consultation and organizational discipline	Develop the 3-year Internal Audit Plan, and Internal Audit Charter and submit to Audit Committee for approval by 30th June 2023	3-year Internal Audit plan and Internal Audit Charter was developed and submitted to Audit Committee for approval	Internal Audit Plan and Internal Audit Charter	Develop the Internal Audit Plan and Internal Audit Charter and submit to Audit Committee for approval	Greater Giyani Municipality	All Wards	Income	Operational			3-year Internal Audit plan and Internal Audit Charter developed and submitted to Audit Committee for approval by 30 June 2023	Target achieved (3-year Internal Audit plan and Internal Audit Charter developed and submitted to Audit Committee for approval)	None	None	None	Approved 3-year Internal Audit plan and Internal Audit Charter, AC Resolutions	MM
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Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2021/22	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2022/2023	Adjusted Budget 2023	Special Budget Adjustment 2022/23	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
Public Participation	To develop governance structures and systems that will ensure effective public consultation and organizational discipline	# of public participation to be conducted by 30 June 2023	5 public participations conducted	Public Participation	Consult members of the public on service delivery issues	Greater Giyani Municipality	All wards	Income	Operational			4 public participations conducted by 30 June 2023	Over achieved (8 public participations conducted)	4 more public participations conducted	Due to ward delimitation consultations by Demarcation	None	Attendance Register and Programme	CORP

9. LOWER LEVEL SDBIP

Priority Issue/Programme	Development Objective	Key Performance Indicator	Baseline 2021/22	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2022/23	Adjusted Budget 2022/23	Special Budget Adjustment Budget 2022/23	Annual Target	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept
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SPATIAL RATIONAL

Spatial and Town Planning	To develop an effective spatial framework that promotes integrated and	Conduct a feasibility study for town expansion (Ngove village) by 30 June 2023	New Indicator	Town Expansion (Ngove Village)	Township expansion	Ngove Village	Ward 21	Income	800 000.00	50 000		Feasibility study conducted for Town Expansion (Ngove Village) by 30 June 2023	Target not achieved (Feasibility study conducted for Town Expansion (Ngove Village)	Feasibility study conducted for Town Expansion (Ngove Village)	Delay on process for negotiation, community resolution to be facilitated by	Draft layout on place pending community resolution	Community resolution, Approved Layout Plan	P & Dev
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Priority Issue/Programme	Development Objective	Key Performance Indicator	Baseline 2021/22	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2022/23	Adjusted Budget 2022/23	Special Adjusted Budget 2022/23	Annual Target	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept
	sustainable development													Village)	department of Rural Development.			
Spatial and Town Planning	To develop an effective spatial framework that promotes integrated and sustainable development	To compile land use application for town establishment (Siyandhani) by 30 June 2023	New Indicator	Township establishment Siyandhani	Township establishment	Siyandhani village	Ward 7	LGES	500 000.00	500 000.00		Compile land use application for Town Establishment (Siyandhani) by 30 June 2023	Target achieved (Land use application for Town Establishment (Siyandhani) compiled)	None	None	None	Land use application	P & Dev

Spatial and Town Planning	To develop an effective spatial framework that promotes integrated and sustainable development	Conduct a feasibility study for town establishment (Dzingidzingi) by 30 June 2023	New Indicator	Township establishment Dzingidzingi Village sites	Township establishment	Dzingidzingi Village	Ward 7	LGES	500 000	50 000		Feasibility study conducted for Town Establishment (Dzingidzingi) by 30 June 2023)	Target not achieved (Feasibility study conducted township establishment not done)	Feasibility study conducted township establishment	Budget constraints and traditional dispute	To be implemented in the next financial year	Approved Layout Plan	P & Dev
Spatial and Town Planning	To develop an effective spatial	To compile land use application for town	New Indicator	Township establishment Ndenge	Township establishment	Ndengeza Village	Ward 3	LGES	500 000	500 000		Complete land use application for Town	Target achieved (Land use application)	None	None	None	Land use application	P & Dev

Priority Issue/Programme	Development Objective	Key Performance Indicator	Baseline 2021/22	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2022/23	Adjusted Budget 2022/23	Special Adjusted Budget 2022/23	Annual Target	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept
	framework that promotes integrated and sustainable development	establishment (Ndeng z a) by 30 June 2023		za Villag e500 sites								Establishment (Ndeng eza)by 30June 2023	on for Town Establishment (Ndeng eza) compiled)					
Spatial and Town Planning	To develop an effective spatial framework that promotes integrated and sustainable develop	Proclamation diagram and registration by 30 June 2023	New Indicator	Proclamation Programme	Proclamation Programme	Greater Giyani Municipality	Ward 11,12,13	LGES	500 000.00	50 000.00		Application for Proclamation diagram and registration submitted to the Rural Development and Land Reform	Target not achieved (Draft application for proclamation diagram and registration).	Application for proclamation diagram and registration submitted to the	Still negotiating for donation of land from traditional authority	Resume the process during the next financial year	Council Resolution, Draft Layout, Application	P & Dev

	ment											by 30 June 2023		Rural Development and Land Reform				
Spatial and Town Planning	To develop an effective spatial framework that promotes integrated and	# of title deeds registered by 30 June 2023	New Indicator	Deeds registration of sites	Deeds registration of sites	Giyani Section F	Ward 13	LGES	500 000.00	250 000.00		539 Eren title deeds registered by 30 June 2023	Target not achieved (Applications were submitted to COGH STA (Deeds Office))	539 Eren title deeds registered.	Delay in the Deeds office due to backlog	The municipality will continue to make follow-ups with the	Title Deeds /Deed of Grant	P & Dev

Priority Issue/Programme	Development Objective	Key Performance Indicator	Baseline 2021/22	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2022/23	Adjusted Budget 2022/23	Special Adjusted Budget 2022/23	Annual Target	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Evidence	Dept
	sustainable development															registration process during the next financial year		
Spatial and Town Planning	To develop an effective spatial framework that promotes integrated and sustainable development	Compile application for Golf Course Development by 30 June 2023	New Indicator	Golf Course Development	Rezoning and subdivision of Golf Course	Giyanid1	Ward 11	Income	600 000.00	300 000.00		Complete application to Rezone and subdivide Golf Course by 30 June 2023	Target achieved (Application to Rezone and subdivide Golf Course compiled)	None	None	None	Land development application	P & Dev

Spatial and Town Planning	To develop an effective spatial framework that promotes integrated and sustainable development	Compile application for Formalisation of Makosha Risinga Extension by 30 June 2023	Draft Layout Plan	Formalisation of Makosha Risinga	Formalisation of Makosha Risinga	Risinga	Ward 13	LGES	300 000.00	50 000.00		Compile application for Formalisation of Makosha Risinga Extension by 30 June 2023	Target achieved (Application for Formalisation of Makosha Risinga Extension compiled)	None	None	None	Land use application	P & Dev
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Priority Issue/Programme	Development Objective	Key Performance Indicator	Baseline 2021/22	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2022/23	Adjusted Budget 2022/23	Special Adjusted Budget 2022/23	Annual Target	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Evidence	Dept
Spatial and Town Planning	To develop an effective spatial framework that promotes integrated and sustainable development	Compile application for Formalisation of Church view	Draft Layout Plan	Formalisation of Church View	Formalisation of Church View	Church View	Ward 11	LGES	400000.00	400000.00		Compile application for Formalisation of Church view by 30 June 2023	Target achieved (Application for Formalisation of Church view compiled)	None	None	None	Land use application	P & Dev

Spatial and Town Planning	To develop an effective spatial framework that promotes integrated and sustainable development	Submit draft Street naming Giyani Section Aby 30 June 2023	New Indicator	Street naming Giyani section A & F	Street naming Giyani Section A & F	Giyani Section A & F		LEGES	600 000.00	800 000.00		Submission of draft of Street names to Council by 30 June 2023	Target achieved (Draft Street names submitted to Council)	None	None	None	Attendance register, Draft Street names, Council Resolution	P & Dev
Spatial and Town Planning	To develop an effective spatial framework that promotes integrated	Street naming Giyani BA & C by 30 June 2023	New Indicator	Street naming Giyani BA & C	Street naming Giyani BA & C	Giyani BA and C		LEGES	600 000.00	700 000.00		Submission of draft of Street names to Council by 30 June 2023	Target achieved (Draft Street names submitted to Council)	None	None	None	Attendance register, Draft Street names, Council Resolution	P & Dev

Priority Issue/Programme	Development Objective	Key Performance Indicator	Baseline 2021/22	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2022/23	Adjusted Budget 2022/23	Special Adjusted Budget 2022/23	Annual Target	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept
	ed and sustainable development																	
Spatial and Town Planning	To develop an effective spatial framework that promotes integrated and sustainable development	Street naming Giyani E30 June 2023	New Indicator	Street naming Giyani E	Street naming Giyani E	Giyani E	Ward 11	LGES	500 000	600 000.00		Submission of draft of Street names to Council by 30 June 2023	Target achieved (Draft Street names submitted to Council)	None	None	None	Draft Street Names Report, Attendance Register, Council Resolution	P & Dev

Spatial and Town Planning	To develop an effective spatial framework that promotes integrated and sustainable development	Street naming Kremetart by June 2023	New Indicator	Street naming Kremetart	Street naming Kremetart	Kremetart	Ward 7	LEGES	600 000	800 000.00		Submission of draft Street names to Council by 30 June 2023	Target achieved (Draft Street names submitted to Council)	None	None	None	Draft Street Names Report, Attendance Register, Council Resolution	P & Dev
Spatial and Town Planning	To develop an effective spatial	To compile land use application for town	New Indicator	Site Demarcation in Sikhunyani	Township establishment	Sikhunyani and Dzumeri	Ward 26 and 25	LEGES	500 000	500 000.00		Complete land use application for town	Target not achieved (Draft Land use	Compile land use application	Delay in compiling the land use	To be finalized during the	Approved Layout	P & Dev

Priority Issue/Programme	Development Objective	Key Performance Indicator	Baseline 2021/22	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2022/23	Adjusted Budget 2022/23	Special Adjusted Budget 2022/23	Annual Target	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Evidence	Dept
	framework that promotes integrated and sustainable development	establishment (Dzumeri & Sikhunyani)		and Dzumeri villages								establishment (Dzumeri & Sikhunyani) by 30 June 2023	application for town establishment (Dzumeri & Sikhunyani)	for town establishment (Dzumeri & Sikhunyani)	application	next financial year		
Spatial and Town Planning	To develop an effective spatial framework that promotes integrated and sustainable development	To compile subdivision and Rezoning application of Municipal Properties in Villages	New Indicator	Subdivision, Rezoning of Municipal Properties	Rezoning and subdivision of 3 Municipal Properties in villages	Ngovwe Village	Ward 21	Income	500 000.00	500 000.00		Compile subdivision and Rezoning application of 3 Municipal Properties (Thomo, Homu &	Target achieved (Subdivision and Rezoning application of 3 Municipal Properties in Villages)	None	None	None	Proof of submission, application for land use	P & Dev

	ment											Mageva a)in Village s by 30 June 2023	compiled)					
Spatial and Town Planning	To develop an effective spatial framework that promotes integrated and	To compile Subdivision & rezoning application for remainder of 1946 Giyani F	New Indicator	Subdivision & Rezoning of remainder 1946 Giyani F	Subdivision & Rezoning of remainder 1946 Giyani F	Giyani section F	Ward 13	LGES	600 000.00	100 000.00		Compile Subdivision & rezoning application for remainder of 1946 Giyani F by 30	Target achieved (Subdivision & rezoning application for remainder of 1946 Giyani F	None	None	None	Proof of submission, application for land use	P & Dev

Priority Issue/Programme	Development Objective	Key Performance Indicator	Baseline 2021/22	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2022/23	Adjusted Budget 2022/23	Special Adjustments Budget 2022/23	Annual Target	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Evidence	Dept
	sustainable development											June 2023	compiled)					
Spatial and Town Planning	To develop an effective spatial framework that promotes integrated and sustainable development	Compile Rezoning and subdivision application for municipal of parks	New Indicator	Rezoning and subdivision of parks	Rezoning and subdivision of parks	Giyanitownship	Ward 13	LGES	700 000.00	50 000.00		Compile Rezoning and subdivision application for municipal of parks by 30 June 2023	Target achieved (Rezoning and subdivision application for municipal of parks compiled)	None	None	None	Application for land use	P & Dev

Spatial and Town Planning	To develop an effective spatial framework that promotes integrated and sustainable development	Compile the draft precinct plan for Mahumani Village	New Indicator	Mahumani Precinct Plan	Mahumani Precinct Plan	Nkomo	Ward 10	LEGES	500 000	500 000.00		Compile the draft precinct plan for Mahumani Village by 30 June 2023	Target not achieved (Draft precinct plan for Mahumani Village pending final consultations and submission to Council)	Compile the draft precinct plan for Mahumani Village	Delayed consultation	To finalise consultations and submit to Council in the next financial year.	Draft Precinct Plan Document and Council Resolution	P & Dev
Spatial and Town Planning	To develop an effective spatial framework	Upgrade GIS System by 30 June 2023	New Indicator	GIS Upgrade	GIS Upgrade	N/A	All wards	LEGES	600 000.00	50 000.00		Upgrade GIS System by 30 June 2023	Target achieved (GIS System upgraded)	None	None	None	Term of reference	P & Dev

Priority Issue/Programme	Development Objective	Key Performance Indicator	Baseline 2021/22	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2022/23	Adjusted Budget 2022/23	Special Adjusted Budget 2022/23	Annual Target	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Evidence	Dept
	Work that promotes integrated and sustainable development																	
Spatial and Town Planning	To develop an effective spatial framework that promotes integrated and sustainable development	Conduct feasibility study and draft layout for town establishment	New Indicator	Township establishment Sikhunyani	Township establishment	Sikhunyani	Ward 26	LGES	500 000.00	300 000.00		Conduct feasibility study and draft layout for Sikhunyani township establishment by 30 June 2023	Target achieved (Feasibility study and draft layout for Sikhunyani township establishment conducted)	None	None	None	Feasibility Study (Motivating memorandum), Draft Layout Plan	P & Dev

Spatial and Town Planning	To develop an effective spatial framework that promotes integrated and sustainable development	Submit property registration application onto Deeds Registration Office	New Indicator	Deeds Registration Office	Deeds registration office	Greater Giyani	All Wards	LEGES	1000000.00	1 000 000.00		Submit 10 property registration applications to Deeds Registration Office by 30 June 2023	Target achieved (10 property registration applications to Deeds Registration Office submitted)	None	None	None	Invitation, Attendance Register, Title Deeds /Deed of Grant	P & Dev
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Priority Issue/Programme	Development Objective	Key Performance Indicator	Baseline 2021/22	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2022/23	Adjusted Budget 2022/23	Special Adjusted Budget 2022/23	Annual Target	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Evidence	Dept
5.1. MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT (LOWER SDBIP)																		
Wellness Program	To develop and retain the best Human Capital, Effective and Efficient Administrative and Operational Support System	Conduct inspection on OHS	4 OHS reports on site	Occupational health	Development of 4 OHS reports	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	4 OHS onsite inspection conducted by 30 June 2023	Target achieved (4 OHS onsite inspection conducted)	None	None	None	Signed OHS Inspection Reports	CORP

Human Resources and Organizational Development	To develop and retain the best Human Capital, Effective and Efficient Administrative and Operations	Review HR policies Framework	HR Policies reviewed	HR Policies	Reviewing of the HR Policies for levels	Greater Giyani Municipality	Administration	Income	Operational			Review of the HR policies by 30 June 2023	Target achieved (HR policies reviewed)	None	None	None	List of draft HR policies, HR Policies and Council Resolution	CORP
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Priority Issue/Programme	Development Objective	Key Performance Indicator	Baseline 2021/22	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2022/23	Adjusted Budget 2022/23	Special Adjusted Budget 2022/23	Annual Target	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept
	nal Support System																	
Human Resources and Organizational Development	To develop and retain the best Human Capital, Effective and Efficient Administrative and Operational Support System	Review the Organogram	Approved Organogram 2021/22	Organogram review	Review organizational structure	Greater Giyani Municipality	Administration	Income	Operational			Reviewed organizational structure by 30 June 2023	Target achieved (Organizational structure reviewed)	None	None	None	Draft organogram, Approved Organogram and Council Resolution	CORP

Human Resources and Organizational Development	To develop and retain the best Human Capital, Effective and Efficient Administrative and Operational Support System	# of posts filled in terms of the organogram	Approved Organogram 2021/22	Personnel Recruitment	Personnel Recruitment as per priority list	Greater Giyani Municipality	Administration	Income	Operational			40 posts to be Filled in terms of the organogram by 30 June 2023	Target not achieved (35 posts filled)	05	Large volume of applications received for general workers posts; capturing was in progress at year end	The municipality will use in-service training personnel to assist in capturing for posts with large volume	Advertisements and Appointment letters	CORP
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Priority Issue/Programme	Development Objective	Key Performance Indicator	Baseline 2021/22	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2022/23	Adjusted Budget 2022/23	Special Adjusted Budget 2022/23	Annual Target	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Evidence	Dept
																es of applications		
Human Resources and Organizational Development	To develop and retain the best Human Capital, Effective and Efficient Administrative and Operational Support System	# of Local Labour Forum meetings held	12 Local Labour Forum Meetings held in 2021/22	Labour Relations	Maintain good labour relations	Greater Giyani Municipality	Administration	Income	Operational			12 LLF meetings to be held by 30 June 2023	Target not achieved (10 LLF meetings held)	2 LLF meetings	Non-adherence to schedule	The municipality will have a schedule and constantly issue reminders to members	Invitations, Minutes and Attendance Registers	CORP

Information Technology	To develop and retain the best Human Capital, Effective and Efficient	percentage of network Infrastructure maintained	Network Infrastructure maintained	Infrastructure Maintenance	Maintaining of the network infrastructure	Greater Giyani Municipality	Administration	Income	Operational			100% of network Infrastructure maintained by 30 June 2023	Target achieved (100% network infrastructure maintained)	None	None	None	Maintenance Register	CORP
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Priority Issue/Programme	Development Objective	Key Performance Indicator	Baseline 2021/22	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2022/23	Adjusted Budget 2022/23	Special Adjusted Budget 2022/23	Annual Target	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Evidence	Dept
	Administrative and Operational Support System																	
Information Technology	To develop and retain the best Human Capital, Effective and Efficient Administrative and Operat	% of municipal website updated	Website updated 100% in 2021/22FY	Update of Municipal website	Placing of compliance documents on municipal website	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	100% of municipal website updated by 30 June 2023	Target achieved (100% of municipal website updated)	None	None	None	Website Register	CORP

	ional Suppo rt Syste m																		
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Priority Issue/Programme	Development Objective	Key Performance Indicator	Baseline 2021/22	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2022/23	Adjusted Budget 2022/23	Special Adjusted Budget 2022/23	Annual Target	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Evidence	Dept
Provisioning and supply of IT equipment	To develop and retain the best Human Capital, Effective and Efficient Administrative and Operational Support System	# of payments made for provision of internet connection	70 3Gs and Vodacom internetline	Provisioning and supply of IT equipment	To provide IT Equipment (75 3Gs and Vodacom line)	Greater Giyani Municipality	administration	Income	Operational			12 Payments for Internet connection	Target achieved (12 payments for Internet connection)	None	None	None	Proof of payment Invoices	CORP

Information Technology	To develop and retain the best Human Capital, Effective and Efficient Administrative and Operational Support System	# of IT Steering Committee Meetings to be conducted	4 meetings held in 2021/22 Financial year	IT Governance, Risks and Compliance	Coordination of the IT Steering Committee Meeting	Greater Giyani Municipality	Administration	Income	Operational			4 IT Steering Committee meetings conducted by 30 June 2023	Target achieved (4 IT Steering Committee meetings conducted)	None	None	None	Invitations, Attendance Registers and Minutes	CORP
Office Support-Provision of Office Furniture	To ensure conducive	Procure and distribute	Furniture not procured	Office Furniture	Provision of office	GGM	Administration	Income	Operational	Operational	Operational	Provide office furniture to 20	Target not achieved (Procure	Delivery took place few	Delay in the delivery by the	Request delivery plan	Advertisement, Appointment	CORP

Priority Issue/Programme	Development Objective	Key Performance Indicator	Baseline 2021/22	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2022/23	Adjustment Budget 2022/23	Special Adjustment Budget 2022/23	Annual Target	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept
	working environment by providing office furniture	office furniture			furniture							Offices by 30 June 2023	ment were done)	weeks after the end of the financial year	service provider	from services providers upon giving them an appointment letter	letter, Invoice, and delivery note	

Security of Municipal Premises	To install Cameras at Civic Centre	Acquisition and install Cameras	Report on installation of cameras not compiled	Installation of Security cameras at	Provision of security cameras	GGM	Administration	Income	Operational	Operational	Operational	Install security Cameras at Civic Centre by 30 June 2023	Target not achieved (Specification, Evaluation and Adjudication were concluded)	The municipality halted the procurement due to the reason that Technical Services is implementing the project	The issue of cameras was consolidated in the Civic Centre Phase 4 construction by Technical Services	Technical Services have already installed cameras	Advertisement, Appointment letter, Invoice, and delivery note	CORP
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Priority Issue/Programme	Development Objective	Key Performance Indicator	Baseline 2021/22	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2022/23	Adjusted Budget 2022/23	Special Adjusted Budget 2022/23	Annual Target	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Evidence	Dept
Installation of Walkthrough Metal Detector and X-Ray Machine at Civic Centre	To install Metal detector and X-Ray Machine at Civic Centre	Acquisition and installation of Walkthrough metal detector and X-Ray Machine	Metal detector and X-ray machine not procured	Acquisition and installation of Walkthrough metal detector and X-Ray Machine at Civic Centre	To install Metal detector and X-Ray Machine at Civic Centre	GGM	Administration	Income	Operational	Operational	Operational	Acquisition and installation of Walkthrough metal detector and X-Ray Machine by 30 June 2023	Target not achieved (Specification, Evaluation and Adjudication were concluded)	Acquisition and installation of Walkthrough metal detector and X-Ray Machine not done	Delay in appointment of service providers results of senior transition	The municipality will comply with the procurement process	Advertisement letter, Invoice and delivery note	CORP

Management of litigation	To develop and retain the best Human Capital , Effective and Efficient Administrative and Operational Support System	# of litigation matter reduced	17 Active Cases	Management of litigations	Attending and finalizing all litigation cases of the municipality	Greater Giyani Municipality	Administration	Income	7 000 000			# of litigation matter reduced by 30 June 2023	Target not achieved (5 litigation cases were concluded out of the 17 cases)	12 cases	Municipality did not achieve the anticipated target due to Court which determined dates	To continuously make follow-up with the Courts	Litigation Register and Report	MM
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9.3. BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT																		
Priority Issue	Development Objective	Key Performance Indicator	Baseline	Project Name	Project Description	Location	Ward	Funding Source	Budget 2022/23	Adjusted Budget 2022/23	Special Adjusted Budget	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio of Evidence	Dept
Electricity Provision	To develop sustainable infrastructure networks which promotes economic growth and improve	Connect 327 units at Makhuva Village by 30 June 2023	New Indicator	Electrification of Makhuva Village (327)	Construction of Electrical Network Infrastructure	Makhuva Village	Ward 29	INEP/LGES	2 100 000	5 989 030	5 989 032	Connection of 327 units at Makhuva Village by 30 June 2023	Target not achieved- (326 units connected)	1 unit not connected	Empty stands only provided with capacity	Customers will be covered with free post connection by ESKOM	Appointment, Signed progress report, Practical Completion Certificate	TECH

9.3. BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

Priorty Issue	Development Objective	Key Performance Indicator	Baseline	Project Name	Project Description	Location	Ward	Funding Source	Budget 2022/23	Adjusted Budget 2022/23	Special Adjusted Budget	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio of Evidence	Dept
	Quality of life																Standard List of Beneficiaries	
	To develop sustainable infrastructure networks which promotes economic growth	Connect 470 units at Siyandhani Village by 30 June 2023	New Indicator	Electrification of Siyandhani Village (470)	Construction of Electrical Network Infrastructure	Siyandhani Village	Ward 29	INEP/LGES	0,00	0,00	3 617 010	Appointment of the contractor for Connection of 470 units at Siyandhani Village by 30 June 2023	Target achieved (Contractor for connection of 470 units at Siyandhani Village appointed)	None	None	None	Appointment letter	TECH

	hand improve quality of life																	
Electricity Provision	To develop sustainable infrastructure network	Connect 200units at Church view Village by 30 June 2023	New Indicator	Electrification of Churchview Village (200)	Construction of Electrical Network Infrastructure	Churchview Village	Ward 11	INE P/LGES	4 100 000	4 000 000		Connection 200 units at Church View Village by 30	Target not achieved-(155 units connected)	45 units not connected	Empty stands only provided with	Customers will be coveredwith free	Appointment , Signed progress	TECH

9.3. BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

Priorty Issue	Dev elopment Objective	Key Performance Indicator	Baseli ne	Proje ct Name	Project Description	Loca tion	Wa rd	Fun ding Sour ce	Budg et 2022/ 23	Adju s ted Bud get 2022/ 23	Sp e cia l Adj u st ed Bu d get	Annu al Targe ts	Actual Perfor mance	Varia nce	Reas on for Varia nce	Corre ctive Measu res	Por t foli o of Evi d enc e	Dept
	ks which promotes economic growth and improve quality of life											June 2023			capa city	post connection by ESKOM	report, Practical Completion Certificate and List of Beneficiaries	

Electricity Provision	To develop sustainable infrastructure networks which promotes economic growth and improve	Connect 539units at Hlaneki Village by 30 June 2023	New Indicator	Electrification of Hlaneki Village (539)	Construction of Electrical Network Infrastructure	Hlaneki Village	Ward 06	INEP/LGES	3 100 000	10 720 710	10 740 000	Connection 539 units at Hlaneki Village by 30 June 2023	Target not achieved- (537 units connected)	2 units not connected	Empty stands only provided with capacity	Customers will be coveredwith free post connection by ESKOM	Appointment , Signed progress reports, Practical Completion Certificate and	TECH
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9.3. BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

Priority Issue	Development Objective	Key Performance Indicator	Baseline	Project Name	Project Description	Location	Ward	Funding Source	Budget 2022/23	Adjusted Budget 2022/23	Special Adjusted Budget	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio of Evidence	Dept
	quality of life																List of Beneficiaries	
Electricity Provision	To develop sustainable infrastructure networks which promotes economic growth and improve	Connect 209 units at Nsavulani Village by 30 June 2023	New Indicator	Electrification of Nsavulani (209)	Construction of Electrical Network Infrastructure	Nsavulani Village	Ward 23	INEP/LGES	2 100 000	3 844 000	3,843,792,69	Connection 209 units at Nsavulani Village by 30 June 2023	Target achieved- (209 units connected)	None	None	None	Appointment, Signed progress report, Practical Completion Certificate	TECH

	qualit yof life																	fica te and List of Ben efici aries	
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9.3. BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

Priorty Issue	Dev elopment Objective	Key Performance Indicator	Baseli ne	Proje ct Name	Project Description	Loca tion	Wa rd	Fund ing Source	Budg et 2022/ 23	Adju s ted Budg et 2022/ 23	Sp e cia l Adj u st ed Bu d get	Annu al Targe ts	Actual Perform ance	Varia nce	Reas on for Varia nce	Corre ctive Measu res	Por t foli o of Evi d enc e	Dept
Electricity Provision	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Connect 325 units at Nwadzeku Village by 30 June 2023	New Indicator	Electr ification of Nwadz eku Villag e (325)	Constru ction of Electric al Networ k Infrastru cture	Nwadz ekudz eku Villag e	Wa rd 15	INE P/ LGE S	3 684 000	5 994 250	5 994 625	Conne ction of 325 units at Nwadz ek udz eku Villag e by 30 June 2023	Targe t achieved-(325 units connec ted)	None	None	None	Appoint me nt , Signed prog res s report, Pra c tical Co m plet i on Cer ti fica te and List of Ben efici	TECH

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9.3. BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

Priorty Issue	Dev elopment Objective	Key Performance Indicator	Baseli ne	Proje ct Name	Project Description	Loca tion	Wa rd	Fund ing Source	Budg et 2022/ 23	Adju s ted Budg et 2022/ 23	Sp e cia l Adj u st ed Bu d get	Annu al Targe ts	Actual Perform ance	Varia nce	Reas on for Varia nce	Corre ctive Measu res	Por t foli o of Evi d enc e	Dept
Electricity Provision	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Connect 140units at Maphata Village by 30 June 2023	New Indicator	Electr ification of Maphata Village (140)	Constru ction of Electric al Networ k Infrastru ctur e	Maphata Village	Wa rd 26	INE P/ LGE S	2 100 000	2 694 600	2 642 990	Conne ction of 140 units at Maphata Village by 30 June 2023	Target achieved-(140 units connected)	None	None	None	Appoint ment , Signed progress report, Practical Completion Certificate and List of Benefici	TECH

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9.3. BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

Priority Issue	Development Objective	Key Performance Indicator	Baseline	Project Name	Project Description	Location	Ward	Funding Source	Budget 2022/23	Adjusted Budget 2022/23	Special Adjusted Budget	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio of Evidence	Dept
Electricity Provision	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life?	Install traffic lights in Giyani township by 30 June 2023	Appointment of Service Provider for CBD High Mast Lights	Install traffic lights	Install traffic lights	All wards		LGES	1 000 000	1,200,000	4 000 000	Install traffic lights in Giyani township by 30 June 2023	Target achieved (2 Traffic lights installed)	None	None	None	Appointment letter and practical completion certificate	TECH

Electricity Provision	To develop sustainable infrastructure networks which promotes economic growth	Install high mast by 30 June 2023	Appointment of Service Provider for CBD High Mast Lights	Installation of high mast	Installation of high mast	All wards		LGES	1 000 000	1,480,000		Installation of 2 high mast in Siyandhani/CBD Intersection and Section E by 30 June 2023	Target achieved (2 high masts in Siyandhani/CBD Intersection and Section E installed)	None	None	None	Practical Completion Certificate	TECH
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9.3. BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

Priorty Issue	Dev elopment Objective	Key Performance Indicator	Baseli ne	Proje ct Name	Project Description	Loca tion	Wa rd	Fund ing Source	Budg et 2022/ 23	Adju s ted Budg et 2022/ 23	Sp e cia l Adj u st ed Bu d get	Annu al Targe ts	Actual Perform ance	Varia nce	Reas on for Varia nce	Corre ctive Measu res	Por t foli o of Evi d enc e	Dept
	and improve quality of life																	
Electricity Provision	To develop sustainable infrastructure networks which promotes economic growth and improve quality	Install energy saving streetlights	Service provider appointed	Installation of energy saving streetlights	Installation of energy saving streetlights			INE P/ LGE S	10 300 000	6 300 000	7 500 000	Installation of 143 energy saving streetlights (CBD) by 30 June 2023	Target achieved (143 energy saving streetlights (CBD) installed)	None	None	None	Signed Progress Report, Practical Completion Certificate	TECH

	y of life																	
Sports Facilities	To develop sustainable infrastructure networks	Refurbishment of Shivulani Sports Centre by 30 June 2023	The project is not completed	Refurbishment of sport centre	Refurbishment of Shivulani Sports Centre	Shivulani	Ward 15	Income	500 000.00	3 454 255		Refurbishment of Shivulani Sports Centre by 30 June 2023	Target achieved (Refurbishment of Shivulani Sports Centre)	None	None	None	Advert, appointment, Signed Progress	TECH

9.3. BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

Priorty Issue	Dev elopment Objective	Key Performance Indicator	Baseli ne	Proje ct Name	Project Description	Loca tion	Wa rd	Fun ding Sour ce	Budg et 2022/ 23	Adju s ted Bud get 2022/ 23	Sp e cia l Adj u st ed Bu d get	Annu al Targe ts	Actual Perform ance	Varia nce	Reas on for Varia nce	Corre ctive Measu res	Por t foli o of Evi d enc e	Dept
	whic h promotes econ omic growt hand improve qualit yof life																Re p ort, Pra c tical Co m plet ion Cer ti fica te.	

EPWP Infrastructure	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	# of people to be appointed through EPWP Infrastructure Program by 30 June 2023	163 people appointed through EPWP Infrastructure program	EPWP Infrastructure	Creation of jobs through EPWP Infrastructure Program	Giyani Township	All wards	EPWP	6 019 000			200 People appointed through EPWP Infrastructure Program by 30 June 2023	Target achieved (200 People appointed through EPWP Infrastructure Program)	None	None	None	Signed Appointment Memo	TECH
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9.3. BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

Priority Issue	Development Objective	Key Performance Indicator	Baseline	Project Name	Project Description	Location	Ward	Funding Source	Budget 2022/23	Adjusted Budget 2022/23	Special Adjusted Budget	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio of Evidence	Dept
EPWP Environmental and Culture	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	# of people to be appointed through EPWP Environmental and Culture Program by 30 June 2023	149 people appointed through EPWP Environment	EPWP Environmental and Culture	Creation of jobs through EPWP Environmental and Culture Program	Giyani Township	All wards	EPWP	4 100 000			150 People appointed through EPWP Environment by 30 June 2023	Target achieved (150 People appointed through EPWP Environment)	None	None	None	Signed Appointment Memo	COMM

Environmental Awareness Campaign	To develop sustainable infrastructure networks which promotes economic growth	# of environmental awareness and educational programs to be conducted by 30 June 2023	8 awareness campaigns conducted	Environmental Awareness Campaign	Conduct Education awareness campaigns on environmental management to communities	Greater Giyani	All wards	Income	Operational	Operational	Operational	12 Awareness campaigns and educational programs conducted by 30 June 2023	Target achieved (12 Awareness campaigns and educational programs conducted)	None	None	None	Schedule and Attendance Registers	COMM
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9.3. BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

Priorty Issue	Dev elopment Objective	Key Performance Indicator	Baseli ne	Proje ct Name	Project Descri ption	Loca tion	Wa rd	Fund ing Sour ce	Budg et 2022/ 23	Adju s ted Bud get 2022/ 23	Spe cia l Adj u st ed Bu d get	Annu al Targe ts	Actual Perfor mance	Varia nce	Reas on for Varia nce	Corre ctive Measu res	Por t foli oo f Evi d enc e	Dept
	and improve quality of life																	
Schol ar Patrol	To devel op susta i nable infras tr uctur e netw orks whic h prom otes econ o mic growt hand impro ve qual it	# of scholar patrol to be conducted by 30 June 2023	38 scholar patrol s condu cted	Schol ar Patrol	Condu cting of Schola r patrols	All Ward s	All Wa rds	Inco me	Operat ional	Ope r ation al	O p era ti on al	20 scholar patrols conduc ted by 30 June 2023	Targe t achie ved (20 schol ar patrol s condu cted)	None	None	None	Re p ort s	COMM

	y of life																	
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9.3. BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

Priority Issue	Development Objective	Key Performance Indicator	Baseline	Project Name	Project Description	Location	Ward	Funding Source	Budget 2022/23	Adjusted Budget 2022/23	Special Adjusted Budget	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio of Evidence	Dept
Speed Checks	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	# of speed checks conducted by 30 June 2023	107 speed checks conducted	Speed Checks	Conduction of Speed Checks	All Wards	All Wards	income	Operational	Operational	Operational	40 Speed checks conducted by 30 June 2023	Target achieved (40 Speed checks conducted)	None	None	None	Reports	COMM

Traffic summonses issued	To develop sustainable infrastructure networks which promotes economic growth	# of Traffic summons issued by 30 June 2023	1595 summons issued	Traffic summonses issued	Issuing of traffic summons	All Wards	All Wards	income	Operational			1000(s ec56) summons by 30 June 2023	Overachieved (1744 of Traffic summons issued)	744	Vast offences due to non-compliance	Awareness campaigns	Reports	COMM
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9.3. BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

Priority Issue	Development Objective	Key Performance Indicator	Baseline	Project Name	Project Description	Location	Ward	Funding Source	Budget 2022/23	Adjusted Budget 2022/23	Special Adjusted Budget	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio of Evidence	Dept
	and improve quality of life																	
Payment of AARTO fees	To develop sustainable infrastructure networks which promotes economic growth and improve quality	# of Payment of AARTO fees facilitated by 30 June 2023	New Indicator	AARTO	Facilitating payment of AARTO	Giyan i Section C	Ward 12	Income	Operational	Operational	Operational	12 payments of AARTO fees facilitated by 30 June 2023	Target not achieved (11 payments of AARTO fees facilitated)	1 payment of AARTO fees not facilitated	Delay by Natis system in generating reports	Communicate with the Department of Transport to ensure that the Natis system generates a report by year end.	Reports	COMM

	yof life																	
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9.3. BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

Priority Issue	Development Objective	Key Performance Indicator	Baseline	Project Name	Project Description	Location	Ward	Funding Source	Budget 2022/23	Adjusted Budget 2022/23	Special Adjusted Budget	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio of Evidence	Dept
Payment of DLCA fees	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	# of Payment of DLCA fees facilitated by 30 June 2023	12 payments of DLCA fees as per Government Gazette	DLCA	Facilitating payment of DLCA	Giyani Section C	Ward 12	Income	Operational	Operational	Operational	12 payments of DLCA fees facilitated by 30 June 2023	Target not achieved (11 payments of DLCA fees facilitated)	1 payment of DLCA fees not facilitated)	Delay by Natis system in generating reports	Communicate with the Department of Transport to ensure that the Natis system generates a report by year end.	Reports	COMM

RTMC payments	To develop sustainable infrastructure networks which promotes economic growth	# of RTMC payments facilitated by 30 June 2023	12 payments of RTMC fees as per SLA	Road Traffic Management Corporation fees	Facilitating payment of RTMC fees	Giyanani Section C	Ward 12	Income	Operational	Operational	Operational	12 payments of RTMC fees facilitated by 30 June 2023	Target not achieved (11 payments of RTMC fees facilitated)	1 payment of RTMC fees not facilitated)	Delay by Natis system in generating reports	Communicate with the Department of Transport to ensure that the Natis system generates a report by year end.	Reports	COMM
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9.3. BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

Priority Issue	Development Objective	Key Performance Indicator	Baseline	Project Name	Project Description	Location	Ward	Funding Source	Budget 2022/23	Adjusted Budget 2022/23	Special Adjusted Budget	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio of Evidence	Dept
	and improve quality of life																	
Calibration of VTS	To develop sustainable infrastructure networks which promotes economic growth and improve quality	# of Calibration of VTS done by 30 June 2023	1 calibration of VTS test equipment as per NRLA	Vehicle Testing Station Calibration	Facilitating calibration of VTS equipment	Giyanisani Section C	Ward 12	Income	Operational	Operational	Operational	1 calibration of VTS test equipment done by 30 June 2023	Target achieved (1 calibration of VTS test equipment done)	None	None	None	Reports	COMM

	yof life																	
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9.3. BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

Priority Issue	Development Objective	Key Performance Indicator	Baseline	Project Name	Project Description	Location	Ward	Funding Source	Budget 2022/23	Adjusted Budget 2022/23	Special Adjusted Budget	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio of Evidence	Dept
Payment of Agency fees	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	# of Agency fees facilitated for payment by 30 June 2023	12 payment of Agency fee as SLA	80% Agency fees	Facilitating payment of 80% agency	Giyanisani Section C	Ward 12	Income	Operational			12 payments for Agency fees facilitated by 30 June 2023	Target not achieved (11 payments for Agency fees facilitated)	1 payment for Agency fees not facilitated	Delay by Natis system in generating reports	Communicate with the Department of Transport to ensure that the Natis system generates a report by year end.	Reports	COMM

Road safety Operations	To develop sustainable infrastructure networks which promotes economic growth	# of Roadblocks held by 30 June 2023	69 Roadblocks operations held	Roadblocks	Conducting of Roadblocks	All Wards	All Wards	Income	Operational			12 Roadblocks held by 30 June 2023	Target achieved (12 Roadblocks held)	None	None	None	Reports	COMM
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9.3. BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

Priorty Issue	Dev el opment Objective	Key Performance Indicator	Baseli ne	Proje ct Name	Project Descri ption	Loca tion	Wa rd	Fun ding Sour ce	Budg et 2022/ 23	Adju s ted Bud get 2022/ 2 3	Sp e cia l Adj ust ed Bu d get	Annu al Targe ts	Actual Perfor mance	Varia nce	Reas on for Varia nce	Corre ctive Measu res	Por t foli oo f Evi d enc e	Dept
	and improve quality of life																	

LOCAL ECONOMIC DEVELOPMENT (LOWER SDBIP)

Priority Issue	Development Objective	Key Performance Indicator	Baseline	Project Name	Project Description	Location	Ward	Funding Source	Budget 2022/23	Adjusted Budget 2022/23	Special Adjusted Budget	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio of Evidence	Dept
SMME Exposure to markets	To Create an Enabling Environment for Sustainable Economic Growth	# of SMME's exposed to LED market by 30 June 2023	4 SMM E's exposed to LED market	SMM E's exposure to market	SMMEs exposed to market by taking them along to different LED exhibition markets	Greater Giyani	All wards	Income	Operational			4 SMM E's exposed to LED market by 30 June 2023	Target achieved (4 SM MEs were exposed to LED market)	None	None	None	Invitation, Attendance register	P & Dev

SMME Exposure to markets	To Create an Enabling Environment for Sustainable Economic Growth	# of SMME's exposed to pop up market by 30 June 2023	4 SMM E's exposed to pop up market	SMM E's exposure to pop up market	SMMEs exposed to local market	Greater Giyani	All wards	Income	Operational			4 SMM E's exposure to pop up market by 30 June 2023	Target achieved (4 SM ME's were exposed to pop up market)	None	None	None	Invitation, Attendance register	P & Dev
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Priority Issue	Development Objective	Key Performance Indicator	Baseline	Project Name	Project Description	Location	Ward	Funding Source	Budget 2022/23	Adjusted Budget 2022/23	Special Adjusted Budget	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio of Evidence	Dept
Planning and LED awareness	To Create an Enabling Environment for Sustainable Economic Growth	#of Planning and LED Awareness to be conducted by 30 June 2023	4 Planning and LED Awareness	Planning and LED Awareness conducted	Planning and LED Awareness conducted	Greater Giyani	All wards	Income	Operational			4 Planning and LED Awareness conducted by 30 June 2023	Target achieved (4 Planning and LED Awareness conducted)	None	None	None	Attendance register	P & Dev

5.3. MUNICIPAL FINANCE MANAGEMENT AND VIABILITY (LOWER SDBIP)

Revenue Management	To improve financial management system to enhance revenue base	Review the revenue enhancement policies by 30 June 2023	Revenue enhancement policies were reviewed	Revenue enhancement policies review	Send the policies for inputs by another department. Present the draft review to management. Submit to council for approval.	Greater Giyani Municipality	Administration	Income	Operational			Revenue enhancement strategy reviewed and implemented by 30 June 2023	Target achieved (Revenue enhancement strategy reviewed and implemented	None	None	None	Council Resolution on Implementation of the Revenue Enhancement Strategy	B&T
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Priority Issue	Development Objective	Key Performance Indicator	Baseline	Project Name	Project Description	Location	Ward	Funding Source	Budget 2022/23	Adjusted Budget 2022/23	Special Adjusted Budget	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio of Evidence	Dept
													nted)					
Budget and Reporting	To improve financial management system to enhance revenue base	Draft budget tabled to council by 31 March 2023	Draft budget was tabled to council	Draft budget	Collect budget information from departments, Consolidate the budget, Present the draft to management, portfolio committee, exco and submit to council for approval	Greater Giyani Municipality	Administration	Income	Operational			Draft budget tabled to council by 31 March 2023	Target achieved (Draft budget tabled to council)	None	None	None	Draft budget and Council Resolution	B&T

Budget and Reporting	To improve financial management system to enhance revenue base	Submit the final budget to council by 31 May 2023	Final budget was submitted to council	Final budget	Take the draft budget for public participation with the IDP. Incorporate inputs and submit the budget for final approval	Greater Giyani Municipality	Administration	Income	Operational			Final budget submitted to council by 31 May 2023	Target achieved (Final budget submitted to council)	None	None	None	Approved Final budget and Council Resolution	B&T
Budget and Reporting	To improve financial management systems to	Submit the Annual Financial statements to AG by	AFS prepared and submitted to AGSA	Financial statements	Compile the financial statement. Review the compiled financial statement.	Greater Giyani Municipality	Administration	Income	Operational			Annual Financial statements compiled	Target achieved (Annual Financial	None	None	None	Copy of Annual Financial Statement Financial	B&T

Priority Issue	Development Objective	Key Performance Indicator	Baseline	Project Name	Project Description	Location	Ward	Funding Source	Budget 2022/23	Adjusted Budget 2022/23	Special Adjusted Budget	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio of Evidence	Dept
	enhance revenue base	31 August 2022			Present to management meeting. Submit to AG for auditing.							ed and submitted to AG by 31 August 2022	ncia l state ments compiled and submitted AG)				I state ments	
Budget and Reporting	To improve financial management systemsto enhance venue base	Number of section 71 reports submitted to Treasury within 10 working days after the end of the	12 Reports submitted in 2021/22 FY	Section 71 report submission	Compile the section 71 report. Submit to treasury within 10 working days after the end of the month.	Greater Giyani Municipality	Administration	Income	Operational			12 Section 71 Reports submitted to Treasury by 30 June 2023	Target achieved (12 Section 71 Reports submitted to Treasa	None	None	None	Proof of submission to Treasury	B&T

		month by 30 June 2023											survey)					
Budget and Reporting	To improve financial management system to enhance revenue base	Section 72 Mid-year report submitted to Mayor and Treasury on or before 25	Section 72 Report, Mayor's acknowledgment of receipt and	Section 72 report submission	Compile the section 72 report and submit to the Mayor and Treasury on or before 25 January 2023 as per the legislation	Greater Giyani Municipality	Administration	Income	Operational			1 Section 72 Report submitted to Mayor and Treasury on or before	Target achieved (1 Section 72 Report submitted)	None	None	None	Section 72 Report, Mayor's and Treasury acknowledgment of receipt	B&T

Priorty Issue	Development Objective	Key Performance Indicator	Baseline	Project Name	Project Description	Location	Ward	Funding Source	Budget 2022/23	Adjusted Budget 2022/23	Special Adjusted Budget	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio of Evidence	Dept
		January 2023.	Council Resolution attached									25 January 2023	d to Mayor and Treasury on or before 25 January)					

Supply Chain Management	To improve financial management system to enhance venue base	#of Quarterly UIF report/Letter submitted to AGSA and MEC for local government	UIF report not submitted to AGSA and COGHTA	UIF Expenditure	submit quarterly letters submitted to AGSA and MEC for local government UIF Identified per quarter	Greater Giyani Municipality	Administration	Income	capital and operational			2 Quarterly UIF letters/reports submitted on UIF identified per quarterly by 30 June 2023	Target achieved(2 Quarterly UIF letters/report submitted on UIF identified per quarterly	None	None	None	Proof of submission to MEC and AG	B&T
Supply Chain Management	To improve financial management system to enhance	# of Quarterly SCM reports submitted to the MM per quarter	4 SCM report	Supply Chain Management Reports	Submit quarterly Supply Chain Management reports to MM per quarter	Greater Giyani Municipality	Administration	Income	Operational			4 Quarterly SCM reports submitted to	Target achieved(1 Quarterly	None	None	None	Quarterly SCM reports and MM's Acknowledgment	B&T

Priority Issue	Development Objective	Key Performance Indicator	Baseline	Project Name	Project Description	Location	Ward	Funding Source	Budget 2022/23	Adjusted Budget 2022/23	Special Adjusted Budget	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio of Evidence	Dept
	venue base	by 30 June 2023										MM by 30 June 2023	SCM reports submitted to MM)				of receipt	
Asset Management	To improve financial management systems	#Quarterly Insurance Report to Risk Management Committee	4 Quarterly Insurance Report to Risk Management Committee	Insurance Report	Submit quarterly Insurance reports to Risk Management Committee	Greater Giyani Municipality	Administration	Income	Operational			4 Quarterly Insurance reports be submitted to Risk Management Committee by 30 June 2023	Target achieved (4 Quarterly Insurance reports submitted to Risk Management Committee)	None	None	None	Insurance Report	B&T

													agement Committee)					
Asset Management	To improve financial management systems	#Quarterly Assets Management Report to Finance Portfolio Committee	(4 Quarterly asset report developed)	Asset management Report	Submit quarterly Asset management reports to Finance Portfolio Committee	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	4 Quarterly Assets management reports to be submitted to Finance Portfolio	Target achieved(4 Quarterly Assets management reports)	None	None	None	Asset Management Report	B&T

Priorty Issue	Development Objective	Key Performance Indicator	Baseline	Project Name	Project Description	Location	Ward	Funding Source	Budget 2022/23	Adjusted Budget 2022/23	Special Adjusted Budget	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio of Evidence	Dept
												io Committee by 30 June 2023	rts submitted to Finance Portfolio Committee)					

Priority Issue	Development Objective	Key Performance Indicator	Baseline	Project Name	Project Description	Location	Ward	Funding Source	Budget 2022/23	Adjusted Budget 2022/23	Special Adjusted Budget	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio of Evidence	Dept
Asset Management	To improve financial management system to enhance value base	#of Asset verification report submitted to MM by 30 June 2023	1Asset verification	Asset Register	Receive new acquisitions, Bar code and capture into the asset register. Capture the expense of the project in progress. When the project is completed the unbundling and capitalisation into the asset register takes effect	Greater Giyani Municipality	Administration	Income	Operational			1 Asset verification report submitted to MM by 30 June 2023	Target achieved (1 Asset verification report submitted to MM)	None	None	None	Signed Asset Verification Report	B&T

Priority Issue	Development Objective	Key Performance Indicator	Baseline	Project Name	Project Description	Location	Ward	Funding Source	Budget 2022/23	Adjusted Budget 2022/23	Special Adjusted Budget	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio of Evidence	Dept
Asset Management	To improve financial management system to enhance value base	# Fleet Fuel and Maintenance Expenditure Management by 30 June 2023	fuel and maintenance report developed	Fleet Vehicles & Machinery	Fleet Vehicles & Machinery	Greater Giyani Municipality	Administration	Income	Operational			4 Quarterly Fleet Fuel and Maintenance Expenditure Management Report by 30 June 2023	Target achieved (4 Quarterly Fleet Fuel and Maintenance Expenditure Management Report)	None.	None	None	Fuel and Maintenance Report	B&T

Priority Issue	Development Objective	Key Performance Indicator	Baseline	Project Name	Project Description	Location	Ward	Funding Source	Budget 2022/23	Adjusted Budget 2022/23	Special Adjusted Budget	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio of Evidence	Dept
5.5. GOOD GOVERNANCE AND PUBLIC PARTICIPATION (LOWER SDBIP)																		
Public Participation	To develop governance structures and systems that will ensure effective public consultation and organizational discipline	# of ward committee meetings conducted by 30 June 2023	372 Ward Committee meetings	Support services for monthly ward committee meetings	Support services through PPOs to have monthly ward committee meetings in each of 31 wards	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	372 Ward Committee meetings conducted by 30 June 2023	Target achieved (372 Ward Committee meetings conducted)	None	None	None	Attendance Register, Ward Committee Quarterly Reports	CORP

Priority Issue	Development Objective	Key Performance Indicator	Baseline	Project Name	Project Description	Location	Ward	Funding Source	Budget 2022/23	Adjusted Budget 2022/23	Special Adjusted Budget	Annual Targets	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio of Evidence	Dept
Internal Auditing	To develop governance structures and system that will ensure effective public consultation and organizational discipline	% of findings resolved in the Internal Audit Action Plan by 30 June 2023	Implementation in 2021 / 22 Internal Audit Action plan	Internal Audit Action Plan	Implementation of the Internal Audit Action Plan	Greater Giyani Municipality	Administration	Income	Operational			100% of findings resolved in the Internal Audit Action Plan by 30 June 2023	Target not achieved 53% of findings (77 out of 145) resolved in the Internal Audit Action Plan	47% of findings (68 out of 145) not resolved in the Internal Audit Action Plan	Some findings were raised by the internal audit unit during the quarter.	Continuous follow-ups on all issues raised. Inclusion of KPI's on Directors performance agreements	Updated Internal Audit Action Plan	MM

Internal Auditing	To develop governance structures and system that will ensure effective public consultation and organizational discipline	% of findings resolved in the AG(SA) Action Plan by 30 June 2023	Implementation AG(SA) Action Plan	AG(SA) action plan	Implementation of the AG(SA) action plan	Greater Giyani Municipality	Administration	Income	Operational			100% of findings resolved in the AG(SA) Action Plan by 30 June 2023	Target not achieved (24% of findings (12 out of 51) resolved in the AGSA's Action Plan	76% of findings (39 out of 51) not resolved in the AGSA's Action Plan	Most findings could only be resolved during the year-end reporting (APR & AFS)	Constant Audit Steering Committee meeting, follow ups on AFS review meetings.	Updated Audit Action Plan	MM
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Internal Auditing	To develop governance structures and system that will ensure effective public consultation and organizational discipline	# of Audit and Performance Audit Committee meetings to be held by 30 June 2023	6 Audit and Performance Committee meeting held	Audit and Performance Audit Committee	Organize Audit and Performance Audit Committee meetings	Greater Giyani Municipality	Administration	Income	Operational			4 Audit and Performance Committee meeting held by 30 June 2023	Over achieved (9 Audit and Performance Committee meeting held)	4 special Audit Committee and 1 additional were held	There was a need for special Audit Committee meetings such as (AFS Review, AGS A strategy, AGS A Report)1 AC meeting was extended due to	None	Invitation, Minutes and Attendance Register	MM
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Internal Auditing	To develop governance structures and systems that will ensure effective public consultation and organizational discipline	# of Audit and Performance Audit Committee Reports developed and submitted to Council by 30 June 2023	4 Audit and Performance Audit Committee Reports	Audit and Performance Audit Committee Reports	Develop Audit and Performance Audit Committee Reports	Greater Giyani Municipality	Administration	Income	Operational			4 Audit and Performance Audit Committee Reports developed and submitted to Council by 30 June 2023	Target achieved (4 Audit and Performance Audit Committee Reports developed and submitted to Council	None	None	None	Report to Council, Council Resolution	MM

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Internal Auditing	To develop governance structures and system that will ensure effective public consultation and organizational discipline	# of Audit Steering Committee meetings to be held by 30 June 2023	8 Audit Steering Committee held	Audit Steering Committee	Organize Audit Steering Committee meetings	Greater Giyani Municipality	Administration	Income	Operational			8 Audit Steering Committee meetings held by 30 June 2023 Target not	Target not achieved (3 Audit Steering Committee meetings held)	5 Audit Steering Committee meetings not held.	In some instances, Audit action plan was discussed during AFS preparation meetings.	Develop and comply with Audit steering committee calendar.	Invitation, Minutes and Attendance Register	MM
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Performance Management	To develop governance structures and system that will ensure effective public consultation and organizational discipline	# of institutional performance reports developed and submitted to Council by 30 June 2023	4 institutional performance reports developed	Quarterly performance reports	Develop a reporting template and send to departments, receive completed template and consolidate into one report. Organise SDBIP Management meeting to consider the report. Submit the report to Council for approval.	Greater Giyani Municipality	Administration	Income	Operational			4 Institutional performance reports developed and submitted to Council by 30 June 2023	Target achieved (4 Institutional performance reports developed and submitted to Council)	None	None	None	Institutional Performance Report and Council Resolution	MM
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Library Outreach Program	To develop governance structures and system that will ensure effective public consultation and organizational discipline	# of library outreach conducted by 30 June 2023	12 Library outreach conducted	Library outreach	conduct library outreach to identified schools	Greater Giyani Municipality	All wards	Income	Operational			12 Library outreach conducted by 30 June 2023	Target achieved (12 Library outreach conducted)	None	None	None	Programme and Attendance Registers	COMM
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Promote community and environmental welfare	To develop governance structures and systems that will ensure effective public consultation and organizational discipline	# of activities conducted on special programs by 30 June 2023 (Mayor, s , s Tournament, Youth Support, Gender Support, HIV/Candle lighting, Child & Old Age Support, Disability Support,)	20 Special Program activities conducted	Special Programs	Organize and conduct the special programs undertaken in the different desks of the Special Programs Unit	Greater Giyani Municipality	All wards	Income	Operational			16 Special Programs organized by 30 June 2023	Target achieved (16 Special Programs organized)	None	None	None	Programme and Attendance Registers	MM
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Newsletter	To develop governance structures and system that will ensure effective public consultation and organizational discipline	# of Rito newsletters to be produced and circulated by 30 June 2023	4 Rito newsletter produced	Rito newsletter	Producing and Circulating of the Rito newsletter	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	4 Rito newsletters edition produced and circulated by 30 June 2023	Target not achieved (2 Rito newsletters edition produced and circulated)	2 Rito newsletter edition produced and circulated	Contract for the service provider lapse and due processes to appoint took some time	The service provider was during fourth quarter	4 Rito Newsletter Editions	MM
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Public Participation	To develop governance structures and system that will ensure effective public consultation and organizational discipline	# of imbizos to be convened by 30 June 2023	4 Imbizos held	Public Participation	Consult members of the public on service delivery issues	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	4 imbizos convened by 30 June 2023	Target not achieved (3 imbizos convened)	1 imbizo not convened	The 01st quarter was overlapped with national and provincial events hosted by GGM	To adhere to the schedule	Attend a Register and Programme	MM
Public Participation	To develop governance structures and system that will ensure effective public consult	# of ward report back meetings to be conducted by 30 June 2023	124 Report back meetings held	Ward Public Report Back meetings	Consult members of the public on service delivery issues	Greater Giyani Municipality	All wards	Income	Operational			124 ward report back meetings conducted per ward by 30 June 2023	Target achieved (124 ward report back meetings)	None	None	None	Attend a Register and Minutes	CORP

	ation and organizational discipline												held)					
Public Hearing of MPAC	To develop governance structures and systems that will ensure effective public consultation and organization	# of MPAC Public Hearing to be coordinated by 31 March 2023	1 MPAC Public hearing conducted on 31 March 2023	MPAC Public Hearing	Conduct public hearing of the 2021/22 Annual Report	Greater Giyani Municipality	Administration	Income	Operational			1 MPAC Public Hearing coordinated by 31 March 2023	Target achieved (1 MPAC Public Hearing coordinated)	None	None	None	Public Notice and Attendance Registers	CORP

	tional discipline												by 31 March 2023)					
Customer Satisfaction Survey	To develop governance structures and system that will ensure effective public consultation and organizational discipline	Review Customer Satisfaction Survey by 30 June 2023	1 Customer satisfaction Survey conducted	Customer Satisfaction Survey	Distribution of Customer Satisfaction survey questionnaire to communities to collect information on customer satisfaction	Greater Giyani Municipality	All wards	Income	Operational			1 Customer satisfaction Survey reviewed by 30 June 2023	Target achieved (1 Customer satisfaction Survey reviewed)	None	None	None	Reports and Questionnaires	MM

Arts and Culture Support	To promote Arts and Culture within the community members	Host Arts and Culture Festival by September 2022	1 festival was held in 2018	Arts & Culture Support	To host Arts and Culture festival	All Wards	All wards	Income	Operational			One event of Arts and Culture festival to be held in September 2022	Target not achieved (One event of Arts and Culture festival held to be held by September 2022)	One event of Arts and Culture festival not held by September 2022	One Arts and Culture festival held on the 29 October 2022	To adhere to the schedule	Invitation and Attendance Register	COMM
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Heritage Day Celebration	To develop Sports programmes within the community members	Host the Heritage Day Celebration by September 2022	1 Heritage Day Celebration was held	Heritage Day Celebration	To host Heritage Day Celebration	All Wards	All wards	Income	Operational			1 Heritage Day Celebration held in September 2022	Target not achieved (1 Heritage Day Celebration held in September 2022)	1 Heritage Day Celebration not held in September 2022	1 Heritage Day Celebration held on the 29 October 2022	To adhere to the schedule	Invitation and Attendance Register	COMM
Sport Development	To develop Sports programmes within the community members	# of sporting codes supported by 30 June 2023	7 wards benefited	Sport Development	To procure sporting equipment's	All Wards	All wards	Income	Operational			1 sporting code supported by 30 June 2023	Target achieved (1 sporting code supported)	None	None	None	Distribution register/ Proof of distribution	COMM

Indigenous games	To promote the Indigenous games within the community members	Coordinate and host indigenous games within the community by 30 June 2023	Local, District and Provincial Indigenous games coordinated and hosted	Indigenous Games	1 local Indigenous game to be hosted	All Wards	All wards	Income	Operational			Coordinate the selection of local team of Indigenous games by June 2023	Target achieved (Coordinate the selection of local team of Indigenous games)	None	None	None	Attendance Register	COMM
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10. Measures taken to improve performance

No.	PROJECT NAME.	TARGET	STATUS	CHALLENGES	INTERVENTIONS
SPATIAL RATIONALE					
1	Town Expansion (Ngove Village)	Feasibility study conducted for Town Expansion (Ngove Village) by 30 June 2023	Target not achieved	Delay process for negotiation, community resolution to be facilitated	Draft layout place pending community resolution
2	Town Establishment (Dzingidzingi)	Feasibility study conducted for Town Establishment Dzingidzingi by 30 June 2023	Target not achieved	Budget constrain and traditional dispute	To be implemented on the next financial year
3	Proclamation programme	Application for Proclamation diagram and registration submitted to the Rural Development and land Reform by 30 June 2023	Target not achieved	still negotiating for donation of land from traditional authority	Resume the process during the next financial year
4	Deeds registration of site	539 Eren tittle deeds registered by 30 June 2023	Target not achieved	Delay in the Deeds office due backlog	The municipality will continue to make follows ups with the registration process during the next financial year
5	Site demarcation in Dzumeri & Sikhunyani	Compile land use application for town establishment (Dzumeri & Sikhunyani) by 30 June 2023	Target not achieved	Delay in compiling the land use application	To be finalised during the next financial year
6	Mahumani Precinct Plan	Mahumani Precinct Plan	Target not achieved	To finalise consultations and submit to Council in the next financial year.	Draft Precinct Plan Document and Council Resolution
MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT					

No.	PROJECT NAME.	TARGET	STATUS	CHALLENGES	INTERVENTIONS
1	Portfolio Committee Meetings	12 Portfolio Committee Meetings (12 Water, Energy & Sanitation Per Portfolio Committee) by 30 June 2023	Target not achieved	Non-adherence to schedule	The municipality will have a schedule and constantly issue reminders to members
2	Portfolio Committee Meetings	12 Portfolio Committee Meetings (12 Transport Portfolio Committee) by 30 June 2023	Target not achieved	Non-adherence to schedule	The municipality will have a schedule and constantly issue reminders to members
3	Portfolio Committee Meetings	12 Portfolio Committee Meetings (12 Infrastructure Portfolio Committee) by 30 June 2023	Target not achieved	Non-adherence to schedule	The municipality will have a schedule and constantly issue reminders to members
4	Portfolio Committee Meetings	12 Portfolio Committee Meetings (12 Finance Portfolio Committee) by 30 June 2023	Target not achieved	Non-adherence to schedule	The municipality will have a schedule and constantly issue reminders to members
5	Personnel Recruitment	40 posts to be filled in terms of the organogram by 30 June 2023	Target not achieved (35 posts filled)	Large volume of applications received for general workers posts; capturing was in progress at year end	The municipality will use in-service training personnel to assist in capturing for posts with large volumes of applications
6	Management of litigation	# of litigation cases received and finalized by 30 June 2023	Target not achieved.	Municipality did not achieve the anticipated target due to Court which determined dates	To continuously make follow-up with the Courts


No.	PROJECT NAME.	TARGET	STATUS	CHALLENGES	INTERVENTIONS
7	Acquisition and installation of Walkthrough Metal detector and X-ray machine at Civic Centre	Acquisition and installation of Walkthrough Metal detector and X-ray machine at Civic Centre by 30 June 2023	Target not achieved	Delay in appointment of service provider as results of senior transition	The municipality will comply with the procurement process
8	Office Furniture	Procurement and distribute office furniture by June 2023	Target not achieved	Delay in the delivery by the service provider	Request delivery plan from services providers upon giving them an appointment letter
9	Labour Relation	12 Local Labour Forums meetings held in 2023	Target not achieved. (10 LLF meetings conducted)	Lack of LLF meetings schedule	The municipality will have a schedule and constantly issue reminders to members
10	Provision of security cameras	To install security cameras at Civic Centre by 30 June 2023	Target not achieved	The issue of cameras was consolidated in the Civic Centre Phase 4 construction by Technical Services	Technical Services have already installed cameras
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT					
1	Refurbishment of Giyani Stadium and Section Tennis Court	Refurbishment of Giyani Stadium and Section Tennis Court by 30 June 2023	Target not achieved	Budget constraints	The has been budgeted for in the next financial year
2	Construct Silawa upgrading of roads from gravel to paving	Construct Silawa upgrading of roads from gravel to paving for 1,8 km by 30 June 2023	Target not achieved	Slow progress onsite	Contractor to submit revised program of works in line with the revised completion

No.	PROJECT NAME.	TARGET	STATUS	CHALLENGES	INTERVENTIONS
3	Section E upgrading of 13km from gravel to paving	Appointment of service provider/engineer at Section E upgrading of 13km from gravel to paving by 30 June 2023	Target not achieved	Budget constraints	Allocate sufficient budget in the next financial year
4	Development of detailed design report for Shawela upgrading from gravel to paving	Development of detailed design report for Shawela upgrading from gravel to paving for 3.6 km by 30 June 2023	Target not achieved	Delay in second project site appraisal by COGHSTA & MISA	The municipality will constantly make follow ups with COGHSTA and MISA to speed up the appraisal
5	Section E Sports Centre	Section E Sports Centre constructed by 30 June 2023	Target not achieved	Late appointment of service provider	Expediate appointment of service provider.
6	Electrification of Makhuva Village (327)	Connection of 327 units at Makhuva Village by 30 June 2023	Target not achieved. 326 connected	Empty stands only provided with capacity	Customers will be covered with free postconnection by Eskom
7	Electrification of Church view (200)	Connection of 200 units at Church view by 30 June 2023	Target not achieved. 155 connected	Empty stands only provided with capacity	Customers will be covered with free postconnection by Eskom
8	Electrification of Hlaneki Village (539)	Connection of 539 units at Hlaneki Village by 30 June 2023	Target not achieved. 537 connected	Empty stands only provided with capacity	Customers will be covered with free postconnection by Eskom
9	Construction of Homu14B Sports centre	Construction of Homu14B Sports centre by 30 June 2023	Target not achieved	Poor performance by the contractor	The contractor is under penalties and must develop a catch-up program with timelines

No	PROJECT NAME.	TARGET	STATUS	CHALLENGES	INTERVENTIONS
10	Upgrading of Nkhensani Hospital Access road	Upgrading of Nkhensani Hospital by 30 June 2023	Target not achieved	Budget constrains	Allocate sufficient budget in the next financial year
11	Civic Centre Building Phase 4	Construction of Civic Centre Building Phase 4 by 30 June 2023	Target not achieved	Delay by suppliers of material for specialised items	The municipality will request contractors to secure schedule of specialised material delivery by suppliers
12	Alternative route R81	Development of detailed design for alternative route R81	Target not achieved	Budget constraints	Allocate sufficient budget to finalise the design
13	Mavalani indoor sports centre	Construction of Mavalani indoor sports centre by 30 June 2023	Target not achieved	The project delayed due to rainfall for a month	Ensuring that the project is budgeted for and completed in the next financial year
14	Jim Nghalalume community hall	Construction of Jim Nghalalume community hall by 30 June 2023	Target not achieved	The project delayed due to rainfall for a month	Ensuring that the project is budgeted for and completed in the next financial year
15	Appointment of service provider/engineer and construction of a 4,4 km Siyandhani ring road	Appointment of service provider/engineer and construction of a 4,4 km Siyandhani ring road by 30 June 2023	Target not achieved	Slow progress on site	Ensuring that the project is budgeted for and completed in the next financial year
16	Payment of AARTO fees	Payment of AARTO fees facilitated by 30 June 2023	Target not achieved	Delay by Natis system in generating reports	Communicate with the Department of Transport to ensure that the Natis system generates a report by year end.

17	Payment of RTMC fees	# of Payment of RTMC fees facilitated by 30 June 2023	Target not achieved	Delay by Natis system in generating reports	Communicate with the Department of Transport to ensure that the Natis system generates a report by year end.
18	Payment of Agency fees	Payment of Agency fees facilitated by 30 June 2023	Target not achieved	Delay by Natis system in generating reports	Communicate with the Department of Transport to ensure that the Natis system generates a report by year end.
19	Payment of DLCA fees	Payment of DLCA fees facilitated by 30 June 2023	Target not achieved	Delay by Natis system in generating reports	Communicate with the Department of Transport to ensure that the Natis system generates a report by year end.
LOCAL ECONOMIC DEVELOPMENT					
No.	PROJECT NAME.	TARGET	STATUS	CHALLENGES	INTERVENTIONS
01	LED Strategy	Review LED Strategy by 30 June 2023	Target not achieved	LED strategy finalized during fourth quarter	To be submitted to Council during the first quarter of the next financial year

No.	PROJECT NAME.	TARGET	STATUS	CHALLENGES	INTERVENTIONS
3	Internal Audit	8 Audit Steering Committee meetings held by 30 June 2023	Target not achieved	In some instances, Audit action plan was discussed during AFS preparation meetings.	Develop and comply with Audit steering committee calendar.
4	Rito Newsletter	4 Rito Newsletter edition produced and circulated by 30 June 2023	Target not achieved.	Contract for the service provider lapsed and due processes to appoint took some time	The service provider was appointed during fourth quarter
5	Arts & Culture	One event of Arts & Culture Festival to be held in September 2023	Target not achieved	Conducted on 29 October 2022	To be conducted on time
6	Heritage Day Celebration	1 Heritage Day Celebration held in September 2022	Target not achieved	Conducted on 29 October 2022	To be conducted on time
7	Imbizo	4 Imbizo convened by 30 June 2023	Target not achieved	The first quarter was overloaded with national and provincial events hosted by GGM	To adhere to the schedule

Signed by

 Khoza VD
 Municipal Manager

31/08/2023
 Date



GREATER GIYANI MUNICIPALITY

ANNEXETURE B

Audit Action Plan
for the Year Ended 30 June 2023

(2022/2023)



GREATER GIYANI MUNICIPALITY

Audit Action Plan

Year Ended 30 June 2023

			FINANCIAL YEAR			2022/23										
			Municipality Name			Greater Giyani Municipality										
			Audit Opinion			Unqualified										
			Reporting Period													
Findings O. No.			Audit Findings	Category of Finding	Comm number	Description of Finding	Finding is new or recurring	Root Cause	Action Plan Description	Start Date	Completion Date	Person Responsible	Action Owner	Progress	Narrative to Progress	Internal Audit Comments
1			AFS review	AFS	2	Contrary to the above requirements, we identified the following errors in the financial statement submitted on the 31 August 2023: Issue 1 – legislated supporting	Recurring	Management did not prepare regular, accurate and complete financial and performance reports that are supported and	The annual financial statement should be reconciled against trial balance, general ledger and the following supporting schedules Asset register, operating lease	15-Jan-24	31-Mar-24	CFO	CFO			

				<p>schedules/listing not submitted</p> <ul style="list-style-type: none"> • Commitment schedule/register • Immovable expenditure register • Inventory listing • Listing for the reported performance for LED and Basic Services <p>Issue 2: legislated supporting schedule submitted</p> <p>Details Date submitted</p> <p>Contingent Liability register 01-Sep-23</p> <p>Fruitless and wasteful expenditure register 01-Sep- 23</p> <p>Commitment register 01-Sep-23</p> <p>Irregular Expenditure register 01-</p>	<p>evidenced by reliable information.</p> <p>The Accounting Officer did not adequately review the details disclosed in the annual financial statements to identify and rectify the errors as indicated.</p>	<p>register and finance lease register</p> <p>i. Payable and receivable age analysis</p> <p>ii. Commitment and contract register</p> <p>iv. Retention register and accrual listings</p> <p>v. Investment and Grant register</p> <p>vi. Supporting schedules (assets depreciation)</p> <p>vii. Schedules of provisions (Actuarial report, Leave bonus, landfill site, Debt Impairment, Long service, cost employment benefit, Workmen's compensation</p> <p>viii. Unauthorized, irregular and fruitless and wasteful expenditure (Including MPAC recommendations)</p> <p>ix. Inventory listing</p>								
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2		Commitments note – amount in the narrations not accurate	Commitment	5	During the audit of commitments, we identified that the amounts for minimum lease payments payable by the municipality as disclosed in the narrations on the commitments note are not accurate as they are inclusive of contingent payments made during the year. We obtained a service level agreement (SLA) entered into with Anaka Group (Pty) Ltd for the contract for photocopiers and recalculated the minimum lease payments payable by the municipality and noted differences in the amounts disclosed on the narrations.	New	There are inadequate monitoring controls over the process of agreeing amounts on the disclosure notes to the supporting schedules and inadequate reviews of the narrations on the notes performed by management to ensure that the reported information is supported by accurate audit evidence.	Preparation of the interim (9 months) commitment note which should be supported by contract register together with the service level agreement. The note should be submitted to internal audit for review.	15-Jan-24	30-Apr-24	DD: SCM & Assets	CFO			
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3		VAT input tax incorrectly claimed on invoices where tax was not charged by supplier	Value Added Tax	6	During the audit of VAT receivables, we identified that VAT input tax was claimed on an invoice where VAT was not charged by the supplier on the invoice. In our discussions with management, it was noted that the invoice was erroneously captured under a supplier code of another supplier that is a VAT vendor on the SAGE system and has a similar name and common directors. It was noted however that there no VAT that was captured on SAGE system in the VAT control account relating to the invoice in question.	New	There are inadequate monitoring controls by management over the process of capturing vendor/supplier codes on the SAGE system which resulted in the VAT input tax claimed for services where VAT was not charged on the invoice.	Perform VAT vendor search against the list of service providers filled through SARS prior payment to the VAT service providers Recovery of the commission paid to the VAT service provider in relation to the transaction in question	2024/01	31-Mar-24/15	DD: CFO Budget and Reporting CFO DD: Expenditure				
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4		Receivables from the inter-municipal account incorrectly valued on the AFS	Receivables	7	During the audit of the Inter Municipal account (Mopani District Municipality), we identified through the inspection of the annual financial statements for the period ended 30 June 2023 that included in the Greater Giyani municipality balance for cash and cash equivalents of R248 096 278 is a balance of R21 181 061 (2023) and R17 378 790 (2022) relating to Mopani District municipality for water and sanitation transactions. We identified that the cash and cash equivalent pertaining to the district municipality was not	N/A	Due to lack of oversight, the accounting officer did not ensure that the cash and cash equivalents relating to Mopani District Municipality water and sanitation transactions is taken into account in reducing the relating to Mopani District Municipality account.	The finding was resolved during the audit, confirmed through the management report from AGSA	15-Jan-24	31-Mar-24	DD: Expenditure	CFO			
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					taken into account in determining the amount that is due from the intermunicipal account.												
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5	Awards made to the supplier in service of state	Procurement and Contract Management	8	Contrary to the above requirements, the following service providers were in service of the state at the time the award was granted and did not declare the interest. The table below provides the details of suppliers who are in service of the state :NYANKWAVI MUSHWANA South African Tourism AWCKARIBU RESORT49054.61 KH NYATHILP: HEALTHCOMMUNITY HEALTH WORKERKHENSI MARVI TRADING27 000.00 MS RIKHOTSOLP: HEALTHEPWP WORKER	Recurring	The accounting officer did not exercise adequate oversight responsibility regarding financials, compliance, and related internal controls. The accounting officer did not ensure that the policies and procedures are adhered to by ensuring that controls are put in place to ensure that the suppliers disclose their interest, when	Include the transaction in the irregular expenditure register and be referred to council for investigation and recommendation Notify National Treasury to add defaulted suppliers on the database of restricted suppliers for wrongful declaration of MBD4 form Develop a clause to penalize service providers for false or failure to make declaration. Conduct awareness during briefing session regarding false declaration	15-Jan-24	31-Mar-24	DD: SCM & Assets	CFO				
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				HASTXINHLA BUSINESS SOLUTION27 00000		submitting quotations and bids to the Municipality.								
6	Awards made to the supplier s in which employ ees of the municip ality has an interest	Proc urem ent and Cont ract Man age ment	9	Contrary to the above requirements, the following councilor did not declare their interest in the following supplier: Name of person/employee Position Name of spouse/ partner/ associate which employee has interest Supplier name Total rand-value of award Nkateko Zitha Councillor Rivalani GivenKJTJ Holdings16 500	Recurrin g	The accounting officer did not exercise adequate oversight responsibility regarding financials, compliance, and related internal controls. Financial and performance management Review and monitor compliance with applicable laws and regulations . The accounting	Include the transaction in the irregular expenditure register and be referred to council for investigation and recommendation Notify National Treasury to add defaulted suppliers on the database of restricted suppliers for wrongful declaration of MBD4 form Officials and councilors to sign declaration forms at the beginning of each financial year	15- Jan- 24	31- Mar-24	DD: SCM & Asset s	CFO			

						officer did not ensure that the policies and procedures are adhered to by ensuring that controls are put in place to ensure that the suppliers disclose their interest, when submitting quotations and bids to the Municipality.								
7	No formal midyear reviews conducted for Municipal manager and senior managers	Predicted objectives	10	During the audit of the employee related costs and employee benefits, we identified that the formal midyear performance review for the managers accountable to the municipal manager were not conducted. In our discussions with	Recurring	Management did not ensure that the midyear reviews for senior managers reporting to municipal manager are conducted and finalised for the 2022-2023	Conduct the mid-year assessment review for senior Managers Appointment of budgeted position of PMS Assistant Director	15-Jan-24	29/02/2024	DD: PMS	MM			

				<p>management, it was noted that the Directors were provided with the templates for assessing own performance against the agreed objectives and targets on 28 March 2023 for midyear reviews. Internal audit was subsequently provided with the portfolio of evidence for the purposes of audit on 4 April 2023. The process was however not finalised due to backlog of performance assessments for the prior years (i.e. 2021-2022) that were being finalised in the 2022-2023 financial</p>	<p>financial year.</p>										
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8	The Indicator as reflected on the SDBIP does not have a clear definition.	Predictor objectives	11	Contrary to the above requirements, we identified that the following indicators as reflected on the service delivery budget implementation plan (SDBIP) does not have a clear definition as symbol # was used instead of the word number to define the indicator.1# Business Registration and licensing adjudication committee meetings held by 30 June 2023Local Economic Development 2# of SMME's exposed to LED market by 30 June 2023Local Economic Development 3# of SMME's exposed to pop up market by 30 June	Recurring	The accounting officer did not implement proper controls in place to ensure that the indicators are reviewed before submission to council for approval. These will ensure that the approved indicators to be implemented have a clear definition.	Review technical indicator description manual to include definition of # as applied on the performance indicator	15-Jan-24	31-Mar-24	DD: PMS	MM				
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				2023Local Economic Development 4# of Planning and LED Awareness to be conducted by 30 June 2023Local Economic Development 5# of wards to have access to refuse removal. Basic Service and Infrastructure development										
9		The indicator Duplicated on the SDBIP	Predetermine objectives	12 Contrary to the above requirements, we identified that the following indicators as reflected on the SDBIP are duplicated: No Key performance Area Name of the indicator No on SDBIP 1Local Economic Development # of	New	The accounting officer did not implement proper controls in place to ensure that the indicators as reflected on the draft SDBIP are reviewed before approval to ensure that	Review the SDBIP to ensure compliance with framework for managing performance information and elimination of errors	15-Jan-24	31-Mar-24	DD: PMS	MM			

				<p>SMME's exposed to LED Market by 30 June 2023</p> <p>Reflected on indicator 5 & 6</p> <p>2Basic Service delivery and infrastructure development</p> <p>Connect 327 units at Makhuva village by 30 June 2023 (electrification)</p> <p>Reflected on Indicator 22 & 23</p>		<p>any errors are corrected before the indicators are implemented in the next financial year.</p>									
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10	The Planned target is not specific and measurable.	Predictive objectives	13	Contrary to the above requirements, we identified that the following indicators as reflected on the SDBIP are not specific and measurable as the number planned to be achieved is not indicated on the SDBIP and annual performance report: Basic service delivery and infrastructure development# of wards to have access to refuse removal# of wards to have access to refuse removal by 30 June 2023Target achieved All townships) A, D1, D2, E, F, Kremetart and CBD) in wards 11, 12, 13 and 21 had access to refuse removal Basic service delivery and	Recurring	The accounting officer did not implement proper controls in place to ensure that indicators that are linked to numbers have actual achievements in numbers reported on the annual performance report submitted for audit.	Conduct training on framework for managing performance information. Review the SDBIP to ensure compliance with framework for managing programme performance information and elimination of errors	15-Jan-24	31-Mar-24	DD: PMS	MM				
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				infrastructure development Install traffic lights in Giyani township by 30 June 2023 Install traffic lights in Giyani township by 30 June 2023 Target achieved (Traffic lights installed)										
11	Annual target not aligned to the approved indicator.	Predetermine objectives	14	Contrary to the above requirements, we identified that the following indicator is not aligned to the planned target as the indicator mention that it relates to the connection of electricity to the community while the planned target indicate that the plan for the financial year is for a contractor to be appointed that will start with the connection progress	Recurring	The accounting officer did not implement proper controls in place to ensure that the approved indicator is aligned to the approved annual target to ensure that the work done with assist in achieving the planned target.	Review the SDBIP to ensure compliance with framework for managing programme performance information and elimination of errors	15-Jan-24	31-Mar-24	DD: PMS	MM			

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12	The commitment schedule that supports the commitment disclosure note on the AFS is not complete	Commitment	15	During the audit of commitments, we traced all the active contracts at year end from the contract register to commitment schedule to confirm whether the commitment schedule was complete. We identified contracts that were active at year end, however they were not recorded on the commitment schedule.	New	Due to lack of detailed reviews of the commitment schedule, the Budget manager and the accounting officer did not ensure that the commitment schedule that supports the commitment disclosure note is complete and accurate.	The finding was resolved during the audit, confirmed through the management report from AGSA	15-Jan-24	31-Mar-24	DD: Budget	CFO				
13	Receivable from Non-exchange	Receivables	16	Contrary to the above requirements, during the audit of Receivables from non-exchange	New	The Accounting Officer did not adequately review the	Develop a checklist to reconcile the AFS, Notes to the AFS, Trial Balance, General Ledger and supporting	15-Jan-24	31-Mar-24	DD: Revenue	CFO				

	transacti ons – debtors with credit balance s		transactions, we identified that debtors with credit balances were accounted for as part of the receivables from non- exchange transactions. Refer to annexure A for the debtors with credit balances identified from the debtors' age analysis.		details disclosed in the annual financial statements to identify and rectify the errors as indicated.	schedules (AFS preparers and independent reviewer) The checklist should include opening balance against signed prior AFS and current balance against Trial Balance, General Ledger and supporting schedules								
14	Prior period error	17	Contrary to the above requirements, we identified that management did not disclose the amount of the error that was identified for contingent liabilities. The note only reflect the restated amount without disclosing the amount of the error identified: Note 61Eternity Star Investment 231 CC//GGM -	New	Management did not prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information. The Accounting Officer did not adequately	Adequately review the prior period error note to ensure that all the necessary disclosures as required by the applicable accounting standards	15- Jan- 24	30-Jun- 24	DD:B CFO udget					

				<p>Contractual dispute on poor workmanship and some work not done</p> <p style="text-align: right;">2,037,028.00</p>	<p>review the prior period error note to ensure that all the necessary disclosures as required by the applicable accounting standards have been disclosed.</p>									
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15	Receivable from exchange and non-exchange transactions - Provision for impairment	Receivable	18	During the audit of impairment we noted that the impairment of government debtors on credit and control policy submitted for audit review states the following: Category of debtor Percentage of debt provided for as irrecoverable Municipal and Government accounts Zero: Furthermore the methodology submitted for audit only indicates that the government debtors have been assessed for impairment but no basis/ criteria was indicated on the methodology submitted for audit.	New	The accounting officer did not take reasonable care to ensure that provision for bad debt is accurately calculated as per the requirements of GRAP 104 and the amount disclosed in the financial statements agrees with the supporting schedules and is appropriately supported.	Alignment of all AFS disclosures against GRAP standards. Ensure that all presentations and disclosures as required by GRAP are adhered to	15-Jan-24	31-Mar-24	DD: Revenue	CFO				
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				<p>Contrary to the above the following was noted:</p> <ul style="list-style-type: none"> •The municipality impaired the government outstanding balance when no payment was received in the last three months at 33%, impaired 67 % when no payment has been made in the year under review and impaired 100% when no payment has been made in the prior 											
16	LED strategy approved by council after year end reported as	LED	19	<p>Contrary to the above requirements, we identified that management indicated that they achieved the planned target for review of the LED strategy by latest 30 June 2023 even after the</p>	New	<p>The accounting officer did not implement proper controls in place to ensure that reported achievements are supported by valid portfolio of evidence.</p>	<p>Conduct training on framework for managing performance information.</p>	15-Jan-24	31-Mar-24	DD: LED	Director: Planning				

	achieved.			strategy was approved by council after year end (28 July 2023) .The reported achievements is therefore not valid .			Review the SDBIP to ensure compliance with framework for managing programme performance information and elimination of errors							
17	Business not meeting the funding criteria funded by the municipality in the 2022/23 financial year.	LED	20	Contrary to the above requirements, we identified that the following business that did not meet the funding criteria for the municipality in the 2022/23 financial year were funded and the business funding was incorrectly reported as a valid achievements on the	New	The accounting officer did not implement proper controls in place to ensure that only businesses that meet the qualifying criteria for funding are funded in the 2022/23 financial year.	Develop SMME funding policy	15-Jan-24	31-Mar-24	DD: LED	Director: Planning			

				annual performance report										
18	The listing submitted for audit reflected the name of the attendees and not the businesses exposed to pop up market.	LED	21	Contrary to the above requirements, we identified that the listing submitted for audit for businesses that were exposed to pop up markets reflected the name of the attendee and not the details of the business that was exposed:	New	The accounting officer did not implement proper controls in place to ensure that the listing supporting the reported achievements on the annual performance reports are documented properly to ensure that they can adequately support the reported achievements.	Compilation of SMME pop up register from the existing SMME's database supported by attendance register	15-Jan-24	31-Mar-24	DD: LED	Director: Planning			
19	Name of the businesses not reflected on the	LED	22	Contrary to the above requirements, we identified that the attendance register submitted for audit for businesses that	New	The accounting officer did not implement proper controls in place to ensure that the reported achievements are supported as valid portfolio	Compilation of SMME pop up register from the existing	15-Jan-24	31-Mar-24	DD: LED	Director: Planning			

	attendance register for businesses exposed to pop up market in the 2022/23 financial year.		<p>were exposed to pop up markets excluded the following business that were reported to be exposed by year end :</p> <p>No Indicator Name of the business as per inquiry with client Detail as per listing submitted for audit Location of were the pop up market was exposed</p> <p>1# of SMME's exposed to pop up market by 30 June 2023Thomo Heritage Park -Rich Mabunda Tzaneen Crossing Mall</p> <p>2# of SMME's exposed to pop up market by 30 June 2023Ziga Trading - Girly Nkanyani Girly Nkanyani Namakgale</p>	of evidence.	SMME's database supported by attendance register									
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				Crossing 3# of SMME's exposed to pop up market by 30 June 2023 Ndengeza Xizambani Community Project											
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20	AFS - Incompl ete disclosu re on Note 55 - Deviatio ns	AFS	23	Contrary to the above requirements, the municipality has disclosed that there were no deviation from the normal procurement process in the 2022/23 financial year however during the audit process it was identified that the municipality had deviation amount to R 9 015 471.63 during the financial year. Refer to the table below for details on finding: Issue 1: The incorrect disclosure of Deviations on note 55	Recurrin g	Management did not prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information. The Accounting Officer did not adequately review the details disclosed in the annual financial statements to identify and rectify the errors as indicated.	Review of quarterly payment made against source documents (Including council resolutions) to identify transactions qualifying as deviations, irregular, fruitless and wasteful expenditures	15- Jan- 24	31- Mar-24	DD: SCM & Asset s	CFO				
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21	Procurement and contract management – Deviation Register	Procurement and Contract Management	24	Contrary to the above requirement, during the audit process it was noted that the municipality deviated from the normal procurement process for the transaction below, however the transaction have not been included as part of the deviation register.	Recurring	Management did not ensure that there are proper controls in place to ensure that all deviations are identified and recorded in the deviation register.	Review of quarterly payment made against source documents (Including council resolutions) to identify transactions qualifying as deviations, irregular, fruitless and wasteful expenditures	15-Jan-24	31-Mar-24	DD: SCM & Assets	CFO			
22	Procurement and contract management – Deviations	Procurement and Contract Management	25	(a)Contrary to the above requirements, the following items were procured and It was noted that the Accounting officer did not record the reasons for these deviation in terms of paragraphs 36(1) (a) and (b) of SCM policy.(b)Contrary to the above requirements, The following items were	Recurring	Management did not ensure that there are proper controls in place to ensure that general procurement requirements are complied with on deviation from SCM processes.	Reasons for deviation should be detailed under the deviation register	15-Jan-24	31-Mar-24	DD: SCM & Assets	CFO			

				procured and It was noted that the Accounting officer did not record the reasons for these deviation in terms of paragraphs 36(1) (a) and (b) of SCM policy, were not reported to the next meeting of the Council, which contradicts with MFMA section 168										
23	Bricklaying reported as complete at year end is still in progress.	Predicted objectives	26	Contrary to the above requirements, we identified that management correctly indicated that they did not achieve the plan target for the following project to be complete at year end but however incorrectly reported scope of the project relating to brick laying indicating that	New	The accounting officer did not implement proper controls in place to ensure that reported achievements are supported by valid portfolio of evidence.	Review technical indicator description manual and SDBIP to include the stages of construction	15-Jan-24	31-Mar-24	DD:PMU	Dir Tech Serv			

				is complete even though brick laying is still in progress (refer to the brackets next to the not achieved). The reported achievements included in brackets is therefore not valid.										
24	Target incorrectly reported as achieved at year end.	Predictetermine objectives	27	Contrary to the above requirements, we identified that management incorrectly reported the target for the following indicator as achieved even though the target was not achieved. Management planned for the appointment of contractor and the construction of the road to be finalised by 30 June 2023, however management only managed to appoint	Recurring	The accounting officer did not implement proper controls in place to ensure that reported achievements are supported by valid portfolio of evidence.	Review technical indicator description manual and SDBIP to include the stages of construction	15-Jan-24	31-Mar-24	DD: PMU	Dir Tech Serv			

				the contractor and the construction of road is still in progress. The reported achievements on the annual performance report is not valid:												
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25	The electricity connectivity to households could not be verified.	Predictive objectives	28	Contrary to the above requirements, we identified that following beneficiaries were included in the listing of households that were connected with electricity in the 2022/23 financial year, however we were unable to physically verify the connections. Limitation of scope imposed on the auditor. Contrary to the above requirements, we identified that following beneficiaries were included in the listing of households that were connected with electricity in the 2022/23 financial year, however we were unable to	New	The accounting officer did not implement proper controls in place to ensure that connections made for beneficiaries of electricity can be verified.	Review of the beneficiary list to include ID number, meter number, stand number, contact number, signature and names Develop beneficiary acknowledgement form Ensure verification is conducted after completion of electrification projects	15-Jan-24	31-Mar-24	ASD: Electrical	Dir Tech Serv				
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				physically verify the connections. Limitation of scope imposed on the auditor.										
26	Beneficiaries not connected with electricity included on the beneficiary list.	Predetermine objectives	29	Contrary to the above requirements, we identified that the following beneficiaries were included in the list of households that were connected with electricity, however the following households were not connected:	New	The accounting officer did not implement proper controls in place to ensure that the reported achievements are supported as valid portfolio of evidence.	Review of the beneficiary list to include ID number, meter number, stand number, contact number, signature and names Develop beneficiary acknowledgement form Ensure verification is conducted after completion of electrification projects	15-Jan-24	31-Mar-24	ASD: Electrical	Dir Tech Serv			
27	Beneficiaries connected with electricity unable to buy and add	Predetermine objectives	30	Contrary to the above requirements, we identified that the following beneficiaries that were connected with electricity in the 2022/23 financial	New	The accounting officer did not implement proper controls in place to ensure that the appointed	The municipality will continuously engage Eskom in ensuring all customers are able to buy electricity Beneficiary acknowledgement form	15-Jan-24	31-Mar-24	ASD: Electrical	Dir Tech Serv			

	units of electricity bought on their installed meters.			year are unable to buy and add the units bought of electricity on installed meters:		service providers for the connection of electricity use meters registered with Eskom's to ensure that the beneficiaries don't have difficulties in buying and adding units to their meters for usage.	to include awareness clause for beneficiaries to recharge their accounts before the 5kw units get depleted							
28	Electricity beneficiaries listing included houses without stand numbers.	Predeter mine objectives	31	Contrary to the above requirements, we identified that the following beneficiaries listing of households connected with electricity included houses without stand numbers: NO SURNAMENAMEID NOSTAND NOCONTACT	New	The accounting officer did not implement proper controls in place to ensure that all the beneficiaries' details are included in the listing of beneficiaries connected with	Review of the beneficiary list to include ID number, meter number, stand number, contact number, signature and names Develop beneficiary acknowledgement form Ensure verification is conducted after completion of	15-Jan-24	31-Mar-24	ASD: Electrical	Dir Tech Serv			

				NOLocation 1NGOBENIPH ANUEL PIKININI75091 25712086STAN D NO.0721714224Mak huva Village 2MACHETHEMELO DY LEBOGANE9306110 526086STAND NO.0662437171Ma khuva Village 3NGOBENITINYIK TINTSWALO91011 90668084STAND NO.0713277744 Makhuva Village 4NYATHIROBE RT68080862490 83STAND NO.0791411786Mak huva Village		electricity.	electrification projects							
29	Inappropriate presentation and	Ered mine objectives	32	Contrary to the above requirements, during the current year audit, we noted cash and cash equivalent	Recurring	The Chief Financial Officer (CFO) did not put in place	The system vendors should identify all control accounts not cleared as at 30 June 2024	15-Jan-24	30-Jun-24	DD: Revenue	CFO			

	disclosure of other cash and cash equivalent		accounts in the trial balance, disclosed and presented in the annual financial statement as "Other cash and cash equivalent". Which do not meet the definition of cash nor a liability as management could not provide us with explanation regarding the amount. We further noted that this is the repetitive finding as it was also raised in the previous year (2021/2022) and it was not corrected.	adequate systems and processes to ensure that the effects of other cash and cash equivalents are adequately and appropriately presented and disclosed in accordance with GRAP.	The system vendor should investigate and identify transactions not cleared as at 30 June 2024									
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30	Undertatement of Trade and other payables	Operating expenditure	33	Contrary to the above requirements, during the current year audit, we noted a difference of R917 050.94 between the amount of trade and other payables as per payables listing and the Annual Financial Statement.	New	The Chief Financial Officer (CFO) did not put in place adequate systems and processes to ensure that the Trade and other payables are adequately and appropriately presented and disclosed in accordance with GRAP.	The annual financial statement should be reconciled against trial balance, general ledger and the following supporting schedules Payable age analysis Retention register and accrual listings	15-Jan-24	31-Mar-24	DD: Expenditure	CFO			
31	Receivable from exchange and non-exchange transaction- Provision	Receivable	34	During the audit of impairment we noted that the impairment of traffic fines were misstated as it does not cover the last year three months in the calculations which was still less than 90	New	The accounting officer did not take into account the debtors who were impaired in the prior year as they were not	Traffic fines not impaired in the prior signed AFS should be assessed for the impairment during the preparation of the current year AFS	15-Jan-24	31-Mar-24	DD: Revenue	CFO			

		n for impairment		days. Contrary to the above the following was noted: <ul style="list-style-type: none"> The impairment traffic fines is understated by R335 423 in the year under review due to amount not impaired in current year which were not impaired in the prior year as they were not more than 90 days, that is amount of traffic fines for April 2022 to June 2022. Furthermore the last year impairment is also misstated by R174 100 in 2022 financial year. 		more than 90 days that is amount of traffic fines for April to June 2022.								
32	Failure to prevent unauthorized, Irregular	Operating expenditure	35	Contrary to the above requirements, during the current year audit, we noted the following: ⁽¹⁾ Reasonable steps were not taken to	Recurring	The Accounting officer did not take reasonable steps to ensure that	Review and implementation of UIFW strategy by 30 June 2024	15-Jan-24	31-Mar-24	DD: Exp DD: SC M &	CFO			

		ar, Fruitle ss and wastef ul expen ditures		prevent Irregular expenditure amounting to R7 288 831 as disclosed in note 57 of Annual financial statement, as required by section 62(1)(d) of the MFMA. (2) Reasonable steps were not taken to prevent Fruitless and wasteful expenditure amounting to R290 239 as disclosed in note 56 of Annual financial statement, as required by section 62(1) (d) of the MFMA. (3) Reasonable steps were not taken to prevent Unauthorised expenditure amounting to R105 749 337 as disclosed in note 58 of Annual financial statement, as required by	procurement process is followed and payments are made on time to avoid penalties. The Accounting officer did not take reasonable steps to ensure that all the expenditures are within the budget.				Asset s DD: Budg et				
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				section 62(1)(d) of the MFMA.											
33	Receivable from exchange and non-exchange transaction- No reversal of Impairment	Receivable	36	During the audit of impairment we noted that the impairment of consumer debtors were overstated as impairment losses included the amount of impairment reversal which was supposed to be disclosed separately as impairment reversal.	New	The accounting officer did not take reasonable care to ensure that provision for impairment is accurately calculated as per the requirements of GRAP 108, par 36 as they did not disclose the amount of reversal of impairment separately rather netting off impairment loss and reversal of	Ensure that the provision for impairment is in line with GRAP 108 paragraph 36	15-Jan-24	31-Mar-24	DD: Revenue	CFO				

						impairment losses.									
34	The contingent liabilities (Note 50) incorrectly valued	Contingent liabilities	37	During the audit of contingent liabilities, we identified that the management in determining the best estimate to be disclosed as contingent liability, they use the actual amounts per summons. We noted that management did not take into account the interest as indicated in the various summons when measuring the contingent liabilities in note 50 of the note to the annual financial statements.	New	Due to lack of detailed reviews of the contingent liabilities, the accounting officer did not ensure that in measuring the value of the contingent liabilities, that the interest is taken into account.	The contingent liability will include penalties or interest relating to the amount that the municipality will be exposed to	15-Jan-24	31-Mar-24	Director : Corporate	Director : Corporate				

35	Human Resource Management – Vacancy Rate	Employee cost	38	Contrary to the above requirements, we noted that the municipality does not have sufficient capacity due to the high vacancy rate of 49% as indicated in the staff establishment.	Recurring	Accounting officer did not implement effective human resource management to ensure that adequate and sufficiently skilled resources are in place and that performance is monitored.	Filling of all vacant budgeted positions Development of the prototype organizational structure	15-Jan-24	31/03/2024 30/06/2024	DD: HRM	Director : Corporate			
36	Re-appointments of terminated employees on payday system	Employee cost	39	Contrary to the above requirements, we noted an internal control deficiency where the municipality has appointed the following employees who were previously terminated on the payday system for payments.	New	Accounting officer did not implement effective human resource management to ensure that there are controls in place to payout employees who were	Creation of a new company in the payday system for Adhoc payments	15-Jan-24	31-Mar-24	DD: HRM	Director : Corporate			

						terminated without having to reappoint them on the system.								
37	Non-submission of the staff establishment to municipal council	Employee cost	40	Contrary to the above the accounting office did not submit the staff establishment to council for approval	New	Accounting officer did not implement effective human resource management to ensure compliance with the Municipal systems Act resulting in non-compliance with section 66(1) of the Municipal Systems Act 32 of 2000	The finding was resolved during the audit, confirmed through the management report from AGSA	15-Jan-24	31-Mar-24	DD: HR M	Director : Corporate			

38	Cash Flow	Cash Flow Statements	41	During the audit of the cash flow statement the following differences were noted.	Recurring	Management did not put in place adequate systems and processes to ensure that cash flow statement is disclosed in terms of GRAP 2 in the annual financial statements.	To capacitate BTO officials on the compilation of cash flow Each division within BTO should review their line item on cashflow	15-Jan-24	31-Mar-24	DD: Budget	CFO			
39	Consequence Management: unauthorized expenditure not investigated	Operating expenditure	42	Contrary to the above requirements, we identified that the unauthorized expenditure amounting to R 49 095 505 incurred in the 2021/22 financial period was not investigated	New	The Accounting officer did not take reasonable steps to ensure that procurement process is followed and payments are made on time to avoid penalties. The	Submission of unauthorized expenditure 2021/22 and 2022/23 financial year to council to further recommend to MPAC for processing	15-Jan-24	31-Jan-24	DD: Budget	CFO			

							Accounting officer did not take reasonable steps to ensure that all the expenditures are within the budget									
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40	Payables from exchange transactions	Payable	43	Contrary to the above requirements, during the audit of payables from exchange transactions we identified that the amounts as per trial balances and AFS for accruals and payables does not agree.	The Accounting Officer did not adequately review the details disclosed in the annual financial statements to identify and rectify the errors as indicated.	<ul style="list-style-type: none"> 1. The annual financial statement should be reconciled against trial balance, general ledger and the following supporting schedules 2. Payable age analysis 3. Retention register and accrual listings 4. Submission of the last draft AFS with all supporting schedules to Internal audit, Coghsta, Provincial treasury and Audit committee in terms of the approved AFS process plan 5. All AFS reviewers should submit a report of their reviews in writing (Internal audit, Audit committee, Risk committee, Coghsta, Provincial Treasury) 	15-Jan-24	31-Mar-24	DD: Expenditure	CFO				
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41	Accrued leave pay	Employee cost	44	Contrary to the above requirements, we identified that the amounts as per Accrued leave pay listing and AFS does not agree during the audit of payables from exchange transactions	New	The Accounting Officer did not adequately review the details disclosed in the annual financial statements to identify and rectify the errors as indicated.	<p>The annual financial statement should be reconciled against trial balance, general ledger and the following supporting schedules.</p> <p>Payable age analysis</p> <p>Retention registers and accrual listings</p> <p>Submission of the last draft AFS with all supporting schedules to Internal audit, Coghsta, Provincial treasury and Audit committee in terms of the approved AFS process plan</p> <p>All AFS reviewers should submit a report of their reviews in writing (Internal audit, Audit committee, Risk committee, Coghsta, Provincial Treasury)</p>	15-Jan-24	31-Mar-24	DD: Expense	CFO			
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42	Scope of the project reported as complete even when in progress at year end.	Predictive objectives	45	Contrary to the above requirements, we identified that the following scope of the project that was reported as complete in the open brackets next to not achieved under the column for reported achievements were not complete as per the progress report submitted for audit:	New	The accounting officer did not implement proper controls in place to ensure that only scope of the project that is complete is reflected on the brackets next to the not achieved on the annual performance report.	A review session should be conducted by PMS unit with each department upon the completion of draft APR	15-Jan-24	31-Mar-24	DD: PMS	MM			
43	Completion certificate does not specify the total Kilo meters of road upgraded.	Predictive objectives	46	Contrary to the above requirements, we identified that the total kilo meters of road upgraded for the following project is not reflected on the signed completion certificate	New	The accounting officer did not implement proper controls in place to ensure that the completion certificate submitted by the contractors reflect the	Conduct training on framework for managing performance information. Review the SDBIP to ensure compliance with framework for managing programme performance and	15-Jan-24	31-Mar-24	DD: PMU	Director: Technical			

						scope covered by the project.	elimination of errors								
44	Completion certificate is incomplete and does not specify total number of access ramps constructed.	Predictive objectives	47	Contrary to the above requirements, we identified that the completion certificate submitted for audit is not complete and also it does not indicate the total number of access ramps to yards constructed.	New	The accounting officer did not implement proper controls in place to ensure that the reported achievements are supported as valid portfolio of evidence.	Conduct training on framework for managing performance information. Review the SDBIP to ensure compliance with framework for managing programme performance information and elimination of errors	15-Jan-24	31-Mar-24	DD: PMU	Director: Technical				

45	Completion certificate does not specify the total number of traffic lights installed.	Predictive objectives	48	Contrary to the above requirements, we identified that the completion certificate for the following project does not indicate the total number of traffic lights installed:	New	The accounting officer did not implement proper controls in place to ensure that the reported achievements are supported as valid portfolio of evidence.	Conduct training on framework for managing performance information. Review the SDBIP to ensure compliance with framework for managing programme performance information and elimination of errors	15-Jan-24	31-Mar-24	ASD: Electrical	Director: Technical			
46	Completion certificate does not specify total energy saving street lights installed.	Predictive objectives	49	Contrary to the above requirements, we identified that the completion certificate for the following project does not specify the total number of energy saving street lights installed:	New	The accounting officer did not implement proper controls in place to ensure that the reported achievements are supported as valid portfolio of evidence.	Conduct training on framework for managing performance information. Review the SDBIP to ensure compliance with framework for managing programme performance information and elimination of errors	15-Jan-24	31-Mar-24	ASD: Electrical	Director: Technical			

47	Project with outstanding snag list reported as achieved on the annual performance report.	Predetermine objectives	50	Contrary to the above requirements, we identified that the following project that has outstanding snag list to be finalised during by latest 6 March 2024 was reported as achieved .A project with outstanding items to be finalised is not complete at year end and therefore the reported achievements is not valid :	New	The accounting officer did not implement proper controls in place to ensure that the reported achievements are supported as valid portfolio of evidence.	A review session should be conducted by PMS unit with each department upon the completion of draft APR	15-Jan-24	31-Mar-24	DD: PMS	MM				
48	Payment for fees facilitated after year end reported as achievements in 2023	Predetermine objectives	51	Contrary to the above requirements, we identified that the following fees facilitated for payments after year end reported as achievements in the 2023 financial year:	New	The accounting officer did not implement proper controls in place to ensure that the reported achievements are supported as valid portfolio of	A review session should be conducted by PMS unit with each department upon the completion of draft APR	15-Jan-24	31-Mar-24	DD: Community Safety	Director: Community Safety				

		financial year.				evidence.								
49	Road block held after year end reported as achievement in the 2023 financial year.	Predictive objectives	52	Contrary to the above requirements, we identified that the following road block that was conducted after year end was reported as achievements in the 2023 financial year. The reported achievements are not valid:	New	The accounting officer did not implement proper controls in place to ensure that only targets achieved in the 2023 audit cycle are reported as achievements.	A review session should be conducted by PMS unit with each department upon the completion of draft APR	15-Jan-24	31-Mar-24	DD: Comm unit Safety	Director: Comm unit Safety			

50	USE OF CONSULTANTS	Operating expenditure	53	During the audit of use of consultants we evaluated managements GAP analysis and identified that the need for preparation of financial statements consultants was due to capacity constraints in the BTO division. We assessed the appropriateness of management's reason for a need for preparation of annual financial statements consultants and identified the following •As per the approved Greater Giyani Municipality organizational structure the function of reporting and compilation of	Recurring	Accounting officer did not implement effective financial management to ensure compliance with containment regulations.	Upskilling of the current personnel through the implementation of WSP Review and implementation of consultancy reduction plan Appointment of budgeted AFS assistant director's position	15-Jan-24	31/03/2024	DD:RMDD:SCMDD:H	Dir Corp Serv CFO Dir Corp Serv			
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				<p>annual financial falls within the budget planning and reporting division.</p> <ul style="list-style-type: none"> There were a total of 7 positions including the Chief Financial Officer as the head in the budget planning and reporting division 5 of the 7 positions were vacant. This indicates that there was a vacancy rate of 28%. During the audit of use of consultants we 										
51	- Deviations	Procurement and Contract Management	54	<p>Contrary to the above requirement it was noted that the municipality deviated from the supply chain process to appointment legal counsel although it</p>	Recurring	Accounting officer did not ensure that procurement process are followed furthermore where the	<p>Review of quarterly payment made against source documents (Including council resolutions) to identify transactions qualifying as deviations, irregular, fruitless and wasteful</p>	15-Jan-24	31-Mar-24	DD: SCM & Assets	CFO			

			nt	did not qualify to be a deviation		process is expenditures deviated from the accounting officer did not ensure that valid reasons were provided for the deviations.								
52	- Procurement and Contract Management	Procurement and Contract Management	55	Contrary to the above requirements, during the audit of procurement and contract management we noted that the following suppliers who were appointed after 16 January 2023 were not evaluated in accordance with PPR 2022 although it was effective as the time of the appointment and the procurement policy was not updated to take the changes into	Recurring	Accounting officer did not implement the new PPR 2022 regulation.	Review of quarterly payment made against source documents (Including council resolutions) to identify transactions qualifying as deviations, irregular, fruitless and wasteful expenditures, and non-compliance with PPR regulations	15-Jan-24	31-Mar-24	DD: SCM & Assets	CFO			

				account.										
53	Employee related cost and councilors remuneration	Employee cost	56	Contrary to the above requirements, we identified the following transactions in employee related costs and councils remuneration respectively that did not meet the definition of employee benefit as per the requirements of GRAP 25	New	The Accounting Officer did not adequately review the details disclosed in the annual financial statements to identify and rectify the errors as indicated.	The finding was resolved during the audit, confirmed through the management report from AGSA	15-Jan-24	31-Mar-24	DD: Expenditure	CFO			
54	- Procurement and Contract Management – Repeat	Procurement and Contract Management	57	However during the audit of procurement and contract management it was noted that the consultants who are appointed through pool of consultants for financial service providers are not	Recurring	The accounting officer did not exercise adequate oversight responsibility regarding financials, compliance,	Review the Supply chain policy to include a clause on rotation for pool of contractors	15-Jan-24	31-Mar-24	DD: SCM & Assets	CFO			

		Finding		<p>being rotated to give other service providers on the pool of consultants an equal and fair opportunity to provide the financial service to the municipality. The table below illustrate the consultants that have not been rotated between the 2020/21 financial year and the 2022/23 financial year</p>	<p>and related internal controls. The municipality did not ensure that there were sufficient and effective controls to ensure a mandatory compliance with constitution when appointing consultants in a panel to above unfair process from being practiced.</p>									
--	--	---------	--	---	---	--	--	--	--	--	--	--	--	--

55	The deferred liabilities (Note 16) incorrectly valued	Deferred liabilities	58	During the audit of deferred liabilities, we identified that management in determining the total value of the deferred income, reduced the balance by amounts refunded for overpayments of property rates and taxed made by councillors and not by amounts relating to the refunds from the sale of stands	New	Due to lack of detailed reviews of the deferred liabilities, the accounting officer did not ensure that the value of deferred income is not reduced by refunds relating to refunds from sale of stands.	Develop a checklist to reconcile the AFS, Notes to the AFS, Trial Balance, General Ledger and supporting schedules (AFS preparers) The checklist should include opening balance against signed prior AFS and current balance against Trial Balance, General Ledger and supporting schedules Scrutinize recorded transactions in the general ledger to identify and resolve any anomalies	15-Jan-24	31-Mar-24	DD:Expense	CFO		
56	Fruitless and wasteful expenditure –	Operating expenditure	59	Contrary to the above requirements, we identified fruitless and wasteful expenditure written	New	The Accounting Officer did not implement effective	All UIFW expenditures to be written off only after MPAC investigations.	15-Jan-24	31-Mar-24	CFO	CFO		

	written off	ture	<p>off in the current year related to free basic electricity paid for deceased beneficiaries for an amount of R 1 727 121,60 incurred during the 2020/21 financial year and R1 568 259 incurred in the 2021/22 financial year.</p> <p>The write-off was approved by council as noted in council resolution CR 07 - 31/08/2022 SP. The write off was approved by council before the investigation was concluded by council committee (MPAC)</p>	<p>financial management to ensure compliance with section 32(2) (b) of the Municipal Finance Management Act 56 of 2003</p>								
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57	Payroll Creditor s	Empl oyee cost	60	Contrary to the above requirements, we noted that there is a payroll control account named payroll creditors, which consist of the salaries withheld from employees who were previously paid above their normal salaries. We further noted that receivable was not accounted for this amount and the control account sitting under payables was not cleared after recovering the money from the employees.	New	The Accounting Officer did not adequately review the details disclosed in the annual financial statements to identify and rectify the errors as indicated.	To create debtors accounts for staff overpaid so that the monthly deductions, withheld for recovery, can be allocated to those accounts on monthly basis to clear the debts	15- Jan- 24	31- Mar-24	DD: Expe nditur e	CFO		
58	Deliver y notes not dated.	Inven tory	61	Contrary to the above requirement, we identified that the following delivery notes which were not dated D1268HP	New	Due to lack of oversight, the accounting officer did not ensure that delivery notes	The finding was resolved during the audit, confirmed through the management report from AGSA	15- Jan- 24	31- Mar-24	DD: SCM & Asset s	CFO		

				EliteBook 8404Nine IT systems (Pty) Ltd2256448 289.99 D1267HP EliteBook 8406 Total448 289.99:		are dated in line with the process for the acquisition of assets to ensure that the asset delivered is accounted for in the accounting system from the correct date.									
Number of Actions				58	100%										
Number of Actions In Progress				0	0.00%										
Number of Actions Resolved				0	0.00%										



GREATER GIYANI MUNICIPALITY

ANNEXETURE C

Annual Financial Statements and Financial Performance
for the Year Ended 30 June 2023

(2022/2023)



GREATER GIYANI MUNICIPALITY

**Annual Financial Statements and Financial Performance for the Year
Ended 30 June 2023**

Greater Giyani Municipality

Legal form of entity	Greater Giyani Municipality
Nature of business and principal activities	Greater Giyani Municipality is a municipality performing functions set out in the Constitution (Act 108 of 1996) of service provisions. The services are referred to as basic services, including water, sanitation and refuse removal.
The following is included in the scope of operation	
Mayor	Cllr T Zitha
Speaker	Cllr AE Mboweni
Chief Whip	Cllr T Makondo
EXCO Member	Cllr NHP Ndaba (Finance)
EXCO Member	Cllr RB Ngunyule - Mabunda (Corporate and Shared Services)
EXCO Member	Cllr TJJ Mabunda (Infrastructure Development)
EXCO Member	Cllr C Baloyi (Planning and Economic Development)
EXCO Member	Cllr GA Maluleke (Water, Sanitation and Energy)
EXCO Member	Cllr TC Manganyi (Health and Social Development)
EXCO Member	Cllr MR Mashale (Public Roads and Transport)
EXCO Member	Cllr TC Zitha (Sports, Recreation, Arts and Culture)
Cllr RN Sekgobela (Office of the Mayor)	
Cllr M Shiviti (Chairperson of Chairpersons)	Cllr RE Makondo (MPAC Chairperson)
Cllr RG Ngunyula (Chairperson of Finance)	
Cllr PT Mokgobi (Chairperson of Corporate and Shared Services)	Cllr MC Chabalala (Chairperson of Infrastructure)
Cllr TE Nkuna (Chairperson of Planning and Economic Development)	Cllr CS Rikhotso (Chairperson of Water, Sanitation and Energy)
Cllr JN Mashale (Chairperson of Health and Social Development)	Cllr TN Shirinda (Chairperson of Public Roads and Transport)
Cllr XL Ngobeni (Chairperson of Sports, Recreation, Arts and Culture)	Cllr NR Shilowa (Chairperson of Ethics Committee)
Cllr NP Mlambo Cllr NS Monyipote Cllr VS Makamu Cllr MC Machipi Cllr SS Mavasa Cllr RC Mabunda	
Cllr NN Maswanganyi Cllr MA Khosa	
Cllr TE Rikhotso Cllr MR Maluleke Cllr SS Mathebula Cllr S Sambo	
Cllr SC Mahlawule Cllr GE Kobane Cllr PH Makhuvela Cllr TA Mathosi Cllr RE Ngoveni	
Cllr KO Maswanganyi Cllr P Rikhotso	
Cllr JP Shibambu	

Greater Giyani Municipality

General Information

Cllr L Nkuna

Cllr RT Mabunda Cllr E Mahasha Cllr A Rabothata Cllr BA Shibambu Cllr KS

Dlamini Cllr MD Hlungwani Cllr ML Chauke Cllr STI Rikhotso Cllr TN Baloyi

Cllr S Mongwe (Resigned) Cllr TP Mashaba

Cllr PP Mkhari

Cllr MS Hlongwane Cllr SM Mhangwane

Cllr MJ Nkuna (Resigned)

Cllr MP Mathevula (Resigned) Cllr MP Hlungwani (Resigned) Cllr DJ Hlongwane

Cllr MM Mathonsi (new) Cllr SR Nkuna (new) Cllr IT Shivambu (new) Cllr KT Ngobeni (new)

Grading of local authority

3

Chief Finance Officer (CFO)

F Nkuna

Accounting Officer

V D Khoza

Business address

BA 59

Civic Centre Giyani CBD0826

Postal address

Private Bag X9559

Giyani0826

Bankers

ABSA

Giyani Branch

Auditors

Auditor General South Africa (AGSA)

Level of assurance

These unaudited annual financial statements have been prepared in compliance with the applicable requirements of Generally Recognised Accounting Practice (GRAP) and other applicable legislations.

Preparer

The audited annual financial statements were internally compiled by:

F Nkuna (Chief Financial Officer)

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

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The reports and statements set out below comprise the audited annual financial statements presented to the provincial legislature:

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Abbreviations used:

AC	Audit Committee
AGSA	Auditor General of South Africa
AO	Accounting Officer
ASB	Accounting Standards Board
CFO	Chief Financial Officer
COIDA	Compensation for Occupational Injuries and Diseases Act
COVID-19	Coronavirus 2019
CPI	Consumer Price Index
EPWP	Expanded Public Works Program
FMG	Finance Management Grant
GRAP	Generally Recognised Accounting Practice

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

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IAS	International Accounting Standards
IASB	International Accounting Standards Board
INEG	Integrated National Electrification Grant
IT	Information Technology
LGSETA	Local Government Sector Education and Training Authority
LSA	Long Service Awards
MDRG	Municipal Disaster Relief Grant
MFMA	Municipal Finance Management Act
MSCOA	Municipal Standards Charts Of Accounts
MIG	Municipal Infrastructure Grant
PAYE	Pay As You Earn
PEMA	Post Employment Medical Aid
SDL	Skills Development Levy
SME	Small Medium Enterprise
UIF	Unemployment Insurance Fund
VAT	Value Added Tax

Greater Giyani Municipality

Accounting Officer's Responsibilities and Approval

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

The audited annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

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

The accounting officer acknowledges that he 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 audited 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 2024 and, in the light of this review and the current financial position, he is satisfied that the municipality has or has access to adequate resources to continue in operational existence for the foreseeable future.

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

Although the accounting officer are primarily responsible for the financial affairs of the municipality, they are supported by the municipality's external auditors.

The external auditors are responsible for independently reviewing and reporting on the municipality's audited annual financial statements. The audited annual financial statements have been examined by the municipality's external auditors and their report is presented on page 8.

The audited annual financial statements set out on page 12 to 101, which have been prepared on the going concern basis, were approved by the accounting officer on 31 August 2023 and were signed on its behalf by:

V D Khoza
Accounting Officer

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Audit Committee Report

We are pleased to present our report for the financial year ended 30 June 2023.

1. 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 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.

2. Audit committee responsibility

The Audit Committee, consisting of independent outside members, meets at least four times per annum as per its approved terms of reference, although additional special meetings may be called as the need arises.

The table below illustrates the number of meetings held during the 2022/2023 financial year and the attendance thereof by members:

Surname and Initial	Ordinary meeting	Special meeting	Total
Ngobeni SAB	4	2	6
Ramutsheli MP	4	2	6
Sikhosana M	4	2	6
Baloyi N	4	2	6

The contract of the audit committee expired on the 30th of June 2023, and the new committee was appointed from the 01 July 2023.

From July 2023 to August 2023

Surname and Initial	Ordinary meeting	Special meeting	Total
Mhlongo K. (chairperson)	-	1	1
Baloyi N.T	-	1	1
Msesenyana KD	-	1	1
Muthivhi L.J	-	1	1
Mabuza J.M	-	1	1

3. The effectiveness of internal control

Internal control environment system has improved significantly. However, there were several deficiencies in the system of internal control and/or deviations were reported by the internal auditors to the Auditor-General

4. In-Year Management and Monthly/Quarterly Report

The municipality has an effective monthly and quarterly reporting system to the Council as required by the Municipal Finance Management Act (MFMA).

5. Performance Management

The Audit Committee reviewed the functionality of the performance management system and it considers it to be functional, however there is room for improvement in relation to achievement of planned targets and capacitating the Performance Management Unit.

6. Risk Management

The Audit Committee is of the opinion that municipality's risk management was effective for the year in material respect, and the municipality implemented a comprehensive risk management strategy and related policies. Management has followed a sound and effective approach in developing strategic risk management plans and they appreciate the impact of the municipality's risk management framework on the control environment. However, there is room for improvement in the implementation of a hotline as part of fraud prevention strategy.

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Audit Committee Report

7. Compliance with laws and regulations

A number of non-compliance with the enabling laws and regulations were revealed by Audit Committee, AGSA, and Internal Audit during the year. Consequently, an establishment of 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 is key.

8. Internal Audit

The Audit Committee is satisfied with the effectiveness of Internal Audit and commend Management and Council for capacitating this unit.

9. Progress in implementation of Internal Audit and AGSA findings from prior year

AGSA and Internal Audit recommendations were not fully implemented by management at the time of this report.

10. Implementations of Audit Committee Recommendations by management

A material number of Audit Committee recommendations to management were implemented which is commendable.

11. Conclusion

The Audit Committee wishes to acknowledge the commitment from 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 her support, Councilors, senior management for their efforts and internal audit for their contribution.

**Outgoing Chairperson of the Audit Committee Greater
Giyani Municipality**

Date: _____

Report of the Auditor General

To the Provincial Legislature of Greater Giyani Municipality

Auditor General South Africa (AGSA)

Partner's name
Additional description
Additional description

31 August 2023

Greater Giyani Municipality

Accounting Officer's Report

The accounting officer submits his report for the year ended 30 June 2023.

1. Review of activities

Main business and operations

The municipality is engaged in greater giyani municipality is a municipality performing functions set out in the constitution (act 108 of 1996) of service provisions. the services are referred to as basic services, including water, sanitation and refuse removal.

The operating results and state of affairs of the municipality are fully set out in the attached audited annual financial statements and do not in our opinion require any further comment.

2. Going concern

We draw attention to the fact that at 30 June 2023, the municipality had an accumulated surplus of R 1 293 075 064 and that the municipality's total assets exceed its liabilities by R 1 293 075 064.

The audited annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

3. Subsequent events

Street lights - the municipality appointed a contractor to install energy saving street light on R81 road. The project started just before year-end and this resulted in the old street lights being removed to install the new ones.

Mayoral Chain - on the council of the 28th July 2023, the mayoral chain was damaged which resulted in it being impaired as it requires a major repair.

The municipality has appointed the new Audit Committee members as the contract of the old committee members expired on 30 June 2023.

On the 18th of August 2023, the Minister published the "Determination of Upper Limits of Salaries, Allowances and Benefits of Different Members of Municipal Councils". The salary, allowances and benefits of Greater Giyani Municipality (GGM) should be determined by the resolution of (GGM) Council in consultation with the Provincial Government Member of the Executive Council (MEC) of Cooperative Government Human Settlement and Traditional Affairs (CoGHSTA).

4. Accounting Officer

The municipality had three Accounting Officers during the 2022/23 financial year. Mr MM Chauke was the Accounting Officer until the 5th September 2022 when he was suspended. Ms KV Sithole acted as an Accounting Officer from 05 September 2022 until 31 May 2023 when the municipality appointed a new Accounting Officer. Mr VD Khoza was appointed on a five year term as an AO from 01 June 2023.

5. Auditors

Auditor General South Africa (AGSA) will continue in office for the next financial period.

The audited annual financial statements set out on page 12 to 99, which have been prepared on the going concern basis, were approved by the accounting officer on 31 August 2023 and were signed on its behalf by:



V D Khoza
Accounting Officer

Greater Giyani Municipality

Statement of Financial Position as at 30 June 2023

Figures in Rand	Note(s)	2023	2022 Restated*
Assets			
Current Assets			
Inventories	9	33 043 090	33 038 033
Other financial assets	7	-	-
Receivables from exchange transactions	10	32 099 563	11 984 307
Receivables from non-exchange transactions	11	44 148 641	94 672 648
VAT receivable	12	15 904 882	20 440 439
Other receivables from exchange transactions	13	9 905 906	34 463 319
Cash and cash equivalents	14	248 096 278	220 050 953
		383 198 360	414 649 699
Non-Current Assets			
Investment property	3	26 234 421	25 599 820
Property, plant and equipment	4	1 091 178 641	992 505 232
Intangible assets	5	996 253	901 273
Heritage assets	6	206 303	206 303
		1 118 615 618	1 019 212 628
Total Assets		1 501 813 978	1 433 862 327
Liabilities			
Current Liabilities			
Payables from exchange transactions	18	112 569 600	105 303 886
Employee benefit obligation	8	1 525 000	870 000
Unspent conditional grants and receipts	15	3 758 762	10 591 733
Rehabilitation of dumping-site	17	5 473 837	4 568 091
Deferred income	16	24 792 248	23 121 083
		148 119 447	144 454 793
Non-Current Liabilities			
Employee benefit obligation	8	22 719 000	24 020 000
Rehabilitation of dumping-site	17	37 900 467	36 772 098
		60 619 467	60 792 098
Total Liabilities		208 738 914	205 246 891
Net Assets		1 293 075 064	1 228 615 436
Accumulated surplus		1 293 075 064	1 228 615 436
Total Net Assets		1 293 075 064	1 228 615 436

* See Note 64 & 62

Greater Giyani Municipality

Statement of Financial Performance

Figures in Rand	Note(s)	2023	2022 Restated*
Revenue			
Revenue from exchange transactions			
Service charges	20	8 526 324	8 209 455
Rental of facilities and equipment	21	445 756	103 253
Interest received on overdue accounts (service services)	22	3 283 704	2 903 025
Agency services	23	650 644	828 674
Licences and permits	24	7 109 523	6 755 367
Recoveries	25	-	10 727 810
Actuarial gains	26	4 470 000	2 781 000
Other income	27	1 906 857	1 078 356
Interest on investment	28	17 351 270	8 150 056
Debt impairment reversal	29	12 607 391	-
Total revenue from exchange transactions		56 351 469	41 536 996
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	30	72 851 950	67 330 570
Traffic fines	31	1 222 834	1 262 056
Interest-overdue accounts (property rates)	32	32 418 395	26 411 594
Transfer revenue			
Government grants & subsidies	33	471 604 290	407 340 942
Donations received	34	13 871 397	-
Total revenue from non-exchange transactions		591 968 866	502 345 162
Total revenue	19	648 320 335	543 882 158
Expenditure			
Employee related costs	35	(170 585 180)	(161 442 407)
Remuneration of councillors	36	(26 142 426)	(24 671 985)
Depreciation and amortisation	38	(91 077 377)	(96 385 159)
Impairments loss	37	(1 852 217)	(1 786 619)
Finance costs	39	(4 568 091)	(6 670 136)
Lease rentals on operating lease	40	(1 910 539)	(1 906 274)
Debt Impairment	41	(117 278 267)	(14 593 255)
Contracted services	42	(68 044 372)	(73 045 488)
Transfers and Subsidies	43	(1 600 000)	(600 000)
Loss on assets written off	44	(4 205 555)	(10 142 256)
Damaged and Obsolete inventory written off	46	(16 395)	(19 736)
Repairs and maintenance	47	(7 371 294)	(6 011 408)
General expenses	45	(89 208 996)	(70 048 112)
Total expenditure		(583 860 709)	(467 322 835)
Surplus for the year		64 459 626	76 559 323

Greater Giyani Municipality

Statement of Changes in Net Assets

Figures in Rand	Accumulated surplus / deficit	Total net assets
Opening balance as previously reported	1 163 974 118	1 163 974 118
Adjustments		
Correction of errors 62	(11 918 005)	(11 918 005)
Balance at 01 July 2021 as restated*	1 152 056 113	1 152 056 113
Changes in net assets		
Surplus for the year	76 559 323	76 559 323
Total changes	76 559 323	76 559 323
Restated* Balance at 01 July 2022	1 228 615 438	1 228 615 438
Changes in net assets		
Surplus for the year	64 459 626	64 459 626
Total changes	64 459 626	64 459 626
Balance at 30 June 2023	1 293 075 064	1 293 075 064
Note(s)		

Greater Giyani Municipality

Cash Flow Statement

Figures in Rand	Note(s)	2023	2022 Restated*
Cash flows from operating activities			
Receipts			
Cash receipts from customers		45 637 610	93 177 897
Grants		464 771 319	417 932 675
Interest income		53 053 369	8 150 056
Other Income		1 906 857	-
		<u>565 369 155</u>	<u>519 260 628</u>
Payments			
Employee costs		(190 895 326)	(177 916 460)
Suppliers		(131 586 378)	(157 491 234)
Finance costs		-	(6 670 136)
		<u>(322 481 704)</u>	<u>(342 077 830)</u>
Net cash flows from operating activities	49	<u>242 887 451</u>	<u>177 182 798</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	4	(211 457 203)	(133 544 555)
Proceeds from sale of property, plant and equipment	4	-	158 333
Purchase of other intangible assets	5	(3 384 923)	(3 157 031)
Net cash flows from investing activities		<u>(214 842 126)</u>	<u>(136 543 253)</u>
Cash flows from financing activities			
Net increase/(decrease) in cash and cash equivalents		28 045 325	40 639 545
Cash and cash equivalents at the beginning of the year		220 050 953	179 411 408
Cash and cash equivalents at the end of the year	14	<u>248 096 278</u>	<u>220 050 953</u>

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Statement of Comparison of Budget and Actual Amounts

	Approved budget	Adjustments on comparable basis	Final Budget	Actual amounts	Difference between final budget and actual	Reference
Figures in Rand						
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Service charges	11 100 000	(2 150 000)	8 950 000	8 526 324	(423 676)	
Rental of facilities and equipment	855 000	(190 000)	665 000	445 756	(219 244)	A
Interest received (overdue accounts) other services	2 955 035	350 160	3 305 195	3 283 704	(21 491)	
Debt impairment reversal	-	-	-	12 607 391	12 607 391	
Agency services	7 855 981	(2 255 981)	5 600 000	650 644	(4 949 356)	B
Licences and permits	7 900 000	(180 000)	7 720 000	7 109 523	(610 477)	
Actuarial gains	-	-	-	4 470 000	4 470 000	
Other income	11 832 380	(6 523 300)	5 309 080	1 906 857	(3 402 223)	C
Interest received - investment	9 005 790	2 627 598	11 633 388	17 351 270	5 717 882	D
Gains	-	100 000	100 000	-	(100 000)	E
Total revenue from exchange transactions	51 504 186	(8 221 523)	43 282 663	56 351 469	13 068 806	
Revenue from non-exchange transactions						
Taxation revenue						
Property rates	79 881 822	(4 557 454)	75 324 368	72 851 950	(2 472 418)	
Traffic fines	550 000	(185 000)	365 000	1 222 834	857 834	F
Interest received (overdue accounts) property rates	19 434 394	2 000 000	21 434 394	32 418 395	10 984 001	G
Transfer revenue						
Government grants & subsidies	448 793 000	23 095 245	471 888 245	471 604 290	(283 955)	
Public contributions and donations	-	-	-	13 871 397	13 871 397	
Total revenue from non-exchange transactions	548 659 216	20 352 791	569 012 007	591 968 866	22 956 859	
Total revenue	600 163 402	12 131 268	612 294 670	648 320 335	36 025 665	
Expenditure						
Employee costs	(189 700 725)	23 559 574	(166 141 151)	(170 585 180)	(4 444 029)	
Remuneration of councillors	(24 024 710)	(908 034)	(24 932 744)	(26 142 426)	(1 209 682)	
Depreciation and amortisation	(91 000 000)	-	(91 000 000)	(91 077 377)	(77 377)	
Impairment loss/ Reversal of impairments	-	-	-	(1 852 217)	(1 852 217)	H
Finance costs	-	-	-	(4 568 091)	(4 568 091)	
Lease rentals on operating lease	(2 900 000)	936 464	(1 963 536)	(1 910 539)	52 997	
Debt Impairment	(29 000 000)	-	(29 000 000)	(117 278 267)	(88 278 267)	I
Contracted Services	(95 193 056)	(15 836 392)	(111 029 448)	(68 044 372)	42 985 076	J
Transfers and Subsidies	(1 000 000)	(200 000)	(1 200 000)	(1 600 000)	(400 000)	K
Obsolete inventory written off	-	-	-	(16 395)	(16 395)	L
Repairs and maintenance	(52 700 000)	(21 950 000)	(74 650 000)	(7 371 294)	67 278 706	M
Loss on disposal of assets	-	-	-	(4 205 555)	(4 205 555)	O
General Expenses	(63 092 484)	556 773	(62 535 711)	(89 208 996)	(26 673 285)	P

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Total expenditure (548 610 975) (13 841 615) (562 452 590) (583 860 709) (21 408 119)

Statement of Comparison of Budget and Actual Amounts

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Statement of Comparison of Budget and Actual Amounts

	Approved budget	Adjustments on comparable basis	Final Budget	Actual amounts	Difference between final budget and actual	Reference
Figures in Rand						
Surplus before taxation	51 552 427	(1 710 347)	49 842 080	64 459 626	14 617 546	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	51 552 427	(1 710 347)	49 842 080	64 459 626	14 617 546	

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Statement of Comparison of Budget and Actual Amounts

	Approved budget	Adjustments	Final Budget on comparable	Actual amounts between final basis	Difference budget and actual	Reference
Figures in Rand						
Statement of Financial Position						
Assets						
Current Assets						
Inventories	23 370 103	(1 482 070)	21 888 033	33 043 090	11 155 057	
Receivables from exchange transactions	-	-	-	32 099 563	32 099 563	
Receivables from non-exchange transactions	-	-	-	44 148 641	44 148 641	
VAT receivable	-	-	-	15 904 882	15 904 882	
Other receivables from exchange transactions	102 993 702	247 039 570	350 033 272	9 905 906	(340 127 366)	
Cash and cash equivalents	131 313 245	71 330 191	202 643 436	248 096 278	45 452 842	
	257 677 050	316 887 691	574 564 741	383 198 360	(191 366 381)	
Non-Current Assets						
Investment property	25 935 570	(335 750)	25 599 820	26 234 421	634 601	
Property, plant and equipment	2 179 912 490	(1 037 273 913)	1 142 638 577	1 091 335 028	(51 303 549)	
Intangible assets	2 015 267 8 059 048	-	10 074 315	996 253	(9 078 062)	
Heritage assets	206 303	-	206 303	206 303	-	
	2 208 069 630	(1 029 550 615)	1 178 519 015	1 118 772 005	(59 747 010)	
Total Assets	2 465 746 680	(712 662 924)	1 753 083 756	1 501 970 365	(251 113 391)	
Liabilities						
Current Liabilities						
Payables from exchange transactions	(139 610 975)	254 872 378	115 261 403	112 569 601	(2 691 802)	
Employee benefit obligation	-	-	-	1 525 000	1 525 000	
Unspent conditional grants and receipts	-	-	-	3 758 762	3 758 762	
Rehabilitation of dumping-site	1 091 000	-	1 091 000	5 473 837	4 382 837	
Deferred income	-	-	-	24 792 248	24 792 248	
	(138 519 975)	254 872 378	116 352 403	148 119 448	31 767 045	
Non-Current Liabilities						
Employee benefit obligation	22 000 000	-	22 000 000	22 719 000	719 000	
Rehabilitation of dumping-site	37 465 286	-	37 465 286	37 900 467	435 181	
	59 465 286	-	59 465 286	60 619 467	1 154 181	
Total Liabilities	(79 054 689)	254 872 378	175 817 689	208 738 915	32 921 226	
Net Assets	2 544 801 369	(967 535 302)	1 577 266 067	1 293 231 450	(284 034 617)	
Net Assets						
Net Assets Attributable to Owners of Controlling Entity						
Reserves						
Accumulated surplus	2 544 801 369	(967 535 302)	1 577 266 067	1 293 231 450	(284 034 617)	

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Statement of Comparison of Budget and Actual Amounts

	Approved budget	Adjustments	Final Budget on comparable	Actual amounts between final basis	Difference budget and actual	Reference
Figures in Rand						
Cash Flow Statement						
Cash flows from operating activities						
Receipts						
Cash receipts from customers	83 582 454	(12 619 904)	70 962 550	45 637 610	(25 324 940)	
Grants	448 793 000	23 095 253	471 888 253	464 771 319	(7 116 934)	
Interest income	9 005 790	38 905 745	47 911 535	53 053 369	5 141 834	
Other income	-	-	-	1 906 857	1 906 857	
	541 381 244	49 381 094	590 762 338	565 369 155	(25 393 183)	
Payments						
Employee costs	(213 725 435)	22 651 540	(191 073 895)	(190 895 326)	178 569	
Suppliers	(215 885 540)	(63 626 783)	(279 512 323)	(131 586 378)	147 925 945	
	(429 610 975)	(40 975 243)	(470 586 218)	(322 481 704)	148 104 514	
Net cash flows from operating activities	111 770 269	8 405 851	120 176 120	242 887 451	122 711 331	
Cash flows from investing activities						
Purchase of property, plant and equipment	(148 172 229)	5 049 222	(143 123 007)	(211 457 203)	(68 334 196)	
Proceeds from disposal of assets	-	100 000	100 000	-	(100 000)	
Purchase of intangible assets	-	-	-	(3 384 923)	(3 384 923)	
Net cash flows from investing activities	(148 172 229)	5 149 222	(143 023 007)	(214 842 126)	(71 819 119)	
Net increase/(decrease) in cash and cash equivalents	(36 401 960)	13 555 073	(22 846 887)	28 045 325	50 892 212	
Cash and cash equivalents at the beginning of the year	220 050 953	-	220 050 953	220 050 953	-	
Cash and cash equivalents at the end of the year	183 648 993	13 555 073	197 204 066	248 096 278	50 892 212	
Reconciliation						
Operating Activities			Investing Activities	Financing Activities	Opening cash balance	Total
Amounts as per adjusted budget		93 566 967	(141 665 121)	-	179 411 408	131 313 254
Actual amount as per cash flow statement		242 887 451	(214 842 126)	-	220 050 953	248 096 278
		(149 320 484)	(73 177 005)	-	(40 639 545)	116 783 024

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

Figures in Rand	Note(s)	2023	2022
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1. Presentation of Audited Annual Financial Statements

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

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

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

These accounting policies are consistent with the previous period.

1.1 Presentation currency

These audited annual financial statements are presented in South African Rand, which is the functional currency of the municipality.

1.2 Going concern assumption

These audited annual financial statements have been prepared based on the expectation that the municipality will continue to operate as a going concern for at least the next 12 months.

1.3 Materiality

Material omissions or misstatements of items are material if they could, individually or collectively, influence the decisions or assessments of users made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatement judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor.

Assessing whether an omission or misstatement could influence decisions of users, and so be material, requires consideration of the characteristics of those users. The Framework for the Preparation and Presentation of Financial Statements states that users are assumed to have a reasonable knowledge of government, its activities, accounting and a willingness to study the information with reasonable diligence. Therefore, the assessment takes into account how users with such attributes could reasonably be expected to be influenced in making and evaluating decisions.

1.4 Significant judgements and sources of estimation uncertainty

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

Trade receivables

The municipality assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the municipality makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for trade receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio. These annual loss ratios are applied to loan balances in the portfolio and scaled to the estimated loss emergence period.

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.4 Significant judgements and sources of estimation uncertainty (continued)

Fair value estimation

The fair value of financial instruments traded in active markets (such as trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the municipality is the current bid price.

The fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) is determined by using valuation techniques. The municipality uses a variety of methods and makes assumptions that are based on market conditions existing at the end of each reporting period. Quoted market prices or dealer quotes for similar instruments are used for long-term debt. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward foreign exchange contracts is determined using quoted forward exchange rates at the end of the reporting period.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the municipality for similar financial instruments.

The carrying amount of available-for-sale financial assets would be an estimated - lower or - higher were the discounted rate used in the discount cash flow analysis to differ by 10% from management's estimates.

Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions.

The municipality reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. In addition, goodwill is tested on an annual basis for impairment. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of goodwill and tangible assets are inherently uncertain and could materially change over time.

Provisions

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

Post-retirement benefits

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

The 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 pension obligations. In determining the appropriate discount rate, the municipality considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

Other key assumptions for pension obligations are based on current market conditions. Additional information is disclosed in Note 8.

Effective interest rate

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

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.4 Significant judgements and sources of estimation uncertainty (continued)

Allowance for doubtful debts

On debtors an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the debtors carrying amount and the present value of estimated future cashflows discounted at the effective interest rate, computed at initial recognition.

1.5 Investment property

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

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

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.

The useful lives of items of investment property has been assessed as follows:

Straight line method	30 years
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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.

1.6 Property, plant and equipment

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

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

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

Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

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

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

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.

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.6 Property, plant and equipment (continued)

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

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

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

Property, plant and equipment are depreciated on the straight-line basis over their expected useful lives to their estimated residual value.

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

Item	Depreciation method	Average useful life
Buildings	Straight-line	30 years
Plant and machinery	Straight-line	
• Graders		5 - 15 years
• Tractors		5 - 15 years
• Lawn mowers		5 - 15 years
• Compressors		5 - 15 years
• Radio equipment		5 - 15 years
• Tippers		5 - 15 years
Furniture and fixtures	Straight-line	
• Chairs		5 - 10 years
• Tables and desks		5 - 10 years
• Cabinets and cupboards		5 - 10 years
Motor vehicles	Straight-line	
• Truck and light vehicles		5 - 15 years
• Ordinary motor vehicles		5 - 10 years
Office equipment	Straight-line	
• Office machines		3 - 5 years
• Air conditioners		5 - 8 years
IT equipment	Straight-line	
• Computer hardware		3 - 9 years
Community	Straight-line	
• Cemeteries		25 - 30 years
• Community halls (Center)		20 - 30 years
• Libraries		25 - 30 years
• Parks		30 years
• Sports and related stadiums		20 - 30 years
• Tennis courts		25 - 30 years
• Golf courses		10 - 30 years
• Outdoor sports facilities		10 - 30 years
• Flood lighting		10 - 30 years
Infrastructure	Straight-line	
• Roads and road furniture		5 - 20 years
• Other roads		20 years
• Traffic lights		20 years
• Traffic islands		20 years
• Streets lights		20 - 25 years
• Storm water drains		10 - 80 years
• Bridges, subways and culverts		30 - 80 years
• Car parks		20 years
• Bus terminals		20 years
• Bulk refuse containers (skips)		5 - 10 years
• Household refuse bins		5 - 15 years
• Fire hoses		5 - 15 years
• Other fire fighting equipments		5 - 15 years
• Emergency equipment		5 years

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.6 Property, plant and equipment (continued)

Mayoral chain depreciation is charged	No asset life as no
Mace depreciation is charged	No asset life as no
Mayoral gown depreciation is charged	No asset life as no

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the municipality. The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate.

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

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

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

The municipality separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note 4).

The municipality discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note 4).

1.7 Intangible assets

An intangible asset is recognised when:

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

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

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

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

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight-line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date. 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 - licenses	Straight-line	12 months

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.8 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. No assets lives are allocated.

Recognition

The municipality recognises a heritage asset as an asset if it is probable that future economic benefits or service potential associated with the asset will flow to the municipality, and the cost or fair value of the asset can be measured reliably.

Initial measurement

Heritage assets are measured at cost.

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

Subsequent measurement

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

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).

1.9 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.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment.

Derecognition is the removal of a previously recognised financial asset or financial liability from an entity's statement of financial position.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, an entity shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but shall not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate (see the Standard of GRAP on Revenue from Exchange Transactions), transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.9 Financial instruments (continued)Initial

recognition

The entity recognises a financial asset or a financial liability in its statement of financial position when the entity becomes a party to the contractual provisions of the instrument.

Initial measurement of financial assets and financial liabilities

The entity measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Subsequent measurement of financial assets and financial liabilities

The entity measures all financial assets and financial liabilities after initial recognition using the following categories:

Financial instruments at amortised cost.

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

Fair value measurement considerations

The best evidence of fair value is quoted prices in an active market. If the market for a financial instrument is not active, the entity establishes fair value by using a valuation technique. The objective of using a valuation technique is to establish what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal operating considerations. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models. If there is a valuation technique commonly used by market participants to price the instrument and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, the entity uses that technique. The chosen valuation technique makes maximum use of market inputs and relies as little as possible on entity-specific inputs. It incorporates all factors that market participants would consider in setting a price and is consistent with accepted economic methodologies for pricing financial instruments. Periodically, a municipality calibrates the valuation technique and tests it for validity using prices from any observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on any available observable market data.

Reclassification

The entity does not reclassify a financial instrument while it is issued or held unless it is:

- combined instrument that is required to be measured at fair value; or
- an investment in a residual interest that meets the requirements for reclassification.

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.9 Financial instruments (continued)

If fair value can no longer be measured reliably for an investment in a residual interest measured at fair value, the entity reclassifies the investment from fair value to cost. The carrying amount at the date that fair value is no longer available becomes the cost.

If a reliable measure becomes available for an investment in a residual interest for which a measure was previously not available, and the instrument would have been required to be measured at fair value, the entity reclassifies the instrument from cost to fair value.

Gains and losses

A gain or loss arising from a change in the fair value of a financial asset or financial liability measured at fair value is recognised in surplus or deficit.

For financial assets and financial liabilities measured at amortised cost or cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired, or through the amortisation process.

Impairment on uncollectable financial assets

The entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets measured at amortised cost:

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced 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 by adjusting an allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

If there is objective evidence that an impairment loss has been incurred on an investment in a residual interest that is not measured at fair value because its fair value cannot be measured reliably, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed.

1.10 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

Finance leases - lessee

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

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease.

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

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

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.10 Leases (continued)

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 initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Subsequently inventories are measured at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

Current replacement cost is the cost the municipality incurs to acquire the asset on the reporting date. The cost of inventories comprises of all costs of purchase.

The cost of inventories is assigned using the weighted average cost formula. The same cost formula is used for all inventories having a similar nature and use to the municipality.

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered.

The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.12 Cash and cash equivalents

Cash and cash equivalents comprise bank balances and deposits held at call with banks which are available on demand.

1.13 Impairment of cash-generating assets

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

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets used with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable amount of an asset or a cash-generating unit is the higher its fair value less costs to sell and its value in use.

Useful life is either:

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1.13 Impairment of cash-generating assets (continued)

- the period of time over which an asset is expected to be used by the municipality; or
- the number of production or similar units expected to be obtained from the asset by the municipality.

Judgements made by management in applying the criteria to designate assets as cash-generating assets or non-cash-generating assets, are as follows:

Identification

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired.

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

Irrespective of whether there is any indication of impairment, the municipality also tests a cash-generating intangible asset with an indefinite useful life or a cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

Value in use

Value in use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life.

When estimating the value in use of an asset, the municipality estimates the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal and the municipality applies the appropriate discount rate to those future cash flows.

Basis for estimates of future cash flows

In measuring value in use the municipality:

- base cash flow projections on reasonable and supportable assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the asset. Greater weight is given to external evidence;
- base cash flow projections on the most recent approved financial budgets/forecasts, but excludes any estimated future cash inflows or outflows expected to arise from future restructuring's or from improving or enhancing the asset's performance. Projections based on these budgets/forecasts covers a maximum period of five years, unless a longer period can be justified; and
- estimate cash flow projections beyond the period covered by the most recent budgets/forecasts by extrapolating the projections based on the budgets/forecasts using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. This growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used, unless a higher rate can be justified.

Composition of estimates of future cash flows

Estimates of future cash flows include:

- projections of cash inflows from the continuing use of the asset;
- projections of cash outflows that are necessarily incurred to generate the cash inflows from continuing use of the asset (including cash outflows to prepare the asset for use) and can be directly attributed, or allocated on a reasonable and consistent basis, to the asset; and
- net cash flows, if any, to be received (or paid) for the disposal of the asset at the end of its useful life.

Estimates of future cash flows exclude:

- cash inflows or outflows from financing activities; and
- income tax receipts or payments.

The estimate of net cash flows to be received (or paid) for the disposal of an asset at the end of its useful life is the amount that the municipality expects to obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the estimated costs of disposal.

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1.13 Impairment of cash-generating assets (continued)Discount

rate

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money, represented by the current risk-free rate of interest and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

Recognition and measurement (individual asset)

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

An impairment loss is recognised immediately in surplus or deficit.

Any impairment loss of a revalued cash-generating asset is treated as a revaluation decrease.

When the amount estimated for an impairment loss is greater than the carrying amount of the cash-generating asset to which it relates, the municipality recognises a liability only to the extent that is a requirement in the Standard of GRAP.

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

Cash-generating units

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the municipality determines the recoverable amount of the cash-generating unit to which the asset belongs (the asset's cash-generating unit).

If an active market exists for the output produced by an asset or group of assets, that asset or group of assets is identified as a cash-generating unit, even if some or all of the output is used internally. If the cash inflows generated by any asset or cash-generating unit are affected by internal transfer pricing, the municipality use management's best estimate of future price(s) that could be achieved in arm's length transactions in estimating:

- the future cash inflows used to determine the asset's or cash-generating unit's value in use; and
- the future cash outflows used to determine the value in use of any other assets or cash-generating units that are affected by the internal transfer pricing.

Cash-generating units are identified consistently from period to period for the same asset or types of assets, unless a change is justified.

The carrying amount of a cash-generating unit is determined on a basis consistent with the way the recoverable amount of the cash-generating unit is determined.

An impairment loss is recognised for a cash-generating unit if the recoverable amount of the unit is less than the carrying amount of the unit. The impairment is allocated to reduce the carrying amount of the cash-generating assets of the unit on a pro rata basis, based on the carrying amount of each asset in the unit. These reductions in carrying amounts are treated as impairment losses on individual assets.

In allocating an impairment loss, the entity does not reduce the carrying amount of an asset below the highest of:

- its fair value less costs to sell (if determinable);
- its value in use (if determinable); and
- zero.

The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other cash-generating assets of the unit.

Where a non-cash-generating asset contributes to a cash-generating unit, a proportion of the carrying amount of that non-cash-generating asset is allocated to the carrying amount of the cash-generating unit prior to estimation of the recoverable amount of the cash-generating unit.

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1.13 Impairment of cash-generating assets (continued)

Reversal of impairment loss

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

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

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

reversal of an impairment loss of a revalued cash-generating asset is treated as a revaluation increase.

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

A reversal of an impairment loss for a cash-generating unit is allocated to the cash-generating assets of the unit pro rata with the carrying amounts of those assets. These increases in carrying amounts are treated as reversals of impairment losses for individual assets. No part of the amount of such a reversal is allocated to a non-cash-generating asset contributing service potential to a cash-generating unit.

In allocating a reversal of an impairment loss for a cash-generating unit, the carrying amount of an asset is not increased above the lower of:

- its recoverable amount (if determinable); and
- the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior periods.

The amount of the reversal of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit.

Re-designation

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 only occur when there is clear evidence that such a re-designation is appropriate.

1.14 Impairment of non-cash-generating assets

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

Non-cash-generating assets are assets other than cash-generating assets.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets managed with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

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

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

Useful life is either:

- the period of time over which an asset is expected to be used by the municipality; or
- the number of production or similar units expected to be obtained from the asset by the municipality.

Judgements made by management in applying the criteria to designate assets as non-cash-generating assets or cash-generating assets, are as follows:

Value in use

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

The present value of the remaining service potential of a non-cash-generating assets is determined using the following approach:

Depreciated replacement cost approach

The present value of the remaining service potential of a non-cash-generating asset is determined as the depreciated replacement cost of the asset. The replacement cost of an asset is the cost to replace the asset's gross service potential. This cost is depreciated to reflect the asset in its used condition. An asset may be replaced either through reproduction (replication) of the existing asset or through replacement of its gross service potential. The depreciated replacement cost is measured as the current reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.

The replacement cost and reproduction cost of an asset is determined on an "optimised" basis. The rationale is that the municipality would not replace or reproduce the asset with a like asset if the asset to be replaced or reproduced is an overdesigned or overcapacity asset. Overdesigned assets contain features which are unnecessary for the goods or services the asset provides. Overcapacity assets are assets that have a greater capacity than is necessary to meet the demand for goods or services the asset provides. The determination of the replacement cost or reproduction cost of an asset on an optimised basis thus reflects the service potential required of the asset.

Recognition and measurement

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

An impairment loss is recognised immediately in surplus or deficit.

Any impairment loss of a revalued non-cash-generating asset is treated as a revaluation decrease.

When the amount estimated for an impairment loss is greater than the carrying amount of the non-cash-generating asset to which it relates, the municipality recognises a liability only to the extent that is a requirement in the Standards of GRAP.

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

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

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. Any reversal of an impairment loss of a revalued non-cash-generating asset is treated as a revaluation increase.

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

Redesignation

The redesignation 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 only occur when there is clear evidence that such a redesignation is appropriate.

1.15 Employee benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees.

Other long-term employee benefits are employee benefits (other than post-employment benefits and termination benefits) that are not due to be settled within twelve months after the end of the period in which the employees render the related service.

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Accounting Policies

1.15 Employee benefits (continued)

Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

When an employee has rendered service to the entity during a reporting period, the entity 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 entity 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.

Post-employment benefits

Post-employment benefits are employee benefits (other than termination benefits) which are payable after the completion of employment.

Post-employment benefit plans are formal or informal arrangements under which an entity provides post-employment benefits for one or more employees.

Multi-employer plans are defined contribution plans (other than state plans and composite social security programmes) or defined benefit plans (other than state plans) that pool the assets contributed by various entities that are not under common control and use those assets to provide benefits to employees of more than one entity, on the basis that contribution and benefit levels are determined without regard to the identity of the entity that employs the employees concerned.

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1.15 Employee benefits (continued)

Post-employment benefits: Defined benefit plans

Defined benefit plans are post-employment benefit plans other than defined contribution plans.

Actuarial gains and losses comprise experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred) and the effects of changes in actuarial assumptions. In measuring its defined benefit liability the entity recognises actuarial gains and losses in surplus or deficit in the reporting period in which they occur.

Assets held by a long-term employee benefit fund are assets (other than non-transferable financial instruments issued by the reporting entity) that are held by an entity (a fund) that is legally separate from the reporting entity and exists solely to pay or fund employee benefits and are available to be used only to pay or fund employee benefits, are not available to the reporting entity's own creditors (even in liquidation), and cannot be returned to the reporting entity, unless either:

- the remaining assets of the fund are sufficient to meet all the related employee benefit obligations of the plan or the reporting entity; or
- the assets are returned to the reporting entity to reimburse it for employee benefits already paid.

Current service cost is the increase in the present value of the defined benefit obligation resulting from employee service in the current period.

Interest cost is the increase during a period in the present value of a defined benefit obligation which arises because the benefits are one period closer to settlement.

Past service cost is the change in the present value of the defined benefit obligation for employee service in prior periods, resulting in the current period from the introduction of, or changes to, post-employment benefits or other long-term employee benefits. Past service cost may be either positive (when benefits are introduced or changed so that the present value of the defined benefit obligation increases) or negative (when existing benefits are changed so that the present value of the defined benefit obligation decreases). In measuring its defined benefit liability the entity recognises past service cost as an expense in the reporting period in which the plan is amended.

Plan assets comprise assets held by a long-term employee benefit fund and qualifying insurance policies.

The present value of a defined benefit obligation is the present value, without deducting any plan assets, of expected future payments required to settle the obligation resulting from employee service in the current and prior periods.

The return on plan assets is interest, dividends or similar distributions and other revenue derived from the plan assets, together with realised and unrealised gains or losses on the plan assets, less any costs of administering the plan (other than those included in the actuarial assumptions used to measure the defined benefit obligation) and less any tax payable by the plan itself.

The entity accounts not only for its legal obligation under the formal terms of a defined benefit plan, but also for any constructive obligation that arises from the entity's informal practices. Informal practices give rise to a constructive obligation where the entity has no realistic alternative but to pay employee benefits. An example of a constructive obligation is where a change in the entity's informal practices would cause unacceptable damage to its relationship with employees.

The amount recognised as a defined benefit liability is the net total of the following amounts:

- the present value of the defined benefit obligation at the reporting date;
- minus the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly;
- plus any liability that may arise as a result of a minimum funding requirement

The amount determined as a defined benefit liability may be negative (an asset). The entity measures the resulting asset at the lower of:

- the amount determined above; and
- the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. The present value of these economic benefits is determined using a discount rate which reflects the time value of money.

Any adjustments arising from the limit above is recognised in surplus or deficit.

The entity determines the present value of defined benefit obligations and the fair value of any plan assets with sufficient regularity such that the amounts recognised in the audited annual financial statements do not differ materially from the amounts that would be determined at the reporting date.

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1.15 Employee benefits (continued)

The entity recognises the net total of the following amounts in surplus or deficit, 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 rights;
- actuarial gains and losses;
- past service cost;
- the effect of any curtailments or settlements; and
- the effect of applying the limit on a defined benefit asset (negative defined benefit liability).

The entity uses the Projected Unit Credit Method to determine the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost. The Projected Unit Credit Method (sometimes known as the accrued benefit method pro-rated on service or as the benefit/years of service method) sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

In determining the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost, an entity shall attribute benefit to periods of service under the plan's benefit formula. However, if an employee's service in later years will lead to a materially higher level of benefit than in earlier years, an entity shall attribute benefit on a straight-line basis from:

- the date when service by the employee first leads to benefits under the plan (whether or not the benefits are conditional on further service); until
- the date when further service by the employee will lead to no material amount of further benefits under the plan, other than from further salary increases.

Actuarial valuations are conducted on an annual basis by independent actuaries separately for each plan. The results of the valuation are updated for any material transactions and other material changes in circumstances (including changes in market prices and interest rates) up to the reporting date.

The entity recognises gains or losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs. The gain or loss on a curtailment or settlement comprises:

- any resulting change in the present value of the defined benefit obligation; and
- any resulting change in the fair value of the plan assets.

Before determining the effect of a curtailment or settlement, the entity re-measures the obligation (and the related plan assets, if any) using current actuarial assumptions (including current market interest rates and other current market prices).

When it is virtually certain that another party will reimburse some or all of the expenditure required to settle a defined benefit obligation, the right to reimbursement is recognised as a separate asset. The asset is measured at fair value. In all other respects, the asset is treated in the same way as plan assets. In surplus or deficit, the expense relating to a defined benefit plan is [OR is not] presented as the net of the amount recognised for a reimbursement.

The entity offsets an asset relating to one plan against a liability relating to another plan when the entity has a legally enforceable right to use a surplus in one plan to settle obligations under the other plan and intends either to settle the obligations on a net basis, or to realise the surplus in one plan and settle its obligation under the other plan simultaneously.

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1.15 Employee benefits (continued)

Actuarial assumptions

Actuarial assumptions are unbiased and mutually compatible.

Financial assumptions are based on market expectations, at the reporting date, for the period over which the obligations are to be settled.

The rate used to discount post-employment benefit obligations (both funded and unfunded) reflect the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the post-employment benefit obligations.

Post-employment benefit obligations are measured on a basis that reflects:

- estimated future salary increases;
- the benefits set out in the terms of the plan (or resulting from any constructive obligation that goes beyond those terms) at the reporting date; and
- estimated future changes in the level of any state benefits that affect the benefits payable under a defined benefit plan, if, and only if, either:
 - those changes were enacted before the reporting date; or
 - past history, or other reliable evidence, indicates that those state benefits will change in some predictable manner, for example, in line with future changes in general price levels or general salary levels.

Assumptions about medical costs take account of estimated future changes in the cost of medical services, resulting from both inflation and specific changes in medical costs.

Other post retirement obligations

The municipality provides post-retirement health care benefits, housing subsidies and gratuities 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 gratuity and housing subsidy on retirement to certain employees. An annual charge to income is made to cover both these liabilities.

The amount recognised as a liability for other long-term employee benefits is the net total of the following amounts:

- the present value of the defined benefit obligation at the reporting date;
- minus the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly.

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.

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1.15 Employee benefits (continued)

Termination benefits

The entity recognises termination benefits as a liability and an expense when the entity is demonstrably committed to either:

- terminate the employment of an employee or group of employees before the normal retirement date; or
- provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

The entity is demonstrably committed to a termination when the entity has a detailed formal plan for the termination and is without realistic possibility of withdrawal. The detailed plan includes [as a minimum]:

- the location, function, and approximate number of employees whose services are to be terminated;
- the termination benefits for each job classification or function; and
- the time at which the plan will be implemented.

Implementation begins as soon as possible and the period of time to complete implementation is such that material changes to the plan are not likely.

Where termination benefits fall due more than 12 months after the reporting date, they are discounted using an appropriate discount rate. The rate used to discount the benefit reflects the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the benefit.

In the case of an offer made to encourage voluntary redundancy, the measurement of termination benefits shall be based on the number of employees expected to accept the offer.

1.16 Provisions and contingencies

Provisions are recognised when:

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

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

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

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

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

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

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.

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Accounting Policies

1.16 Provisions and contingencies (continued)

A constructive obligation to restructure arises only when an entity:

- has a detailed formal plan for the restructuring, identifying at least:
 - the activity/operating unit or part of an activity/operating unit concerned;
 - the principal locations affected;
 - the location, function, and approximate number of employees who will be compensated for services being terminated;
 - the expenditures that will be undertaken; and
 - when the plan will be implemented; and
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

A restructuring provision includes only the direct expenditures arising from the restructuring, which are those that are both:

- necessarily entailed by the restructuring; and
- not associated with the ongoing activities of the municipality

No obligation arises as a consequence of the sale or transfer of an operation until the municipality is committed to the sale or transfer, that is, there is a binding arrangement.

After their initial recognition contingent liabilities recognised in entity combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

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

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions.

The municipality recognises a provision for financial guarantees and loan commitments when it is probable that an outflow of resources embodying economic benefits and service potential will be required to settle the obligation and a reliable estimate of the obligation can be made.

Determining whether an outflow of resources is probable in relation to financial guarantees requires judgement. Indications that an outflow of resources may be probable are:

- financial difficulty of the debtor;
- defaults or delinquencies in interest and capital repayments by the debtor;
- breaches of the terms of the debt instrument that result in it being payable earlier than the agreed term and the ability of the debtor to settle its obligation on the amended terms; and
- a decline in prevailing economic circumstances (e.g. high interest rates, inflation and unemployment) that impact on the ability of entities to repay their obligations.

Where a fee is received by the municipality for issuing a financial guarantee and/or where a fee is charged on loan commitments, it is considered in determining the best estimate of the amount required to settle the obligation at reporting date. Where a fee is charged and the municipality considers that an outflow of economic resources is probable, the municipality recognises the obligation at the higher of:

- the amount determined using in the Standard of GRAP on Provisions, Contingent Liabilities and Contingent Assets; and
- the amount of the fee initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the Standard of GRAP on Revenue from Exchange Transactions.

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.16 Provisions and contingencies (continued)

Provision for rehabilitation for dumping site

Provision for rehabilitation of landfill site is determined by the expert and it is initially and subsequently recognised at cost.

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.

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

1.17 Commitments

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

Disclosures are required in respect of unrecognised contractual commitments.

Commitments for which disclosure is necessary to achieve a fair presentation should be disclosed in a note to the financial statements, if both the following criteria are met:

- Contracts should be non-cancellable or only cancellable at significant cost (for example, contracts for computer or building maintenance services); and
- Contracts should relate to something other than the routine, steady, state business of the entity – therefore salary commitments relating to employment contracts or social security benefit commitments are excluded.

1.18 Revenue from exchange transactions

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

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

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

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Sale of goods

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

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

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.18 Revenue from exchange transactions (continued)

Rendering of services

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

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

Agency Services

Income for agency services is recognised on a monthly basis once the income collected on behalf of agents has been quantified. The income recognised is in terms of the agency agreement.

The revenue is limited to the amount of any fee or commission payable to the municipality as compensation for executing the agreed services.

Collection charges are recognised when such amounts are incurred.

Interest

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

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

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

Deferred Income

Deferred income (also known as deferred revenue, unearned revenue, or unearned income) is, in accrual accounting, money received for goods or services which has not yet been earned.

Deferred income is recorded as a liability until delivery of goods and services is made, at which time it is converted into revenue.

1.19 Revenue from non-exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received and receivable by a municipality, which represents an increase in net assets, other than increases relating to contributions from owners.

Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange.

Fines are economic benefits or service potential received or receivable by entities, as determined by a court or other law enforcement body, as a consequence of the breach of laws or regulations.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, a municipality either receives value from another municipality without directly giving approximately equal value in exchange, or gives value to another municipality without directly receiving approximately equal value in exchange.

The taxable event is the event that the government, legislature or other authority has determined will be subject to taxation.

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.19 Revenue from non-exchange transactions (continued)

Taxes are economic benefits or service potential compulsorily paid or payable to entities, in accordance with laws and or regulations, established to provide revenue to government. Taxes do not include fines or other penalties imposed for breaches of the law.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the municipality satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the municipality.

When, as a result of a non-exchange transaction, the 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 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 is recognised as revenue.

Taxes

Resources arising from taxes satisfy the definition of an asset when the municipality controls the resources as a result of a past event (the taxable event) and expects to receive future economic benefits or service potential from those resources. Resources arising from taxes satisfy the criteria for recognition as an asset when it is probable that the inflow of resources will occur and their fair value can be reliably measured. The degree of probability attached to the inflow of resources is determined on the basis of evidence available at the time of initial recognition, which includes, but is not limited to, disclosure of the taxable event by the taxpayer.

The taxable event for value added tax is the undertaking of taxable activity during the taxation period by the taxpayer.

Taxation revenue is determined at a gross amount. It is not reduced for expenses paid through the tax system.

Transfers

Apart from Services in kind, which are not recognised, the municipality recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

The municipality recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

Transferred assets are measured at their fair value as at the date of acquisition.

Fines

Fines are recognised as revenue when the receivable meets the definition of an asset and satisfies the criteria for recognition as an asset.

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

Where the municipality collects fines in the capacity of an agent, the fine will not be revenue of the collecting entity.

Fines are recognised when traffic fines are issued or when the date to appear in court per traffic fine arrive or on cash received by municipality

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.19 Revenue from non-exchange transactions (continued)

Gifts and donations, including goods in-kind

Gifts and donations, including goods in kind, are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably.

Grants

Unconditional Grants

Equitable share and LGSETA allocations are recognised as revenue as and when they are received.

Conditional Grants

Conditional grants are recognized as revenue to the extent that the Municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. Where the agreement contains a stipulation to return the asset, other future economic benefits, or service potential, in the event of non-compliance to these stipulations and would be enforced by the transferor.

1.20 Investment income

Investment income is recognised on a time-proportion basis using the effective interest method.

1.21 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year. When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are restated. The nature and reason for the reclassification is disclosed.

Where accounting errors have been identified in the current year, the correction is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

1.22 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.

All expenditure relating to unauthorised expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.23 Fruitless and wasteful expenditure

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

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.24 Irregular expenditure

Irregular expenditure that was incurred and identified during the current financial and which was written off before year end and/or before finalisation of the financial statements must also be recorded appropriately in the irregular expenditure register. In such an instance, no further action is also required with the exception of updating the note to the financial statements.

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.24 Irregular expenditure (continued)

Irregular expenditure that was incurred and identified during the current financial year and for which writing off is being awaited at year end must be recorded in the irregular expenditure register. No further action is required with the exception of updating the note to the financial statements.

Where irregular expenditure was incurred in the previous financial year and is only written off in the following financial year, the register and the disclosure note to the financial statements must be updated with the amount written off.

Irregular expenditure that was incurred and identified during the current financial year and which was not wrote off by the National Treasury or the relevant authority must be recorded appropriately in the irregular expenditure register. If liability for their irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law. Immediate steps must thereafter be taken to recover the amount from the person concerned. If recovery is not possible, the accounting officer or accounting authority may write off the amount as debt impairment and disclose such in the relevant note to the financial statements.

The irregular expenditure register must also be updated accordingly. If the irregular expenditure has not been written off and no person is liable in law, the expenditure related thereto must remain against the relevant programme/expenditure item, be disclosed as such in the note to the financial statements and updated accordingly in the irregular expenditure register.

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the economic entity's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance

1.25 Budget information

General purpose financial reporting by municipality shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on a modified cash basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 2021/07/01 to 2022/06/30.

The budget for the economic entity includes all the entities approved budgets under its control.

Explanation of Variances

Differences between budget and actuals which are less than 10% are considered immaterial and will be accepted without further explanation.

Differences between Original Budget and Adjustment budget which are less than 10% are considered immaterial and will be accepted without further explanation.

Explanations will be provided for all variances which exceeds 10% of budget versus actuals and Original Budget versus Adjustment Budget.

Comparative information is not required.

1.26 Related parties

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Joint control is the agreed sharing of control over an activity by a binding arrangement, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the ventures).

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.26 Related parties (continued)

Related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

Significant influence is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies.

Management are those persons responsible for planning, directing and controlling the activities of the municipality, including those charged with the governance of the municipality in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by that person in their dealings with the municipality.

The municipality is exempt from disclosure requirements in relation to related party transactions if that transaction occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable to expect the municipality to have adopted if dealing with that individual entity or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting entity's legal mandate.

Where the municipality is exempt from the disclosures in accordance with the above, the municipality discloses narrative information about the nature of the transactions and the related outstanding balances, to enable users of the entity's financial statements to understand the effect of related party transactions on its audited annual financial statements.

1.27 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The municipality will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The municipality will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

1.28 Value Added Tax

Revenue, expenses and assets are recognised net of amounts of Value Added Tax. The net amount of Value Added Tax recoverable from or payable to SARS is included as part of receivables or payables in the Statement of Financial Position.

The municipality is a registered VAT vendor and account for VAT on a payment basis.

The following rates are applicable:

Standard rated supplies (15%) Zero

rated supplies (0%) Exempted

supplies (-)

Greater Giyani Municipality

Notes to the Audited Annual Financial Statements

Figures in Rand

2023

2022

2. New standards and interpretations

2.1 Standards and interpretations issued, but not yet effective

The municipality has not applied the following standards and interpretations, which have been published and are mandatory for the municipality's accounting periods beginning on or after 01 July 2023 or later periods:

GRAP 1 (amended): Presentation of Financial Statements

Amendments to this Standard of GRAP, are primarily drawn from the IASB's Amendments to IAS 1.

Summary of amendments are:

Materiality and aggregation

The amendments clarify that:

- information should not be obscured by aggregating or by providing immaterial information;
- materiality considerations apply to all parts of the financial statements; and
- even when a Standard of GRAP requires a specific disclosure, materiality considerations apply.

Statement of financial position and statement of financial performance

The amendments clarify that the list of line items to be presented in these statements can be disaggregated and aggregated as relevant and additional guidance on subtotals in these statements.

Notes structure

The amendments add examples of possible ways of ordering the notes to clarify that understandability and comparability should be considered when determining the order of the notes and to demonstrate that the notes need not be presented in the order listed in GRAP 1.

Disclosure of accounting policies

Remove guidance and examples with regards to the identification of significant accounting policies that were perceived as being potentially unhelpful.

An municipality applies judgement based on past experience and current facts and circumstances.

The effective date of this amendment is for years beginning on or after 01 April 2025.

It is unlikely that the amendment will have a material impact on the municipality's audited annual financial statements.

2.2 Standards and interpretations not yet effective or relevant

The following standards and interpretations have been published and are mandatory for the municipality's accounting periods beginning on or after 01 July 2023 or later periods but are not relevant to its operations:

Guideline: Guideline on Accounting for Landfill Sites

The objective of this guideline: The Constitution of South Africa, 1996 (Act No. 108 of 1996) (the constitution), gives local government the executive authority over the functions of cleaning, refuse removal, refuse dumps and solid waste disposal. Even though waste disposal activities are mainly undertaken by municipalities, other public sector entities may also be involved in these activities from time to time. Concerns were raised about the inconsistent accounting practices for landfill sites and the related rehabilitation provision where entities undertake waste disposal activities. The objective of the Guideline is therefore to provide guidance to entities that manage and operate landfill sites. The guidance will improve comparability and provide the necessary information to the users of the financial statements to hold entities accountable and for decision making. The principles from the relevant Standards of GRAP are applied in accounting for the landfill site and the related rehabilitation provision. Where appropriate, the Guideline also illustrates the accounting for the land in a landfill, the landfill site asset and the related rehabilitation provision.

Greater Giyani Municipality

Notes to the Audited Annual Financial Statements

2. Changes in estimate (continued)

It covers: Overview of the legislative requirements that govern landfill sites, Accounting for land, Accounting for the landfill site asset, Accounting for the provision for rehabilitation, Closure, End-use and monitoring, Other considerations, and Annexures with Terminology & References to pronouncements used in the Guideline.

The effective date of the guideline is for years beginning on or after 01 April 2009.

The municipality does not envisage the adoption of the guideline until such time as it becomes applicable to the municipality's operations.

It is unlikely that the standard will have a material impact on the municipality's audited annual financial statements.

GRAP 25 (as revised): Employee Benefits

Background

The Board issued the Standard of GRAP on Employee Benefits (GRAP 25) in November 2009. GRAP 25 was based on the International Public Sector Accounting Standard on Employee Benefits (IPSAS 25) effective at that time. However, GRAP 25 was modified in some respects where the Board decided the requirements of the International Accounting Standard on Employee Benefits (IAS® 19) were more appropriate. Specifically, the Board:

- Eliminated the corridor method and required recognition of actuarial gains and losses in full in the year that they arise.
- Required the recognition of past service costs in the year that a plan is amended, rather than on the basis of whether they are vested or unvested.

Since 2009, the International Accounting Standards Board® has made several changes to IAS 19, including changes to the recognition of certain benefits, and where these changes are recognised. The IPSASB made similar changes to its standard and as a result of the extent of changes, issued IPSAS 39 on Employee Benefits to replace IPSAS 25 in 2016.

When the Board consulted locally on the proposed amendments to IPSAS 25 in 2016, stakeholders welcomed the amendments to align IPSAS 25 to IAS 19 and supported the changes that resulted in IPSAS 39.

In developing GRAP 25, the Board agreed to include the guidance from the IFRS Interpretation on IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (IFRIC 14®) partly in GRAP 25 and partly in the Interpretation of the Standards of GRAP on The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (IGRAP 7).

Key amendments to GRAP 25

The Board agreed to align GRAP 25 with IPSAS 39, but that local issues and the local environment need to be considered. As a result of this decision, there are areas where GRAP 25 departs from the requirements of IPSAS 39. The Board's decisions to depart are explained in the basis for conclusions.

The amendments to GRAP 25 are extensive and mostly affect the accounting for defined benefit plans. A new renumbered Standard of GRAP (e.g. GRAP 39) will not be issued, but rather a new version of the current GRAP 25.

The effective date of these revisions have not yet been set. 01 April 2009.

The municipality does not envisage the adoption of the revisions until such time as it becomes applicable to the municipality's operations.

It is unlikely that the revisions will have a material impact on the municipality's audited annual financial statements.

iGRAP 7 (as revised): Limit on defined benefit asset, minimum funding requirements and their interaction

Background

The Board issued the Standard of GRAP on Employee Benefits (GRAP 25) in November 2009. GRAP 25 was based on the International Public Sector Accounting Standard on Employee Benefits (IPSAS 25) effective at that time. However, GRAP 25 was modified in some respects where the Board decided the requirements of the International Accounting Standard on Employee Benefits (IAS® 19) were more appropriate. Specifically, the Board:

Notes to the Audited Annual Financial Statements

2. Changes in estimate (continued)

- Eliminated the corridor method and required recognition of actuarial gains and losses in full in the year that they arise.
- Required the recognition of past service costs in the year that a plan is amended, rather than on the basis of whether they are vested or unvested.

Since 2009, the International Accounting Standards Board® has made several changes to IAS 19, including changes to the recognition of certain benefits, and where these changes are recognised. The IPSASB made similar changes to its standard and as a result of the extent of changes, issued IPSAS 39 on Employee Benefits to replace IPSAS 25 in 2016.

When the Board consulted locally on the proposed amendments to IPSAS 25 in 2016, stakeholders welcomed the amendments to align IPSAS 25 to IAS 19 and supported the changes that resulted in IPSAS 39.

In developing GRAP 25, the Board agreed to include the guidance from the IFRS Interpretation on IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (IFRIC 14®) partly in GRAP 25 and partly in the Interpretation of the Standards of GRAP on The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (IGRAP 7).

The effective date of these revisions have not yet been set. 01 April 2009.

The municipality does not envisage the adoption of the expects to adopt until such time as it becomes applicable to the revisions's operations.

It is unlikely that the revisions will have a material impact on the municipality's audited annual financial statements.

Guideline: Guideline on the Application of Materiality to Financial Statements

The objective of this guideline: The objective of this Guideline is to provide guidance that will assist entities to apply the concept of materiality when preparing financial statements in accordance with Standards of GRAP. The Guideline aims to assist entities in achieving the overall financial reporting objective. The Guideline outlines a process that may be considered by entities when applying materiality to the preparation of financial statements. The process was developed based on concepts outlined in Discussion Paper 9 on Materiality – Reducing Complexity and Improving Reporting, while also clarifying existing principles from the Conceptual Framework for General Purpose Financial Reporting and other relevant Standards of GRAP. The Guideline includes examples and case studies to illustrate how an entity may apply the principles in the Guideline, based on specific facts presented.

It covers: Definition and characteristics of materiality, Role of materiality in the financial statements, Identifying the users of financial statements and their information needs, Assessing whether information is material, Applying materiality in preparing the financial statements, and Appendixes with References to the Conceptual Framework for General Purpose Financial Reporting and the Standards of GRAP & References to pronouncements used in the Guideline.

The guideline is encouraged to be used by entities.

The municipality does not envisage the adoption of the guideline until such time as it becomes applicable to the municipality's operations.

It is unlikely that the standard will have a material impact on the municipality's audited annual financial statements.

GRAP 104 (as revised): Financial Instruments

Following the global financial crisis, a number of concerns were raised about the accounting for financial instruments. This included that (a) information on credit losses and defaults on financial assets was received too late to enable proper decision-making, (b) using fair value in certain instances was inappropriate, and (c) some of the existing accounting requirements were seen as too rules based. As a result, the International Accounting Standards Board® amended its existing Standards to deal with these issues. The IASB issued IFRS® Standard on Financial Instruments (IFRS 9) in 2009 to address many of the concerns raised. Revisions were also made to IAS® on Financial Instruments: Presentation and the IFRS Standard® on Financial Instruments: Disclosures. The IPSASB issued revised International Public Sector Accounting Standards in June 2018 so as to align them with the equivalent IFRS Standards.

The revisions better align the Standards of GRAP with recent international developments. The amendments result in better information available to make decisions about financial assets and their recoverability, and more transparent information on financial liabilities.

Greater Giyani Municipality

Notes to the Audited Annual Financial Statements

2. Changes in estimate (continued)

The most significant changes to the Standard affect:

- Financial guarantee contracts issued
 - Loan commitments issued
 - Classification of financial assets
 - Amortised cost of financial assets
 - Impairment of financial assets
 - Disclosures

The effective date of the revisions is not yet set by the Minister of Finance.

The municipality does not envisage the adoption of the revisions until such time as it becomes applicable to the municipality's operations.

It is unlikely that the standard will have a material impact on the municipality's audited annual financial statements.

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

Figures in Rand

3. Investment property

2023 Cost / Valuation	2022					
	Accumulated depreciation and accumulated impairment	Carrying value Valuation	Cost /	Accumulated depreciation and accumulated impairment	Carrying value	
Investment property	26 924 976	(690 555)	26 234 421	26 199 580	(599 760)	25 599 820

Reconciliation of investment property 30 June 2023

	Openingbalance	Additions through donations	Depreciation	Total
Investment property	25 599 820	725 396	(90 795)	26 234 421

Reconciliation of investment property - 30 June 2022

	Openingbalance	Depreciation	Total
Investment property	25 690 570	(90 750)	25 599 820

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022
3. Investment property (continued)		
The following properties are not in the name of the Municipality: These properties are not in the investment property register: Rental of these properties is not billed to the		
GIYANI A ERF 121	600 000	600 000
GIYANI A ERF 123	200 000	200 000
GIYANI E ERF 401	400 000	400 000
GIYANI A ERF 149	200 000	200 000
GIYANI E ERF 655	240 000	240 000
GIYANI E ERF 656	240 000	240 000
GIYANI E ERF 662	400 000	400 000
GIYANI E ERF 666	400 000	400 000
GIYANI A ERF 187	440 000	440 000
GIYANI A ERF 188	520 000	520 000
GIYANI A ERF 189	600 000	600 000
GIYANI A ERF 190	460 000	460 000
GIYANI A ERF 195	200 000	200 000
GIYANI A ERF 1989	500 000	500 000
GIYANI A ERF 236	200 000	200 000
GIYANI A ERF 518	200 000	200 000
GIYANI A ERF 561	200 000	200 000
GIYANI A ERF 562	500 000	500 000
GIYANI A ERF 736	200 000	200 000
GIYANI A ERF 741	320 000	320 000
GIYANI A ERF 742	360 000	360 000
GIYANI A ERF 744	200 000	200 000
GIYANI A ERF 86	200 000	200 000
	7 780 000	7 780 000

Recognition of investment properties

The municipality has registered the investment properties (land and houses) in the Deeds Office and were recognised in the investment property register.

In the financial year 2019/2020 the council passed a resolution to demarcate (for residential purposes) and sell land belonging to the municipality. As a result of this land to the value R 31 085 000 was transferred from investment property to inventory.

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.

Restrictions on the realisability of investment property or the remittance of revenue and proceeds of disposal are as follows:

Contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements is as follows:

In the exceptional cases when the municipality has to measure investment property using the cost model in the Standard of GRAP on Property, Plant and Equipment when the municipality subsequently uses the fair value measurement, disclose the following:

- a description of the investment property,
- an explanation of why fair value cannot be determined reliably,
- if possible, the range of estimates within which fair value is highly likely to lie, and
- on disposal of investment property not carried at fair value:
 - the fact that the entity has disposed of investment property not carried at fair value,
 - the carrying amount of that investment property at the time of sale, and
 - the amount of gain or loss recognised.

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

4. Property, plant and equipment

	2023			2022		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	43 416 035	-	43 416 035	30 270 035	-	30 270 035
Buildings	159 654 932	(34 184 880)	125 470 052	141 561 751	(29 811 500)	111 750 251
Plant and machinery	49 446 863	(15 735 932)	33 710 931	36 044 366	(12 785 597)	23 258 769
Furniture and fixtures	7 964 610	(2 876 712)	5 087 898	7 044 205	(2 237 534)	4 806 671
Motor vehicles	19 404 539	(10 995 123)	8 409 416	17 620 929	(9 192 212)	8 428 717
Office equipment	1 344 382	(860 369)	484 013	1 016 882	(733 479)	283 403
IT equipment	10 030 278	(5 629 104)	4 401 174	9 722 552	(4 466 459)	5 256 093
Infrastructure	1 173 560 535	(551 683 157)	621 877 378	1 110 011 218	(499 884 931)	610 126 287
Community	274 689 920	(31 744 991)	242 944 929	223 905 642	(28 115 190)	195 790 452
Electricity projects	3 144 704	-	3 144 704	-	-	-
Air conditioners	3 919 895	(1 687 784)	2 232 111	3 757 126	(1 222 572)	2 534 554
Total	1 746 576 693	(655 398 052)	1 091 178 641	1 580 954 706	(588 449 474)	992 505 232

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

4. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 30 June 2023

	Opening balance	Additions through donation	Additions WIP off	Assets written off	Derecognition loss	Depreciation	Impairment	Total	
Land	30 270 035	-	13 146 000	-	-	-	-	43 416 035	
Buildings	111 750 251	419 218	-	17 673 695	-	(4 372 896)	(216)	125 470 052	
Plant and machinery	23 258 769	13 423 845	-	-	(896)	(2 966 545)	(4 242)	33 710 931	
Furniture and fittings	4 806 671	920 406	-	-	-	(639 179)	-	5 087 898	
Motor vehicles	8 428 717	1 783 610	-	-	-	(1 513 540)	(289 371)	8 409 416	
Office equipment	283 403	327 500	-	-	-	(126 890)	-	484 013	
IT equipment	5 256 093	333 150	-	-	(8 475)	(1 178 013)	(1 581)	4 401 174	
Infrastructure	610 126 287	-	-	90 243 948	(32 045)	(4 131 340)	(72 885 670)	(1 443 802)	621 877 378
Community	195 790 452	-	-	50 824 278	(16 150)	(3 543 391)	(110 260)	242 944 929	
Electricity projects	-	-	-	3 144 704	-	-	-	3 144 704	
Air conditioners	2 534 554	187 200	-	-	(16 651)	(470 249)	(2 743)	2 232 111	
	992 505 232	17 394 929	13 146 000	161 886 625	(74 217)	(4 131 340)	(87 696 373)	(1 852 215)	1 091 178 641

Capitalisation of Electrified Village

Electrification of villages' projects which are not complete at year-end are capitalised under Work-in-Progress in Property, Plant and Equipment. Electrification of villages are only expensed upon completion in the Statement of Financial Performance when they are transferred to Eskom.

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

4. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 30 June 2022

	Opening balance	Additions	Disposals	WIP	Derecognition	Depreciation	Impairment loss	Loss on written off	Total
Land	30 270 035	-	-	-	-	-	-	-	30 270 035
Buildings	109 574 374	-	-	6 608 108	-	(4 376 831)	(29 236)	(26 164)	111 750 251
Plant and machinery	18 590 073	7 005 302	-	-	-	(2 296 372)	-	(40 234)	23 258 769
Furniture and fixtures	5 476 957	-	-	-	-	(655 890)	(509)	(13 887)	4 806 671
Motor vehicles	9 168 248	706 624	-	-	-	(1 430 661)	-	(15 494)	8 428 717
Office equipment	421 382	-	-	-	-	(137 968)	-	(11)	283 403
IT equipment	4 895 124	1 710 067	(158 332)	-	-	(1 125 269)	(9 016)	(56 481)	5 256 093
Infrastructure	604 341 575	-	-	95 560 196	(5 087 384)	(79 208 095)	(1 736 715)	(3 743 290)	610 126 287
Community	178 618 571	-	-	21 654 888	-	(3 402 372)	(7 477)	(1 073 158)	195 790 452
Air conditioners	3 025 020	-	-	-	-	(458 536)	(3 666)	(28 264)	2 534 554
	964 381 359	9 421 993	(158 332)	123 823 192	(5 087 384)	(93 091 994)	(1 786 619)	(4 996 983)	992 505 232

Capitalisation of Electrified Villages

Electrification of villages' projects which are not complete at year-end are capitalised under Work-in-Progress in Property, Plant and Equipment. Electrification of villages are only expensed upon completion in the Statement of Financial Performance when they are transferred to Eskom.

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

2023 2022

4. Property, plant and equipment (continued)

4.1 Assets written off

During the year all the following assets were written off:

Assets written off 30 June 2023	Cost	Accumulated depreciation	Accumulated impairment	Carrying Value
Plant and machinery	21 348	(20 452)	-	896
IT Equipment	25 424	(16 949)	-	8 475
Infrastructure	251 210	(161 879)	(57 285)	32 046
Community	40 000	(21 558)	(2 292)	16 150
Airconditioners	24 959	(8 308)	-	16 651
	362 941	(229 146)	(59 577)	74 218

4.2 Assets impaired

During the financial year the following assets were impaired as follows:

Reconciliation of assets impaired of 30 June 2023	Carrying Value	Deemed Replacement Cost	Impairment Loss
Buildings	2 165	(1 948)	217
Community	931 837	(821 577)	110 260
Infrastructure	2 588 029	(1 144 228)	1 443 801
Airconditioners	10 303	(7 560)	2 743
IT Equipment	3 775	(2 194)	1 581
Motor vehicle	379 080	(89 708)	289 372
Plant and machinery	5 864	(1 622)	4 242
	3 921 053	(2 068 837)	1 852 216

4.3 Derecognised Assets

During the financial year the following assets were derecognised as follows at carrying value.

Reconciliation of Derecognised Assets 30 June 2023	Cost	Accumulated Depreciation	Accumulated Impairment	Carrying Value
Infrastructure	26 443 421	(22 017 733)	(294 348)	4 131 340

4.4 Reconciliation of Work-in-Progress 2023

Included within Infrastructure	Included within Community	Included within Other PPE	Included within Electricity Projects	Total	
Restated Opening balance	54 520 800	119 663 799	12 431 648	-	186 616 247
Additions/capital expenditure	87 898 632	50 824 278	18 093 181	35 320 353	192 136 444
Transferred to completed items	(71 355 045)	(35 005 211)	(419 486)	(32 175 649)	(138 955 391)
	71 064 387	135 482 866	30 105 343	3 144 704	239 797 300

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

2023 2022

4. Property, plant and equipment (continued)

Reconciliation of Work-in-Progress 2022

	Included within Infrastructure	Included within Community Assets	Included within Other PPE	Included within Electricity Projects	Restated Opening Balance
Opening balance	72 125 904	98 008 912	5 823 540	-	175 958 356
Additions/capital expenditure	94 509 594	21 654 887	6 608 108	19 417 905	142 190 494
Transferred to completed items	(111 981 265)	-	-	(19 417 905)	(131 399 170)
Correction of prior period error	(133 432)	-	-	-	(133 432)
	54 520 801	119 663 799	12 431 648		- 186 616 248

Included in the Work In Progress is halted projects

List of halted projects

Carrying value of property, plant and equipment where construction or development has been halted either during the current or previous reporting period(s), including reasons and any impairment losses recognised in relation to these assets:

A. Development of Giyani section E sports centre	25 463 079	25 463 079
B. Access road to tribal offices	2 982 099	2 982 099
C. Refurbishment of Giyani Stadium	1 800 822	1 800 822
D. Refurbishment of Sporting Facilities (Gawula)	4 238 167	4 238 167
	34 484 167	34 484 167

The halted projects were assessed for impairment and no impairment was recognised.

Reasons for project being halted:

A. Development of Section E sports Centre

There are items that were completed in the first phase, however due to scope creep, the available budget could not complete the whole project. The project is planned to be completed through own funding, implementation will be in 2024/25 FY. However there is an opportunity presented by Department of Sport, Arts and Culture to fund the project to complete all the outstanding items.

B. Access Road to Tribal Offices:

Consultant was appointed for designs, the project was earmarked for MIG, COGTA no longer funding and the project to be withdrawn.

C. Refurbishment of Giyani Stadium: Sporting:

The community has resolved to have the project reinstated and refurbish the outstanding items. Greater Giyani Municipality has put allocated budget to resume with the project, to refurbish the combi courts and ablution facilities and construction of the clear view boundary wall.

D. Refurbishment of Sporting Facilities (Gawula):

The project was affected by scope creep which resulted on the over-expenditure of allocated project budget to complete the scope of work. There is still an outstanding scope to complete the project, and some items that were constructed have dilapidated. The municipality has a budget for 2023/24FY to resume the project and a memo to re-appoint the service providers has been developed.

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

5. Intangible assets

2023 Cost / Valuation	2022					
	Accumulated amortisation and accumulated impairment	Carrying value Valuation	Cost /	Accumulated amortisation and accumulated impairment	Carrying value	
Computer software	13 059 237	(12 062 984)	996 253	9 674 315	(8 773 042)	901 273

Reconciliation of intangible assets - 30 June 2023

	Openingbalance	Additions	Amortisation	Total
Computer software	901 273	3 384 923	(3 289 943)	996 253

Reconciliation of intangible assets - 30 June 2022

	Openingbalance	Additions	Amortisation	Total
Computer software	946 658	3 157 031	(3 202 416)	901 273

6. Heritage assets

2023 Cost / Valuation	2022					
	Accumulated impairment losses	Carrying value Valuation	Cost /	Accumulated impairment losses	Carrying value	
Council Related Assets	206 303	-	206 303	206 303	-	206 303

Reconciliation of heritage assets 30 June 2023

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

	Opening balance	Total
6. Heritage assets (continued)		
Council Related Assets	206 303	206 303

Reconciliation of heritage assets 30 June 2022

	Openingbalance	Total
Council Related Assets	206 303	206 303

Age and/or condition of heritage assets

All heritage assets have a condition grading of 3, which translate to be FAIR in terms of the municipality's generic condition assessment methodology.

Council related assets are not held for sale.

Council related assets are not held for security at year end.

There are no contractual commitment to procure, maintain and restore any Council related assets.

Subsequent Event

Nature of the event - On the Coucil of the 28 July 2023, the Mayoral chain was damaged

Estimate of impairment - Considering the nature of the asset, the market value could not be realibly estimated for impairmentdue to its speciality at the thime of reporting.

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

2023

2022

7. Other financial assets

VBS Investments	148 534 882	148 534 882
Impairment on VBS investment	(148 534 882)	(148 534 882)
	<u>-</u>	<u>-</u>

Impairment is provided for investment in VBS as per National Treasury communication in 2018 financial year due to the bank being put under curatorship and the possibility that the capital invested might be irrecoverable.

Subsequent to the receipt of R10 727 810 during the month of February 2022 through the bank liquidator, the status has since not changed. The municipality has since reviewed impairment as a result of the payment received.

National Treasury has commissioned investigation into the transactions and the council has implemented consequence management.

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

2023 2022

8. Employee benefit obligations

Defined benefit plan

The effective date of the valuation is 30 June 2023 (the "Valuation Date 30 June 2023).

The valuation considers all employees, retirees and their dependents whose participation in the health care arrangements entitles them to a post-employment medical aid subsidy. The post-employment health care liability is not a funded arrangement, i.e. no separate assets have been set aside to meet this liability

Eligible employees will receive a post-employment subsidy of 60% of the contribution payable should they be a member of a medical scheme at retirement. All subsidies are subject to a maximum of R 5 277.38 for the year ending 30 June 2023. The maximum subsidy amount has been assumed to increase in the future at 5.77% of salary inflation.

Table below shows the development of the accrued liability over the current period, and projects the Municipality's Unfunded Accrued Liability and periodic costs over the two-year period following the Valuation Date.

Past year and future projected liability

	Year ending 30/06/2019	Year ending 30/06/2020	Year ending 30/06/2021	Year ending 30/06/2022	Year ending 30/06/2023
Opening accrued liability	16 504 209	18 884 884	14 421 000	16 755 000	16 968 000
Current service cost	928 478	1 233 262	832 000	1 164 000	1 325 000
Interest cost	1 633 917	2 020 683	1 639 000	1 798 000	2 009 000
Actuarial loss/(gain)	(181 720)	(7 717 829)	(137 000)	(2 749 000)	(4 069 000)
Closing accrued liability	18 884 884	14 421 000	16 755 000	16 968 000	16 233 000

Notes

- These projections assume that the Municipality's health care arrangements and subsidy policy will remain as outlined above, and that all the actuarial assumptions made are borne out in practice. In addition, it is assumed that no contributions are made by the Municipality towards prefunding its liability via an off-balance sheet vehicle.
- Contributions or benefits paid refer to medical scheme contributions made by the Municipality with respect to its subsidy of current continuation members.
- There are no Past Service Costs, Curtailments or Settlements to reflect.

Key Assumptions

Discount rate	12,59%	11,84%
Health care cost inflation rate	8,19%	8,45%
Maximum subsidy inflation rate	5,96%	5,96%
Average retirement age	62	62

Long service awards

The Municipality offers employees Long service award for every five years of service completed, from ten years of service to 45 years of service.

The salaries used in the valuation include an assumed increase on 1 July 2024 of 5.4% as per the SALGBC Circular No.:01/2023. The next salary increase was assumed to take place on 1 July 2023.

The accrued liabilities and the plan assets for the current period and the previous four periods.

Past year and future projected liability	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023
Opening accrued balance	6 384 849	4 891 500	5 434 000	5 891 000	6 377 000
Current service cost	517 458	466 133	546 000	623 000	653 000
Interest cost	437 514	365 230	372 000	518 000	659 000
Payment made during the year	(2 311 411)	(321 080)	(669 000)	(623 000)	(870 000)
Actuarial loss/(gain)	(136 910)	32 217	208 000	(32 000)	(401 000)
Closing accrued liability	4 891 500	5 434 000	5 891 000	6 377 000	6 418 000

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

2023 2022

8. Employee benefit obligations (continued)

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

Non-current liabilities	(22 719 000)	(24 020 000)
Current liabilities	(1 525 000)	(870 000)
	(24 244 000)	(24 890 000)

Key assumptions used

Assumptions used at the reporting date:

Discount rates used	11,26 %	11,08 %
General earnings inflation rate	6,54 %	7,32 %
Expected increase in salaries	5,40 %	4,90 %

9. Inventories

Consumable stores	1 958 090	1 953 033
Stands	31 085 000	31 085 000
	33 043 090	33 038 033

Inventory Reconciliation

Opening balance	33 038 033	33 870 103
Add: purchases for the year	10 675 950	7 723 825
Less: consumables for the year	(8 124 910)	(7 364 170)
Less: inventory on hand (Mopani District Municipality)	(2 529 588)	(1 172 289)
Less: damaged and obsolete inventory written off	(16 395)	(19 436)
Closing balance	33 043 090	33 038 033

There was no inventory held as collateral at year end.

In 2019/2020 financial year the municipality took a resolution to sell stands available for sale as per council resolution.

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

2023 2022

10. Receivables from exchange transactions

Inter Municipal Account (Mopani District Municipality)	22 591 467	4 998 660
Agency fee (Mopani District Municipality)	6 575 276	5 924 632
Sundry receivables	4 173 221	4 173 221
Prepaid expenses	86 385	-
Accrued interest receivables	2 036 605	392 600
Sundry receivables-Provision for doubtful debts	(3 602 953)	(3 602 953)
Staff receivables	235 328	91 461
Payroll debtors	4 234	6 686
	32 099 563	11 984 307

Include in sundry debtors of R 4 173 221 is (R 3 596 58) which relates to sale of stands through an auction during 2009. The balance in this attorneys trustaccount is unknown. Due to the dispute with the auctioneer, the outstanding amount was never paid to the Municipality and as a result, it was provided for in full based on the credit control policy and Free basic electricity debtors who benefited illegally in the prior years.

An amount of R 137 558.88 under sundry debtors is under investigation since they are not in the FBE Register

Staff receivables of R 235 328 relate to the overpayment of salaries to the councilors and employees. The amount is supposed to be paid back to the Municipality by the councilors. This is as per the council resolution taken by the Greater Giyani Municipal Council.

Reconciliation for Intermunicipal account - MDM

Inter municipal Account Reconciliation - Mopani District Municipality	-	-
Accumulated Surplus - MDM	70 105 666	47 868 059
Revenue - Water	9 960 485	14 244 118
Revenue - Sewerage	3 821 308	3 647 376
Revenue - Interest	12 961 979	11 390 342
Water and Sewerage connections	27 246	26 207
Overheads -Employee related costs	(5 090 745)	(5 960 082)
Overheads - Operational expenditure	(1 329 653)	(1 257 576)
Gains and losses on provisions	(196 559)	147 670
Accounts Receivable - Water	(118 777 697)	(114 700 280)
Accounts Receivables - Sewerage	(28 214 862)	(25 779 341)
Account Receivable - Interest	(91 969 478)	(62 093 296)
Inventory	(2 529 588)	(1 172 289)
Provision for doubtful debts	128 640 432	128 640 432
Inter municipal balance as at year end	(22 591 466)	(4 998 660)

11. Receivables from non-exchange transactions

Consumer debtors-Traffic Fines	26 419 537	25 306 457
Consumer debtors- Rates	300 176 815	245 689 635
Debtors with credit balances (rates)	4 003 232	3 622 880
Sundry receivables	-	19 881 203
Provision for impairment- Traffic fines	(26 434 564)	(25 145 134)
Provision for impairment- Consumer debtors	(260 016 379)	(174 682 393)
	44 148 641	94 672 648

Sundry receivables

Sundry receivables relates to property rates that was not billed to customers in the prior years. The municipality could not billed property rates to customers as this was discovered at a later stage and retrospective correction was done in the control account.

Subsequently the municipality has written off sundry debtors with permission from the council in the year under review.

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

2023 2022

11. Receivables from non-exchange transactions (continued)

Reconciliation of provision for impairment of receivables from non-exchange transactions

Opening balance	(199 827 527)	(189 455 945)
Provision for impairment - consumer debtors	(85 333 986)	(9 389 032)
Provision for impairment - traffic fines	(1 289 430)	(982 550)
	(286 450 943)	(199 827 527)

Age analysis for debtors with credit balances - rates

Current (0-30 days)	(251 111)	(73 862)
31-60 days	(935 245)	(617 069)
61-90 days	(36 234)	(63 001)
91-120 days	(1 511)	(479 347)
121-365 days	(39 758)	(740 371)
>365 days	(2 739 373)	(1 649 228)
	(4 003 232)	(3 622 878)

Age Analysis for Rates

Current (0-30 days)	8 635 196	7 925 166
31-60 days	6 361 511	6 731 658
61-90 days	7 197 618	6 560 853
91-120 days	6 440 364	5 500 133
121-365 days	6 099 492	4 987 346
>365 days	265 442 634	213 984 479
	300 176 815	245 689 635

12. VAT receivable

VAT	15 904 882	20 440 439
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13. Other receivables from exchange transactions

Gross balances

Debtors with credit balances	1 789 875	1 916 091
Refuse	57 773 729	48 717 121
Housing rental	583 344	2 609 108
Cemeteries	2 400 924	15 815 505
	62 547 872	69 057 825

Less: Allowance for impairment

Refuse	(50 056 966)	(32 659 767)
Housing rental	(505 297)	(381 063)
Cemeteries	(2 079 703)	(1 553 676)
	(52 641 966)	(34 594 506)

Net balance

Debtors with credit balances	1 789 875	1 916 091
Refuse	7 716 763	16 057 354
Housing rental	78 047	2 228 045
Cemeteries	321 221	14 261 829
	9 905 906	34 463 319

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

2023 2022

13. Other receivables from exchange transactions (continued)

Cemeteries

Current (0 -30 days)	32 117	29 004
31 - 60 days	35 545	30 995
61 - 90 days	33 193	30 244
91 - 120 days	34 325	32 764
121 - 365 days	33 083	33 178
> 365 days	2 232 661	2 131 526
	2 400 924	2 287 711

Refuse

Current (0 -30 days)	1 277 649	1 077 238
31 - 60 days	968 944	1 027 623
61 - 90 days	1 087 014	934 659
91 - 120 days	1 024 491	799 636
121 - 365 days	1 044 993	1 022 823
> 365 days	52 448 428	43 855 142
	57 851 519	48 717 121

Housing rental

Current (0 -30 days)	6 147	42 050
31 - 60 days	6 359	41 814
61 - 90 days	6 879	41 391
91 - 120 days	2 556	40 930
121 - 365 days	(1 314)	41 598
> 365 days	562 717	363 077
	583 344	570 860

Debtors with credit balances

Current (0 -30 days)	(33 546)	(118 222)
31 - 60 days	(137 990)	(18 703)
61 - 90 days	(6 624)	(59 345)
91 - 120 days	(23 895)	529 575
121 - 365 days	(52 722)	(781 125)
> 365 days	(1 535 098)	(1 468 271)
	(1 789 875)	(1 916 091)

Reconciliation of allowance for impairment of consumer debtors

Opening balance	(34 594 506)	(30 372 834)
Refuse removal	(17 397 199)	(12 543 149)
House rental	(124 235)	261 264
Cemetery	(526 027)	8 060 213
	(52 641 967)	(34 594 506)

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

2023 2022

14. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	248 013 459	219 962 630
Other cash and cash equivalents	82 819	88 323
	248 096 278	220 050 953

The municipality had the following bank accounts

Account number / description	Bank statement balances			Cash book balances		
	30 June 2023	30 June 2022	30 June 2021	30 June 2023	30 June 2022	30 June 2021
ABSA - Current Account - 4077078193 (Main Account)	47 163 556	71 175 907	65 719 594	44 841 634	71 457 309	65 791 133
ABSA - Current Account - 4077078486 (Salaries Account)	1 610 849	2 296 095	1 676 111	1 610 490	2 347 724	1 676 111
ABSA - Call Deposit - 4078155655	45 535 038	42 964 190	41 641 612	45 535 038	43 108 973	41 641 612
ABSA - Current Account - 4093302071 (Traffic Account)	4 509 089	4 315 531	4 114 323	4 509 869	4 319 248	4 114 323
ABSA - Call Deposit - 4078155744	151 516 427	98 398 398	66 099 806	151 516 428	98 729 376	66 099 806
Total	250 334 959	219 150 121	179 251 446	248 013 459	219 962 630	179 322 985

Included in the balance for cash and cash equivalent, there is a balance of R 21 181 061 (2023) and R 17 378 790 (2022) collected on behalf of Mopani District Municipality for water and sanitation transactions.

15. Unspent conditional grants and receipts

Balance at the beginning of the year	10 591 732	-
Additions during the year	112 280 000	97 356 000
Income recognition during the year	(119 112 972)	(86 764 268)
	3 758 760	10 591 732

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.

The total unspent conditional grant consist of MIG R 258 759 and MDRG R 3 500 000.

See Note 32 for reconciliation of grants from National/Provincial Government.

16. Deferred income

From the 2020/2021 financial year to the year under review the Municipality has sold stands/sites but the transfer of ownership of the stands to the customers has not been finalised with Deeds Registration office. As a result the income received is still deferred pending the finalising of the transfer.

Deferred income - sale of stands	24 792 248	23 121 083
Reconciliation of stand sold		
Opening balance	23 121 406	19 769 035
Stands sold during the year	1 636 820	3 285 076
Balances from prior year	85 584	66 972
Refunds	(51 562)	-
	24 792 248	23 121 083

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

2023 2022

17. Rehabilitation of dumping-site

Reconciliation of rehabilitation of dumping-site - 30 June 2023

	Opening Balance	Interest costs	Change in discount factor	Total
Rehabilitation of dumping-site	41 340 189	4 568 091	(2 533 976)	43 374 304

Reconciliation of rehabilitation of dumping-site - 30 June 2022

	Opening Balance	Interest costs	Change in discount factor	Total
Rehabilitation of dumping-site	39 005 018	3 877 099	(1 541 928)	41 340 189
Non-current liabilities			37 900 467	36 772 098
Current liabilities			5 473 837	4 568 091
			43 374 304	41 340 189

The dumping site rehabilitation is created for the rehabilitation of the current operational site which is evaluated at each yearend to reflect the best estimate at reporting date. The site under consideration is at Giyani Section C landfill site.

The 2023 discounted value of the dumping site closure provision of R 43 374 304, compared to the provision of R 41 340 189 in the previous financial year. Composition of this change relate to changes in the CPI, discount rate and unit costs. The interest charge relating to the assessment amounts to R 4 568 091 and decrease in discount rate of R 2 034 115.

The dumping site closure provision is calculated as the net present value of future cash flows based on the expected remaining life of the dumping site and based on the size of the area that had been used for waste disposal as at 30 June 2023.

18. Payables from exchange transactions

Trade payables	17 601 674	10 584 109
Retentions	47 657 151	37 443 393
Accrued leave pay	23 874 028	23 442 253
Accrued 13th cheque	3 517 644	3 544 240
Payroll Creditors	188 522	-
Accruals	9 050 822	21 322 733
Unspecified direct deposits	2 500 997	2 457 110
Debtors with credit balances	5 793 107	5 538 970
Accrued overtime	2 385 655	971 078
	112 569 600	105 303 886

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

2023 2022

18. Payables from exchange transactions (continued)

The age analysis exclude the following payments which was captured for payment on the 30th of June 2023 but the actual transfer of the money only took place on the 3rd of July 2023. The transaction is included in the payable listing.

Marungane Projects (Pty) R1 580 665.82
Lebea and associates R 568 093.4
Ribangu Business Enterprise R 24 000.00
Mukololo Trading Enterprise R 21 00.00
Leadcon Group of Comapnies R 28 900.00
Nwa Zulu Trading Enterprise R 759 000.00
Kgoshihadi Consulting Engineers R 437 000.0
Nwa Mencani Trading R 105 266.35
Isaiah Nyathi Attorneys R 179 078.85
Morwamasefoko Trading R 109 912.50
Girman Thandikosi Trading R 1 206 755.96
Road Traffic Mangement Corporation R 88 056.00

19. Revenue

Service charges	8 526 324	8 209 455
Rental of facilities and equipment	445 756	103 253
Interest received on overdue accounts (service charges)	3 283 704	2 903 025
Debt impairment reversal	12 607 391	-
Agency services	650 644	828 674
Licences and permits	7 109 523	6 755 367
Recoveries	-	10 727 810
Actuarial gains	4 470 000	2 781 000
Other income	1 906 857	1 078 356
Interest received - investment	17 351 270	8 150 056
Property rates	72 851 950	67 330 570
Traffic fines	1 222 834	1 262 056
Interest on overdue accounts - property rates	32 418 395	26 411 594
Government grants & subsidies	471 604 290	407 340 942
Public contributions and donations	13 871 397	-
	648 320 335	543 882 158

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

2023 2022

19. Revenue (continued)

The amount included in revenue arising from exchanges of goods or services are as follows:

Service charges	8 526 324	8 209 455
Rental of facilities and equipment	445 756	103 253
Interest received on overdue accounts (service charges)	3 283 704	2 903 025
Dividends received (trading)	12 607 391	-
Agency services	650 644	828 674
Licences and permits	7 109 523	6 755 367
Recoveries	-	10 727 810
Actuarial gains	4 470 000	2 781 000
Other income	1 906 857	1 078 356
Interest received - investment	17 351 270	8 150 056
	56 351 469	41 536 996

The amount included in revenue arising from non-exchange transactions is as follows:

Property rates	72 851 950	67 330 570
Traffic fines	1 222 834	1 262 056
Interest on overdue accounts - property rates	32 418 395	26 411 594
Transfer revenue		
Government grants & subsidies	471 604 290	407 340 942
Public contributions and donations	13 871 397	-
	591 968 866	502 345 162

20. Service charges

Refuse removal	8 276 420	7 972 320
Cemeteries	249 904	237 135
	8 526 324	8 209 455

Service charges are billed on a monthly basis on all properties within the township and CBD.

21. Rental of facilities and equipment

Premises

Community facilities	111 897	38 119
Housing rental	82 632	34 032
	194 529	72 151

Facilities and equipment

Rental of equipments	251 227	31 102
	445 756	103 253

22. Interest received on overdue accounts (service charges)

Interest received on overdue accounts (services charges)	3 283 704	2 903 025
	3 283 704	2 903 025

23. Agency services

Water and Sanitation	650 644	828 674
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Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

2023 2022

24. Licences and permits

Licences and permits - motor vehicles	7 041 781	6 693 342
Business licenses	67 742	62 025
	7 109 523	6 755 367

25. Recoveries

Recoveries - VBS Investment	-	10 727 810
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Since the lodge of the claim with the bank (VBS) curator, the municipality has subsequently received an amount of R 10 727 810 in the 2020/2021 financial year. There was no amount recovered in the period under review.

26. Actuarial gains

Actuarial gains on PEMA and LSA	4 470 000	2 781 000
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27. Other income

Advertisements	139 822	149 844
Building plans	53 871	57 622
Clearance certificates	11 253	14 477
Confirmation letters	168 079	219 631
Device refund	-	34 882
Escort fees	12 992	3 946
Library fees	897	2 029
Sale of grave plots	96 888	118 778
Sale of refuse bins	57 041	125 733
Sundry income	98 555	134 816
Tender documents	813 894	134 974
Transfer and registration	453 565	81 624
	1 906 857	1 078 356

28. Interest received on Investment

Interest revenue

Bank	6 850 585	4 053 431
Call Accounts	10 500 685	4 096 625
	17 351 270	8 150 056

The Municipality has invested the VAT recoveries for the financial year under review in the Call account, which earned higher interest than a normal operating account.

The municipality maintained a positive bank balance in its bank accounts which earned interest.

29. Debt impairment reversal

Debt impairment reversal	12 607 391	-
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Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

2023 2022

30. Property rates

During the year under review, the following categories of properties were billed for Property Rates:

Residential	17 644 950	16 278 073
Commercial	25 213 664	22 419 669
State	28 242 253	27 908 177
Small holdings and farms	638 484	10 094
Industrial	1 112 599	714 557
	72 851 950	67 330 570

Valuations

Residential	2 651 816 800	2 612 057 800
Commercial	701 113 000	705 623 000
State	485 123 000	484 333 000
Institute	32 422 000	31 682 000
Agricultural	5 230 000	5 230 000
Municipal and Public open space	121 472 000	121 472 000
Public service infrastructure	27 467 000	27 467 000
Industrial	129 042 000	129 042 000
Churches	43 787 000	43 787 000
Inconsistent with or in contravention of the permitted use of the property	2 612 000	2 612 000
	4 200 084 800	4 163 305 800

The valuation of land and buildings are performed every 5 years in terms of the Municipal Property Rates Act.

The municipality appointed a Municipal Valuer to compile the General Valuation Roll for implementation in the 2020-2025 financial years and to cause the Supplementary.

Valuation Roll in terms of section 78 of the Municipal Property Rates Act.

31. Traffic fines

Traffic fines issued	1 222 834	1 262 056
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Traffic fines deposits occurred between July 2022 to December 2022 with an amount of R 25 568 cannot be link to the actual traffic fines issued.

The municipality has instituted disciplinary hearing against the employee who's responsible for safekeeping of the traffic fines receipt book. The case is in progress.

The municipality has traffic police who enforce non-compliance with traffic regulations.

32. Interest-overdue accounts (property rates)

Interest on overdue accounts (Property rates)	32 418 395	26 411 594
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The culture of non-payment still persist at the municipality hence the interest on overdue accounts still increase.

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

2023 2022

33. Government grants & subsidies

Operating grants

Equitable share	352 203 000	320 318 000
Expanded Public Works Program (EPWP)	4 035 000	3 851 000
Finance Management Grant (FMG)	2 400 000	2 200 000
Local Govt Sector Education & Training Authority (LGSETA)	288 319	258 675
	358 926 319	326 627 675

Capital grants

Municipal Infrastructure Grant (MIG)	75 449 331	55 157 907
Integrated National Electrification Grant (INEG)	37 228 640	25 555 360
Municipal Disaster Relief Grant (MDRG)	-	-
	112 677 971	80 713 267
	471 604 290	407 340 942

Government Grants and Subsidies consist of Conditional and Non conditions grants.

Non-conditional grants - No conditions are required for the municipality to meet on these category of grants. The following are conditional grants:

Equitable Share and LGSETA

Conditional grants - Conditions are needed to be met after receiving these particular grants. The following are conditional grants:

EPWP, FMG, MDRG, MIG and INEP

Where conditions were not met, grants will remain as liabilities under Unspent conditional grants and receipts note 15.

Below are reconciliations of conditional grants: Municipal

Infrastructure Grant (MIG)

Balance unspent at beginning of year	8 947 091	-
Current-year receipts	66 761 000	64 105 000
Conditions met - transferred to revenue	(75 449 332)	(55 157 909)
	258 759	8 947 091

Integrated National Electrification Grant (INEG)

Balance unspent at beginning of year	1 644 640	-
Current-year receipts	35 584 000	27 200 000
Conditions met - transferred to revenue	(37 228 640)	(25 555 360)
	-	1 644 640

Expanded Public Works Program (EPWP)

Current-year receipts	4 035 000	3 851 000
Conditions met - transferred to revenue	(4 035 000)	(3 851 000)
	-	-

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

2023 2022

33. Government grants & subsidies (continued)

Finance Management Grant (FMG)

Current-year receipts	2 400 000	2 200 000
Conditions met - transferred to revenue	(2 400 000)	(2 200 000)
	-	-

Municipal Disaster Relief Grant

Current-year receipts	3 500 000	-
Conditions met - transferred to revenue	-	-
	3 500 000	-

34. Donations received

Department of CoGHSTA	13 871 397	-
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During the year the following land parcels were registered in the name of the municipality.

Reconciliation of Donation received

ERF 1946 - Section F	-	-
ERF 199 - Section F	4 800 000	-
ERF 676 - Section D	725 397	-
ERF 59 - Section BA	8 346 000	-
	13 871 397	-

35. Employee related costs

Acting allowances	371 914	115 055
Bargain council	40 511	39 923
Basic	105 038 218	100 250 967
Car allowance	11 815 736	11 714 437
Cellphone Allowance	945 950	924 713
Clothing Allowance	20 000	15 000
Daily allowance	811 400	129 720
Danger allowance	352 170	282 000
Defined contribution plans	17 664 911	17 416 231
Food allowance	139 850	104 558
Housing benefits and allowances	405 665	387 624
Incidental costs	63 939	146 086
Km travel	2 105 593	932 906
Leave and bonus provision	259 071	2 423 358
Leave pay	1 173 156	1 182 939
Long-service awards	891 339	556 786
LSA and PEMA provision	3 776 000	3 480 000
Medical aid - company contributions	7 123 402	6 597 601
Night Shift	322 152	315 254
Overtime payments	6 923 494	4 520 207
Rural Allowance	177 574	189 959
SDL	1 221 929	1 174 364
Standby allowance	172 925	157 212
UIF	692 611	703 605
WCA	663 663	693 958
13th Cheques	7 412 007	6 987 944
	170 585 180	161 442 407

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

2023 2022

35. Employee related costs (continued)

Remuneration of Accounting Officer

Annual Remuneration	669 914	1 089 712
Rural Allowance	28 829	50 683
Car Allowance	59 450	121 080
Contributions to UIF, Medical and Pension Funds	36 016	69 836
Subsistence and Travelling	5 293	24 663
Cellphone Allowance	10 400	16 800
Performance Bonus	-	177 389
Backpay	490 900	-
Acting Allowance	239 489	-
Non pensionable allowance	1 695	-
	1 541 986	1 550 163

Mr VD Khoza was appointed as the Accounting Officer from 01 of June 2023. Ms KV Sithole was appointed as the Acting Accounting Officer on the 05 September 2022 to 31 May 2023 after Mr MM Chauke who was the Accounting Officer was suspended from 05 September 2022 until 31 December 2022 when his contract expired.

Remuneration of Chief Finance Officer

Annual Remuneration	252 500	601 688
Rural Allowance	14 317	28 527
Car Allowance	105 418	117 081
Contributions to UIF, Medical and Pension Funds	3 722	39 202
Subsistence and Travelling	69 442	15 206
Cellphone Allowance	7 000	12 600
Acting allowance	9 700	4 767
Leave pay	-	76 073
Non-pensionable allowance	8 475	-
	470 574	895 144

Mr N Muhlari was appointed as Acting CFO from 13th of April 2022 to 05 August 2022. Mr F Nkuna was appointed as the Acting CFO on the 15 August 2022 after the resignation of Mr. Mhangwana. Mr F Nkuna was appointed as a CFO from 01 February 2023 on a five year term.

Remuneration of Directors-Corporate & Shared Services

Annual Remuneration	799 792	596 222
Car Allowance	110 000	243 900
Cellphone Allowance	15 400	14 000
Contributions to UIF, Medical and Pension Funds	9 068	41 238
Subsistence & Travelling	88 965	33 938
Rural Allowance	38 145	34 678
Leave pay	-	91 549
Performance bonus	-	93 629
Acting Allowance	2 383	4 767
Backpay	732	-
Non-pensionable allowance	10 170	-
	1 074 655	1 153 921

Mr Mdaka acted on this position from 01 May 2022 to 31 July 2022 after the contract expiry of Mr. Shiviti. Mr NR Mdaka was appointed as the Director for Corporate Service on 01 August 2022 on a five year term.

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

2023 2022

35. Employee related costs (continued)

Remuneration of Director Technical Services

Annual Remuneration	698 999	693 090
Rural Allowance	38 036	38 036
Car Allowance	240 000	240 000
Contributions to UIF, Medical and Pension Funds	46 354	45 370
Cellphone Allowance	16 800	16 800
Subsistence & Travelling	43 738	33 489
Backpay	51 905	-
Non-pensionable allowance	10 170	-
	1 146 002	1 066 785

Mr. RH Mashampa was the director for the financial year under review.

Remuneration of Director Strategic Planning and LED

Annual Remuneration	614 827	678 656
Car Allowance	232 222	153 502
Rural Allowance	38 036	38 036
Contributions to UIF, Medical and Pension Funds	123 836	132 337
Cellphone Allowance	16 800	16 800
Subsistence & Travelling	136 113	45 595
Backpay	51 905	-
Acting Allowance	7 390	-
Non-pensionable allowance	10 170	-
	1 231 299	1 064 926

Ms. KV Sithole is the Director Strategic planning and LED. Ms KV Sithole was appointed the Acting Municipal Manager from 05 September 2022 to 31 May 2023, after Municipal Manager was Mr MM Chauke was suspended. Mr MJ Nkuna was appointed the acting in her position during the period she was acting as an Accounting Officer (05 September to 31 May 2023).

Remuneration of Director Community Services

Annual Remuneration	649 100	-
Car Allowance	30 000	-
Rural Allowance	20 210	-
Contributions to UIF, Medical and Pension Funds	40 760	-
Cellphone Allowance	14 000	-
Acting Allowance	-	47 063
Subsistence & Travelling	52 200	-
Backpay	10 982	-
	817 252	47 063

Mr KR Baloyi acted on the position from 01 August 2020 to 31 August 2022 after the resignation of Mr MI Khosa. Ms RTChabalala was appointed as the Director Community Services from 01 September 2022 on a five year term.

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Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

2023 2022

36. Remuneration of councillors

Mayor	952 258	970 282
Speaker	782 041	744 480
Chief Whip	704 201	709 693
Councillors	22 745 713	21 446 415
Daily allowance	63 319	27 465
Food allowance	14 260	49 200
Incidental	9 222	74 285
Km travel	673 424	454 662
SDL	197 988	195 503
	26 142 426	24 671 985

In-kind benefits

The Mayor, Speaker, Chief Whip and Three Executive Committee Members are full-time (Head of Finance, Head of Corporate and Shared Services and Head of Infrastructure Portfolios). The Mayor, Speaker and Chief Whip are provided offices and secretarial support at the cost of the Council.

The Mayor and the Speaker each have the use of separate Council owned vehicles for official duties.

37. Impairment loss

Impairments

Property, plant and equipment	1 852 217	1 786 619
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38. Depreciation and amortisation

Property, plant and equipment	87 696 640	93 091 993
Investment property	90 795	90 750
Intangible assets	3 289 942	3 202 416
	91 077 377	96 385 159

39. Finance costs

Litigation loss	-	2 793 037
Rehabilitation of dumping site	4 568 091	3 877 099
	4 568 091	6 670 136

40. Lease rentals on operating lease

Photocopiers and Radiophones

Contractual amounts	1 910 539	1 906 274
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41. Debt impairment

Services	103 381 447	13 610 705
Traffic fines	1 289 430	982 550
	104 670 877	14 593 255

Debt impairment for services of R 103 381 447 is as result of R 115 988 837 less impairment reversal of R 12 607 390.

Greater Giyani Municipality

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Notes to the Audited Annual Financial Statements

2023 2022

42. Contracted services

Presented previously

Infrastructure Services	7 421 354	25 323 853
Electrical Services	33 345 378	19 507 948
Business and advisory services	22 663 658	24 357 501
Other Contractors	4 613 982	3 856 186
	68 044 372	73 045 488

43. Transfer and subsidies

SMME support	1 600 000	600 000
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44. Loss on assets written off

Loss on assets written off	4 205 555	10 142 256
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45. General expenses

Accommodation	3 969 975	2 876 546
Advertising	991 019	754 474
Auditors remuneration	4 835 617	4 070 713
Bad debts written off	19 881 203	-
Bank charges	310 490	276 885
Busarries	134 645	-
Cleaning	911 013	331 041
Community development and training	7 056 090	4 845 339
Consumables	8 099 810	7 363 871
Electricity	1 750 739	2 111 506
Free basic electricity	7 432 981	15 969 990
Fuel and oil	6 680 996	3 756 497
Gifts	129 555	84 976
Hire	1 570 762	545 475
Insurance	1 931 369	1 461 547
IT expenses	2 408 173	1 747 569
Legal services	11 127 048	8 497 562
Litigation loss	-	8 140 229
Motor vehicle expenses	249 315	137 242
Postage and courier	338 523	355 097
Printing and stationery	585 161	649 453
Protective clothing	1 427 477	1 475 512
Seating allowance	1 424 545	120 000
Subscriptions and membership fees	3 740 647	3 205 936
Telephone and fax	425 652	435 202
Travel - local	1 796 191	835 450
	89 208 996	70 048 112

46. Obsolete and damaged inventory written

Obselete inventory written off	1 262	19 736
Damaged inventory	15 133	-
	16 395	19 736

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

2023 2022

47. Repairs and maintenance

Machinery	6 792 882	2 976 358
Equipment	31 076	203 096
Vehicles	375 336	2 831 954
Cemetries	172 000	-
	7 371 294	6 011 408

48. Auditors' remuneration

Fees	4 835 617	4 070 713
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49. Cash generated from operations

Surplus	64 459 626	76 559 323
Adjustments for:		
Depreciation and amortisation	91 077 377	96 385 159
Obsolete inventory written off	16 395	19 736
Loss on assets written off	4 205 555	10 142 256
Contracted services (Transfers of completed projects)	32 175 649	(12 296 506)
Donation received	(13 871 397)	-
Debt impairment reversal	(12 607 391)	-
Impairment loss/reversal	1 852 217	1 786 619
Debt impairment	117 278 267	14 593 255
Movements in retirement benefit	(646 000)	2 244 000
Movements in provisions	2 034 115	2 335 171
Changes in working capital:		
Inventories	(21 452)	(3 342 811)
Receivables from exchange transactions	(20 115 256)	17 618 137
Consumer debtors	6 129 600	(31 123 605)
Receivables from non-exchange transactions	(35 719 322)	(14 610 513)
Payables from exchange transactions	7 265 717	3 899 377
VAT	4 535 557	(4 820 761)
Unspent conditional grants and receipts	(6 832 971)	14 442 236
Deferred income	1 671 165	3 351 725
	242 887 451	177 182 798

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

2023 2022

50. Commitments

Authorised capital expenditure

Contract approved and some services have been rendered

Ÿ Formalisation of settlement	138 368	138 368
Ÿ Alternative access road to Giyani	2 350 403	2 350 403
Ÿ Upgrading of Xikukwani from gravel to tar	8 955 284	8 955 284
Ÿ Shimange upgrading from gravel to tar	-	87 276
Ÿ Section E (Voningani) internal street upgrading from gravel to paving	-	19 269 100
Ÿ Construction of Siyandhani internal streets 4.4 km from gravel to paving	35 014 814	-
Ÿ Construction of Shikhumba upgrading of internal streets	26 269 417	-
Ÿ Preventative maintenance of roads and stormwater:3.1km of storm water reticulation system at Giyani Township Section D1	13 285 044	-
Ÿ Construction of 1.8km Silawa upgrading of internal street from gravel to paving	9 281 281	-
Ÿ construction of Jim Nghalalume community hall	16 952 936	-
Ÿ Construction of Mavalani indoor sport centre	15 664 156	-
Ÿ Construction and installation of energy saving streetlights projects on R81 road phase 2 (cidb grading :4ep	6 365 593	-
Ÿ Construction and connection to household at Siyandhani village	5 043 390	-
Ÿ Construction of Civic Centre Parking lot	1 245 253	1 245 253
Ÿ Ndambi Taxi rank	-	6 381 234
Ÿ Construction of Civic Centre phase IV	27 537 381	44 871 354
Ÿ Construction of culvert bridge at Dzumeri village	-	498 903
Ÿ Construction of culvert bridge at Makhuva village	-	199 951
Ÿ Construction of Nwadzekudzeku community hall	-	12 908 490
Ÿ Construction of Homu sports centre	3 216 678	12 937 519
Ÿ Construction of Shivulani sports centre	-	2 729 281
Ÿ Installation of energy saving streetlights in Giyani CBD	-	5 517 063
	171 319 998	118 089 479

Contract approved but where services have not been rendered

• Construction of culvert bridge at ECO Park	-	958 982
• Construction of culvert bridge at Ndengeza village	-	1 477 599
• Construction of culvert bridge at Mavalani village	-	953 639
• Installation of streets lights at OLD Khensani Hospital	-	1 198 887
• Install LED disk recessed fluorescent lights 1200 x 600mm(3x36) Giyani testing station	192 395	-
	192 395	4 589 107

Total capital commitments

Already contracted for but not provided for	171 319 998	118 089 479
Not yet contracted for and authorised by Accounting Officer	192 395	4 589 107
	171 512 393	122 678 586

Authorised operational expenditure

Contract approved and some services have been rendered

• Rezoning and subdivision of parks	110 000	110 000
• Proclamation program, land audit and land acquisition	111 238	111 238
• Township establishment of various villages	213 038	213 038
• Ngove township expansion	651 858	651 858
• Site demarcation at Sikhunyani Village and site demarcation at Dzumeri	685 000	685 000

Traditional Authority

Ÿ Street naming (including registration)	47 500	47 500
Ÿ General Valuation Roll	-	1 200 000
Ÿ Provision for Procurement of Services: Municipal Standard Chart Of Accounts Financial System Support (Sage Evolution)	-	142 039

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

	2023	2022
50. Commitments (continued)		
Y Insurance	-	368 263
Y Physical security guarding services	1 415 934	4 789 368
Y Rental of photocopy machine	611 709	1 475 774
Y Provision For Procurement Of Services: Municipal Standard Chart Of Accounts (Sage Evolution)	4 215 499	-
Y Procurement of 75 3GS for the Municipal Officials	-	50 500
Y Procurement of 100 MBPS internet line for the municipal officials	-	158 123
Y Subdivision, rezoning, consolidation and road closure on ERF 1946,1947,1952,1547, Giyani Section F	271 720	271 720
Y Rezoning and subdivision of municipal properties including registration with surveyor general	276 000	506 000
Y Street naming in Giyani Section C and Giyani BA	258 750	474 375
Y Subdivision and rezoning of ERF561 Giyani D into mixed land used development	428 993	428 993
Y Civil Engineering Professional Service Provider to perform post construction Technical Investigation	190 272	190 272
Y Formalisation of Church View	130 025	130 025
Y ICT security, service support, ICT auditing and ICT network services	3 695 221	5 848 077
Y Street naming in Giyani section a and section f	308 872	673 100
Y Supply chain management support for the financial year	-	1 004 900
Y Supply and delivery of 31 cellphones contract	204 533	324 923
Y Supply and delivery of firearms and training	-	346 530
Y Supply installation of electrical cables at Giyani stadium	-	1 581 847
Y Preparation of GRAP compliant asset register for the financial year 2021/22	-	2 721 365
Y Appointment of service provider for training of MFMP	-	440 416
Y Preparation of GRAP compliant asset register for the financial year 2022/23	3 780 844	-
Y Preparation of annual financial statement for the financial year 2022/23	2 750 457	-
Y Appointment for professional town planner to conduct a street naming in Giyani Section E	201 740	-
Y Appointment for professional town planner for the establishment of a precinct plan of Mahumani village	635 145	-
Y Appointment for professional town planner to conduct street naming in Giyani B	184 460	-
Y Appointment for professional town planner for the establishment of a Sekhunyani village extension 1	1 100 000	-
Y Appointment for professional town planner for establishment of a township in Ndhengeza a village	934 100	-
Y The compilation,printing and production of newsletter (RITO) for the period of 12 months	668 610	-
Y Development of LED strategy	131 000	-
Y Supply chain management (SCM) support for the financial year 2022/23	989 300	-
Y The provision of short-term insurance for the period of three years	2 740 560	-
	27 942 378	24 945 244
Contract approved but where services have not been rendered		
• Township Establishment at Savulani Village	1 400 000	1 400 000
• Preparations, review and verification of Free basic electrical indigent register	900 000	-
• Preparation of annual financial statement for the financial year 2021/22	-	2 796 760
• Management and operations of the landfill site	11 137 600	11 137 600
• Replacement of air conditioner at library and Civic Centre	-	186 600
• Purchase of Cartridge 80a	-	29 820
• Purchase of C4 brown envelope	-	29 700
• Purchase of Cartridge 305a	-	25 900
• Supply and delivery personal protective clothing for traffic officers in the Greater Giyani Municipality	464 050	-
	13 901 650	15 606 380
Total operational commitments		
Already contracted for but not provided for	27 942 378	24 945 244
Not yet contracted for and authorised by accounting officer	13 901 650	15 606 380

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

2023 2022

50. Commitments (continued)

41 844 028 40 551 624

Total commitments

Total commitments

Authorised capital expenditure

171 512 393 122 678 586

Authorised operational expenditure

41 844 028 40 551 624

213 356 421 163 230 210

The following contracts are longer than 12 months

	Contract start date	Contract end date	Contract Amounts
Provision For Procurement Of Services: Municipal Standard Chart Of Accounts (Sage Evolution	2022/09/01	2025/08/31	5 695 289
Construction of Siyandhani internal streets 4.4 km from gravel to paving	2022/08/15	2024/08/15	5 096 094
The provision of short-term insurance for the period of three years	2022/12/01	2025/11/30	4 251 132
"ICT security, service support, ICT auditing and ICT network service	2021/07/01	2025/06/30	7 039 976
Management and operation of the Landfill site	2022/07/01	2025/06/30	11 137 600
			33 220 091

Operating leases - as lessee (expense)

The municipality has entered into a 3 years contract, which commenced from 01 October 2020 to 31 September 2023 for photocopiers.

There is no option for renewal or escalation at the end of the contract.

The municipality does not have option to purchase the equipment's at the end of the contract.

Operating lease payments represent rentals payable by the municipality with a minimum lease payments of R 864 065.63 (2023) (R 864 065.63 : 2022) for photocopiers and radiophones (R 69 148) (2023) :R 67 280 (2022). Contingent rent is payable on the number of copies made for the month.

Rental expenses relating to operating leases

Contractual Payments

933 214 931 346

Contingent rents

977 325 974 929

1 910 539 1 906 275

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

2023 2022

51. Contingent Liabilities

The municipality has various claims of legal disputes with suppliers that are subject to mediation or legal process. The table below indicates the details of the claims:

Case Description	2023	2022
Mpongwa Heseke Emmanuel vs GGM. The plaintiff is suing the Municipality for damages he suffered as result of rain	1 579 616	1 472 116
Dane Projects vs GGM. The municipality is being sued for outstanding invoices for work done.	9 242 001	8 472 246
Lunnick Base Khoza vs GGM. The municipality is sued for damage to a car accident owing to its failure to fix potholes	87 458	80 267
GGM vs TR construction & plant hire. The municipality is being sued for the claim of payment for the work allegedly done whilst claimant was a subcontractor.	1 142 871	1 049 272
Botshabelo Consulting Engineers vs GGM. The municipality is being sued for outstanding invoices for work done	8 484 794	7 778 263
PGN Civils (Pty) Ltd vs GGM. The municipality is being sued for outstanding invoices for work done	1 548 654	1 419 376
Rev Dr Mafrecha F Chabalala vs GGM Land dispute	1 973 216	1 798 389
Eternity Star Investment 231 CC//GGM - Contractual dispute on poor workmanship and some work not done	2 469 590	2 246 409
SIDA Consulting & Projects (Pty) Ltd//GGM - Contractual dispute	321 826	292 435
Emeral Fire Investment. Rescission Application	111 159	102 525
Mashimbye Witness//GGM	448 537	404 359
Kulani Ngoveni vs GGM - Civil suit against GGM	42 923	-
	27 452 645	25 115 657

52. Contigent Assets

The municipality has the folowing legal dispute that are subject to mediation or legal process. The tablebelow indicates the details of the claims:

GGM vs Former MM. Recovery of fruitless and wasteful expenditure	2 793 037	-
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Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

2023

2022

53. Related parties

Relationships

Accounting Officer

Refer to accounting officers' report note

Councillors

Refer to general information on page 1 to 3

Members of key personnel

VD Khoza was appointed as an Accounting Officer

from 01 June 2023 (KV Sithole acted as an Accounting Officer from 05 September 2022 to 31 May 2023. MM Chauke was the Accounting Officer until 05 September 2022 when he was suspended and his contract later ended on 31 December 2022)

F Nkuna acted as a CFO from 15 August 2022 to 31 January 2023 when he was subsequently appointed on a five year contract from 01 February 2023 (N Muhlari acted as a CFO from 13 April 2022 to 05 August 2022 after the resignation of D Mhangwana)

NR Mdaka acted as a Director Corporate and Shared Services from 01 May 2022 to 31 July 2022 when he was appointed on a five year term from 01 August 2022)

RH Mashamba was the Director Technical Services throughout the financial year under review

K V Sithole Director Strategic Planning and LED (N Nkuna acted on this position from 05 September 2022 to 31 May 2023)

R T Chabalala was appointed as Director Community Services on the 01 September 2022 on a five year term (Baloyi KR acted in the position from 01 August 2020 to 31 August 2022)

Related party transactions

Remuneration of management (Refer to Note 34 for Directors' remunerations)

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

53. Related parties (continued)

Management class: Councillors

2023

Name	Basic salary	Food Allowance	Cellphone and Data	Travel claim	Car Allowance	SDL	Backpay	Daily Allowance	Incidental	Total
Cllr. T Zitha	663 400	400	43 200	-	221 133	7 173	24 525	2 427	-	962 258
Cllr. AE Mboweni	530 721	1 600	43 200	-	176 907	5 851	22 194	5 625	-	786 098
Cllr. T Makondo	497 551	800	43 200	24 276	165 850	5 509	15 938	2 772	-	755 896
Cllr. RB Ngunyule Mabunda	497 551	800	43 200	17 623	165 850	5 453	14 899	2 647	408	748 431
Cllr. TJ Mabunda	497 551	1 360	43 200	32 646	165 850	5 528	15 938	2 280	750	765 103
Cllr. NHP Ndaba	497 551	1 750	43 200	57 022	165 850	6 348	24 488	4 412	2 904	803 525
Cllr. MR Mashale	277 574	400	43 200	26 050	92 525	3 446	23 755	1 690	382	469 022
Cllr. C Baloyi	277 574	-	43 200	21 367	92 525	3 333	10 483	-	304	448 786
Cllr. GA Maluleke	277 574	-	43 200	26 430	92 525	3 337	10 483	-	456	454 005
Cllr. TC Zitha	277 574	-	43 200	46 037	92 525	3 757	14 958	2 021	-	480 072
Cllr. TC Manganyi	277 574	800	43 200	64 945	92 525	3 560	14 958	2 933	470	500 965
Cllr. RE Makondo	487 554	1 750	43 200	69 789	165 850	5 650	15 689	5 240	2 622	797 344
Cllr. RN Sekgobela	277 574	-	43 200	7 847	92 525	3 319	14 958	1 726	-	441 149
Cllr. BA Shibambu	209 941	-	43 200	1 034	69 981	2 687	19 706	322	-	346 871
Cllr. RC Mabunda	209 941	400	43 200	12 382	69 981	2 576	8 806	1 520	65	348 871
Cllr. SS Mavasa	209 941	-	43 200	3 635	69 981	2 577	8 806	483	-	338 623
Cllr. NN Maswanganyi	209 941	600	43 200	4 662	69 981	2 590	8 806	456	-	340 236
Cllr. SS Mathebula	209 941	-	43 200	-	69 981	2 957	18 088	-	-	344 167
Cllr. M Shiviti	269 425	-	43 200	26 003	89 808	3 263	10 281	1 109	-	443 089
Cllr. GE Kobane	209 941	-	43 200	-	69 981	2 629	14 124	-	-	339 875
Cllr. NP Mlambo	209 941	-	43 200	1 984	69 981	2 576	8 806	635	-	337 123
Cllr. XL Ngobeni	269 425	-	43 200	11 897	89 808	3 173	10 281	1 717	-	429 501
Cllr. NS Monyipote	209 941	-	43 200	-	69 981	2 576	8 806	304	-	334 808
Cllr. VS Makamu	209 941	-	43 200	-	69 981	2 576	8 806	626	-	335 130
Cllr. MC Machipi	209 941	-	43 200	1 600	69 981	2 580	8 806	-	-	336 108
Cllr. NC Chabalala	269 425	-	43 200	5 781	89 808	3 230	10 281	1 243	-	422 968
Cllr. RG Ngunyula	269 425	-	43 200	882	89 808	3 173	10 281	-	-	416 769
Cllr. PT Mokgobi	269 425	1 150	43 200	39 594	89 808	3 285	14 756	4 069	-	465 287
Cllr. MA Khosa	209 941	-	43 200	997	69 981	2 606	11 781	152	-	338 658

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

53. Related parties (continued)

Cllr. TE Rikhotso	209 941	-	43 200	4 791	69 981	2 584	8 806	474	-	339 777
Cllr. MR Maluleke	209 941	600	43 200	7 517	69 981	2 678	8 806	1 520	-	344 243
Cllr. TE Nkuna	269 425	950	43 200	27 875	89 808	3 300	10 281	3 166	559	448 564
Cllr. S Sambo	209 941	900	43 200	13 130	69 981	2 929	8 806	1 368	302	350 557
Cllr. SC Mahlawule	209 941	-	43 200	2 022	69 981	2 643	15 202	152	-	343 141
Cllr. TN Shirinda	269 425	-	43 200	15 004	89 808	3 205	10 281	1 565	-	432 488
Cllr. PH Makhuvela	209 941	-	43 200	1 505	69 981	2 578	8 806	152	-	336 163
Cllr. TA Mathosi	209 941	-	43 200	8 307	69 981	2 582	8 806	152	-	342 969
Cllr. NR Shilowa	269 425	-	43 200	20 365	89 808	2 944	10 281	1 234	-	437 257
Cllr. RE Ngoveni	209 941	-	43 200	7 503	69 981	2 605	11 781	939	-	345 950
Cllr. KO Maswanganyi	209 941	-	43 200	-	69 981	2 576	8 806	-	-	334 504
Cllr. P Rikhotso	209 941	-	43 200	3 297	69 981	2 576	8 806	152	-	337 953
Cllr. JP Shibambu	209 941	-	43 200	3 260	69 981	2 587	8 806	483	-	338 258
Cllr. L Nkuna	209 941	-	43 200	1 460	69 981	2 576	8 806	456	-	336 420
Cllr. RT Mabunda	209 941	-	43 200	1 809	69 981	2 594	8 806	456	-	336 787
Cllr. E Mahasha	209 941	-	43 200	8 182	69 981	2 576	8 806	1 368	-	344 054
Cllr. A Rabothata	209 941	-	43 200	6 596	69 981	2 576	8 806	778	-	341 878
Cllr. JN Mashele	269 425	-	43 200	7 187	89 808	3 174	10 281	608	-	423 683
Cllr. CS Rikhotso	269 425	-	43 200	-	89 808	3 158	8 806	-	-	414 397
Cllr. KS Dlamini	209 941	-	43 200	2 248	69 981	2 586	8 806	805	-	337 567
Cllr. MD Hlungwani	209 941	-	43 200	-	69 981	2 576	8 806	-	-	334 504
Cllr. ML Chauke	209 941	-	43 200	-	69 981	2 576	8 806	-	-	334 504
Cllr. TI Rikhotso	209 941	-	43 200	542	69 981	2 580	8 806	-	-	335 050
Cllr. TN Baloyi	209 941	-	43 200	-	69 981	2 576	8 806	-	-	334 504
Cllr. S Mongwe	192 404	-	39 500	7 068	64 135	2 389	8 806	456	-	314 758
Cllr. TP Mashaba	209 941	-	43 200	-	69 981	2 576	8 806	-	-	334 504
Cllr. PP Mkhari	209 941	-	43 200	13 596	69 981	2 622	8 806	-	-	348 146
Cllr. MS Hlongwane	209 941	-	43 200	3 792	69 981	2 584	8 806	304	-	338 608
Cllr. SM Mahangwane	209 941	-	43 200	1 052	69 981	2 576	8 806	-	-	335 556
Cllr. MJ Nkuna	192 404	-	39 500	-	64 135	2 367	8 806	-	-	307 212
Cllr. MP Mathevula	122 264	-	24 700	-	40 751	1 592	13 281	-	-	202 588
Cllr. MP Hlungwani	192 404	-	39 500	833	64 118	2 367	17 826	322	-	317 370
Cllr. DJ Hlongwane	209 941	-	43 200	-	69 981	2 576	8 806	-	-	334 504
Cllr. TE Baloyi	-	-	-	-	-	86	8 550	-	-	8 636
Cllr. DE Baloyi	-	-	-	-	-	53	5 318	-	-	5 371
Cllr. B Gaveni	-	-	-	-	-	53	5 318	-	-	5 371
Cllr. E Malungana	-	-	-	-	-	15	1 500	-	-	1 515

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

53. Related parties (continued)

Cllr. MI Shimange Fazi	-	-	-	-	45	4 475	-	-	4 520
Cllr. RO Mabasa	-	-	-	-	84	8 408	-	-	8 492
Cllr. S Makhubele	-	-	-	-	53	5 318	-	-	5 371
Cllr. MW Mthombeni	-	-	-	-	53	5 318	-	-	5 371
Cllr. FC Makoseni	-	-	-	-	53	5 318	-	-	5 371
Cllr. XJ Valoyi	-	-	-	-	53	5 318	-	-	5 371
Cllr. CM Siweya	-	-	-	-	45	4 475	-	-	4 520
Cllr. NR Khandhela	-	-	-	-	45	4 475	-	-	4 520
Cllr. EN Mabunda	-	-	-	-	54	5 433	-	-	5 487
Cllr. SG Mthombeni	-	-	-	-	53	5 318	-	-	5 371
Cllr. NN Baloyi	-	-	-	-	45	4 475	-	-	4 520
Cllr. E Malungana	-	-	-	-	38	3 818	-	-	3 856
Cllr. TR Maluleke	-	-	-	-	45	4 475	-	-	4 520
Cllr. MJ Makhubele	-	-	-	-	60	2 975	-	-	3 035
Cllr. HW Mhlari	-	-	-	-	54	5 433	-	-	5 487
Cllr. TM Makhuvele	-	-	-	-	53	5 318	-	-	5 371
Cllr. DR Maswanganyi	-	-	-	-	15	1 500	-	-	1 515
Cllr. XB Mkansi	-	-	-	-	93	9 336	-	-	9 429
Cllr. HS Shivhambu	-	-	-	-	15	1 500	-	-	1 515
Cllr. MM Mathonsi	71 282	-	14 800	-	23 384	1 078	-	-	110 544
Cllr. MC Rikhotso	-	-	-	-	45	4 475	-	-	4 520
Cllr. HR Rikhotso	-	-	-	-	45	4 475	-	-	4 520
Cllr. T Makhubele	-	-	-	-	15	1 500	-	-	1 515
Cllr. KL Ngobeni	23 384	-	3 700	-	5 846	397	8 550	-	41 877
Cllr. MA Mthombeni	-	-	-	-	39	3 933	-	-	3 972
Cllr. DT Shivuri	-	-	-	-	45	4 475	-	-	4 520
Cllr. N Maluleke	-	-	-	-	45	4 475	-	-	4 520
Cllr. MA Makamu	-	-	-	-	38	3 194	-	-	3 232
Cllr. BI Mashele	-	-	-	-	45	4 475	-	-	4 520
Cllr. AF Mthombeni	-	-	-	-	4	381	-	-	385
Cllr. PS Mabulana	-	-	-	-	54	5 433	-	-	5 487
Cllr. MC Mhlongo	-	-	-	-	45	4 475	-	-	4 520
Cllr. SS Kubayi	-	-	-	-	45	4 475	-	-	4 520
Cllr. KA Manganyi	-	-	-	-	15	1 500	-	-	1 515
Cllr. PS Hlungwana	-	-	-	-	15	1 500	-	-	1 515
Cllr. XB Mkasi	-	-	-	-	15	1 500	-	-	1 515
Cllr. AM Mthombeni	-	-	-	-	15	1 500	-	-	1 515

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

53. Related parties (continued)

Cllr. HR Shivambu	-	-	-	-	-	30	2 970	-	-	3 000
Cllr. MJ Makhubela	-	-	-	-	-	45	4 475	-	-	4 520
Cllr. MR Nkuna	-	-	-	-	-	8	762	-	-	770
Cllr. P Mazivuko	-	-	-	-	-	45	4 475	-	-	4 520
Cllr. TS Hlungwana	-	-	-	-	-	30	2 975	-	-	3 005
Cllr. NJ Zitha	-	-	-	-	-	45	4 475	-	-	4 520
Cllr. TP Chaka	-	-	-	-	-	30	4 475	-	-	4 505
Cllr. FJ Manganyi	-	-	-	-	-	20	2 043	-	-	2 063
Cllr. TJ Moswana	-	-	-	-	-	45	4 475	-	-	4 520
Cllr. MJ Chauke	-	-	-	-	-	30	2 975	-	-	3 005
Cllr. NM Madzunye	-	-	-	-	-	45	4 475	-	-	4 520
Cllr. RS Khosa	-	-	-	-	-	45	4 475	-	-	4 520
Cllr. DC Mashimbye	-	-	-	-	-	45	4 475	-	-	4 520
Cllr. RC Rikhotso	-	-	-	-	-	45	4 475	-	-	4 520
Cllr. FMI Shimange	-	-	-	-	-	15	1 500	-	-	1 515
	16 173 650	14 260	2 667 300	673 424	5 392 224	197 988	951 039	63 319	9 222	26 142 426

2022

Name	Basic salary	KM Travel	Cellphone and data Allowance	Car Allowance	SDL	Backpay	Daily Allowance	Incidental	Food	Total
Cllr. T Zitha	400 145	-	29 600	143 476	5 415	7 604	1 303	1 251	1 600	590 394
Cllr. AE Mboweni	321 592	-	29 600	114 781	3 806	9 647	2 884	-	1 200	483 510
Cllr. T Makondo	301 954	10 263	29 600	107 607	3 501	-	912	1 473	1 200	456 510
Cllr. RB Ngunyule Mabunda	282 470	13 508	25 900	94 157	3 161	-	1 064	1 914	1 200	423 374
Cllr. TJ Mabunda	301 954	9 668	29 600	107 608	3 501	-	-	1 251	800	454 382
Cllr. NHP Ndaba	301 954	19 373	29 600	107 608	3 979	16 561	912	1 522	800	482 309
Cllr. MR Mashale	171 716	21 754	29 600	60 032	2 282	16 561	456	1 570	800	304 771
Cllr. C Baloyi	171 716	24 012	29 600	60 032	2 116	-	1 368	1 251	1 200	291 295
Cllr. GA Maluleke	171 716	-	29 600	60 032	2 116	-	-	-	-	263 464
Cllr. TC Zitha	171 716	-	29 600	60 032	2 367	7 604	-	-	-	271 319
Cllr. TC Manganyi	171 716	-	29 600	60 032	2 192	-	-	-	-	263 540
Cllr. RE Makondo	296 036	25 402	29 600	107 608	3 455	-	1 481	1 555	800	465 937
Cllr. RN Sekgobela	180 721	-	29 600	60 032	2 282	7 604	-	-	-	280 239
Cllr. BA Shibambu	131 107	6 341	29 600	45 405	1 902	21 726	-	1 473	800	238 354

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

53. Related parties (continued)

Cllr. RC Mabunda	131 107	18 597	29 600	45 405	1 685	-	1 177	1 403	800	229 774
Cllr. SS Mavasa	131 107	-	29 600	45 405	1 685	-	-	1 251	800	209 848
Cllr. NN Maswanganyi	131 107	15 599	29 600	45 405	1 685	-	456	1 251	800	225 903
Cllr. SS Mathebula	131 107	8 648	29 600	45 405	1 914	9 710	-	1 397	800	228 581
Cllr. S Shiviti	155 228	25 514	29 600	53 445	1 988	6 432	1 064	1 376	800	275 447
Cllr. GE Kobane	131 107	6 341	29 600	45 405	1 780	9 456	-	1 251	800	225 740
Cllr. NP Mlambo	131 107	7 094	29 600	45 405	1 685	-	152	1 251	800	217 094
Cllr. XL Ngobeni	160 052	3 596	29 600	55 053	1 971	-	760	1 251	800	253 083
Cllr. NS Monyipote	131 107	-	29 600	45 405	1 685	-	304	1 251	800	210 152
Cllr. VS Makamu	131 107	-	29 600	45 405	1 685	-	304	1 251	800	210 152
Cllr. MC Machipi	131 107	-	29 600	45 405	1 685	-	-	1 251	800	209 848
Cllr. NC Chabalala	160 052	3 039	29 600	55 053	1 971	-	760	1 251	800	252 526
Cllr. RG Ngunyula	160 052	4 088	29 600	55 053	2 092	-	608	1 251	800	253 544
Cllr. PT Mokgobi	160 052	24 290	29 600	55 053	2 047	7 604	760	1 403	800	281 609
Cllr. MA khosa	131 107	-	29 600	45 405	1 780	7 604	-	1 251	800	217 547
Cllr. TE Rikhotso	131 107	8 134	29 600	45 405	1 685	-	304	1 251	800	218 286
Cllr. MR Maluleke	131 107	10 583	29 600	45 405	1 685	-	1 190	1 302	800	221 672
Cllr. TE Nkuna	160 052	14 874	29 600	55 053	1 973	-	760	1 251	800	264 363
Cllr. S Sambo	131 107	12 611	29 600	45 405	1 685	-	886	1 352	1 000	223 646
Cllr. SC Mahlawule	131 107	6 341	29 600	45 405	1 782	9 710	-	1 251	800	225 996
Cllr. TN Shirinda	160 052	3 595	29 600	55 053	1 971	-	760	1 251	800	253 082
Cllr. PH Makhuvela	131 107	6 341	29 600	45 405	1 685	-	-	1 251	800	216 189
Cllr. TA Mathosi	131 107	1 212	29 600	45 405	1 685	-	304	1 251	800	211 364
Cllr. NR Shilowa	160 052	10 229	29 600	55 053	1 971	-	760	1 362	800	259 827
Cllr. RE Ngoveni	131 107	7 846	29 600	45 405	1 761	7 604	304	1 251	800	225 678
Cllr. KO Maswanganyi	131 107	-	29 600	45 405	1 685	-	304	1 251	800	210 152
Cllr. P Rikhotso	131 107	1 555	29 600	45 405	1 685	-	304	1 251	800	211 707
Cllr. JP Shibambu	131 107	-	29 600	45 405	1 685	-	304	1 251	800	210 152
Cllr. L Nkuna	131 107	819	29 600	45 405	1 685	-	304	1 251	800	210 971
Cllr. RT Mabunda	131 107	7 160	29 600	45 405	1 685	-	304	1 251	800	217 312
Cllr. E Mahasha	131 107	-	29 600	45 405	1 685	-	1 216	1 251	1 000	211 264
Cllr. A Rabothata	131 107	7 762	29 600	45 405	1 780	-	304	1 251	800	218 009
Cllr. JN Mashele	160 052	4 514	29 600	55 053	1 971	-	912	1 251	800	254 153
Cllr. CS Rikhotso	160 052	-	29 600	55 053	1 971	-	-	1 251	800	248 727
Cllr. KS Dlamini	131 107	6 341	29 600	45 405	1 685	-	-	1 251	800	216 189
Cllr. MD Hlungwani	131 107	6 341	29 600	45 405	1 685	17 781	-	1 251	800	233 970
Cllr. ML Chauke	131 107	6 341	29 600	45 405	1 780	-	-	1 251	800	216 284

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

53. Related parties (continued)

Cllr. TI Rikhotso	131 107	6 341	29 600	45 405	1 685	-	-	1 251	800	216 189
Cllr. TN Baloyi	131 107	6 341	29 600	45 405	1 685	-	-	1 251	800	216 189
Cllr. S Mongwe	131 107	7 227	29 600	45 405	1 780	-	-	1 251	800	217 170
Cllr. TP Mashaba	131 107	-	29 600	45 405	1 685	-	-	1 251	800	209 848
Cllr. PP Mkhari	131 107	6 341	29 600	45 405	1 685	-	-	1 251	800	216 189
Cllr. MS Hlongwane	131 107	7 955	29 600	45 405	1 685	-	456	1 251	800	218 259
Cllr. SM Mahangwane	131 107	10 170	29 600	45 405	1 780	-	1 064	1 251	800	221 177
Cllr. MJ Nkuna	131 107	6 341	29 600	45 405	1 685	-	-	1 251	800	216 189
Cllr. MP Matheveula	131 107	6 341	29 600	45 405	1 685	-	-	1 251	800	216 189
Cllr. MP Hlungwani	131 107	6 341	29 600	45 405	1 685	-	-	1 251	800	216 189
Cllr. DJ Hlongwane	131 107	-	29 600	45 405	1 780	-	-	1 251	800	209 943
Cllr. SS Mathebula	92 299	-	15 333	31 097	1 190	-	-	-	-	139 919
Cllr. MP Hlungwani	176 476	-	15 333	59 457	1 517	7 604	-	-	-	260 387
Cllr. MR Mashale	165 447	-	15 333	55 741	1 790	-	-	-	-	238 311
Cllr. NHP Ndaba	165 447	-	15 333	55 741	2 012	-	-	-	-	238 533
Cllr. TE Baloyi	165 447	5 699	15 333	55 741	2 177	16 561	-	-	-	260 958
Cllr. DE Baloyi	89 590	-	15 333	30 184	1 254	9 456	-	-	-	145 817
Cllr. B Gaveni	79 941	-	15 333	26 967	1 404	35 186	-	-	-	158 831
Cllr. E Malungana	89 590	-	15 333	30 184	1 134	9 456	-	-	-	145 697
Cllr. MI Shimange Fazi	69 810	-	15 333	23 520	1 013	7 604	-	-	-	117 280
Cllr. RO Mabasa	162 123	791	15 333	54 621	2 137	16 063	-	-	-	251 068
Cllr. S Makhubele	89 590	1 704	15 333	30 184	1 254	9 456	-	-	-	147 521
Cllr. MW Mthombeni	89 590	-	15 333	30 184	1 254	9 456	-	-	-	145 817
Cllr. PT Mokgobi	69 810	-	15 333	23 520	844	-	-	-	-	109 507
Cllr. FC Makoseni	89 590	-	15 333	30 184	1 134	9 456	-	-	-	145 697
Cllr. XJ Valoyi	89 590	-	15 333	30 184	1 254	9 456	-	-	-	145 817
Cllr. BA Shibambu	220 595	-	15 333	74 321	2 335	-	-	-	-	312 584
Cllr. CM Siweya	69 810	1 398	15 333	23 520	920	7 604	-	-	-	118 585
Cllr. NR Khandhela	69 810	-	15 333	23 520	1 013	7 604	-	-	-	117 280
Cllr. GR Kobane	89 590	-	15 333	30 184	1 160	-	-	-	-	136 267
Cllr. EN Mabunda	92 299	2 957	15 333	31 097	1 287	9 710	-	-	-	152 683
Cllr. SG Mthombeni	89 590	-	15 333	30 184	1 134	9 456	-	-	-	145 697
Cllr. NN Baloyi	69 810	-	15 333	23 520	920	7 604	-	-	-	117 187
Cllr. MC Mhlongo	69 810	661	15 333	23 520	920	7 604	-	-	-	117 848
Cllr. RE Ngoveni	69 810	-	15 333	23 520	844	-	-	-	-	109 507
Cllr. TR Maluleke	69 810	-	15 333	23 520	920	-	-	-	-	109 583
Cllr. MA Khosa	69 810	-	15 333	23 520	920	-	-	-	-	109 583

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

53. Related parties (continued)

Cllr. T Makhubele	69 810	-	15 333	23 520	844	-	-	-	-	109 507
Cllr. HW Mhlari	92 299	-	15 333	31 097	1 163	9 710	-	-	-	149 602
Cllr. RN Sekgobela	69 810	-	15 333	23 520	844	9 456	-	-	-	118 963
Cllr. TM Makhuvele	89 590	-	15 333	30 184	1 134	-	-	-	-	136 241
Cllr. MP Mathevela	69 810	-	15 333	23 520	920	7 604	-	-	-	117 187
Cllr. XB Mkansi	69 810	-	15 333	23 520	844	-	-	-	-	109 507
Cllr. DC Mashimbye	69 810	3 022	15 333	23 520	920	7 604	-	-	-	120 209
Cllr. RS Khosa	69 810	2 269	15 333	23 520	920	7 604	-	-	-	119 456
Cllr. HR Rikhotso	69 810	1 681	15 333	23 520	920	7 604	-	-	-	118 868
Cllr. MJ Chauke	69 810	-	15 333	23 520	920	7 604	-	-	-	117 187
Cllr. RC Rikhotso	69 810	-	15 333	23 520	920	7 604	-	-	-	117 187
Cllr. KA Manganyi	165 447	1 356	15 333	55 741	2 177	16 561	-	139	-	256 754
Cllr. JS Khosa	69 810	-	15 333	23 520	920	7 604	-	-	-	117 187
Cllr. AF Mthombeni	18 125	-	3 700	5 676	215	7 604	-	-	-	35 320
Cllr. DT Shivuri	69 810	-	15 333	23 520	920	7 604	-	-	-	117 187
Cllr. N Maluleke	69 810	-	15 333	23 520	920	7 604	-	-	-	117 187
Cllr. MA Makamu	51 081	-	11 100	17 027	681	-	-	-	-	79 889
Cllr. BI Mashele	69 810	-	15 333	23 520	920	7 604	-	-	-	117 187
Cllr. AF Mthombeni	92 299	-	15 333	31 097	1 287	9 710	-	-	-	149 726
Cllr. PS Mabulana	92 299	-	15 333	31 097	1 163	9 710	-	-	-	149 602
Cllr. TC Manganyi	69 810	-	15 333	23 520	937	7 604	-	-	-	117 204
Cllr. SS Kubayi	69 810	-	15 333	23 520	920	7 604	-	-	-	117 187
Cllr. AE Mboweni	92 299	-	15 333	30 184	1 059	-	-	-	-	138 875
Cllr. NM Madzunya	69 810	-	15 333	23 520	920	7 604	-	-	-	117 187
Cllr. SC Mahlawule	92 299	-	15 333	31 097	1 066	-	-	-	-	139 795
Cllr. TC Zitha	69 810	-	15 333	23 520	937	-	-	-	-	109 600
Cllr. HR Shivambu	69 810	-	15 333	23 520	1 013	7 604	-	-	-	117 280
Cllr. MJ Makhubela	69 810	-	15 333	23 520	1 013	7 604	-	-	-	117 280
Cllr. SR Nkuna	34 054	-	7 400	11 351	407	-	-	-	-	53 212
Cllr. P Mazivuko	69 810	-	15 333	23 520	920	7 604	-	-	-	117 187
Cllr. TS Hlungwana	69 810	-	15 333	23 520	920	7 604	-	-	-	117 187
Cllr. NJ Zitha	69 810	-	15 333	23 520	844	7 604	-	-	-	117 111
Cllr. TP Chaka	69 810	-	15 333	23 520	920	7 604	-	-	-	117 187
Cllr. FJ Manganyi	51 081	-	11 100	17 027	611	-	-	-	-	79 819
Cllr. TJ Moshwana	69 810	-	15 333	23 520	920	7 604	-	-	-	117 187
Cllr. MD Hlungwana	35 756	-	7 933	12 169	778	10 177	-	-	-	66 813
Cllr. DR Maswangani	69 810	-	15 333	23 520	920	7 604	-	-	-	117 187

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

53. Related parties (continued)

15 271 238	454 662	2 762 047	5 252 436	195 496	585 156	27 465	74 285	49 200	24 671 985
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Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

2023 2022

54. Accounting by principals and agents

The municipality is a party to a principal-agent arrangement(s).

Mopani District Municipality

Greater Giyani Municipality and Mopani District Municipality entered into legislated arrangement under which the Greater Giyani Municipality serves as an agent and Mopani District as a Principal.

Under this arrangement, Greater Giyani Municipality performs water and sewer functions on behalf of the Mopani District, all monies earned by the Greater Giyani Municipality.

Money from water and sewer services are disclosed as a liability and any monies paid by Greater Giyani Municipality to ensure smooth running of the water and sewer functions are disclosed as a receivable by Greater Giyani Municipality.

Agency fee @ (Water 20% and Sewer 5%)	650 644	828 674
Inter municipal Account		
Mopani District Municipality	(22 591 467)	(4 998 660)

Department of Transport - Limpopo

The Municipality has entered into an agreement with the Department of Transport under which the Department serves as a Principal and the Municipality as an agent.

Under this arrangement, the Municipality performs licencing functions on behalf of the department of transport and earns a commission of the total revenue collected from this services. The balance is transferred to the department of transport and other stakeholders. The following is a summary of revenue as a result of the arrangements at year end.

Agency fee		
Total collection on behalf of the principal	23 907 350	23 286 718
Total amount paid or transferred to the principal	(16 865 568)	(16 531 351)
	7 041 782	6 755 367

Details of the arrangement(s) are as follows:

The municipality has been appointed to distribute water to local residences as distribution agent by the district municipality for which it is then entitled to a commission/agency fee for service rendered. The municipality accounts for revenue, expenditures and receivables relating to water transactions into loan account and it is disclosed under the same section of the annual financial statements. Refer to disclosure note for other receivables for full details note 10 for further reconciliation.

The municipality is entitled to 20% of the total collection of

The municipality is also a party to an agreement between the municipality and the department of roads and transport to collect revenue licensing and permits. The municipality is entitled to 20% of the revenue collected.

55. Risk management

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.

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

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55. Risk management (continued)

Payables from exchange transactions	112 569 601	105 303 884
	112 569 601	105 303 884

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored. Sales to retail customers are settled in cash or using major credit cards. Credit guarantee insurance is purchased when deemed appropriate.

Financial assets exposed to credit risk at year end were as follows:

Financial instrument

Cash and cash equivalents	248 096 278	220 050 953
Receivables from exchange transactions	32 099 563	11 984 307
Receivables from non-exchange transactions	44 148 641	94 672 648
Other receivables from exchange transactions	9 905 906	34 463 319
VAT	15 904 882	20 440 439
	350 155 270	381 611 666

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.

56. Deviations

Bowmans	772 828	-
MM Baloyi Arttoneys	470 979	-
Isaaih Nyathi	1 056 053	-
Accommodations	6 715 612	-
BBBB Trading Enterprise (Pty) Ltd - in an emergency (SCM) Regulations 36(1)(i)	-	65 024
Walala Bisson Enterprise (Pty) Ltd - in an emergency (SCM) Regulations 36(1)(i)	-	68 640
M and R Projects and Investment - in an emergency (SCM) Regulations 36(1)(i)	-	79 950
	9 015 472	213 614

57. Fruitless and wasteful expenditure

Opening balance as previously reported	7 236 461	2 208 553
Add: Fruitless and wasteful expenditure identified - current	290 329	5 027 908
Closing balance	7 526 790	7 236 461

An amount of R 9 870.28 for 2019/2020 financial year is yet to be recovered, as per recommendation by MPAC.

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022
57. Fruitless and wasteful expenditure (continued)		
Details of fruitless and wasteful expenditure		
Sheriff's costs	35 761	-
Penalty charges	162 866	-
Interest charged on litigation loss	-	2 793 037
Free basic electricity paid for deceased beneficiaries	-	2 202 970
Insurance excess for vehicles glass replacement	4 600	-
Interest for late payment on the disputed FBE bill	87 012	13 151
Failure to attend a Microsoft Teams meeting on the 28th of August 2021 by Technical Team	-	11 250
Absence of Technical Team in a Microsoft Teams meeting on the 29th of August 2021	-	7 500
	290 239	5 027 908

58. Irregular expenditure

Opening Balance	15 922 713	11 224 426
Add: Irregular expenditure - current	14 363 302	6 281 720
Less: Amount written off by council	-	(1 583 433)
Closing balance	30 286 015	15 922 713

MPAC could not reach a conclusion on the investigation of R 9 640 992.69 for periods 2015/16 and 2016/17 respectively due to inadequate information.

Incidents/cases identified/reported in the current year include those listed below:

PPR	5 963 115	-
Awards made to suppliers in which persons in service of other state institutions have an interest	-	1 228 237
7 days advertisement was not done for this procurement	4 023 796	-
The shred hold for this service is above R200 00 and it was not awarded on competitive bidding process as required by the SCM regulations	2 691 815	-
The supplier is in the services of the state (the department of education) and it was not declared in the service of the state. Non compliance with SCM policy	1 684 576	-
	-	5 053 483
	14 363 302	6 281 720

59. Unauthorised expenditure

Opening balance as previously reported	49 095 505	103 258 108
Add: Unauthorised expenditure - incurred in the current year	118 879 105	49 095 505
Less: Amount written off by council	-	(103 258 108)
Closing balance	167 974 610	49 095 505

Unauthorised amount of R 49 095 505 relating to the prior year was submitted to council and referred to MPAC for further investigation.

The over expenditure incurred by municipal departments during the year is attributable to the following categories:

Non-cash	118 879 105	49 095 505
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Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022
59. Unauthorised expenditure (continued)		
Analysed as follows: non-cash		
Depreciation and amortisation	77 377	30 476 758
Finance costs	4 568 091	6 670 136
Impairment loss	1 852 217	1 786 619
Debt impairment	88 278 267	-
Loss on assets written off	4 205 555	10 142 256
Obsolete inventory written off	16 395	19 736
Bad debts written off	19 881 203	-
	118 879 105	49 095 505
Analysed as follows: cash		
Finance and administration	118 878 105	49 095 505
60. Additional disclosure in terms of Municipal Finance Management Act		
Audit fees		
Current year subscription / fee	4 835 617	4 067 384
Amount paid - current year	(4 835 617)	(4 067 384)
	-	-
PAYE and UIF		
Current year subscription / fee	25 189 695	25 488 532
Amount paid - current year	(25 189 695)	(25 488 532)
	-	-
Pension and Medical Aid Deductions		
Current year subscription / fee	29 407 828	27 380 992
Amount paid - current year	(29 407 828)	(27 380 992)
	-	-
VAT		
VAT receivable	15 904 882	20 440 439

VAT output payables and VAT input receivables are shown in note .

All VAT returns have been submitted by the due date throughout the year.

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

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60. 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.

30 June 2023 less than 90days	Outstanding	Outstanding more than 90 days	Total
Cllr. Rikhotso Tsakane Idah	1 557	42 152	43 709
Cllr. Shibambu Basani Agnes	1 650	1 504	3 154
	3 207	43 656	46 863

During the year under review 3 councilors who were owing in the prior cleared their outstanding balances from prior year.

30 June 2022 less than 90days	Outstanding	Outstanding more than 90 days	Total
Cllr. Mboweni Agrey Ernest	1 880	9 397	11 277
Cllr. Makondo Thomas	3 038	24 516	27 554
Cllr. Dlamini Khanyisa Sylvia	2 361	18 038	20 399
Cllr. Rikhotso Tsakane Idah	4 096	67 642	71 738
	11 375	119 593	130 968

61. Going concern

We draw attention to the fact that at 30 June 2023, the municipality had an accumulated surplus (deficit) of R 1 293 075 064 and that the municipality's total assets exceed its liabilities by R 1 293 075 064.

The audited annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

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62. Prior period errors

1. Contingent Liabilities

In the prior year the municipality did not disclose the following contingent liabilities:

- Eternity Star Investment 231 CC vs GGM for contractual dispute on poor workmanship and some work not done for R 2 037 027.70

- Emerald Fire Investment vs GGM. Rescission Application for R 78 378.80

2. Receivable from exchange transactions.

Reversal of agency fee for MDM which was incorrectly calculated at 25% of the total collection instead of apportioning 20% to water collection and 5% to sewer collection, the overstatement amounts to R 1 280 472 and R 6 863 relating to water and sewer.

3. Receivable from non-exchange transactions.

Clearing of an On hold account for Nkhensani hospital with a credit balance of R 11 892 529 relating to property rates. There was also an incorrect adjustment made on property rates in the prior year audit adjustments of R 237 204

4. Payables from exchange transactions.

Compensation commission with a balance of R 693 958 was not provided for in the prior year. An amount of R 123 934 for rentention was not capped in the prior year.

5. Agency fee.

Reversal of agency fee for MDM which was incorrectly calculated at 25% of the total collection instead of apportioning 20% of water collection and 5% of collection amounting to R 326 142.

6. Property rates

There was an incorrect adjustment made in the prior year audit adjustments on property rates with an amount of R 237 204.

7. Interest on overdue accounts

Interest was incorrectly charged on an on hold account with amount of R 1 017 905.

8. Employee related cost

A total amount of R 1 313 270 relating to employee costs (Daily allowance :R 129 720, Food allowance :R 104 558, Incidental R 146 086 and Km Travel R 932 906) were mapped to general expenditure in the prior year. Compensation commission with an amount R 693 958 was not provided for in the prior year.

9. Councilors' remuneration

A total amount of R 605 612 relating to councilors' remuneration (Daily allowance R 27 465, Food allowance R 49 200, Incidental R 74 285 and Km travel R 454 662) were mapped to general expenditure in the prior year.

10. Contracted services

An amount of R 123 934 for electrification of Ndengeza Village was not capped in the prior year. There was reclassification of a completed of R 1 050 603.14.

11. Property, plant and equipment

There was reclassification of R 1 050 603.14 relating to a project that was completed in the prior and capitalised. Assets with carrying value of R 211 197 were found on the floor during assets verification and were not accounted in the prior year. Depreciation relating the projected was understated with R 58 899.49

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

2023 2022

62. Prior period errors (continued)

12. Depreciation

The depreciation for infrastructure was understated with R 58 899.49 was understated in the prior year. Depreciation for the assets found on the amounting to R 49 502 was not accounted in the prior year.

The correction of the error(s) results in adjustments as follows:

Statement of financial position

	As previously reported	Correction of error	Restated
Receivable from exchange transaction	13 257 921	(1 273 614)	11 984 307
Receivable from non exchange transaction	103 353 601	(8 779 965)	94 573 636
Other receivables from exchange transactions	38 086 198	(3 523 868)	34 562 330
Property, plant and equipment	991 184 532	1 320 700	992 505 232
Payables from exchange transactions	(104 485 992)	(817 892)	(105 303 884)
	1 041 396 260	(13 074 639)	1 028 321 621

Statement of financial performance

	As previously reported	Correction of error	Restated
Agency services	1 154 816	(326 142)	828 674
Property rates	67 093 366	237 204	67 330 570
Interest received (overdue accounts)	27 429 499	(1 017 905)	26 411 594
Employee related costs	(159 435 179)	(2 007 228)	(161 442 407)
Remuneration of councillors	(24 066 373)	(605 612)	(24 671 985)
Depreciation	(96 276 758)	(108 401)	(96 385 159)
Debt impairment	(14 419 155)	(174 100)	(14 593 255)
Contracted services	(73 972 158)	926 670	(73 045 488)
General expenses	(71 966 994)	1 918 882	(70 048 112)
	(344 458 936)	(1 156 632)	(345 615 568)

Commitment

	As previously reported	Correction of error	Restated
Appointment of civil engineering services provider (contractor) for the construction of Civic centre building phase iv (CIDB 7GB/7CE or higher)	43 422 580	1 448 774	44 871 354
Construction of Nwazekudzeku community hall	12 734 743	173 747	12 908 490
Construction of Homu sports center	12 017 534	919 986	12 937 520
	68 174 857	2 542 507	70 717 364

Contigent liabilities

	As previously reported	Correction of error	Restated
Eternity Star Investment 231 CC//GGM - Contractual dispute on poor workmanship and some work not done	-	2 037 028	2 037 028
Emerald Fire Investment vs GGM. Rescission Application	-	78 379	78 379
	-	2 115 407	2 115 407

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

2023

2022

63. EXPLANATION OF DIFFERENCES BETWEEN FINAL BUDGET AND ACTUAL AMOUNTS

Material differences between budget and actual amounts

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

2023

2022

63. EXPLANATION OF DIFFERENCES BETWEEN FINAL BUDGET AND ACTUAL AMOUNTS (continued)

A. Rental of facilities

Service is dependent on the needs of the community members. An increment of over 10% indicates that the demand from community members were favourable in the current year when compared to the prior year.

B. Agency Services

Agency fees commission is depended on the water and sanitation collection, therefore the municipality collected less when compared to the previous year.

C. Other income

Service is dependent on the needs of the community members. An increment of over 10% indicates that the demand from community members were favourable in the current year when compared to the prior year.

D. Interest on investment

Increase on interest on investment is due to the municipality investing VAT recoveries in the call accounts.

E. Gains

The planned asset disposal was not done during the current year under review.

F. Traffic fines

This was due to more roadblocks and enforcement measures conducted by the municipality.

G. Interest on overdue accounts (Property rates)

Impact of low revenue collection due to culture of non-payment has resulted in an increased debtor's book and increase the interest on outstanding debtors.

H. Impairment loss

Impairment loss was incurred due to the decrease in the value of damaged Assets and assets which their lifespan has reduced drastically.

I. Finance costs

This is due to interest on provision of rehabilitation of dumping site which was not budgeted for

J. Debt impairment

The municipality debt book has increased due slow revenue collection which in turns increased the provision for debt impairment. The municipality has also revised the debt impairment methodology and government properties have been individually assessed for impairment.

K. Contracted services

There was a decrease in professional fees expenditure.

L. Transfers and subsidies

This is due to the funds given to the 4 Local SMMEs to support them after they have applied for assistance.

M. Obsolete inventory written off

This is due to damaged doors and expired materials identified at year end stock count.

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

2023

2022

63. EXPLANATION OF DIFFERENCES BETWEEN FINAL BUDGET AND ACTUAL AMOUNTS (continued)

N. Repairs and maintenance

This is because of the reclassification from repairs and maintenance vote to WIP (Work in progress) because some of the maintenance was capital in nature.

O. Loss on assets written off

Due to the pavement milling projects undertaken by the municipality, the old tar roads had to be derecognised which resulted in the loss on asset written off.

P. General Expenses

There increase in general expenses was due to bad written off on property rates, oil due to exponential fuel increase, stafftraing and travelling due to lifting of Covid19 restrictions.

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

2023

2022

63. EXPLANATION OF DIFFERENCES BETWEEN FINAL BUDGET AND ACTUAL AMOUNTS (continued)

EXPLANATION OF DIFFERENCES BETWEEN APPROVED BUDGET AND FINAL ADJUSTED BUDGET

A. Services charges

A downward adjustment is based on actual performance of refuse removal during mid-year budget assessment.

B. Rental of facilities

A downward adjustment is based on actual performance of refuse removal during mid-year budget assessment. The service is depended on the demand by consumers, cost reflective tariffs also lowered the demand.

C. Agency Services

This is due to water shortages in Mopani District, and it resulted in lower billing for water consumption.

D. Other income

Services in this category is depended on the demand of services by consumers. Sale of Property did not perform as planned during the start of the budget processes.

E. Interest on Investment

The variance was caused by a huge positive cash balance maintained by the municipality, furthermore there were also more investments made by the municipality.

F. Gains

The planned asset disposal was not done during the current year under review.

G. Traffic fines

This was due to less roadblocks and enforcement measures conducted by the municipality.

H. Employee related costs

The budget was decreased due to the budgeted vacant positions which were not filled for the first six month of the financial year and termination of employment during the first six month.

I. Lease rentals on operating

The budget was decreased while checking the performance for the first six month of the financial year, the contract is depended on the usage of the machine.

J. Repairs and maintenance

The budget was increased due to the need and backlog that is there in our communities to maintain roads and stormwater.

K. Contracted services

The budget was increased due to the INEG bonus which was received during the Financial Year.

L. Transfers and subsidies

The budget was increased while checking the number of SMMES that applied for assistance.

Greater Giyani Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022
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63.EXPLANATION OF DIFFERENCES BETWEEN FINAL BUDGET AND ACTUAL AMOUNTS (continued)

64. Changes in estimate

In the year under review the municipality revised the debt impairment methodology, which resulted in other debtors categories (government) being individually included in the assessment for debt impairment. The revision was in line with GRAP 104 paragraph 62.

The effect of the change in accounting estimate has resulted in an increase of R 68 894 013.26 for the current period.

The effect on future periods could not reasonably be determined.



GREATER GIYANI MUNICIPALITY

ANNEXETURE D AUDIT REPORT 2023

(2023)

Report of the auditor-general to Limpopo Provincial Legislature and Council on Greater Giyani Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Greater Giyani Municipality set out on pages xx to xx, which comprise the statement of financial position as at 30 June 2023, statement of financial performance, statement of changes in net assets and 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, the financial statements present fairly, in all material respects, the financial position of the Greater Giyani Municipality as at 30 June 2023 and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practices (Standards of GRAP) and the requirements of the Municipality Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 5 of 2022 (DoRA).

Basis for opinion Context

for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

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

Restatement of corresponding figures

7. As disclosed in note 61 to the financial statements the corresponding figures for 30 June 2022 were restated as a result of errors in the financial statement of the municipality at and for the year ended 30 June 2023.

Significant uncertainty

8. With reference to note 50 to the financial statements, the municipality is the defendant in multiple lawsuits. The municipality is opposing the claims. The ultimate outcome of the matters could not be determined and no provision for any liability that may result was made in the financial statements.

Material impairment

9. As disclosed in note 41 to the financial statements, a material impairment of R104 670 877 was made as a result of debt which recovery is doubtful due to an inadequate debt collecting system.

Other matter

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

Unaudited disclosure schedules

11. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliances with the MFMA in the financial statement. The disclosure requirements did not form part of the audit of the financial statements and accordingly, I do not express an opinion on it.

Responsibilities of the accounting officer for the financial statements

12. 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 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.
13. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations or has no realistic alternative but to do so.

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

14. 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.

15. 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

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

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

Development priority	Page numbers	Purpose
KPA 3 - Basic service delivery and infrastructure development	xx	Focuses on infrastructure development, maintenance and provision of basic services.
KPA 4 - Local Economic development	xx	Focuses on the economy of the municipal district.

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

19. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives.
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements.
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated.

- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents.
- the reported performance information is presented in the annual performance report in the prescribed manner.
- There is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets/ measures taken to improve performance.

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

21. The material findings on the reported performance information for the selected development priorities are as follows:

KPA 3- Basic service delivery and infrastructure development

Various indicators

22. I could not determine if the reported achievements were correct, as some of the indicators reported as achieved could not be verified. Consequently, the achievements might be more or less than reported and were not reliable for determining if the targets were achieved. I was unable to further confirm the reported achievement by alternative means. Consequently, I was unable to determine whether any further adjustments were required to the reported achievements.

Indicator	Target	Reported Achievements
Connect 327 units at Makhuva village by 30 June 2023 (electrification)	Connection of 327 units at Makhuva Village by 30 June 2023	Target not achieved- (326 units connected)
Connect 200 units at church view village by 30 June 2023 (electrification)	Connection 200 units at Church View Village by 30 June 2023	Target not achieved- (155 units connected)
Connect 209 units at Nsavulani village by 30 June 2023. (electrification)	Connection 209 units at Nsavulani Village by 30 June 2023	Target achieved- (209 units connected)
Connects 325 units at Nwazekudzeku village by 30 June 2023. (electrification)	Connection of 325 units at Nwazekudzeku Village by 30 June 2023	Target achieved- (325 units connected)
Connects 140 units at Maphata village by 30 June 2023. (electrification)	Connection of 140 units at Maphata Village by 30 June 2023	Target achieved- (140 units connected)

Other matters

23. I draw attention to the matters below.

Achievement of planned targets

24. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- or underachievement/ measures taken to improve performance. This information should be considered in the context of the material findings on the reported performance information.

25. The municipality plays a key role in delivering services to South Africans. The tables that follow provide information on the achievement of planned targets and lists the key service delivery indicators that were not achieved as reported in the annual performance report. The reasons for any underachievement of targets are included in the annual performance report on pages xx to xx.

KPA 3- Basic service delivery and infrastructure development

<i>Targets achieved: 57%</i>		
<i>Budget spent: 80%</i>		
Key service delivery indicator not achieved	Planned target	Reported achievement
1. Construction of Mavalani indoor sports centre	Construction of Mavalani indoor sports centre by 30 June 2023	Target not achieved (Paving of public parking, palisade fence, bricklaying of the main building and installation of the steel column)
2. Construction of Jim Nghalalume community hall	Construction of Jim Nghalalume community hall by 30 June 2023	Target not achieved (Bricklaying of superstructure building and installation of roof structure completed for Jim Nghalalume community hall)
3. Construct Silawa upgrading of roads from gravel to paving for 1,8 km	Construct Silawa upgrading of roads from gravel to paving for 1,8 km by 30 June 2023	Target not achieved (Base layer has been completed for Silawa upgrading of roads from gravel to paving for 1,8 km)
4. Design finalisation of alternative road to Giyani from R81	Design finalisation of alternative road to Giyani from R81 by June 2023	Target not achieved (Design of alternative road to Giyani from R81 not finalised)
5. Upgrading of Nkhensani Access	Upgrading of Nkhensani Access by 30 June 2023	Target not achieved (Nkhensani Access not upgraded)
6. Appointment of Section E sports centre service provider/ engineer	Appointment of Section E Sports Centre service provider / engineer by 30 June 2023	Target not achieved (Section E Sports Centre service provider/ engineer not appointed)
7. Refurbishment of Giyani stadium and section A tennis court	Refurbishment of Giyani stadium and section A tennis court by 30 June 2023	Target not achieved. (Giyani stadium and section A tennis court)
8. Construction of Homu14B sports centre	Construction of Homu14B sports centre by 30 June 2023	Target not achieved (completed septic tank, grandstand canopy, elevated steel tank refurbishment of the guard house, fencing of the soccer pitch equipment installation)
9. Development of detailed design report for Shawela upgrading from gravel to paving for 3.6 km	Development of detailed design report for Shawela upgrading from gravel to paving for 3.6 km by 30 June 2023	Target not achieved (First project site appraisal has been conducted, scoping and preliminary design has been completed for Shawela upgrading from gravel to paving for 3.6 km)
10. Appointment of service provider/ engineer at section E upgrading of 13km from gravel to paving	Appointment of service provider/ engineer at section E upgrading of 13km from gravel to paving by 30 June 2023	Target not achieved (Appointment of service provider/ engineer at section E upgrading of 13km from gravel to paving)

11. Construction of civic centre building phase 4	Construction of civic centre building phase 4 by 30 June 202	Target not achieved (Installed stand-by generator, piping of the heating,
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<i>Targets achieved: 57%</i>		
<i>Budget spent: 80%</i>		
Key service delivery indicator not achieved	Planned target	Reported achievement
		ventilation and air conditioning system, installation of the ceiling on the council chamber, preparation of the concrete works inside the council chamber
12. Appointment and construction of service provider/ engineer Siyandhani ring road for 4,4km	Appointment and construction of service provider/ engineer Siyandhani ring road for 4,4km by 30 June 2023	Target not achieved (Service provider/ engineer Siyandhani ring road for 4,4km has been appointed and construction has started)
13. # of Payment of AARTO fees facilitated by 30 June 2023	12 payments of AARTO fees facilitated by 30 June 2023	Target not achieved (11 payments of AARTO fees facilitated)
14. # of Payment of DLCA fees facilitated by 30 June 2023	12 payments of DLCA fees facilitated by 30 June 2023	Target not achieved (11 payments of DLCA fees facilitated)
15. # of RTMC payments facilitated by 30 June 2023	12 payments of RTMC fees facilitated by 30 June 2023	Target not achieved (11 payments of RTMC fees facilitated)
16. # of Agency fees facilitated for payment by 30 June 2023	12 payments for agency fees facilitated by 30 June 2023	Target not achieved (11 payments of RTMC fees facilitated)
17. Connect 327 units at Makhuva village by 30 June 2023	Connection of 327 units at Makhuva village by 30 June 2023	Target not achieved (326 units connected)
18. Connect 200 units at Church view Village by 30 June 2023	Connection 200 units at Church View Village by 30 June 2023	Target not achieved- (155 units connected)
19. Connect 539 units at Hlaneki Village by 30 June 2023	Connection 539 units at Hlaneki Village by 30 June 2023	Target not achieved- (537 units connected)

KPA 4- Local economic development

Targets achieved:86 %		
Budget spent: 100%		
Key service delivery indicators not achieved	Planned target	Reported achievement
Review LED strategy by 30 June 23	LED strategy reviewed and approved by council by 30 June 2023	Target not achieved (1 LED strategy reviewed)

Material misstatements

26. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for KPA 3: basic service delivery and infrastructure development and KPA 4: local economic development. Management did not correct all of the misstatements and I reported material findings in this regard.

Report on compliance with legislation

27. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the municipality's compliance with legislation.
28. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
29. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the municipality, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
30. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual financial statement, performance and annual report

31. The annual financial statements submitted for audit were not prepared in all material respects in accordance with the requirements of section 122 of the MFMA.

Material misstatements of current assets, cash flow and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected, resulting in the financial statements receiving an unqualified audit opinion.

Expenditure management

32. Reasonable steps were not taken to prevent irregular expenditure amounting to R14 363 302 as disclosed in note 58 to the annual financial statements, as required by section 62(1)(d) of the MFMA and majority relates of the disclosed irregular expenditure was caused by non-compliance with SCM regulations.
33. Reasonable steps were not taken to prevent unauthorised expenditure amounting to R118 879 105 as disclosed in note 59 to the annual financial statements, as required by section 62(1)(d) of the MFMA and majority of the unauthorised expenditure was caused by non-cash items.
34. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R290 239 as disclosed in note 57 to the annual financial statements, as required by section 62(1)(d) of the MFMA and majority of the disclosed fruitless and wasteful expenditure was caused by interest.

Procurement and contract management

35. Awards were made to providers who were in the service of other state institutions or whose directors/ principal shareholders were in the service of other state institutions, in contravention of section 112(1)(j) and supply chain management (SCM) regulation 44. Similar awards were identified in the previous year and no effective steps were taken to prevent or combat the abuse of the SCM process, as required by SCM regulation 38(1).
36. Quotations below R30 000 which were awarded after 16 January 2023 were not evaluated in accordance with section 3(1) of preferential procurement regulation 2022.
37. Some of the goods and services with a transaction value below R200 000 were procured without obtaining the required price quotations, in contravention of SCM regulation 17(1)(a) and (c).
38. Persons in service of the municipality whose close family members had a private or business interest in contracts awarded by the municipality failed to disclose such interest, in contravention of SCM regulation 46(2)(e) and the code of conduct for councillors issued in terms of the Municipal Systems Act 32 of 2000.

Consequence management

39. Unauthorised expenditure amounting to R49 095 505 incurred in the 2021-22 financial period, was not investigated as required by section 32(2)(a) of the MFMA.

Other information in the annual report

40. The accounting officer is responsible for the other information included in the annual report which includes the audit committee's report. The other information referred to 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 on in this auditor's report.
41. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
42. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected development priorities presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
43. I did not receive the other information prior to the date of this 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 the auditor's report and re-issue an amended reported as appropriate. However, if the other information is corrected this will not be necessary.

Internal control deficiencies

44. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
45. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the opinion, the material findings on the annual performance report and the material findings on compliance with legislation included in this report.
46. The financial statements contained material misstatements which were subsequently corrected. This is mainly due to insufficient reviews performed on the annual financial statements.
47. Non-compliance with legislation could have been prevented had compliance been properly reviewed and monitored. The municipality did not take reasonable steps to prevent irregular, fruitless and wasteful and unauthorised expenditure.
48. The annual performance report contained material misstatements which were subsequently corrected. This is mainly due to insufficient reviews performed on the annual performance report.

Material irregularities

49. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit and on the status of material irregularities as previously reported in the auditor's report.

Status of previously reported material irregularities

Prohibited investment with a mutual bank

50. The municipality invested a total of R153 254 435 with Venda Building Society Mutual Bank (VBS), which accrued interest of R6 008 257, the first investment of R100 000 000 was made in March 2017, which was re-invested after maturity. An amount of R104 598 153 was re-invested in September 2017. An additional investment of R48 656 282 million was made in October 2017. The municipality did not comply with regulation 6 of the municipal investment regulations as VBS is not registered in terms of the Bank's Act.
51. The non-compliance is likely to result in a financial loss of R142 526 625 for the municipality if the amount invested is not recovered in full from the estate of VBS.
52. The accounting officer was notified of the material irregularity on 9 December 2021 and invited to make a written submission on the actions taken to address the matter. The accounting officer responded on 24 February 2022 and indicated the following actions were taken:
 - On 11 May 2018, the municipal council approved the suspension of the chief financial officer (CFO) and director: technical services and further approved the appointment of an

independent investigator to investigate the alleged acts of misconduct committed by the CFO and the director: technical services, the investigation was finalised on 25 June 2022.

- On 29 June 2018, the municipal council approved to initiate disciplinary processes against the CFO and director: technical services. Council authorised the municipal manager to appoint and sign letters of appointment of an external chairperson and prosecutor/ officer to lead evidence for the disciplinary proceedings for the suspended officials. Council further approved that civil recovery measures be instituted against all who are implicated in the financial misconduct of irregular investments with VBS.
- The director: technical services resigned on 13 July 2018 and the CFO was found guilty and subsequently dismissed on 19 October 2018.
- The municipality instituted civil action proceedings against the CFO and director: technical service to recover a portion of money lost as a result of the investment with VBS in terms of section 32(1)(c) and (d) and section 32(2) of the MFMA. The same was also instituted against VBS.

53. The municipality received an amount of R10 727 810 on 4 February 2022 from the liquidator and will continue to monitor the liquidation process.

54. The Directorate for priority crime investigation (DPCI) indicated during April 2023 that it would consider referring amounts that are not recovered through the liquidation process to the Asset Forfeiture Unit, for further recovery.

55. I received a written submission on the actions taken to address the above MI. I considered the representations made and the substantiating documents provided and have concluded that appropriate actions have been taken to address the material irregularity. Therefore, I will not pursue this matter any further

Free basic electricity provided to non-qualifying customers.

56. During the 2020-21 and 2021-22 financial year, the municipality paid Eskom an estimated amount of R4 303 563 for free basic electricity relating to beneficiaries who did not qualify to be classified as indigents as some were either deceased, employed by other organs of state and/ or the spouse were employed by an organ of state. This matter is a non-compliance with section 78(1)(a) of the MFMA as the senior managers of the municipality did not take reasonable steps within their respective areas of responsibility to ensure that the system of financial management and internal control established for the municipality, is carried out diligently as the municipality established an internal policy which stipulated the process and steps to be followed for identification, validation and approval of customers as indigents.

57. The non-compliance resulted in a likely material financial loss of R4 303 563 for the municipality, as payment was made for non-qualifying customers.

58. The accounting officer was notified of the material irregularity on 22 February 2022 and invited to make a written submission on the actions that will be taken to address the matter. The accounting officer responded on 22 March 2022 and 4 November 2022 and indicated that the following actions will be taken:

- The beneficiary list that led to the material irregularity was cancelled on 1 March 2022 with Eskom and the beneficiaries were re-registered up until 30 June 2022. A new beneficiary list was compiled, validated and sent to Eskom on October 2022.
- The likely financial loss of R4 386 484 was disclosed as fruitless and wasteful expenditure in note 54 to the annual financial statements for the 2021-22 financial year.

59. On 7 September 2023, I submitted a request for information on the progress made in addressing the material irregularity and invited the accounting officer to submit a written response and substantiating documents on the implementation of the planned actions and the outcomes of the actions taken.

60. The accounting officer responded on the 19 September and 7 November 2023 and indicated that the following actions will be taken:

- An investigation was instituted on 7 November 2023 to recover the financial loss from beneficiaries employed by the state. The investigation is planned to be finalised on or before 30 March 2024.
- An investigation was instituted on 18 October 2023 to investigate and report on the circumstances that led to the material irregularity by the Municipal Public Accounts Committee. The investigation is planned to be finalised on or before 30 June 2024. The accounting officer plans to take action against the person/s found responsible and to initiate steps to recover the financial loss based on the outcome of the investigation.

61. I will follow up on this investigation and the implementation of any planned actions during my next audit.

Auditor-General

Polokwane

30 November 2023



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected development priorities and on the municipality's compliance with selected requirements in key legislation.

Financial statements

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

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

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

Communication with those charged with governance

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

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

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Supply Chain Management Regulation GNR.868 of 2005	<ul style="list-style-type: none"> • SCM reg. 12(1)(c), (3), 16(a), 17(a), (b) & (c) • SCM reg. 13(c) • SCM reg. 43 • SCM reg. 19(a) & (b) • SCM reg. 36(1)(a) • SCM reg. 27(2)(a) & (e) • SCM reg. 22(1)(b) & 22(2) • SCM reg. 29(1)(a), (b) & (5)(a)(ii) & (b)(i) • SCM reg. 38(1)(c), (d)(ii), (e), (g)(i), (ii) & (iii) • SCM reg. 32 • SCM reg. 44
Municipal Finance Management Act 56 of 2003	<ul style="list-style-type: none"> • MFMA 117 • MFMA 116(2)(b) • MFMA 112 (1)(j) • MFMA 122(1) • MFMA 126(1)(a) • MFMA 133(1)(a), (c)(i) & (ii) • MFMA 127(2), (5)(a)(i) & (ii) • MFMA 129(1), (3) • MFMA 63(2)(a) & (c) • MFMA 13(2) • MFMA 14(1), (2)(a) & (b) • MFMA 65(2)(e), (a) & (b) • MFMA 11(1) • MFMA 62(1)(d) & (f)(i) & (iii) • MFMA 15 • MFMA 29(1) & (2)(b) • MFMA 64(2)(b), (c), (e), (f) & (g) • MFMA 53(1)(c)(ii) • MFMA 1 • MSA 34(a) and 41(1)(c)(ii) • MFMA 24(2)(c)(iv) • MFMA 54(1)(c) • MFMA 32(2)(a)(ii) & (b) • MFMA 170 • MFMA 32(6)(a) • MFMA 171(4)(a)
Preferential Procurement Policy Framework Act 5 of 2000	<ul style="list-style-type: none"> • PPPFA sec 2(1)(a) & (f)
Preferential Procurement Regulation 2017 and 2022	<ul style="list-style-type: none"> • PPR 2022 4(1), 4(4), 5(1) & 5(4) • PPR 2017 6(1), 6(8), 7(1), 7(8), 10(1), 10(2) & 11(1) • PPR 2017 5(1), 5(3), 5(6) & 9(1)
Construction Industry Development Board Act 38 of 2000	<ul style="list-style-type: none"> • CIDB Act section 18(1) • CIDB reg. 17;

Legislation	Sections or regulations
	<ul style="list-style-type: none"> • CIDB reg. 25(7A)
Municipal Investment Regulation GNR.308 of 1 April 2005	<ul style="list-style-type: none"> • Municipal investment regulation 3(3), 6, 7 & 12(2)
Division of Revenue Act 5 of 2022	<ul style="list-style-type: none"> • DoRA 12(5), 16(1) & (3)
Municipal Investment Regulation GNR 308 of 1 April 2005	<ul style="list-style-type: none"> • Municipal budget and reporting regulation 71(1) & (2), 75(2)
Municipal System Act 32 of 2000	<ul style="list-style-type: none"> • MSA 74(1) • MSA 96(b) • MSA 29(1)(b)(ii) & (3)(b) • MSA 42 • MSA 25(1) • MSA 26(a) & (c) • MSA 41(1)(a), • MSA 43(2), • MSA 34(a) & (b) and 41(1)(c)(ii) • MSA 38(a) • MSA 57(2)(a), (6)(a) • MSA 56(a) • MSA 66(1)(a) & (b) • MSA 67(1)(d)
Municipal Property Rates Act 6 of 2004	<ul style="list-style-type: none"> • Municipal Property Rates Act 3(1)
Municipal planning and Performance management regulation 2001	<ul style="list-style-type: none"> • Municipal planning and performance management reg 15(1)(a)(i) & (ii) • Municipal planning and performance management reg 2(1)(e) & (3)(a) • Municipal planning and performance Management reg 9(1)(a) • Municipal planning and performance Management reg 10(a) • Municipal planning and performance management reg 12(1) • Municipal planning and performance management reg 3(3), (4)(b) & (6)(a) • Municipal planning and performance management reg 8 • Municipal planning and performance management reg 7(1).
Municipal regulation on financial misconduct procedures and criminal proceeding GNR 430 of 30 May 2014	<ul style="list-style-type: none"> • Financial Misconduct reg 5(4) • Financial Misconduct reg 6(8)(a) • Financial Misconduct reg 10(1)

