

GREATER GIYANI MUNICIPALITY ANNUAL REPORT 2021-22



Taking the lead in service delivery



A photograph of a rural village scene. In the foreground, there is a dirt path or road. In the middle ground, several traditional huts with thatched roofs are visible, surrounded by trees and vegetation. The background shows more trees and a clear sky.

Vision

A Municipality where environmental sustainability, tourism and agriculture thrive for economic growth.

Mission

A democratic and accountable municipality that ensures the provision of **quality and sustainable** services through sound environmental management practices, local economic development, and community participation.

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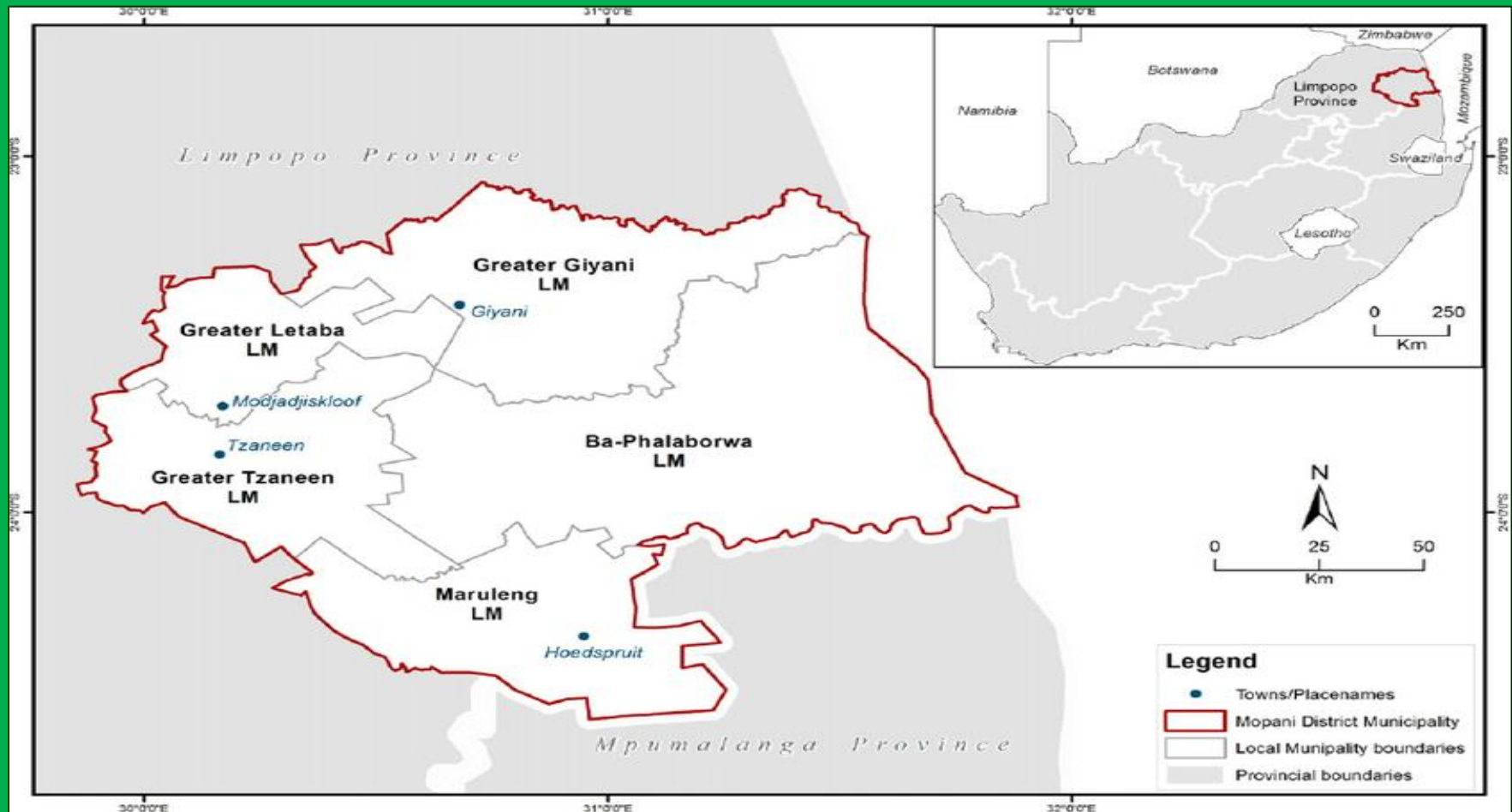
TABLE OF ACRONYMS

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
POSTALADDERSS	PRIVATE BAG X 9559 GIYANI 0826
TELEPHONE	015 811 5500
FAX	015 812 2068
EMAIL	INFO@GREATERGIYANI.GOV.ZA
WEBSITE	www.greatergiyani.gov.za
BANKERS	ABSA BANK LIMITED
AUDITORS	AUDITOR-GENERAL OF SOUTH AFRICA
MAYOR	CLR ZITHA T
ACTING ACCOUNTING OFFICER \MUNICIPAL MANAGER	SITHOLE KV

LOCATIONAL MAP



CHAPTER ONE: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

The Greater Giyani Municipality (GGM) hereby, in terms of Section 46 of Municipal System Act No. 56 of 2003 (MFMA), present to Council the draft 2020/21 Annual Report which outlines achievements and challenges for the year under review.

Vision

A Municipality where environmental sustainability, tourism and agriculture thrive for economic growth

Mission

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

GGM is fully aware and committed to the fact that it needs to continuously search for mechanisms to identify its priorities, issues and problems in the quest for efficient and effective alternatives towards maximum and sustainable fulfilment of Council mandate as enshrined in the Constitution of the Republic of South Africa, Act 108 of 1996. The Municipality has engaged in a strategic planning session, as part of the Integrated Development Plan (IDP) review processes, and the current vision, mission and strategic objectives were reviewed and retained. This process of planning is guided by the following two (2) key national objectives:

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

This process, which in a way facilitates planning and delivery, should arrive at decisions on such issues as Municipal Budgets, Local Economic development and institutional transformation in a consultative, systematic and strategic manner. Noting that the IDP does not only inform municipal management, but also supposed to guide the activities of any agency from the other spheres of government, corporate service providers, NGO's and the private sector within the municipal area, the municipality embarked on a consultative process within very stringent timeframes to elicit the necessary input from various communities, to inform the compilation of this annual report. Emanating from this consultative engagement, the municipality was able to pick a basket of developmental issues which remain endowed to our communities ranging from roads, water, electricity, sanitation, housing, access to health facilities, sporting amenities, crime, and unemployment amongst others.

These issues also find expression in the National Development Plan (NDP), the diagnostic document which points out that "while we have made some progress in reducing poverty, poverty is still pervasive. Millions of people remain unemployed and many working households live below the poverty line".

Critical to the legislated parameters, is the Local Government Municipal Systems Act 32 of 2000, in particular, Chapter 5 which states that a municipality must undertake developmentally-oriented planning so as to ensure that it-

- a) Strives to achieve the objectives of local government set out in Section 152 of the Constitution;
- b) Give effect to its developmental duties as required by Section 152 of the Constitution.

For the municipality to monitor its performance for the realisation of projects and programmes outlined in the IDP, Chapter 6 of the Local Government Municipal Systems Act requires that all municipalities must develop a Performance Management System (PMS) which will monitor the implementation of the IDP. The municipality in line with this legislated imperative has developed an Annual Report which gives account of municipal performance in terms of its own set predetermined objectives which set targets that need to be achieved at the end of that Financial Year. The Annual Report also indicates challenges for targets that were not achieved and the reasons for such non-achievement.

These are some of the achievements for 2021/22 Financial Year:

- Electricity
The following villages have been electrified:
 - Tomu
 - Blinkwater
 - Mavalani
 - Sifasonke
 - Ndengeza
 - Mavhusa
 - Gon'on'o
 - Babangu
- Paving / tarring of streets
The following streets have been paved:
 - Upgrading of parking lot
 - Thomo paving of internal streets
 - Blinkwater paving of internal streets
 - Nkuri-Zamani paving of internal streets
 - Shimange paving of internal streets

These were just few development highlights that the municipality is proud of delivering to our communities for the year under review. There were many projects which were also under-taken by other sectors which also contributed to the upliftment of the lives of our communities.

In conclusion the municipality is calling all the stakeholders to assist the municipality in ensuring that they form part of the planning and development of the municipality by taking part in all the initiatives the municipality is coming up with, by paying for services and participation in the IDP process.

The audit kickstarted on the 1st September 2022 and it is anticipated to be concluded on the 30th November 2022 to take stock of all activities of the prior financial period.



**CLLR. ZITHA T
MAYORA**

DATE

Chapter One: Overview by the Municipal Manager

Component B: Executive Summary

1.1 OVERVIEW BY THE ACTING MUNICIPAL MANAGER

Greater Giyani Municipality is an organization that derives its pride on environmental sustainability, tourism, and agriculture for economic growth.

The 2021/22 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 and paved roads. The provision of electricity will assist in reduction of crime and facilitate economic development to the affected communities. It is highly encouraging that our core business department, Basic Service Delivery, and Infrastructure Development, was able to achieve 62% on the planned targets. Local Economic Development achieved 50% 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.

Significantly, the institutional capacity of Greater Giyani Municipality remains the central pillar of service delivery enabler, thus we managed to complete the third phase of the Municipal Administration building to accommodate all our departments in one roof for efficient coordination of administration. In the main, this development offers us practical opportunity to conveniently deliver services to the citizenry of Greater Giyani.

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.

None payment of services by residents remains our biggest challenge, and we accordingly appeal to all the residents of Greater Giyani to pay for their municipal services and to participate in the IDP and Public Participation Programs.

In conclusion, the municipality has obtained an unqualified audit outcome during 2021/22 financial year with improvements in asset management, revenue management, expenditure management and reduced the number of paragraphs raised by Auditor General. We acknowledge that there are still strategic risks which are embedded on the institution which must be mitigated. The Municipality needs to further improve on its project implementation and management strategy so that project expenditure can increase to 100% in 2022/23

financial year and can therefore realise its objectives.

ACKNOWLEDGEMENT

I would like to extend my appreciation to the Honorable Mayor, Executive Committee and Councilors for strategic direction and leadership demonstrated during the financial year. The guidance and vision of the Acting Chief Financial Officer, Heads of Departments and other staff are acknowledged with gratitude. A special word of appreciation is extended to all my colleagues for their loyalty and support.

SITHOLE KV
ACTING MUNICIPAL MANAGER

DATE

1.2 Municipal Functions, Population and Environmental Overview

1.2.1 Municipal Functions

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 air craft 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 waste-water to ensure minimum standard of service.
Refuse Removals, refuse dumps, solid waste disposable	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 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.
Bill boards 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 sea shore available for public use and any other aspect in this regard which falls outside the competency of the National and provincial government.
Cemeteries, Funeral Palour a 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.

1.2.2 Population

According to SATSSA of 2016, the total population is **256, 300 with** a total number of households of **70274**.The municipality have **31 wards** grouped into 5 clusters. In most wards, the population exceeds 5000 people. In the past few years, the population has shown a slight increase. In the 2007 survey, the population was counted at **247 565** but according to the 2011 census, it has declined by almost **3000** people. The decline may be attributed to migration to other urban centers, such as Polokwane, Gauteng and Tzaneen in which the migrants search for better working conditions. But in 2016 community population survey has shown a slight increase by 0.14%.

Population by Wards

Ward	Male	Female	Total
1	3636	4636	8272
2	4531	5798	10329
3	4607	6123	10730
4	4411	5537	9948
5	4482	5652	10134
6	4663	5922	10585

7	3487	4468	7955
8	4704	5882	10586
9	3113	3934	7047
10	6363	7027	13390
11	8829	11119	19948
12	2432	3029	5461
13	4122	5161	9283
14	4172	5359	9531
15	4057	5390	9447
16	4487	5572	10059
17	3512	4419	7931
18	2045	2755	4800
19	4362	5494	9856
20	4583	5799	10382
21	3682	4761	8443
22	4464	5698	10162
23	3313	4072	7385
24	3305	4114	7419
25	3732	4605	8337
26	4326	6322	10648
27	5111	7384	12495
28	6214	8347	14561
29	10100	14200	24300
30	9432	13110	22542
31	5434	8123	13465
TOTAL	111094	148473	256300

1.2.3 Environmental Overview

The Greater Giyani municipality subscribe 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 needs 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 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

Great Giyani Municipality has the responsibility to provide services to the communities. 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 other new culvert bridges were constructed. The following are the list of projects and expenditure completed in the 2021/22 financial year:

Project name	Expenditure
Thomo paving of internal street	R 24 761 576.77
Nkuri-Zamani paving of internal street	R 9 257 551.24
Blinkwater paving of internal street	R 7 902 811.27
Section E Voningani paving of internal street	R 20 846 210.38

Electrification of Blinkwater	R 2 198 249.99
Electrification of Mavalani	R 6 195 000.00
Electrification of Sifasonke	R 3 203 317.96
Electrification of Ndengeza	R 3 702 655.25
Electrification of Mavhuza	R 1 466 035.91
Electrification of Gon'on'o	R 1 391 684.36
Electrification of Babangu	R 1 481 048.99

1.4 Financial Health Overview

Like in the previous financial years, the municipality has in the year under review enjoyed a healthy financial status. This is supported by the favourable bank balance that the municipality maintained throughout the whole financial year. While this is the case, the municipality still has revenue collection challenges which is fuelled by limited or low revenue base and poor payment of services by communities. To address this challenge, the municipality continue to implement the developed Revenue Enhancement Strategy and Credit Control and Debt Collection policy. To ensure the municipality's continuous financial viability, municipality continue to implement the Cost Containment Policy as approved by Council and this continues to assist the municipality to maintain its favourable bank balance.

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 42 % and 58 % of the positions have been filled (359 positions were vacant and 256 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 will be reviewed with the 2021/22 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 2021/22 the municipality obtained an Unqualified Audit Opinion. For Financial year 2021/22 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.

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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 Mongwe Silence, Cllr Mhangwani Soyaphi Mackson.

POLITICAL MANAGEMENT TEAM

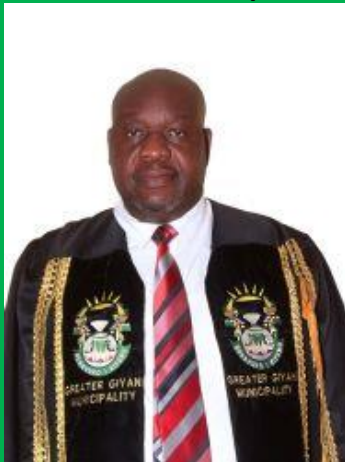
Cllr Thandi Zitha : Mayor



Powers and functions of the Mayor

- Promote the image of the municipality
- To ensure that the executive committee meetings performs 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
 - To take responsibility for the quality and speed of decision making in 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

Clr Makondo T: Chief whip



Duties of the Chief Whip to Municipal Council:

- Political Management of Council meetings and Committee Meetings
- Maintains discipline of Councillors
- Advices the Speaker on the amount of time to be allocated to the speaker and the order of such speakers addressing the council

EXECUTIVE COMMITTEE

Clr Ndaba NHP
Head : Finance



Clr Mashale MR
Head :Public Roads & Transport



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



Clr 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
Acting Municipal Manager
Ms. Sithole K.V.

Acting Chief Financial Officer:
Mr. Nkuna F.
Budget and Treasury Directorate

Director:
Mr. Mdaka N.R.
Corporate Services

Director:
Mr. Mashamba R.H.
Technical Services

Acting Director:
Mr. Nkuna N.J
Planning and Economic Development

Director:
Mrs. Chabalala T.R
Community Services

For the period under review of 2021/22 financial year, the following positions of section 54 and 56 managers were filled: Municipal Manager, Director Planning and Economic Development and Director Technical Services and the following section 54 managers were vacant : Chief financial Officer, Director Corporate Service and Director Community Services.

No	Initials and Surname	Position	Duration
1.	Chauke M.M.	Municipal Manager	02/01/2018 - 31/12/2022
2.	Muhlari N.	Acting CFO	-
3.	Mdaka N.R.	Acting Director Corporate Services	-
4.	Mashamba R.H.	Director Technical Services	01/09/2019 - 31/08/2024
5.	Sithole K.V.	Director Planning and Local Economic Development	02/01/2020 - 31/12/2025
6.	Baloyi K.R.	Acting Director Community Services	-

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

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 2021/22 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 2021\22 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 2021/22 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 SLOTS
AT GCRFM**

VENUE	DATE	EVENT DESCRIPTION	ISSUES RAISED	PROGRESS
1. Weekly GCRFM radio slots	Weekly, every Wednesday	Mayor's interaction with the community	<p>Shortage of water</p> <p>Inconsistency in Grading of internal streets</p> <p>None / poorly maintenance of access roads</p> <p>Demand for electricity in extensions</p> <p>Demand for tar roads</p>	<p>Our technical services division took the matter up with the district in relation to water challenges.</p> <p>Our technical services attended to the streets on a cluster-to-cluster basis and improved on monitoring.</p> <p>Technical services working together with the department of Public Works, Roads & infrastructure to improve on this aspect</p> <p>To be considered during IDP Public Participation</p> <p>Technical services escalated this challenge to the department of Public Works, Roads and Infrastructure</p>
2. Giyani Community Hall	03 May 2022	Public Participation	Shortage of water,	Our technical services division took the matter up with the district.
Thomo Community Hall	09 May 2022		streets maintenance	Technical services performed maintenance duties on regular basis
Makhuva T/A	10 May 2022		unemployment,	Its national challenge no instant answers to it except to encourage them to apply when they see jobs advert.
Golf Course	11-13 May 2022		high mast lights not enough.	We acknowledge this fact but we can only provide one at a time due to budgetary constraints

3. Giyani Community Radio Station	24 May 2022	Draft IDP and Budget	Water, Roads, Clinics, schools, culvert bridges, employment, Electricity @ Extensions,	Culvert bridges and Electricity Extensions attended by GGM where budget was provided for. Roads, water, Clinics and school were referred to relevant departments.
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WARD COMMITTEE FORUM

WARD COMMITTEES

The municipality has a fully functional ward committee system. All the 31 wards have functioning ward committees with a total of 307 members (due to three (03) outstanding Ward Committee Members from Ward 20 who were never elected to make the total of 310, (Due to Traditionally leadership disputes) participants translating into 10 ward committee members for the 31 wards.

2.5 IDP PARTICIPATION AND ALIGNMENT

The IDP is reviewed annually and in-house. The IDP is reviewed in line with required standard and template and it is aligned to the budget. The IDP Process plan is developed and approved by 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 taking into account the available resources and capacity of the municipality

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 2021\22 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. Risk register was developed and its focus was on Strategic Risks, Operational Risks and Human Resources risks.

Through IGR the municipality used the Premier and Presidential hotlines to track areas of non-compliance to its corporate governance matters.

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 2021/22 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 Management committee meetings are held on a quarterly basis

Risk	Action Plan	Progress
Slow implementation of Project	Implementation of completion plan on stalled projects	<p>Progress report on stalled projects:</p> <p>Gawula sports centre: Installation of access gate. Refurbishment of guard house. Refurbishment of roof structure for the change rooms games construction and ablution facilities. Refurbishment of gravel athletic track. Refurbishment of palisade fencing. Construction of steel shed to existing indigenous games. Construction of a grassed soccer pitch with irrigation system.</p> <p>Shivulani sports centre: Refurbishment of change rooms (males and females). Refurbishment of access gates. Refurbishment of existing pit toilets. Refurbishment of athletic tracks. Construction of grassed soccer pitch with</p>

		<p>immigration system (including blasting of the boulder of soccer pitch).Adjudication has been done, the Contractor has been appointed.</p> <p>Section E sports centre: Refurbishment of guard house. Refurbishment of access gates and installation of turnstile gates. Refurbishment of athletic track. Refurbishment of palisade fence. Construction of grassed soccer pitch with migration system. Construction of change rooms and ablution blocks under pavilion. Construction of pavilion roof.</p> <p>Giyani stadium and Section A Tennis court: Construction of perimeter wall, use of clear view to allow visibility and improve safety. Resurfacing of existing tennis, basket, and volleyball courts that of netball is still in good condition, clearing and marking of athletic tracks. Repair of existing fence around tennis and basketball fence. Renovation of guard house, ablution blocks and change rooms. Construction of parking area and tennis court.</p> <p>Homu 14B sports centre: Refurbishment of access gate. Refurbishment of guard house.</p>
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	<p>Refurbishment of change rooms and ablution facilities. Refurbishment of athletic track. Refurbishment of combi courts. Construction of grassed soccer pitch with irrigation system. Construction of pavilion roof.</p> <hr/> <p>Giyani Waste Disposal Site: Project has reached practical completion and awaiting the appointment of service provider to operate the site. The Municipality has appointed security on site.</p> <hr/> <p>Completion plan on stalled projects has been implemented on-going. Adjudication has been done; the Contractor has been appointed.</p> <hr/> <p>No service provider has been penalised for poor performance</p> <hr/> <p>Regular monitoring of projects is being conducted</p> <hr/> <p>Appointment of service providers for infrastructure projects in 2021/22 FY for 2022/23 FY in line with the forward planning</p> <hr/> <p>Penalize service providers for poor performance</p> <hr/> <p>Monitoring of projects</p>	<p>Refurbishment of change rooms and ablution facilities. Refurbishment of athletic track. Refurbishment of combi courts. Construction of grassed soccer pitch with irrigation system. Construction of pavilion roof.</p> <p>Giyani Waste Disposal Site: Project has reached practical completion and awaiting the appointment of service provider to operate the site. The Municipality has appointed security on site.</p> <hr/> <p>Completion plan on stalled projects has been implemented on-going. Adjudication has been done; the Contractor has been appointed.</p> <hr/> <p>No service provider has been penalised for poor performance</p> <hr/> <p>Regular monitoring of projects is being conducted</p>
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Dilapidated/ageing infrastructure	<p>Implementation of infrastructure (roads, building and water infrastructure) maintenance plan</p> <hr/> <p>Upgrading of facilities building, roads and streetlights</p>	<p>Maintenance plan on building infrastructure has been implemented. Maintenance plan on water infrastructure has not been implemented.</p> <p>Maintenance plan on roads infrastructure has been implemented.</p> <hr/> <p>Building facilities has not been upgraded. Streetlights upgrade is in progress. Thomo has been upgraded from gravel to pave. Shimange has been upgraded from gravel to pave. Section upgrade from gravel to pave is in progress</p>
Environmental degradation	<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>Project has reached practical completion and awaiting the appointment of service provider to operate the site. The Municipality has appointed security on site.</p> <p>Bi-laws on waste management has been published</p> <p>Waste management by laws has not been implemented</p>

	<p>Conduct waste management education/awareness</p> <hr/> <p>Utilization of landfill site</p>	<p>Waste management awareness has been conducted.</p> <hr/> <p>Landfill site has not yet been utilised waiting for appointment of Operator.</p>
Loss of potential investors.	<p>Implementation of council resolution to demolishing/removal of illegal structures</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> <hr/> <p>Traffic officers to assist with enforcement of by laws</p>	<p>The cluster committee is busy with consultations with the relevant stakeholders</p> <p>Maintenance of the existing market stalls have not been done due to budget constrain</p> <p>Street vendors to be relocated after the maintenance of market stalls</p> <p>Engagements has been conducted with Dzumeri, Shiviti and Siyandhani</p> <hr/> <p>Traffic Officers are available to accompany when issuing contravention notices</p>
Under collection of revenue	<p>Implementation of revenue enhancement strategy</p>	<p>Revenue enhancement strategy is being implemented</p>

	<p>Enforcement of revenue policy and by-laws.</p> <p>Conducting awareness</p>	<p>Revenue enhancement policy is being implemented and the by-laws has been published</p> <hr/> <p>Awareness has not been conducted</p>
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>Fraud awareness has been conducted to BTO officials</p> <p>Whistleblowing policy has been developed waiting for council's approval.</p> <hr/> <p>Anti-fraud corruption strategy is being implemented.</p>
Insufficient land ownership	<p>Submission of SDF (Spatial development framework) to council for approval</p> <p>Submission of LUS (Land use scheme) to council for approval</p> <hr/> <p>Feasibility and research on town expansion. (Ngove town expansion, Application for township establishment)</p>	<p>SDF has been approved</p> <p>LUS has been approved</p> <hr/> <p>Submission to Rural Development for township establishment has been made</p>
Inadequate design of IT security management process	<p>Review of disaster recovery plan</p>	<p>Proposed MOU has been prepared awaiting for Municipal Manager's approval</p>

	Implementation of disaster recovery plan	
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>Quotation for the review of Disaster Recovery Plan received.</p> <p>Disaster Recovery site identified, busy with connection feasibilities</p> <p>ICT BCP linked with Municipal wide BCP</p> <p>BCP has not been finalised as yet</p> <p>BCP has not been finalised as yet</p> <p>Civic centre backup generator to be procured by service provider after payment has been made to the service provider</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>1 position has been filled.</p> <p>Engagement with labour on cascading of performance management to lower level has not been done</p> <p>key performance indicator on performance agreement for level 2 has not been done as</p>

	Including of key performance indicator on performance agreement for level 2	performance agreement for level 2 has not been developed
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2.7 Anti-Corruption and 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 2021\22 financial year the Supply Chain Management policy was tabled to council for revision alongside other budget related policies. The revision took into account the BBEEE 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
 - (c)

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
 - (a) 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

- (b) 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

1. Paragraph 12(4) was in incomplete and below were the additions.

2The 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 threshold values'

have been changed to

"The accounting officer may, in writing –

- a) Lower, but not increase, the different threshold values specified in sub-clause (1); or

- b) direct that – i) written or verbal quotations be obtained for any specific procurement of a transaction value lower than R2 000 (VAT included);
ii) formal written price quotations be obtained for any specific procurement of a transaction value lower than R30 000 (VAT included); or
iii) a competitive bidding process be followed for any specific procurement of a transaction value lower than R200 000 (VAT included).

2.The following paragraph has been added on panel appointments

-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 taking into account the final ranking and the satisfactory performance of the service provider.

6. GENERAL PRECONDITIONS FOR CONSIDERATION OF WRITTEN QUOTATIONS OR BIDS

1. On Paragraph 13(1), the following items to be furnished by the prospective bidders when submitted quotations or bids:
- (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:

- 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.

The above changes have also been effected under item 6 of the General Preconditions to be aligned with legislation.

7. CENTRAL SUPPLIER DATABASE

1. On Paragraph 14(1) d, the following words have been added 'which are currently not validated by the CSD'.

8. PETTY CASH

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.

9. VERBAL QUOTATIONS PROHIBITED

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

10. Pre-qualification criteria for preferential procurement

- 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;

1.

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 period

- Council reserve the right to appoint more than one bidders;
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) makes reference to paragraph 28(2) (F) which is not in the policy. The correct paragraph should be quoted (Paragraph 21(9)(h))
3. 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 taking into account 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 as a whole;
- 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.

b) 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 cedee submit original and valid tax clearance certificate and pin.
- c) The cedee is not blacklisted in the National Treasury database
- d) The cedee is listed on the Central Supplier Database
- e) The cedee signs the MDB 4' Independence Declaration'

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

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

4. 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).

2. 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)

28.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 2021/22

No new By –Laws were introduced during 2021/22 Financial Year however animal control by-laws is under development

2.10 WEBSITES (ICT)

	Publishing date
Municipal website: content and currency of material	14-07-2021
Supply And Delivery of uniform and Protective Clothing	14-07-2021
Supply and delivery of office furniture and information centre boardroom chairs	14-07-2021
Travelling agency the period 3 Years (36 Months)	14-07-2021
Rental photocopier mechine for the period of 3 years (36 Months)	14-07-2021
Provision for the automated PMS sytem for the period of 3 years (36 Months)	14-07-2021
Physical security guard services for the period of 3 years (36 Months)	14-07-2021
Tender Advert	14-07-2021
Request for quotation – Tinting materials	14-07-2021
Request for quotation – Surgical marks	14-07-2021
Request for quotation – Stationary	14-07-2021
Request for quotation – Road tools	14-07-2021
Request for quotation – Road materials	14-07-2021
Request for quotation – Hand gloves	14-07-2021
Request for quotation – Disaster relief	14-07-2021
Request for quotation – Computer consumers	14-07-2021
Tender validity extension	14-07-2021
Extension of tender validity period	14-07-2021
Supply and delivery of heavy refuse bags	13-07-2021
Supply and delivery of gabions boxes and gore textile	14-07-2021
Supply and delivery of white road marking paints	14-07-2021
Supply and delivery of gabions boxes and Binding wires	14-07-2021
Roads marking paints golden yellow and glass beats	14-07-2021
Supply and delivery of cold mix bags	14-07-2021
supply and delivery pf emulsion drums	14-07-2021
Supply and delivery of RAR remover dump rock	14-07-2021

Supply and delivery of electrical tool	14-07-2021
supply and delivery of electrical tools and materials for GGM building	14-07-2021
Supply and delivery of industrial cold water cleaner	14-07-2021
Supply and delivery of electrical streetlight	14-07-2021
Supply and delivery of high mast materials	14-07-2021
Telephone gadgets	14-07-2021
Supply and delivery of building materials	14-07-2021
Supply and delivery of JOJO tank	14-07-2020
Supply and installation of aluminum doors and windows	14-07-2021
Supply and delivery PPE for general workers	14-07-2021
Supply and delivery of firearm training	14-07-2021
Tender advertisement	14-07-2021
Supply and delivery of law enforcement	14-07-2021
Request for quotation – Medical surveillance	14-07-2021
Erratum of advert	14-07-2021
ICT support	14-07-2021
Civil advert 6 TO 8	14-07-2021
7 days re-advert	14-07-2021
Supply and installation of aluminum doors and windows	14-07-2021
supply and delivery of building materials	14-07-2021
Supply and delivery of electrical streetlight	14-07-2021
Supply and delivery of electrical tools and materials for GGM building	14-07-2021
Supply and delivery of RAR remover and dump rock	14-07-2021
Supply and delivery off gabions boxes and binding wires	14-07-2021
Supply and delivery of white road making paints	14-07-2021
Supply and delivery of gabions and goe textile	14-07-2021

Nkurhi advert	14-07-2021
EXT Brinkwater, Nkuri, Shimange and Thomo upgrade of gravel to paving	14-07-2021
Advert fin consultants	14-07-2021
Panel of financial services final bidding documents	14-07-2021
7 days advertisement	14-07-2021
7 days advert	14-07-2021
Supply, Installation and painting of paleside fencing	14-07-2021
Supply and delivery of roads and stormwater maintenance materials and tools	14-07-2021
Supply and delivery of stationary	14-07-2021
Supply and delivery of roads and stormwater tools red and yellow water barriers	14-07-2021
Supply and delivery of roads and stormwater materials and tools- signage	14-07-2021
Supply and delivery of emulsion drums 200L	14-07-2021
Supply and delivery of cold mix bag and cement bag	14-07-2021
Servicing of fire extinguishers	14-07-2021
Civic centre parking lot BOQ unprised	14-07-2021
Fool tender advert	14-07-2021
Supply and delivery of water & sanitation tools and materials for a period of 36 months	14-07-2021
Spare parts for a period of 36 months _TM Edition	14-07-2021
Roads and stormwater materials for a period of 36 months	14-07-2021
Panel of suppliers for supply and delivery and maintanance of electrical tools and materials for a period of 36 months	14-07-2021

Appointment of civil engineering service provider (Contractor) civic centre parking	14-07-2021
Various tender advertisement	14-07-2021
Supply and delivery of PPE for security	14-07-2021
Supply and delivery of Law enforcement	14-07-2021
Supply and delivery of firearm training	14-07-2021
Review of economic development strategy	14-07-2021
Panel of professional town planners	14-07-2021
Panel of profession land services	14-07-2021
Provision for the automated PMS system for the period of 36 months	14-07-2021
Supply and delivery of heavy refuse bags	13-09-2021
Supply and delivery of brickyard paving bags	13-09-2021
Supply and delivery of animals feed	13-09-2021
Supply and delivery of 50mm brass water meters	13-09-2021
Electrical meterial (1000w globes)	13-09-2021
Electrical material (400w flood light fitting x20)	13-09-2021
Electrical material (54w flood light fitting x20)	13-09-2021
Supply and delivery of tools and accessories for parks and cementery maintenance	13-09-2021
Supply and delivery of water and sewerage related materials	13-09-2021
Supply and delivery of water of sewerage related materials	13-09-2021
Supply and delivery of 20mm brass water meters	13-09-2021
Supply and installation of aluminum	13-09-2021
Supply and delivery of max bricks for maintenance projects	13-09-2021

7 days tender advert	13-09-2021
Tender advertisement	13-09-2021
Seven days ext	13-09-2021
Under cover seating layout 1	13-09-2021
Taxi rank shade 1 layout 6	13-09-2021
Taxi rank shade 1 layout 5	13-09-2021
Tenders advert – Ndhambi taxi rank	13-09-2021
Tender document vol 2 construction of ndhambi taxi rank	13-09-2021
Tender documents vol 1 construction of ndhambi taxi rank	13-09-2021
Tender documents for panel of medical doctors	13-09-2021
Taxi rankshade 1 layout3	13-09-2021
Taxi rankshade 1 layout2	13-09-2021
Taxi rankshade1 layout1	13-09-2021
Taxi rank office REV Layout1	13-09-2021
Taxi rank layout & details	13-09-2021
Septic tank layout 2	13-09-2021
Palisade fence – ablution public	13-09-2021
Ndhambi layout q	13-09-2021
Drawing list layout 1	13-09-2021
Approved BOQ	13-09-2021
Ablution block	13-09-2021
7 days tender advert	<u>26-07-2021</u>

Supply and delivery of PPE for EPWP participants	13-09-2021
Advert for EPWP PPEs	13-09-2021
Municipal finance management programme advert	13-09-2021
Training provision of MFMP	13-09-2021
Addendum Shivulaninof MFMP	01-03-2022
Addendum Nwazekundzoku community hall	01-03-2022
Addendum Homu sport centre	01-03-2022
Various tender advert Jan 2022	01-03-2022
High mast materials	01-03-2022
Electrical street light materials	01-03-2022
Car rental for mayor	01-03-2022
A4 paper boxes	01-03-2022
7 days advert Feb 2022	01-03-2022
3 fold file and A4 envelopes	01-03-2022
Supply and delivery of a EOS Camera	09-06-2022
Reflective Jackets	03-06-2022
High mast material	03-06-2022
Electrical material LED street light fitting	03-06-2022
Electrical material for building maintenance	03-06-2022
A4 white printing paper (350x boxes)	03-06-2022
3 fold file and A4 Envelopes	03-06-2022
7 days advert June 2022	03-06-2022

Advert for supply and delivery of vehicle

03-06-2022

Various tenderd advert june 2022

03-06-2022

MUNICIPAL WEBSITE CONTENT AND ACCESS

Most of prescribed key website 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; waste water (sanitation); electricity; waste management; and housing services; and a summary of free basic services.

3.1 WATER PROVISION

3.1.1 INTRODUCTION TO WATER 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.

Employees: Water Services									
Job Level	2020/21				2021/22				
	Posts No.	Employees No.	Vacancies fulltime equivalence) No.	Vacancies (as a % of total posts) %	Post No.	Employees No	Vacancies Fulltime Equivalence No.	Vacancies (as at % of total posts %)	
0-3	0	0	0	0%	0	0	0	0%	
4-6	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	0	0%	

3.2 WASTEWATER

Sanitation Service Delivery Levels Households			
Description	2019/20 Outcome No.	2020/21 Actual No.	2021/22 Outcome No.
Sanitation/sewerage; (above minimum level)	6430	6430	6430
Flush toilet (connected to sewerage)			
Flush toilet (with septic tank)	6430	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	2019/20	2020/21			2021/22		
	Original Budget No.	Adjustment Budget No.	Actual No.	Original Budget No.	Adjustment Budget No.	Actual No.	
Formal Settlements							
Total Households	55922	55922	55922	55922			

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	2020/21				2021/22				
	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %	
0-3	1	0	1	100%	1	0	1	100%	
4-6	1	1	0	0%	1	1	0	0%	
7-9	4	2	1	75%	4	2	1	75%	
10-12	0	0	0	0%	0	0	0	0%	
13-15	4	4	0	0%	4	4	0	0%	
16-18	0	0	0	0%					
19-20	0	0	0	0%	0	0	0	0%	
Total	10	7	3	30%	10	7	3	30%	

Financial performance 2019/20,2020/21 and 2021/22 Electricity Services R'000								
Details	2019/20		2020/21			2021/22		
	Original Budget	Adjustment Budget	Actual	Original Budget	Adjustment Budget	Actual	Original Budget	Adjustment Budget

Total operational revenue (excluding tariffs)						0	0	0
Expenditure	24060	27088	33,419,657.83	27,168,764	42,590,545			
Employees	2927	2962	895,676.97	3,461,094	2,117,269	803 572	3 670 875	2 280 764
Repairs and Maintenance	2000	1400	697,583.49	1,500,000	1,500,000	4 401 569	2 500 000	6 000 000
Other						2 151 604	2 114 000	2 117 000
Total operational Expenditure			35,012,918.29	32,129,858	46,207,814	7 356 745	8 284 875	10 397 764
Net Operational (service) expenditure								

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.

Solid waste service delivery levels				households
Description	2019/20	2020/21	2021/22	
	Actual No.	Actual No.	Actual No.	
Solid waste removal: (minimum level) Removed at least once a week	7609	households in townships in rural areas	households in townships in rural areas	
Minimum service level and above sub-total		Total: 6548	Total: 6548	
Minimum service level and above percentage	48 weeks per annum (once per week)	48 weeks per annum (once per week)	48 weeks per annum (once per week)	

Solid waste removal: (below minimum level)	Refuse collected once per week using	Refuse collected once per week using	Refuse collected once per week using
Removed less frequently than once a week	All General Waste Disposed at a municipal disposal site Refuse is collected on a daily basis in the CBD	All General Waste Disposed at a municipal disposal site Refuse is collected on a daily basis in the CBD	All General Waste Disposed at a municipal disposal site Refuse is collected on a daily basis in the CBD
Using communal refuse dump		10955 Household in rural area	
Using own refuse dump			
Other rubbish disposal	Backyard refuse collection in rural area 1	Backyard refuse collection in rural area	
No rubbish disposal			
Below minimum service level sub-total			
Below minimum service level percentage			
Total number of households			

Employees; Solid Waste management services

Job Level	2020/21				2021/22				
	Posts No.	Employees No.	Vacancies equivalent) No.	(fulltime %	Vacancies (as a % of total posts) %	Posts No.	Employees No.	Vacancies (fulltime equivalent) No.	Vacancies (as a % of total posts) %
0-3	1	1	0	0%	1	1	0	0%	
4-6	2	1	1	50%	2	1	1	50%	
7-9	1	0	1	100%	1	0	0	100%	

10-12	12	7	5	42%	12	7	5	42%
13-15	30	28	2	66.6%	30	26	4	13,33%
16-18	0	0	0	0%	0	0	0	0%
19-20	0	0	0	0%	0	0	0	0%
Total	46	37	9	19.56%	46	35	10	21,73%

Financial performance 2019/20, 2020/21,2021/22 Refuse Solid Waste Management Services (COMMUNITY SERVICES)									
Details	2019/20		2020/21			2021/22			
	Actual	Original Budget	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	Original Budget	Adjustment Budget
Total operational revenue	4435	4310				8 098 053	44 825	10 221 001	8 142 878
Expenditure;	359	620	16,935,114.14	14,654,229	13,693,691.94				
Employees	7096	8122	44,668,716.97	43,722,755.43	41,330,047.96	9 795 388	-1 261 594	10778875	8 533 794
Repairs and maintenance	300	300	148,211.04	500,00	500,000	312 923	-112 923	500 000	200 000
Other						1 702 197	781 803	3 092 000	2 484 000
Total operational expenditure	7755	9042	61,752,042.15	58,876,984.43	55,523,739.90	11 810 508	-592 715	14 370 875	11 217 793

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	Glja-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, Kremetart, Dzingi-Dzingi
22	0	Shawela, Shikhumba
23	0	Mbhedle, Guwela, Kheyi, Mushiyani, Nsavulani
24	0	Mnghonghoma, Loloka, Mageva
25	0	Daniel Rabalelo, Mageva township,Dzumeri
26	0	Maphata, Sikhunyani, 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		

3.4.1 CHALLENGES

There is a huge backlog of the refuse removal service 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. Dumping site is due for rehabilitation and closure.

3.4.2 INTERVENTIONS

Landfill site development project is under way. Buyback Centre constructed to support recycling initiatives. Budget set aside under the EPWP Programme 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
TOTAL		

The report reflects only halls build by the municipality. Excluded are privately owned halls and those built by other sector departments.

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'oo, 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	0	Shivulani, Nwazekudzeku
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
Total		

3.5 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 2021/22 financial year a total of 275 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

- 18039 households received free basic electricity

INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

Free basic services to low income households										
Number of households										
	Total	Households earnings less than R2000 per month								
		Free basic water			Free basic sanitation		Free basic electricity		Free basic refuse	
		Total	Access	%	Access	%	Access	%	Access	%
2018/19		123			15500	86.88%				
2019/20		371			16000					
2020/21		171			171			1809		

COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT:

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
2018/19	608	None	14.2 KM	2332
2019/20	608	None	7.04 KM	2332
2020/21	608	None	16.95 KM	2640
2021/22	608	None	11.4 KM	2640

Asphalted Road Infrastructure					
	Total Asphalted roads	New asphalt roads	Existing asphalt roads re-asphalted	Existing asphalt roads re-sheeted	Asphalt roads maintained
2020/21	10.47KM	2.5KM	79.97KM	0KM	0KM
2021/22	91.37KM	11.4KM	79.97KM	0KM	0KM

	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0-3	1	1	1	0%	1	1	0	0%
4-6	1	0	0	0%	1	1	0	0%
7-9	3	0	0	0%	3	1	2	66,66%
10-12	20	15	5	60%	18	13	5	35%
13-15	19	18	1	26%	33	4	29	87,87%
16-18	0	0	0	0%	0	0	0	0%
19-20	0	0	0	0%	0	0	0	0%
Total	41	34	7	17%	56	20	35	62,5%

Financial performance 2019/20,2020/21 and 2021/22: Road Services								
R`000								
Details	2019/20		2020/21			2021/22		
	Actual	Original budget	Actual	Original Budget	Adjustment Budget	Actual	Original Budget	Adjustment budget
Total operational revenue (excluding tariffs)						00	396 000	150 000
Expenditure:	260	350	3,701,481.69	7,894,434	10,338,632			
Employees	83	7244	12,393,408.22	10,234,458	7,945,765	12 294 249	13 286 321	13 261 844
Repairs & Maintenance	4918	11000	604,002.72	1,500,000	3,000,000	13 754 992	33 500 000	37 000 000
Other						665 506	642 000	530 000
Total operational expenditure	5261	18594	16,698,892.63	19,628,892	21,284,397	26 714 747	42 574 321	46 137 844
Net operational (service) expenditure	5261	18594	16,698,892.63	19,628,892	21,284,397			

Capital expenditure 2020/21 and 2021/22 Road Services										
R`000										
Capital project	2020/21					2021/22				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total project value	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total project value
Giyani waste disposal site						500,000	1,675,960.0 0	1,675,960.00	-1 175 960	
Capital Projects Waste Management	<i>Operational</i>	<i>Operational</i>								
Civic Centre Building ,Phase 4	12,500,000	6,000,000	0,00			7,064,924	7,064,924.00	6 608 107	456 817	

Electrification of Tomu Village	2 800 000.00	0.00	2 400 000.00	2 800 000	3 780 000	2 401 739	398 261
Electrification of Blinkwater Village	2 800 000.00	0.00	2 198 249.99	2 200 000	2 650 000	2 244 130	-44 130
Electrification of Babangu				1000 000	1 980 000	1 509 607	509 607
MIG Spending	64 105 000.00	0.00	53 879 447.44	64 105 000	64 105 000		
Electrification of Mavhuza Village	2 200 000.00	0.00	3 702 655.25	1 900 000	1 800 000	1 496 552	403 448
Electrification of Mavalani village				3 200 000	7 250 000	6 289 434	-3 089 434
Electrification of Sifasonke Village	3 300 000.00	0.00	3 203 3117.96	2 800 000	3 861 000	3 273 319	473319
Installation of High Mast Lights in 93 Villages (CBD)				500 000	1 531 417	240 196	259 804
Installation of energy saving street lights	0.00	0.00	0.00	7 000 000	3 000 000	2 608 695	4 391 305
Giyani Section E Upgrading From Gravel to tar Phase 2	0.00	0.00	0.00	0	0	0	0
Section E upgrading from gravel to paving (Voningani)	0.00	0.00	0.00	8 000 000	20 453 874	21 116 098	-13 116 098
Upgrading of Nkhensani Hospital Access Road				50 000	0	0	50 000
Mavalani Sports Centre				2 000 000	2 000 000	1 712 722	287 278
Alternative road to Giyani from R81				500 000	500 000	0	500 000
Alternative route from Elim road (R578) to Giyani via Siyandhani				550 000	550 000	0	550 000
Upgrading of parking lot				2 000 000	4 045 647	2 435 125	-435 125
Extension of Mageva Sports Center	0.00	0.00	0.00	1 000 000	1 000 000	0	1000 000

Refurbishment Giyani Stadium & Section Tennis Court				50 000	0	0	50 000
Refurbishment Gawula Sports Centre				50 000	0	0	50 000
Refurbishment Shivulani Sports Centre				1 500 000	3 500 000	630 412	869 588
Blinkwater upgrading of internal streets	5 473 192.29	0.00	7 902 811.75	8 100 000	4 969 877	3 708 974	4 391 026
Thomo upgrading of internal streets	22 140 298.65	0.00	24 761 576.77	12 21 641	26 416 833	5 263 522	4 041 881
EPWP Social				4 304 000	4 304 000	4 082 599	221 401
Nkuri Zamani upgrading of internal streets	4 847 707.59	0.00	9 257 551.24	8 100 000	4 705 915	3 923 785	4 176 215
EPWP Environmental and Culture	0.00	0.00	0.00	4 000 000	4 000 000	3 563 680	436 320
Shimange upgrading of internal streets	14 919 236.42	0.00	17 430 644.09	20 100 000	19 698 242	878 941	19 221 059
Jim Nghalalume Community Hall	0.00		0.00	2 000 000	2 000 000	1 588 859	411 141
Nwazekudzeku Community Hall	0.00		0.00	2 000 000	7 602 066	7 210 056	-5 210 056
Ndhambhi Taxi rank				13 456 642	12 456 642	5 445 109	8 011 533
Homu 14B Sports Centre				4 600 000	4 600 000	3 391 766	1 208 234
Mageva Sport Centre				1000 000	1000 1000	0	0
Servicing of 539 sites				500 000	500 000	0	0
Refurbishment of Gawula sport center				50 000	0	0	0
Environmental Awareness Campaign	Operatio nal	Operational		Operatio nal	Operational		
Environmental Awareness Campaign	Operatio nal	Operational		Operatio nal	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
Drivers License Card Agency	Operational	Operational	Operational	Operational
Road Traffic Management Corporation fees	Operational	Operational	Operational	Operational
Vehicle Testing Station Calibration	Operational	Operational	Operational	Operational
SABS levy	Operational	Operational	Operational	Operational
80% Agency fees	Operational	Operational	Operational	Operational
Road blocks	Operational	Operational	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.

Majority of the Greater Giyani Municipality residents rely on public transport, this 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

LOCATION	STATUS	DESTINATIONS
Old Spar	Operational	Bushbuckridge, Polokwane, Tzaneen and Phalaborwa, Witbank
Shoprite	Operational	Malamulele
New Boxer Supermarket	Operational	Mooketsi, Vuhehli, Gawula
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 of passengers. The municipality currently does not have an integrated transport plan which would then be used for management of Public Transport within the area of municipal jurisdiction.

3.9 WASTEWATER (STORMWATER DRAINAGE)

ACTIONS THAT HAVE BEEN TAKEN

- 133 storm water inlets replaced
- 459 stormwater infrastructure inlets cleaned

- 3.7 km of pavement milling constructed
- 7477 m² pavement milling constructed at taxi rank
- 6778 m² of potholes patched

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

Financial performance 2019/20,2020/21 and 2021/22: Planning services							
R`000							
Details	2019/20		2020/21		2021/22		
	Actual	Variance	Actual	Original Budget	Actual	Original budget	Adjustment Budget
Total Operational Revenue							
Expenditure:				14,041,036			
Employees			3,540,014.04	8,814,977	1 102 696	1 935 318	1 345 455
Repairs & Maintenance	0	0	6,845,473.54		0	0	0
Other	0	0			100 954	610 500	215 500
Total Operational Expenditure	2813	4700		22,856,013	1 203 650	1 995 818	1 410 955

Net operational (service) expenditure	- 2377	-5137	4,729,821.3 1
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3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

Employees: Local Economic Development Services									
Job level	2020/21					2021/22			
	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %		Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0-3	1	1	1	100%		1	1	0	0%
4-6	2	0	2	100%		3	3	0	0%
7-9	9	9	0	0%		9	0	0	0%
10-12	8	4	4	20%		9	6	3	33,33%
13-15	0	0	0	0%		3	3	0	0%
16-18	0	0	0	0%		0	0	0	0%
19-20	0	0	0	0%		0	0	0	0%
Total	18	14	7	58.3%		32	13	3	9,37%

COMMENT ON LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL:

.5 SMMEs were exposed to market in the 2021/22 financial year.
3 SMMEs were supported financially in the 2021/22 financial year.

COMPONENT D: COMMUNITY & SOCIAL SERVICES

Capital expenditure 2020/21 and 2021/22: community Services R`000									
Capital Projects	2020/21				2021/22				
	Budget	Adjustment Budget	Actual Expenditure	Total project value	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total project value
MAGEVA SPORTS CENTRE					1 000 000	1 000 000	0	0	
SECTION E SPORTS CENTRE					50 000	0		0	
REFURBISHMENT OF SHIVULANI SPORTS CENTRE					1 500 000	3 500 000	630 412	869 588	
REFURBISHMENT OF SPORTING FACILITY (GAWULA)					50 000	0		0	
REFURBISHMENT OF GIYANI STADIUM AND SECTION A TENNIS COURT					50 000	0		0	

3.12 LIBRARIES; ARCHIEVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; OTHER (THEATERS, ZOOS, ETC)

The municipality has five functional community libraries. One library is under construction at Mavalani village.

3.13 CEMETERIES AND CREMATORIUMS

INTRODUCTION TO CEMETERIES & CREMATORIUMS

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.

Employees: Cemeteries and Crematoriums						
Job level	2020/21			2021/22		
	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0-3	0	0	0%	0	0	0%
4-6	1	1	0%	1	1	0%
7-9	0	0	0%	0	0	0%%
10-12	2	2	0%	2	2	0
13-15	14	14	63.15%	14	24	63,15%
16-18	0	0	0%	0	0	0%%
19-20	0	0	0%	0	0	0%%
Total	17	27	79.41%	17	27	79,41%

Capital expenditure 2020/21 and 2021/22 Cemeteries and Crematoriums										
Capital Projects	Budget	2020/21				2021/22				
		Adjustment Budget	Actual Expenditure	Variance from original budget	Total project value	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total project value
Total all										

REFURBISHMENT OF GIYANI CEMENTRY	-	-	-	-	-
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Project D

COMMENT ON THE PERFORMANCE OF CEMETORIES & CREMATORIUMS OVERALL:

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 is 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 CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

INTRODUCTION TO CHILD CARE; 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 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 none governmental organisations.

COMPONENT E: ENVIROMENTAL PROTECTION

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

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 BIO-DIVERSITY; LANDSCAPE; (INCL.OPEN SPACES)

GGM works jointly with DEA and LEDET to ensure biodiversity conservation 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 LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES AND OTHER)

INTRODUCTION TO DISASTER MANAGEMENT, ANIMAL LICENCING 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 of animals to deal with licensing and control of animals is in progress.

Financial performance 2019/20, 2020/21 and 2021/22: Traffic R`000								
Details	2019/20		2020/21		2021/22		Variance	Adjustment Budget
	Actual	Original budget	Actual	Original Budget	Actual	Original budget		
Total operational revenue	3755	5 547			7 914 702	18 230 000	10 315 298	8 740 000
Expenditure:	87	130	12,298,768.35	2,514,680				
Police Officers								
Other Employees	9708	10385	20,548,283.84	17,720,473.43	20 378 428	19 214 761	-1 163 667	19 367 237
Repairs & Maintenance					203 095	100 000	-103 095	200 000
Other					84 346	1 227 500	1 143 154	202 000

Total operational expenditure	12157	14463	32,847,052.19	20,235,153.43	20 665 869	20 542 261	-123 608	19 769 237
Net operational (service) expenditure	-7220	14463						

COMPONENT H: SPORT AND RECREATION

INTRODUCTION TO SPORT AND RECREATION

The municipality currently has 10 sports centers and 3 developed parks to be used for sporting and recreational purposes. The Municipality promotes sporting in local communities through the sport development programmed by providing identified beneficiaries with sports equipment. e.g. kits, balls and funds. The municipality also runs an annual mayor’s cup to assess the progress with regard to sports development with the assistance of the local sports confederation. The report include only sport centers build by the municipality.

3.17 SPORT.

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

WARD	AVAILABLE	BACKLOG
1	0	1
2	1	0
3	0	1
4	0	1
5	0	1
6	1	0
7	0	1
8	0	1
9	1	0
10	0	1
11	1	0
12	1	0
13	0	1
14	0	1

15	1	0
16	0	1
17	0	1
18	1	0
19	0	1
20	0	1
21	0	1
22	1	0
23	0	1
24	1	0
25	0	1
25	0	1
26	0	1
27	1	0
28	0	1
29	0	1
30	0	1
31	0	1
TOTAL		

3.18 RECREATION

The report reflects only halls build by the municipality. Excluded are privately owned halls and those build by other sector departments.

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

WARD	AVAILABLE	BACKLOG
1	0	1
2	0	1
3	0	1
4	0	1

5	0	1
6	0	1
7	0	1
8	0	1
9	0	1
10	0	1
11	1	0
12	0	1
13	0	1
14	0	1
15	0	1
16	0	1
17	1	0
18	0	1
19	0	1
20	0	1
21	0	1
22	0	1
23	0	1
24	0	1
25	0	1
26	0	1
27	0	1
28	0	1
29	0	1
30	0	1
31	0	1
Total	2	29

Employees: Sport and Recreation		
Job level	2020/21	2021/22

Job Level	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0-3	1	1	0	100%	1	1	0	0%
0	0	0	0	0%	1	1	0	0%
1	0	0	0	0%	2	2	0	0%
1	0	0	0	0%	1	0	1	100%
1	0	0	0	0%	52	18	34	65,38%
50	0	0	0	0%				
0	0	0	0	0%				
0	0	0	0	0%				

3.18.1 CHALLENGES

There is underutilization of most sport centers that are situated in rural villages. This is an indication that more still need to be done in terms of receiving and developing various sporting codes within the municipality. The municipality is experiencing challenge of vandalism on its infrastructure in particular sporting facilities. There is also no adequate budget for maintenance of these facilities, as a result some of these facilities are getting dilapidated. Another challenge is that of shortage of personnel to maintain and monitor these facilities.

3.18.2 INTERVENTIONS

The municipality to appropriately develop a program of sporting codes and engage all Ward Councilors and Traditional leaders with regards to sport development to maximize the utilization of sport centers. The municipality to increase the budget for appointment of personnel. The Municipality to develop a management plan for some facilities to allow communities to use them.

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).

INTRODUCTION TO EXECUTIVE AND COUNCIL

COMMENT ON THE PERFORMANCE OF THE EXECUTIVE AND COUNCIL:								
Financial performance 2019/20,2020/21 and 2021/22 The Executive and Council								
R`000								
Details	2019/20		2020/21		2021/22			
	Actual	Variance to budget	Actual	Original Budget	Adjustment Budget	Actual	Original Budget	Adjustment Budget
Total operational revenue			N/A	N/A	N/A	0	0	0
Expenditure:	7554		1,400,367.48	8,466,237	7,444,248			
Other Employees	22171		21,942,750.76	25,022,991	23,667,857	24 066 373	30 198 592	23 663 423
Repairs & Maintenance						0	0	0
Other						8 418 567	8 014 284	7 830 788
Total operational expenditure	29725		23343118.24	33,489,228	31,112,105	32 484 940	38 212 876	31 494 211
Net operational (service) expenditure	-29707							

FINANCIAL SERVICES

Debt recovery					
Details of the types of account raised and recovered	2020/21			2021/22	
	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
Property Rates	72.744.162.16	6369	45.61%	69,857,314	81.27%
Electricity – B	N/A	N/A			
Water – B	N/A	N/A			
Water – C	N/A	N/A			
Sanitation	N/A	N/A			
Refuse	8.636.349.77	6695	86.60%	9165293.83	94.80%

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		2020/21				2021/22			
Job Level	Posts No.	Emplo yees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %	Posts No.	Employees No.	Vacan cies (fullti me equiva lents) No.	Vacancies (as a % of total posts) %	
0-3	1	1	0	0%	1	1	0	0%	
4-6	8	6	2	60%	8	7	1	12,5%	
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	9	2	%	13	10	3	24%

3.20 HUMAN RESOURCE SERVICES

3.21 HUMAN RESOURCE SERVICES

INTRODUCTION TO HUMAN RESOURCE SERVICE

SERVICE STATISTICS FOR HUMAN RESOURCE SERVICES

Human Resource Services									
Policy objectives taken from IDP									
Service Objectives	Outline service targets	2019/20		2020/21		2021/22			
		Target	Actual	Target	Actual	Target	Actual		
To develop and retain best human capital, effective and efficient administrative and operational support system	Submit Employment equity report.	Equity report submitted	Equity report submitted	Equity report submitted	Equity report submitted	Equity report submitted	Equity report submitted		
Service indicators									
To submit the Employment equity report to Dept. of Labor by 15 January 2022									

Service objective

Employees: Human Resource Services									
Job level		2020/21				2021/22			
Job Level	Posts No.	Emplo yees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %	Posts No.	Employees No.	Vacan cies (fullti me equiva lents) No.	Vacancies (as a % of total posts) %	
0-3	1	1	0	0%	1	1	0	0%	
4-6	8	6	2	60%	8	7	1	12,5%	
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	9	2	%	13	10	3	23,07%	

COMMENTS ON THE PERFORMANCE OF HUMAN RESOURCE SERVICES OVERALL:

The municipality did not manage to fill one (1) critical positions of Director Community Services, however this has been set as a priority to fill this positions in the 1st quarter of the next financial year of 2022/2023.

3.22 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

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

INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

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 operate under the guidance of ICT policies and frameworks as mandated by corporate governance of ICT. There's also an ICT committee that ensure good governance

SERVICE STATISTICS FOR ICT SERVICES

For period under review 2021/22, Information and Communication Technology provided and supplied ICT equipment's e.g. computers, printers, 3Gs and Memory Sticks. The Unit also updated of 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							
Service Objectives	Outline service target	2019/20		2020/21		2021/22	
		Target	Actual	Target	Actual	Target	Actual
To develop and retain best human capital, effective and	12 payments for leased desk top and lap top computers and Procurement of IT equipment.	12 payments for leased desk top and lap top computers and	12 payments of leased desk top and lap top computers and	12 payments for leased desk top and lap top computers and	12 payments of leased desk top and lap top computers and	7 payments for leased desk top and lap top computers and Procurement of IT	7 payments of leased desk top and lap top computers and Procurement of IT equipmen
efficient administrative and operational support system	Maintenance, support and provide connectivity to network (LAN and WAN). 12 payments for 3Gs	Procurement of IT equipment.	IT equipments procured	Procurement of IT equipment.	IT equipments procured	Procurement of IT equipment.	IT equipments procured
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 % of 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	

OVERAL PERFORMANCE OF ICT SERVICES OVERALL

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	2020/21				2021/22			
	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0-3	1	1	0	0%	1	1	0	0%
4-6	3	1	2	50%	2	1	1	50%
7-9	1	0	0	100%	1	1	1	0%
10-12	n/a	n/a	n/a	n/a	0	0	0	0%
13-15	n/a	n/a	n/a	n/a	0	0	0	0%
16-18	n/a	n/a	n/a	n/a	0	0	0	0%
19-20	n/a	n/a	n/a	n/a	0	0	0	0%
Total	5	2	3	60%	4	3	1	25%

THE PERFORMANCE OF ICT SERVICES OVERALL:

The user support turnaround for the year under review 2021/22 was satisfactory even though the Unit was unable to meet all their planned targets due to shortage of staff.

3.22 LEGAL; RISK MANAGEMENT

Employees: legal and Risk Management								
Job level	2020/21				2021/22			
	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0-3	2	2	0	0%	1	1	0	0%
4-6	2	1	1	50%	1	1	0	50%
7-9	N/A				N/A			
10-12								
13-15	N/A	N/A	N/A	N/A				N/A

16-18	N/A	N/A	N/A	N/A	N/A
19-20	N/A	N/A	N/A	N/A	N/A

ANNUAL PERFORMANCE INFORMATION

SUMMARY OF PERFORMANCE FOR THE 2021/22 FINANCIAL YEAR

1. INTRODUCTION

The Greater Giyani Municipality 2021/22 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 2021\22 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 2021/22 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 2021/22 financial year to which this report relates

3. THE ROAD MAP

The attached APR 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 2021/22 on the 25 of June 2021, 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 on a monthly basis and to Council on quarterly basis.

The Greater Giyani Municipality was responsible for a total number of 123 Key Performance Indicators inclusive of projects for 2021/2022 financial year. The institution managed to achieve 69 indicators inclusive of projects ,54 targets were not achieved, while 3 were achieved in the previous financial year out of the planned 116 targets.

The overall institutional performance for 2021/2022 is at **56%** as compared to the **59%** for 2020/2021 financial year, which shows that we have regressed compared to the performance of the previous financial year.

The table below indicates progress per KPA

Key Performance Area	Annual Indicators Assessed	Total Achieved	Total Not Achieved	Percentages per KPA
KPA-1: Spatial Rational	11	06	05	55%
KPA-2: Institutional Development and Transformation	21	13	08	62%
KPA-3: Infrastructure Development And Basic Services	49	26	23	53%
KPA-4: Local Economic Development	06	03	03	50%
KPA-5: Financial Viability	13	11	02	85%
KPA-6: Public Participation And Good Governance	23	10	13	43%
TOTAL	123	69	54	56%

CHAPTER 4– ORGANISATIONAL 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 skills gap. The institution comply with the national legislations

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Description	Employees			
	20/21		21/22	
	No. Employees	% of vacancies	No. of employees	% of vacancies
Water	8	0%	7	46,66%
Waste Water (sanitation)	10	71%	5	33,335
Electricity	06	67%	5	50%
Waste Management	32	80%	37	13,95%
Housing	0	0%	2	0%
Waste Water (Storm water Drainage)	0	0%	10	20%
Roads	19	73%	19	56,81
Transport	0	0%	4	0%
Planning	6	100%	3	40%
Local Economic Development	4	80%	4	33,33%
Planning (Strategic & Regulatory)	0	0%	1	50%
Community & social services	38	79%	0	
Environmental protection	0	0%	0	
Health	0	0%	0	
Security & safety	52	98%	0	
Sport & recreation	16	59%	0	
Corporate Policy offices & other	129	90%	0	
Totals	325		92	

Vacancy Rate: 2020/21			
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	0	0%
CFO	1	1	100%
Other S57 Managers (excluding Finance Posts)	5	1	20%
Other S57 Managers (Finance posts)			
Municipal Police	N/A	N/A	
Fire Fighters	0	0	
Senior Management: Levels 13-15 (excluding Finance Posts)			
Senior Management: Levels 13-15 (Finance Posts)	1	0	0%
Highly skilled supervision: Levels 9-12 (excluding Finance posts)			
Highly skilled supervision: Levels 9-12 (Finance posts)			
Total			

Turn-over Rate			
Details	Total Appointments as of beginning of financial year No.	Terminations during the financial year No.	Turn-over Rate*
2019/20	07	34	
2020/21	43	16	
2021/22			

COMMENT ON VACANCIES AND TURNOVER:

The reason for high turnover is the retirement, death and resignation

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. 2021/22 Employment Equity report was timeously submitted to the Department of Labour. HR Policies are in place

4.2. POLICIES

HR Policies & Plans				
	Name of Policy	Completed %	Reviewed %	Date adopted by council or comment on failure to adopt
1	Affirmative Action			Legislated
2	Career & Retention Management	100%	100%	
3	Code of conduct for employees	100%	N/A	
4	Delegations, Authorisation & responsibility		N/A	
5	Disciplinary Code & Procedures	100%	N/A	
6	Essential Services	100%	N/A	
7	Employee Assistance/ wellness			
8	Employment Equity	100%	N/A	
9	Exit Management	100%	0%	
10	Grievance Procedures		N/A	
11	HIV/AIDS	100%	100%	
12	Human Resource & Development	100%	100%	
13	Information Technology	100%	100%	
14	Job Evaluation	100%	N/A	
15	Leave	100%	100%	
16	Occupational Health & Safety	100%	100%	

18	Official Journeys	100%	100%
20	Official working hours and overtime	100%	100%
21	Organisational rights	100%	100%
22	Payroll Deductions	100%	100%
23	Performance Management & Development		
24	Recruitment, selection & Appointments	100%	100%
25	Remuneration Scales & Allowances	100%	100%
26	Resettlement		N/A
27	Sexual Harassment		N/A
28	Skills development		100%
29	Smoking		N/A
30	Special skills		N/A
31	Work Organisation		N/A
32	Uniforms & protect clothing	100%	100%
33	Other		

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 2021/22 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:

(a) One (1) employee was injured on duty.

COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT:

Only two (2) employees were suspended from council service with full pay pending the institution of disciplinary proceedings against them by the municipality

4.4 PERFORMANCE REWARDS

The municipality did not pay performance awards to employees for 2020/21 financial year.

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

INTRODUCTION TO WORK FORCE

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

4.5 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 2020 No.	Number of skilled employees required and actual as at 30 June 2022									
			Learnerships			Skills programme & other short courses			Other forms of training			Total
			Actual 01 July 2021	Actual 30 June 2022	Target	Actual 01 July 2021	Actual 30 June 2022	Target	Actual 01 July 2021	Actual 30 June 2022	Target	
MM & S57	Female											
	Male											
Councillors,	Female	02	02	02	02							
	Male	01	01	01	01							
Senior Officials senior officials	Male	01	1	01	1							
	Female											
Managers												

	Male	02	2	02	2							
	Female	01	1	01	1							
Technicians & associate professionals	Female											
	Male	01	01	01	01							
Professionals	Female	N/A										
	Male	N/A										
Sub Total	Female	N/A										
	Male	N/A										
Total												

Competency Level Requirement

2019/2020	2020/21	2021/22
Senior Managers		
01 F	5 M	1F 4 M
Managers		
01 F	1 F 3 M	1 F M
Middle Managers		
04 M 01 F	1 F 5 M	1f 2M
Admin		
04 F	03 M 02 F	0
Skills Development		
Lower Level		
2019/2020	2020/21	2021/22
13 M 17 F	27 M 35 M	1F 14M
10 M 30 F	40 M 69 F	1F



Chapter: 5

Annual Financial Statements and Financial Performance for the Year Ended 30 June 2022

SEE ATTACHED ANNEXURE B



Greater Giyani Municipality
Annual Financial Statements
for the year ended 30 June 2022

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

General Information

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). Providing services to the community as covered in the jurisdiction.

The following councillors were appointed in November 2021

Mayor	Cllr T Zitha
Speaker	Cllr AE Mboweni
Chief Whip	Cllr T Makondo
Exco Member	Cllr N Mabunda (Corporate and Shared Services)
Exco Member	Cllr TJ Mabunda (Infrastructure Development)
Exco Member	Cllr NHP Ndaba (Finance)
Exco Member	Cllr MR Mashale (Public Roads and Transport)
Exco Member	Cllr C Baloyi (Planning and Economic Development)
Exco Member	Cllr GA Maluleke (Water, Sanitation and Energy)
Exco Member	Cllr TC Zitha (Sports, Recreation, Arts and Culture)
Exco Member	Cllr TC Manganyi
Chairperson of MPAC	Cllr RE Makondo
Exco - Office of the Mayor	Cllr RN Sekgobela
	Cllr BA Shibambu
	Cllr RC Mabunda
	Cllr SS Mavasa
	Cllr NN Maswangani
	Cllr SS Mathebula
	Cllr M Shiviti
	Cllr GE Kobane
	Cllr NP Mlambo
	Cllr XL Ngobeni
	Cllr NS Monyipote
	Cllr VS Makamu
	Cllr MC Machipi
	Cllr MC Chabalala
	Cllr RG Ngunyula
	Cllr PT Mokgobi
	Cllr MA Khosa
	Cllr TE Rikhotso
	Cllr MR Maluleke
	Cllr TE Nkuna
	Cllr S Sambo
	Cllr SC Mahlawule
	Cllr TN Shirinda
	Cllr PH Makhavela
	Cllr TA Mathosi
	Cllr NR Shilowa
	Cllr RE Ngoveni
	Cllr KO Maswanganyi
	Cllr P Rikhotso
	Cllr JP Shibambu
	Cllr L Nkuna

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

General Information

Cllr RT Mabunda
Cllr E Mahasha
Cllr A Rabothata
Cllr JN Mashele
Cllr CS Rikhotso
Cllr KS Dlamini
Cllr MD Hlungwani
Cllr ML Chauke
Cllr STI Rikhotso
Cllr TN Baloyi
Cllr S Mongwe
Cllr TP Mashaba
Cllr PP Mkhari
Cllr MS Hlongwane
Cllr SM Mhangwane
Cllr MJ Nkuna
Cllr MP Mathevula
Cllr Hlungwani
Cllr DJ Hlongwane

The contracts of the following councillors expired in November 2021

Mayoral committee

Mayor	Cllr Shibambu Basani Agnes
Speaker	Cllr Hlungwani Mafemani Patrick
Chief Whip	Cllr Mashale Masenyani Richard
EXCO Member	Cllr Ndaba Khensani Harmony Pretty (Corporate and Shared Services)
EXCO Member	Cllr Manganyi Khazamula Abraham (Finance)
EXCO Member	Cllr Baloyi Tintswalo Elizabeth (Infrastructure)
EXCO Member	Cllr Mabulana Peter Sello (Office of the Mayor)
EXCO Member	Cllr Mboweni Agrey Ernest (Health and Social Development)
EXCO Member	Cllr Mthombeni Africa Mavhayisi (Water Sanitation and Energy)
EXCO Member	Cllr Mabunda Elisa Nkhensani (Planning and LED)
EXCO Member	Cllr Makhubele Hlupheka Winnie (Sports Arts and Recreation)
EXCO Member	Cllr Mathebula Sasavona (Public Roads and Transport)
MPAC Chairperson	Cllr Mabasa Rhulani Oral
	Cllr Baloyi Douglas Emmanuel
	Cllr Mthombeni Mchacha William
	Cllr Makhubele Sophie
	Cllr Malungana Elia
	Cllr Makhubele Thankyou Mbhizo
	Cllr Valoyi Xavelela Judith
	Cllr Hlungwana Trompies Steven
	Cllr Kubayi Sevha Solomon
	Cllr Kobane Gezani Eric
	Cllr Ndlovu Tiyani Lawrance
	Cllr Mokoseni Fumani Clarence
	Cllr Mokgobi Phillip Thomane
	Cllr Masenyani Adolph
	Cllr Chauke Mukhacani Juring
	Cllr Mhlongo Mashau Calvin

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

General Information

Cllr Mthombeni Amukelani Florah
Cllr Khosa Jabulani Samuel
Cllr Mahlawule Soyaphi Calvin
Cllr Manganyi Tintswalo Constance
Cllr Rikhotso Hlayiseka Roger
Cllr Mashele Basani Ivy
Cllr Gaveni Bridget
Cllr Ngobeni Risimati Edward
Cllr Rikhotso Risimati Christopher
Cllr Khosa Ringeta Sally
Cllr Maluleke Noel
Cllr Mkansi Xigiya Ben
Cllr Mthombeni Sizeka George
Cllr Mashimbye Dzuni Calvin
Cllr Shivuri Daison Tinyiko
Cllr Makhubele Masenyani Jackson
Cllr Zitha Thandazo Christinah
Cllr Shimange Fazi Mikateko Irene
Cllr Khadhela Nomsa Rachel
Cllr Zitha Thandi
Cllr Baloyi Nyiko Nyumisani
Cllr Siweya Cynthia Masingita
Cllr Maluleka Tinyiko Rose
Cllr Sekgobela Reginah Ntsako
Cllr Chaka Thomas Patrick
Cllr Madzunya Nhlamulo Mavis
Cllr Shivambu Hasani Richard
Cllr Zitha Nyiko Johannah
Cllr Mazivuko Patrick
Cllr Nkuna Soyaphi Robert
Cllr Mathevula Mthakathi Prince
Cllr Makamu Mafakhale Alpheus

Grading of local authority

3

Chief Finance Officer (CFO)

F Nkuna - Acting

Accounting Officer

K V Sithole - Acting

Business address

BA 59
Civic Centre
Giyani CBD
0826

Postal address

Private Bag X9559
Giyani
0826

Bankers

ABSA
Giyani Branch

Auditors

Auditor General South Africa (AGSA)

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

General Information

Level of assurance

These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.

Preparer

The annual financial statements were internally compiled by:
F Nkuna-Acting Chief Financial Officer

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

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The reports and statements set out below comprise the 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

Annual Financial Statements for the year ended 30 June 2022

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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

Annual Financial Statements for the year ended 30 June 2022

Accounting Officer's Responsibilities and Approval

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

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

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

The accounting officer acknowledges that 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 annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The accounting officer has reviewed the municipality's cash flow forecast for the year to 30 June 2023 and, in the light of this review and the current financial position, 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 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 annual financial statements. The annual financial statements have been examined by the municipality's external auditors and their report is presented on page 10.

The annual financial statements set out on page 12 to 95, which have been prepared on the going concern basis, were approved by the accounting officer on 30 November 2022 and were signed on its behalf by:

**K V Sithole - Acting
Acting Municipal Manager**

AUDIT COMMITTEE ANNUAL REPORT 2021/22

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

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 members and attendance

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 2021/2022 financial year and the attendance thereof by members:

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

3. The Effectiveness of Internal Control

Internal control environment system has remain stagnated and everal deficiencies in the system of internal control and/or deviations were reported by the internal auditors and the Auditor-General.

4. In-Year Management and Monthly/Quarterly Report

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

5. Performance Management

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

6. Risk Management

The AC is of the opinion that municipality's risk management appears to be effective for the better of the year in material respect, and the municipality did implement a comprehensive risk management strategy and related policies. Management has sound and effective approach has been followed in developing strategic risk management plans and there is a sense of appreciation of the impact of the municipality's risk management framework on the control environment. However, there is a room for improvement in so far as implementation of hotline as part of fraud prevention strategy.

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 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 AC is not satisfied with the effectiveness of Internal Audit and Management and Council need to capacitating this unit. However, there is a need to fast-track the implementation of Combined Assurance Model.

9. IT Governance

IT Governance maturity level is very and lack of reciprocal IT site is major risks.

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

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

11. Implementations of Audit Committee Recommendations by management

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

12. Draft Annual Financial Statements and Annual Performance Report

Audit Committee reviewed the draft unaudited Annual Financial Statements and draft Annual Performance report before submission to AGSA for audit and concur with the submission subject to all the inputs being factor in by management.

13. 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, Councillors, senior management for their efforts and internal audit for their contribution.

A handwritten signature in black ink, appearing to read 'SAB', enclosed within an oval shape.

SAB Ngobeni (Mr)
Chairperson of the Audit Committee
Greater Giyani Municipality
August 2022

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

30 November 2022

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Accounting Officer's Report

The accounting officer submits his report for the year ended 30 June 2022.

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). providing services to the community as covered in the jurisdiction.

The operating results and state of affairs of the municipality are fully set out in the attached 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 2022, the municipality had an accumulated surplus of 1 241 690 076 and that the municipality's total assets exceed its liabilities by 1 241 690 076.

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

3. Subsequent events

On the 05 September 2022 the municipal manager Mr M M Chauke was suspended and Ms K V Sithole was since appointed the acting municipal manager on the same day.

Application for rollover on grants for R 10 591 733 has since been approved by treasury.

4. Accounting Officer

The accounting officer of the municipality during the year was Mr M M Chauke up 05 September 2022 and Ms K V Sithole was appointed acting municipal manager to the date of this report.

5. Auditors

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

The annual financial statements set out on page 12 to 95, which have been prepared on the going concern basis, were approved by the accounting officer on 31 August 2022 and were signed on its behalf by:

**K V Sithole - Acting
Acting Municipal Manager**

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Statement of Financial Position as at 30 June 2022

Figures in Rand	Note(s)	2022	2021 Restated*
Assets			
Current Assets			
Inventories	9	33 038 033	33 870 103
Other financial assets	7	-	-
Receivables from exchange transactions	10	13 257 921	29 595 586
Receivables from non-exchange transactions	11	103 353 601	76 613 355
VAT receivable	12	20 440 439	16 131 014
Other receivables from exchange transactions	13	38 086 198	21 381 748
Cash and cash equivalents	14	220 050 953	179 411 408
		428 227 145	357 003 214
Non-Current Assets			
Investment property	3	25 599 820	25 690 570
Property, plant and equipment	4	991 184 532	964 002 860
Intangible assets	5	901 273	946 658
Heritage assets	6	206 303	206 303
		1 017 891 928	990 846 391
Total Assets		1 446 119 073	1 347 849 605
Liabilities			
Current Liabilities			
Payables from exchange transactions	18	104 485 992	102 455 110
Employee benefit obligation	8	870 000	623 000
Unspent conditional grants and receipts	15	10 591 733	-
Rehabilitation of dumping-site	17	4 568 091	3 877 099
Deferred income	16	23 121 083	19 769 358
		143 636 899	126 724 567
Non-Current Liabilities			
Employee benefit obligation	8	24 020 000	22 023 000
Rehabilitation of dumping-site	17	36 772 098	35 127 919
		60 792 098	57 150 919
Total Liabilities		204 428 997	183 875 486
Net Assets		1 241 690 076	1 163 974 119
Accumulated surplus		1 241 690 076	1 163 974 119
Total Net Assets		1 241 690 076	1 163 974 119

* See Note 60

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Statement of Financial Performance

Figures in Rand	Note(s)	2022	2021 Restated*
Revenue			
Revenue from exchange transactions			
Service charges	20	8 209 455	8 388 020
Rental of facilities and equipment	21	103 253	383 352
Interest received - overdue accounts (other services)	22	2 903 025	2 069 410
Agency services	23	1 154 816	1 797 113
Licences and permits	24	6 755 368	5 762 344
Recoveries	25	10 727 810	-
Actuarial gains	26	2 781 000	137 000
Other income	27	1 078 356	2 504 570
Interest received - investment	28	8 150 056	5 845 631
Total revenue from exchange transactions		41 863 139	26 887 440
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	29	67 093 366	71 190 715
Traffic fines	30	1 262 056	1 625 605
Interest-overdue accounts (property rates)	31	27 429 499	22 333 782
Transfer revenue			
Government grants & subsidies	32	407 340 942	458 488 580
Donations received	33	-	6 038 305
Total revenue from non-exchange transactions		503 125 863	559 676 987
Total revenue	19	544 989 002	586 564 427
Expenditure			
Employee related costs	34	(159 435 179)	(153 333 870)
Remuneration of councillors	35	(24 066 373)	(23 738 556)
Depreciation and amortisation	36	(96 276 758)	(90 769 847)
Impairments loss	4	(1 786 619)	(6 298 942)
Finance costs	37	(6 670 136)	(3 941 143)
Lease rentals on operating lease	38	(1 906 274)	(1 412 436)
Debt Impairment	39	(14 419 155)	(41 731 106)
Contracted services	40	(73 972 158)	(44 889 693)
Transfers and Subsidies	41	(600 000)	(955 000)
Loss on assets written off	4	(10 142 256)	(7 393 461)
Actuarial losses	8	-	(208 000)
Obsolete inventory written off	43	(19 736)	(5 799)
Repairs and maintenance	44	(6 011 408)	(5 516 108)
General expenses	42	(71 966 994)	(56 384 096)
Total expenditure		(467 273 046)	(436 578 057)
Surplus for the year		77 715 956	149 986 370

* See Note 60

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Statement of Changes in Net Assets

Figures in Rand	Accumulated surplus / deficit	Total net assets
Opening balance as previously reported	1 017 379 852	1 017 379 852
Adjustments		
Correction of errors 60	(3 392 103)	(3 392 103)
Balance at 01 July 2020 as restated*	1 013 987 749	1 013 987 749
Changes in net assets		
Surplus for the year	149 986 370	149 986 370
Total changes	149 986 370	149 986 370
Restated* Balance at 01 July 2021	1 163 974 120	1 163 974 120
Changes in net assets		
Surplus for the year	77 715 956	77 715 956
Total changes	77 715 956	77 715 956
Balance at 30 June 2022	1 241 690 076	1 241 690 076
Note(s)		

* See Note 60

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Cash Flow Statement

Figures in Rand	Note(s)	2022	2021 Restated*
Cash flows from operating activities			
Receipts			
Cash receipts from customers		80 881 393	48 533 643
Grants		417 932 677	458 488 580
Interest income		8 150 056	5 845 631
		<u>506 964 126</u>	<u>512 867 854</u>
Payments			
Employee costs		(175 303 620)	(171 185 113)
Suppliers		(149 157 543)	(86 333 205)
Finance costs		(6 670 136)	(31 714)
		<u>(331 131 299)</u>	<u>(257 550 032)</u>
Net cash flows from operating activities	47	<u>175 832 827</u>	<u>255 317 822</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	4	(132 194 584)	(164 686 530)
Proceeds from sale of property, plant and equipment	4	158 333	-
Purchase of other intangible assets	5	(3 157 031)	(2 260 786)
		<u>(135 193 282)</u>	<u>(166 947 316)</u>
Net cash flows from investing activities		<u>(135 193 282)</u>	<u>(166 947 316)</u>
Cash flows from financing activities			
Finance lease payments		-	(480 166)
		<u>-</u>	<u>(480 166)</u>
Net increase/(decrease) in cash and cash equivalents		40 639 545	87 890 340
Cash and cash equivalents at the beginning of the year		179 411 408	91 521 068
Cash and cash equivalents at the end of the year	14	<u>220 050 953</u>	<u>179 411 408</u>

* See Note 60

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Service charges	10 121 001	(2 076 773)	8 044 228	8 209 455	165 227	
Rental of facilities and equipment	789 836	(55 578)	734 258	103 253	(631 005)	A
Interest received (overdue accounts) other services	21 510 640	17 657	21 528 297	2 903 025	(18 625 272)	B
Agency services	20 248 144	9 100 000	29 348 144	1 154 816	(28 193 328)	C
Licences and permits	16 730 000	(8 300 000)	8 430 000	6 755 368	(1 674 632)	D
Recoveries	-	-	-	10 727 810	10 727 810	E
Actuarial gains	-	-	-	2 781 000	2 781 000	F
Other income	51 772 236	(41 743 225)	10 029 011	1 078 356	(8 950 655)	G
Interest received - investment	7 100 000	(794 887)	6 305 113	8 150 056	1 844 943	H
Gains	-	11 227 810	11 227 810	-	(11 227 810)	I
Total revenue from exchange transactions	128 271 857	(32 624 996)	95 646 861	41 863 139	(53 783 722)	
Revenue from non-exchange transactions						
Taxation revenue						
Property rates	76 383 096	426 347	76 809 443	67 093 366	(9 716 077)	J
Traffic fines	2 250 195	(1 873 042)	377 153	1 262 056	884 903	K
Interest received (overdue accounts) property rates	-	-	-	27 429 499	27 429 499	
Transfer revenue						
Government grants & subsidies	408 774 000	9 200 000	417 974 000	407 340 942	(10 633 058)	
Total revenue from non-exchange transactions	487 407 291	7 753 305	495 160 596	503 125 863	7 965 267	
Total revenue	615 679 148	(24 871 691)	590 807 457	544 989 002	(45 818 455)	
Expenditure						
Employee costs	(182 634 307)	19 622 666	(163 011 641)	(159 435 179)	3 576 462	
Remuneration of councillors	(29 978 732)	6 493 802	(23 484 930)	(24 066 373)	(581 443)	
Depreciation and amortisation	(74 800 000)	9 000 000	(65 800 000)	(96 276 758)	(30 476 758)	L
Impairment loss/ Reversal of impairments	-	-	-	(1 786 619)	(1 786 619)	
Finance costs	-	-	-	(6 670 136)	(6 670 136)	M
Lease rentals on operating lease	(3 000 000)	150 000	(2 850 000)	(1 906 274)	943 726	
Debt Impairment	(32 000 000)	3 000 000	(29 000 000)	(14 419 155)	14 580 845	N
Contracted Services	(76 016 284)	(5 865 504)	(81 881 788)	(73 972 158)	7 909 630	
Transfers and Subsidies	(1 000 000)	400 000	(600 000)	(600 000)	-	
Repairs and maintenance	(44 600 000)	(5 273 400)	(49 873 400)	(6 011 408)	43 861 992	O
General Expenses	(57 977 523)	(806 046)	(58 783 569)	(71 414 442)	(12 630 873)	
Total expenditure	(502 006 846)	26 721 518	(475 285 328)	(456 558 502)	18 726 826	
Operating surplus	113 672 302	1 849 827	115 522 129	88 430 500	(27 091 629)	
Loss on assets written off	-	-	-	(10 142 256)	(10 142 256)	
Obsolete inventory written off	-	-	-	(19 736)	(19 736)	

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
	-	-	-	(10 161 992)	(10 161 992)	
Surplus before taxation	113 672 302	1 849 827	115 522 129	78 268 508	(37 253 621)	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	113 672 302	1 849 827	115 522 129	78 268 508	(37 253 621)	

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Statement of Financial Position						
Assets						
Current Assets						
Inventories	24 531 942	238 161	24 770 103	33 038 033	8 267 930	
Receivables from exchange transactions	-	-	-	13 257 921	13 257 921	
Receivables from non-exchange transactions	-	-	-	103 353 601	103 353 601	
VAT receivable	-	-	-	20 440 439	20 440 439	
Other receivables from exchange transactions	78 813 106	2 973 782	81 786 888	38 086 198	(43 700 690)	
Cash and cash equivalents	229 201 021	(88 787 777)	140 413 244	220 050 953	79 637 709	
	332 546 069	(85 575 834)	246 970 235	428 227 145	181 256 910	
Non-Current Assets						
Investment property	26 026 364	(90 794)	25 935 570	25 599 820	(335 750)	
Property, plant and equipment	1 021 489 422	73 093 272	1 094 582 694	991 184 532	(103 398 162)	
Intangible assets	2 163 894	(667 236)	1 496 658	901 273	(595 385)	
Heritage assets	206 303	-	206 303	206 303	-	
	1 049 885 983	72 335 242	1 122 221 225	1 017 891 928	(104 329 297)	
Total Assets	1 382 432 052	(13 240 592)	1 369 191 460	1 446 119 073	76 927 613	
Liabilities						
Current Liabilities						
Payables from exchange transactions	394 206 922	(673 237 138)	(279 030 216)	104 485 990	383 516 206	
Employee benefit obligation	-	-	-	870 000	870 000	
Unspent conditional grants and receipts	-	-	-	10 591 733	10 591 733	
Rehabilitation of dumping-site	-	-	-	4 568 091	4 568 091	
Deferred income	-	-	-	23 121 083	23 121 083	
	394 206 922	(673 237 138)	(279 030 216)	143 636 897	422 667 113	
Non-Current Liabilities						
Employee benefit obligation	-	-	-	24 020 000	24 020 000	
Rehabilitation of dumping-site	57 323 408	2 141 878	59 465 286	36 772 098	(22 693 188)	
	57 323 408	2 141 878	59 465 286	60 792 098	1 326 812	
Total Liabilities	451 530 330	(671 095 260)	(219 564 930)	204 428 995	423 993 925	
Net Assets	930 901 722	657 854 668	1 588 756 390	1 241 690 078	(347 066 312)	
Net Assets						
Net Assets Attributable to Owners of Controlling Entity						
Reserves						
Accumulated surplus	930 901 722	657 854 668	1 588 756 390	1 241 690 078	(347 066 312)	

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis						
	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Cash Flow Statement						
Cash flows from operating activities						
Receipts						
Cash receipts from customers	142 792 792	(82 819 620)	59 973 172	80 881 393	20 908 221	
Grants	408 774 000	-	408 774 000	417 932 677	9 158 677	
Interest income	20 006 384	(13 701 271)	6 305 113	8 150 056	1 844 943	
	571 573 176	(96 520 891)	475 052 285	506 964 126	31 911 841	
Payments						
Employee costs	(212 613 039)	(26 116 468)	(238 729 507)	(175 303 620)	63 425 887	
Suppliers	(213 575 420)	70 819 599	(142 755 821)	(149 157 541)	(6 401 720)	
Finance costs	-	-	-	(6 670 136)	(6 670 136)	
	(426 188 459)	44 703 131	(381 485 328)	(331 131 297)	50 354 031	
Net cash flows from operating activities	145 384 717	(51 817 760)	93 566 957	175 832 829	82 265 872	
Cash flows from investing activities						
Purchase of property, plant and equipment	(113 672 306)	(27 992 815)	(141 665 121)	(132 194 584)	9 470 537	
Proceeds from sale of assets	-	-	-	158 333	158 333	
Purchase of intangible assets	-	-	-	(3 157 031)	(3 157 031)	
Net cash flows from investing activities	(113 672 306)	(27 992 815)	(141 665 121)	(135 193 282)	6 471 839	
Net increase/(decrease) in cash and cash equivalents	31 712 411	(79 810 575)	(48 098 164)	40 639 547	88 737 711	
Cash and cash equivalents at the beginning of the year	179 411 408	-	179 411 408	179 411 408	-	
Cash and cash equivalents at the end of the year	211 123 819	(79 810 575)	131 313 244	220 050 955	88 737 711	
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		175 832 827	(135 193 282)	-	179 411 408	220 050 953
		82 265 860	(6 471 839)	-	-	88 737 699

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Accounting Policies

Figures in Rand	Note(s)	2022	2021
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1. Presentation of Annual Financial Statements

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

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

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

These accounting policies are consistent with the previous period.

1.1 Presentation currency

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

1.2 Going concern assumption

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

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

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

Annual Financial Statements for the year ended 30 June 2022

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

Annual Financial Statements for the year ended 30 June 2022

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 cash flows 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

Annual Financial Statements for the year ended 30 June 2022

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	30years
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 - 7 years
• Ordinary motor vehicles		3 - 20 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		25 - 30 years
• Libraries		25 -30 years
• Parks		30 years
• Sports and related stadiums		25 - 30 years
• Tennis courts		10 -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		
• Other roads		10 years
• Traffic lights		20 years
• Traffic islands		15 years
• Streets lights		20 - 25 years
• Overhead bridges		30 years
• Storm water drains		20 years
• Bridges, subways and culverts		60 - 80 years
• Car parks		20 years
• Bus terminals		20 years
• Bulk refuse containers (skips)		10 years
• Household refuse bins		5 years
• Fire horses		5 years
• Other fire fighting equipments		15 years
• Emergency equipment		5 years

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Accounting Policies

1.6 Property, plant and equipment (continued)

Mayoral chain

No asset life as no depreciation is charged

Mace

No asset life as no depreciation is charged

Mayoral gown

No asset life as no depreciation is charged

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

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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).

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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.

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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 and uncollectibility of financial assets

The entity assess 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.

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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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Accounting Policies

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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Accounting Policies

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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Accounting Policies

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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Accounting Policies

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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Accounting Policies

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 account 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 annual financial statements do not differ materially from the amounts that would be determined at the reporting date.

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Accounting Policies

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-measure 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.

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Accounting Policies

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.

Greater Giyani Municipality

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Accounting Policies

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 expenditures expected to be required to settle the obligation.

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

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.

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

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, an 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

Annual Financial Statements for the year ended 30 June 2022

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

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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

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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

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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.

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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 the 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).

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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 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 (-)

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2. New standards and interpretations

2.1 Standards and interpretations issued, but not yet effective

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

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 2022 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.

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 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).

Notes to the Annual Financial Statements

2. New standards and interpretations (continued)

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 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:

- 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 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.

Greater Giyani Municipality

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2. New standards and interpretations (continued)

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.

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 annual financial statements.

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

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3. Investment property

	2022			2021		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Investment property	26 199 580	(599 760)	25 599 820	26 199 580	(509 010)	25 690 570

Reconciliation of investment property - 2022

Investment property	Opening balance	Depreciation	Total
	25 690 570	(90 750)	25 599 820

Reconciliation of investment property - 2021

Investment property	Opening balance	Reclassification	Depreciation	Total
	26 026 364	(245 000)	(90 794)	25 690 570

Greater Giyani Municipality

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Notes to the Annual Financial Statements

Figures in Rand	2022	2021
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

Annual Financial Statements for the year ended 30 June 2022

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Figures in Rand

4. Property, plant and equipment

	2022			2021		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	30 270 035	-	30 270 035	30 270 035	-	30 270 035
Buildings	141 561 751	(29 811 500)	111 750 251	135 005 979	(25 431 605)	109 574 374
Plant and machinery	36 044 366	(12 785 597)	23 258 769	29 226 253	(10 636 180)	18 590 073
Furniture and fixtures	6 678 045	(2 141 914)	4 536 131	6 735 404	(1 566 361)	5 169 043
Motor vehicles	17 620 929	(9 192 212)	8 428 717	17 146 761	(7 978 513)	9 168 248
Office equipment	1 011 608	(732 161)	279 447	1 039 154	(622 783)	416 371
IT equipment	9 666 688	(4 453 577)	5 213 111	8 769 754	(3 926 546)	4 843 208
Infrastructure	1 108 960 615	(499 826 031)	609 134 584	1 038 773 101	(434 431 526)	604 341 575
Community	223 905 642	(28 115 190)	195 790 452	203 604 077	(24 985 506)	178 618 571
Air conditioners	3 740 536	(1 217 501)	2 523 035	3 845 639	(834 277)	3 011 362
Total	1 579 460 215	(588 275 683)	991 184 532	1 474 416 157	(510 413 297)	964 002 860

Greater Giyani Municipality

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4. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2022

	Opening balance	Additions	Disposals	WIP	Assets written off	Derecognition	Depreciation	Impairment loss	Total
Land	30 270 035	-	-	-	-	-	-	-	30 270 035
Buildings	109 574 374	-	-	6 608 108	(26 164)	-	(4 376 831)	(29 236)	111 750 251
Plant and machinery	18 590 073	7 005 302	-	-	(40 234)	-	(2 296 372)	-	23 258 769
Furniture and fixtures	5 169 043	-	-	-	(13 887)	-	(618 516)	(509)	4 536 131
Motor vehicles	9 168 248	706 624	-	-	(15 494)	-	(1 430 661)	-	8 428 717
Office equipment	416 371	-	-	-	(11)	-	(136 913)	-	279 447
IT equipment	4 843 208	1 710 068	(158 333)	-	(56 481)	-	(1 116 335)	(9 016)	5 213 111
Infrastructure	604 341 575	-	-	94 509 594	(3 743 290)	(5 087 384)	(79 149 196)	(1 736 715)	609 134 584
Community	178 618 571	-	-	21 654 888	(1 073 158)	-	(3 402 372)	(7 477)	195 790 452
Air conditioners	3 011 362	-	-	-	(28 264)	-	(456 397)	(3 666)	2 523 035
	964 002 860	9 421 994	(158 333)	122 772 590	(4 996 983)	(5 087 384)	(92 983 593)	(1 786 619)	991 184 532

Greater Giyani Municipality

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Figures in Rand

4. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2021

	Opening balance	Additions	Donations received	Prior Period error	Transfers	WIP	Depreciation	Impairment loss	Loss on written off	Total
Land	7 219 718	-	-	23 050 317	-	-	-	-	-	30 270 035
Buildings	117 957 797	-	-	-	(6 871 967)	2 088 383	(3 599 839)	-	-	109 574 374
Plant and machinery	8 233 051	4 108 539	5 377 400	2 768 806	-	-	(1 700 925)	(18 239)	(178 559)	18 590 073
Furniture and fixtures	623 838	4 992 198	46 000	14 837	-	-	(466 610)	-	(41 220)	5 169 043
Motor vehicles	6 124 317	3 471 558	-	968 327	-	-	(1 379 802)	-	(16 152)	9 168 248
Office equipment	306 503	117 600	172 960	1 379	-	-	(157 927)	-	(24 144)	416 371
IT equipment	2 888 054	2 850 989	417 910	132 649	-	-	(1 044 102)	-	(402 292)	4 843 208
Infrastructure	615 110 257	190 000	-	(17 996 400)	-	95 984 657	(77 000 007)	(5 223 352)	(6 723 580)	604 341 575
Community	151 076 277	-	-	-	-	31 686 846	(3 087 200)	(1 057 352)	-	178 618 571
Electricity projects	-	-	-	(8 547 902)	(14 735 282)	23 283 184	-	-	-	-
Air conditioners	550 876	2 784 543	18 401	-	-	-	(334 618)	-	(7 840)	3 011 362
	910 090 688	18 515 427	6 032 671	392 013	(21 607 249)	153 043 070	(88 771 030)	(6 298 943)	(7 393 787)	964 002 860

Capitalisation of Electrified Villages

From the 2018/2019 financial year all electrification of villages' projects which are not complete at year-end are capitalised

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

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand	2022	2021
4. Property, plant and equipment (continued)		
During the year all assets were assessed for impairment and the following assets were impaired:		
Buildings	29 236	-
Plant and machinery	509	18 239
IT equipment	9 016	-
Infrastructure	1 736 715	5 223 352
Community	7 477	1 057 352
Air conditioners	3 666	-
	1 786 619	6 298 943

During the financial year the following assets were written off as follows at carrying value

Buildings	26 164	-
Plant and machinery	40 234	178 559
Furniture and fixtures	13 887	41 220
Motor vehicles	15 494	16 152
Office equipment	11	24 144
IT equipment	56 481	402 292
Infrastructure	3 743 290	6 723 580
Community	1 073 158	-
Air conditioners	28 264	7 840
	4 996 983	7 393 787

Reconciliation of Work-in-Progress 2022

	Included within Infrastructure	Included within Community	Included within Other PPE	Included within Electricity Projects	Total
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)
	54 654 233	119 663 799	12 431 648	-	186 749 680

Reconciliation of Work-in-Progress 2021

	Included within Infrastructure	Included within Community Assets	Included within Other PPE	Included within Electricity Projects	Restated Opening Balance
Opening balance	81 118 980	102 269 574	80 075 623	-	263 464 177
Additions/capital expenditure	95 984 657	31 686 845	2 088 383	23 283 184	153 043 069
Transferred to completed items	(105 710 148)	(35 947 507)	(76 340 466)	(14 735 282)	(232 733 403)
Correction of prior period error	732 393	-	-	(8 547 902)	(7 815 509)
	72 125 882	98 008 912	5 823 540	-	175 958 334

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand	2022	2021
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4. Property, plant and equipment (continued)

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
E. Ndhambi Taxi rank	-	591 840
	34 484 167	35 076 007

A. Development of Section E sports Centre: The project is under litigation, until such matters have been concluded.

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: Project encountered community interferences which resulted in Project stoppages, however the Municipality has a plan to complete the project through the 2022/23 FY.

D. Refurbishment of Sporting Facilities (Gawula): There are defects on the project where the previous contractor must come and rectify before the Municipality can start with the process of appointing the new service provider to do the remaining scope of works.

Greater Giyani Municipality

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5. Intangible assets

	2022			2021		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software	9 674 315	(8 773 042)	901 273	6 517 284	(5 570 626)	946 658

Reconciliation of intangible assets - 2022

	Opening balance	Additions	Amortisation	Total
Computer software	946 658	3 157 031	(3 202 416)	901 273

Reconciliation of intangible assets - 2021

	Opening balance	Additions	Amortisation	Total
Computer software	593 894	2 260 786	(1 908 022)	946 658

6. Heritage assets

	2022			2021		
	Cost / Valuation	Accumulated impairment losses	Carrying value	Cost / Valuation	Accumulated impairment losses	Carrying value
Council Related Assets	206 303	-	206 303	206 303	-	206 303

Reconciliation of heritage assets 2022

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

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6. Heritage assets (continued)

Council Related Assets

Opening balance	Total
206 303	206 303

Reconciliation of heritage assets 2021

Council Related Assets

Opening balance	Total
206 303	206 303

Age and/or condition of heritage assets

All heritage assets have a condition grading of 3, which translate to fair per 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.

No Council related assets were impaired the year end.

Greater Giyani Municipality

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Figures in Rand	2022	2021
7. Other financial assets		
VBS Investments	148 534 882	159 262 692
Impairment on VBS investment	(148 534 882)	(159 262 692)
	-	-

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 payment of R10 727 810 during the month of February 2022 through the bank liquidator, the status has since changed. The municipality has since received 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

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8. Employee benefit obligations

Defined benefit plan

The effective date of the valuation is 30 June 2022 (the "Valuation Date 30 June 2022").

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 4 773.12 for the year ending 30 June 2022. The maximum subsidy amount has been assumed to increase in the future at 6.25% 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
Opening accrued liability	16 504 209	18 884 884	14 421 000	16 755 000
Current service cost	928 478	1 233 262	832 000	1 164 000
Interest cost	1 633 917	2 020 683	1 639 000	1 798 000
Actuarial loss/(gain)	(181 720)	(7 717 829)	(137 000)	(2 749 000)
Closing accrued liability	18 884 884	14 421 000	16 755 000	16 968 000

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	11,84%	10,73%
Health care cost inflation rate	8,45%	7,2%
Maximum subsidy inflation rate	5,96%	5,03%
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 2022 of 4.9% as per the SALGBC Circular No.: 01/2022. 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)	-
Closing accrued liability	4 891 500	5 434 000	5 891 000	6 377 000	6 819 000

Greater Giyani Municipality

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8. Employee benefit obligations (continued)

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

Non-current liabilities	(24 020 000)	(22 023 000)
Current liabilities	(870 000)	(623 000)
	(24 890 000)	(22 646 000)

Key assumptions used

Assumptions used at the reporting date:

Discount rates used	11,08 %	9,27 %
General earnings inflation rate	7,32 %	5,79 %
Expected increase in salaries	4,90 %	6,25 %

9. Inventories

Consumable stores	1 953 033	2 785 103
Sale of stands	31 085 000	31 085 000
	33 038 033	33 870 103

Inventory Reconciliation

Opening balance	33 870 103	33 831 942
Add: purchases for the year	7 723 825	9 447 184
Less: consumables for the year	(7 364 170)	(7 695 108)
Less: inventory on hand (Mopani District Municipality)	(1 172 289)	(1 708 116)
Less: obsolete inventory written off	(19 436)	(5 799)
Closing balance	33 038 033	33 870 103

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.

10. Receivables from exchange transactions

Inter Municipal Account (Mopani District Municipality)	4 991 802	22 403 937
Agency fee (Mopani District Municipality)	7 205 104	6 050 288
Sundry receivables	4 173 221	3 596 581
Prepaid expenses	-	96 000
Accrued interest receivables	392 600	858 474
Other receivables	-	166 139
Sundry receivables-Provision for doubtful debts	(3 602 953)	(3 602 953)
Staff receivables	91 461	6 372
Payroll debtors	6 686	20 748
	13 257 921	29 595 586

Greater Giyani Municipality

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Figures in Rand	2022	2021
10. Receivables from exchange transactions (continued)		
Reconciliation of provision for impairment of trade and other receivables		
Inter municipal Account Reconciliation - Mopani District Municipality	-	-
Accumulated Surplus - MDM	47 874 916	43 206 998
Revenue - Water	14 244 118	13 740 655
Revenue - Sewerage	3 647 376	3 495 391
Revenue - Interest	11 390 342	9 731 033
Water and Sewerage connections	26 207	41 781
Overheads -Employee related costs	(5 960 082)	(5 172 671)
Overheads - Operational expenditure	(1 257 576)	(2 932 901)
Debt Impairment	-	(13 873 556)
Gains and losses on provisions	147 670	(361 813)
Accounts Receivable - Water	(114 700 280)	(117 953 455)
Accounts Receivables - Sewerage	(25 779 341)	(21 332 122)
Account Receivable - Interest	(62 093 296)	(60 157 366)
Inventory	(1 172 289)	(1 708 126)
Accrued leave	-	711 020
Accrued bonus	-	124 219
Accrued overtime	-	3 544
Long service awards	-	268 000
Post - retirement medical contribution	-	1 125 000
Provision for doubtful debts	128 640 432	128 640 432
Inter municipal balance as at year end	(4 991 803)	(22 403 937)

Please refer to Note 51 Accounting for principal and agency - for details of transactions and nature of the agreement.

Staff receivables of R 91 461 in the current year and prior year of R 6 372 relate to the overpayment of salaries to the councillors and employees. The amount is supposed to be paid back to the Municipality by the councillors. This is as per the council resolution taken by the Greater Giyani Municipal Council.

11. Receivables from non-exchange transactions

Consumer debtors-Traffic Fines	25 306 457	24 349 484
Consumer debtors- Rates	257 819 368	221 851 413
Provision for impairment- Traffic fines	(24 971 034)	(24 175 384)
Sundry receivables	19 881 203	19 881 203
Provision for impairment- Consumer debtors	(174 682 393)	(165 293 361)
	103 353 601	76 613 355

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.

Reconciliation of provision for impairment of receivables from non-exchange transactions

Opening balance	(189 445 945)	(146 373 361)
Provision for impairment - consumer debtors	(9 389 032)	(35 015 265)
Provision for impairment - traffic fines	(808 450)	(8 057 319)
	(199 643 427)	(189 445 945)

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand	2022	2021
11. Receivables from non-exchange transactions (continued)		
Age Analysis for Rates		
Current (0-30 days)	7 925 166	5 760 283
31-60 days	6 731 658	(5 723 695)
61-90 days	6 560 853	7 018 230
91-120 days	5 500 133	6 420 488
121-365 days	4 987 346	5 320 132
>365 days	226 114 212	203 055 975
	257 819 368	221 851 413
12. VAT receivable		
VAT	20 440 439	16 131 014
13. Other receivables from exchange transactions		
Gross balances		
Debtors with credit balances	5 538 970	5 990 428
Refuse	48 717 121	29 794 278
Housing rental	2 609 108	907 584
Cemeteries	15 815 505	15 062 292
	72 680 704	51 754 582
Less: Allowance for impairment		
Refuse	(32 659 767)	(20 116 618)
Housing rental	(381 063)	(642 327)
Cemeteries	(1 553 676)	(9 613 889)
	(34 594 506)	(30 372 834)
Net balance		
Debtors with credit balances	5 538 970	5 990 428
Refuse	16 057 354	9 677 660
Housing rental	2 228 045	265 257
Cemeteries	14 261 829	5 448 403
	38 086 198	21 381 748
Cemeteries		
Current (0 -30 days)	29 004	13 565
31 - 60 days	30 995	102 775
61 - 90 days	30 244	16 347
91 - 120 days	32 764	23 990
121 - 365 days	33 178	24 567
> 365 days	2 131 526	913 247
	2 287 711	1 094 491
Refuse		
Current (0 -30 days)	1 077 238	909 898
31 - 60 days	1 027 623	1 845 287
61 - 90 days	934 659	562 727
91 - 120 days	799 636	(851 178)
121 - 365 days	1 022 823	637 073
> 365 days	43 855 142	22 495 352
	48 717 121	25 599 159

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand 2022 2021

13. Other receivables from exchange transactions (continued)

Housing rental

Current (0 -30 days)	42 050	567 946
31 - 60 days	41 814	201 697
61 - 90 days	41 391	50 443
91 - 120 days	40 930	50 975
121 - 365 days	41 598	48 083
> 365 days	363 077	6 482 588
	570 860	7 401 732

Debtors with credit balances

Current (0 -30 days)	(192 084)	(1 287 192)
31 - 60 days	(635 772)	(208 753)
61 - 90 days	(122 346)	(89 602)
91 - 120 days	(690 143)	(78 959)
121 - 365 days	(781 125)	(62 675)
> 365 days	(3 117 499)	(5 512 957)
	(5 538 969)	(7 240 138)

Reconciliation of allowance for impairment of consumer debtors

Opening balance	(30 372 834)	(27 847 950)
Refuse removal	(12 543 149)	(1 974 487)
House rental	261 264	(392 562)
Cemetery	8 060 213	(157 835)
	(34 594 506)	(30 372 834)

14. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	219 962 630	179 322 985
Other cash and cash equivalents	88 323	88 423
	220 050 953	179 411 408

The municipality had the following bank accounts

Account number / description	Bank statement balances			Cash book balances		
	30 June 2022	30 June 2021	30 June 2020	30 June 2022	30 June 2021	30 June 2020
ABSA - Current Account - 4077078193 (Main Account)	71 175 907	65 719 594	879 675	71 457 309	65 791 133	1 077 421
ABSA - Current Account - 4077078486 (Salaries Account)	2 296 095	1 676 111	5 332 768	2 347 724	1 676 111	5 532 769
ABSA - Call Deposit - 4078155655	42 964 190	41 641 612	40 458 293	43 108 973	41 641 612	40 458 293
ABSA - Current Account - 4093302071 (Traffic Account)	4 315 531	4 114 323	3 241 625	4 319 248	4 114 323	3 241 625
ABSA - Call Deposit - 4078155744	98 398 398	66 099 806	41 114 479	98 729 376	66 099 806	41 114 479
Total	219 150 121	179 251 446	91 026 840	219 962 630	179 322 985	91 424 587

Included in the balance for cash and cash equivalent, there is a balance of R 17 378 790: 2022 and R 12 759 525: 2021 relating to Mopani District Municipality for water and sewer transactions.

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand	2022	2021
15. Unspent conditional grants and receipts		
Additions during the year	97 356 000	88 700 000
Income recognition during the year	(86 764 268)	(88 700 000)
	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.

Unfulfilled conditions and other contingencies attaching to government assistance that has been recognised.

See note for reconciliation of grants from National/Provincial Government.

These amounts are invested in a ring-fenced investment until utilised.

16. Deferred income

During the period under review the Municipality has sold stands/sites but the transfer of ownership of the stands to the customers has not been done with Deeds Registration office.

Deferred income - sale of stands	23 121 083	19 769 358
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17. Rehabilitation of dumping-site

Reconciliation of rehabilitation of dumping-site - 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

Reconciliation of rehabilitation of dumping-site - 2021

	Opening Balance	Interest costs	Change in discount factor	Total
Rehabilitation of dumping-site	40 933 517	3 909 429	(5 837 928)	39 005 018

Non-current liabilities	36 772 098	35 127 919
Current liabilities	4 568 091	3 877 099
	41 340 189	39 005 018

The dumping site rehabilitation is created for the rehabilitation of the current operational site which is evaluated at each year end to reflect the best estimate at reporting date. The site under consideration is at Giyani Section C landfill site.

The 2022 discounted value of the dumping site closure provision of R 41 340 189 , compared to the provision of R 39 005 018 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 3 877 099 and decrease in discount rate of R 1 541 928.

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 2022.

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand	2022	2021
18. Payables from exchange transactions		
Trade payables	9 890 147	2
Retentions	37 319 461	36 945 351
Accrued leave pay	23 442 253	20 460 268
Accrued 13th cheque	3 544 240	3 289 873
Payroll Creditors	-	42 329
Accruals	21 322 733	32 479 051
Unspecified direct deposits	2 457 110	2 104 616
Debtors with credit balances	5 538 970	5 990 428
Accrued overtime	971 078	992 169
Income received in advance	-	151 023
	104 485 992	102 455 110
19. Revenue		
Service charges	8 209 455	8 388 020
Rental of facilities and equipment	103 253	383 352
Interest received (overdue accounts)	2 903 025	2 069 410
Agency services	1 154 816	1 797 113
Licences and permits	6 755 368	5 762 344
Recoveries	10 727 810	-
Actuarial gains	2 781 000	137 000
Other income	1 078 356	2 504 570
Interest received - investment	8 150 056	5 845 631
Property rates	67 093 366	71 190 715
Traffic fines	1 262 056	1 625 605
Interest on overdue accounts - property rates	27 429 499	22 333 782
Government grants & subsidies	407 340 942	458 488 580
Public contributions and donations	-	6 038 305
	544 989 002	586 564 427
The amount included in revenue arising from exchanges of goods or services are as follows:		
Service charges	8 209 455	8 388 020
Rental of facilities and equipment	103 253	383 352
Interest received (overdue accounts)	2 903 025	2 069 410
Agency services	1 154 816	1 797 113
Licences and permits	6 755 368	5 762 344
Recoveries	10 727 810	-
Actuarial gains	2 781 000	137 000
Other income	1 078 356	2 504 570
Interest received - investment	8 150 056	5 845 631
	41 863 139	26 887 440
The amount included in revenue arising from non-exchange transactions is as follows:		
Taxation revenue		
Property rates	67 093 366	71 190 715
Traffic fines	1 262 056	1 625 605
Interest on overdue accounts - property rates	27 429 499	22 333 782
Transfer revenue		
Government grants & subsidies	407 340 942	458 488 580
Public contributions and donations	-	6 038 305
	503 125 863	559 676 987

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand	2022	2021
20. Service charges		
Refuse removal	7 972 320	8 158 976
Cemeteries	237 135	229 044
	8 209 455	8 388 020
21. Rental of facilities and equipment		
Premises		
Community services	38 119	5 887
Housing rental	34 032	360 453
	72 151	366 340
Facilities and equipment		
Rental of facilities	31 102	17 012
	103 253	383 352
22. Interest received-overdue accounts (other services)		
Interest received-overdue accounts (other services)	2 903 025	2 069 410
	-	-
	2 903 025	2 069 410
23. Agency services		
Water and Sanitation	1 154 816	1 797 113
24. Licences and permits		
Licences and permits	6 755 368	5 762 344
25. Recoveries		
Recoveries - VBS Investment	10 727 810	-
Since the lodge of the claim with the bank (VBS) curator, the municipality has subsequently received an amount of R 10 727 810 during the month of February 2022.		
26. Actuarial gains		
Actuarial gains on PEMA and LSA	2 781 000	137 000

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand	2022	2021
27. Other income		
Advertisements	149 844	93 619
Application fees	-	4 590
Building plans	57 622	68 799
Clearance certificates	14 477	9 963
Confirmation letters	219 631	228 915
Device refund	34 882	-
Escort fees	3 946	2 025
Insurance recoveries	-	956
Library fees	2 029	888
Reconnections	-	10 975
Sale of grave plots	118 778	172 984
Sale of refuse bins	125 733	104 249
Skip bins	-	2 423
Sundry income	134 816	273 460
Tender documents	134 974	1 450 537
Transfer and registration	81 624	80 187
	1 078 356	2 504 570
28. Interest received-Investment		
Interest revenue		
Call accounts	4 053 431	2 988 125
Bank	4 096 625	2 857 506
	8 150 056	5 845 631

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand

	2022	2021
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29. Property rates

Rates received

Residential	16 278 073	17 435 338
Commercial	22 419 669	24 469 416
State	27 670 973	27 415 724
Small holdings and farms	10 094	633 274
Public benefit organisations	-	10 441
Industrial	714 557	1 226 522
	67 093 366	71 190 715

Valuations

Residential	2 612 057 800	2 564 449 800
Commercial	705 623 000	722 925 000
State	484 333 000	484 068 000
Institute	31 682 000	31 682 000
Agricultural	5 230 000	5 230 000
Municipal and Public open space	121 472 000	120 672 000
Public service infrastructure	27 467 000	27 467 000
Industrial	129 042 000	128 351 000
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
Inconsistent with or in contravention of the permitted use of the property-Illegal	-	1 000 000
	4 163 305 800	4 132 243 800

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.

30. Traffic fines

Traffic fines issued	1 262 056	1 625 605
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31. Interest-overdue accounts (property rates)

Interest - Overdue accounts (Property rates)	27 429 499	22 333 782
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Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand	2022	2021
32. Government grants & subsidies		
Operating grants		
Equitable share	320 318 000	369 568 000
Expanded Public Works Program (EPWP)	3 851 000	3 409 000
Finance Management Grant (FMG)	2 200 000	2 000 000
Local Govt Sector Education & Training Authority (LGSETA)	258 675	220 580
	326 627 675	375 197 580
Capital grants		
Municipal Infrastructure Grant (MIG)	55 157 907	71 567 000
Integrated National Electrification Grant (INEG)	25 555 360	11 724 000
	80 713 267	83 291 000
	407 340 942	458 488 580
Equitable Share		
In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members.		
Equitable share - Reconciliation		
Current-year receipts original	320 318 000	307 293 000
Current-year receipts additional funding	-	62 275 000
Conditions met - transferred to revenue	(320 318 000)	(307 293 000)
Conditions met - transferred to revenue Covid relief	-	(62 275 000)
	-	-
Municipal Infrastructure Grant (MIG)		
Current-year receipts	64 105 000	71 567 000
Conditions met - transferred to revenue	(55 157 909)	(71 567 000)
	8 947 091	-
Conditions still to be met - remain liabilities (see note 15).		
Integrated National Electrification Grant (INEG)		
Current-year receipts	27 200 000	11 724 000
Conditions met - transferred to revenue	(25 555 360)	(11 724 000)
	1 644 640	-
Conditions still to be met - remain liabilities (see note 15).		
Expanded Public Works Program (EPWP)		
Current-year receipts	3 851 000	3 409 000
Conditions met - transferred to revenue	(3 851 000)	(3 409 000)
	-	-
Finance Management Grant (FMG)		
Current-year receipts	2 200 000	2 000 000
Conditions met - transferred to revenue	(2 200 000)	(2 000 000)
	-	-

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand

	2022	2021
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33. Donations received

Department of Transport-National	-	6 038 305
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The Municipality received a mobile Vehicle Testing Station (VST) from the National Department of Transport to assist the municipality with Traffic Law Enforcement as a donation. This was due to compliance in terms of implementing the 80/20 principle between Transport Department and the Municipality.

34. Employee related costs

Acting allowances	115 055	43 007
Bargain council	39 923	38 322
Basic	100 250 967	96 833 136
Car allowance	11 714 437	11 644 985
Cellphone Allowance	924 713	909 427
Clothing Allowance	15 000	15 000
Danger allowance	282 000	-
Defined contribution plans	17 416 231	17 133 345
Housing benefits and allowances	387 624	325 709
Leave and bonus provision	2 423 358	3 198 105
Leave pay	1 182 939	793 675
Long-service awards	556 786	770 528
LSA and PEMA provision	3 480 000	2 720 000
Medical aid - company contributions	6 597 601	5 754 692
Night Shift	315 254	312 789
Overtime payments	4 520 207	4 258 420
UIF	703 605	613 809
Standby allowance	157 212	153 192
SDL	1 174 364	942 286
Rural Allowance	189 959	213 042
13th Cheques	6 987 944	6 660 401
	159 435 179	153 333 870

Remuneration of municipal manager

Annual Remuneration	1 089 712	1 089 712
Rural Allowance	50 683	50 683
Car Allowance	121 080	121 080
Contributions to UIF, Medical and Pension Funds	69 836	65 813
Subsistence and Travelling	24 663	10 537
Cellphone Allowance	16 800	16 800
Performance Bonus	177 389	-
	1 550 163	1 354 625

Remuneration of chief finance officer

Annual Remuneration	601 688	802 250
Rural Allowance	28 527	38 036
Car Allowance	117 081	156 108
Contributions to UIF, Medical and Pension Funds	39 202	49 412
Subsistence and Travelling	15 206	14 811
Cellphone Allowance	12 600	16 800
Acting allowance	4 767	-
Leave pay	76 073	-
	895 144	1 077 417

Mr D Mhangwana resigned as the CFO at the end of March 2022. Mr N Muhlari was appointed Acting CFO from the 13th of April 2022.

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand

	2022	2021
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34. Employee related costs (continued)

Remuneration of Directors-Corporate & Shared Services

Annual Remuneration	596 222	679 371
Car Allowance	243 900	325 200
Cellphone Allowance	14 000	16 800
Contributions to UIF, Medical and Pension Funds	41 238	43 503
Subsistence & Travelling	33 938	14 603
Rural Allowance	34 678	41 613
Leave pay	91 549	-
Performance bonus	93 629	-
Acting Allowance	4 767	-
	1 153 921	1 121 090

Mr MT Shiviti's contract expired at the end of April 2022. Mr NR Mdaka was appointed as the acting director on the 12th of May 2022.

Remuneration of director Technical Services

Annual Remuneration	693 090	675 362
Rural Allowance	38 036	38 036
Car Allowance	240 000	240 000
Contributions to UIF, Medical and Pension Funds	45 370	42 675
Cellphone Allowance	16 800	16 800
Subsistence & Travelling	33 489	13 836
	1 066 785	1 026 709

Remuneration of Strategic Planning and LED

Annual Remuneration	678 656	678 656
Car Allowance	153 502	155 364
Rural Allowance	38 036	38 036
Contributions to UIF, Medical and Pension Funds	132 337	130 667
Cellphone Allowance	16 800	16 800
Subsistence & Travelling	45 595	17 726
	1 064 926	1 037 249

Remuneration of Director Community Services

Annual Remuneration	-	45 683
Rural Allowance	-	3 467
Contributions to UIF, Medical and Pension Funds	-	4 314
Cellphone Allowance	-	1 400
Acting Allowance	47 063	36 556
Leave pay	-	47 984
	47 063	139 404

The position of the director is vacant. Mr KR Baloyi has been the acting director for the year 2021/2022.

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand	2022	2021
35. Remuneration of councillors		
Mayor	970 282	905 259
Speaker	744 480	733 088
Councillors	21 446 415	21 252 705
Chief Whip	709 693	690 046
SDL	195 503	157 458
	24 066 373	23 738 556
In-kind benefits		
The Executive Mayor, Deputy Executive Mayor, Speaker and Mayoral Committee Members are full-time. Each is provided with an office and secretarial support at the cost of the Council.		
The Mayor and the Speaker each have the use of separate Council owned vehicles for official duties.		
36. Depreciation and amortisation		
Property, plant and equipment	92 983 592	88 771 030
Investment property	90 750	90 795
Intangible assets	3 202 416	1 908 022
	96 276 758	90 769 847
37. Finance costs		
Interest expense - litigation loss	2 793 037	-
Finance leases	-	31 714
Interest expense- rehabilitation of dumping site	3 877 099	3 909 429
	6 670 136	3 941 143
38. Lease rentals on operating lease		
Premises		
Contractual amounts	1 906 274	1 412 436
39. Debt impairment		
Debt impairment	14 419 155	41 731 106
40. Contracted services		
Presented previously		
Infrastructure Services	26 374 456	19 038 077
Electrical Services	19 384 015	1 862 938
Business and advisory services	24 357 501	22 798 360
Other Contractors	3 856 186	1 190 318
	73 972 158	44 889 693
41. Transfer and subsidies		
SMME support	600 000	955 000

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand	2022	2021
42. General expenses		
Accommodation	2 876 546	1 667 459
Advertising	269 910	459 207
Auditors remuneration	4 070 713	4 872 051
Bank charges	276 885	333 570
Cleaning	331 041	40 118
Community development and training	4 845 339	5 554 850
Consumables	7 363 871	7 703 218
Electricity	2 111 506	1 845 800
Free basic electricity	15 969 990	16 253 018
Fuel and oil	3 756 497	2 591 773
Gifts	84 976	-
Hire	545 475	-
Insurance	1 461 547	1 019 323
IT expenses	1 747 569	2 336 182
Legal services	8 497 562	5 852 173
Litigation loss	8 140 229	-
Motor vehicle expenses	137 242	152 337
Postage and courier	355 097	4 141
Printing and stationery	649 453	417 128
Protective clothing	1 475 512	832 921
Seating allowance	120 000	120 000
Subscriptions and membership fees	2 096 674	1 986 965
Telephone and fax	919 766	843 933
Travel - local	3 863 594	1 497 929
	71 966 994	56 384 096
43. Obsolete inventory written		
Obselete inventory written off	19 736	5 799
44. Repairs and maintenance		
Repairs and maintenance -Fleet and machinery	2 976 358	4 574 801
Repairs and maintenance - Equipment	203 096	34 419
Repairs and maintenance - other assets	2 831 954	906 888
	6 011 408	5 516 108
45. Auditors' remuneration		
Fees	4 070 713	4 872 051
46. Free basic electricity		
Public lights	4 768 956	4 801 972
Free basic	11 201 034	11 451 046
	15 969 990	16 253 018

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand	2022	2021
47. Cash generated from operations		
Surplus	77 715 956	149 986 370
Adjustments for:		
Depreciation and amortisation	96 276 758	90 769 847
Obsolete inventory written off	19 736	5 799
Loss on assets written off	10 084 369	7 393 461
Contracted services (Transfers of completed projects)	-	11 196 494
Impairment deficit	1 786 619	6 298 942
Debt impairment	14 419 155	41 731 106
Movements in retirement benefit assets and liabilities	2 244 000	2 791 000
Movements in provisions	2 335 171	(1 928 499)
Donation received	-	(6 038 305)
Donation expense	-	5 635
Changes in working capital:		
Inventories	812 338	(43 960)
Receivables from exchange transactions	16 337 665	(4 104 056)
Consumer debtors	(31 123 605)	(43 933 290)
Other receivables from non-exchange transactions	(26 740 246)	(12 645 611)
Payables from exchange transactions	2 030 878	453 024
VAT	(4 309 425)	(6 389 493)
Unspent conditional grants and receipts	10 591 733	-
Deferred income	3 351 725	19 769 358
	175 832 827	255 317 822

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand	2022	2021
48. Commitments		
Authorised capital expenditure		
Contract approved and some services have been rendered		
• Formalisation of settlement	138 368	138 368
• Refurbishment of Gawula sports centre	-	661 716
• Alternative access road to Giyani	2 350 403	2 350 403
• Upgrading of Xikukwani from gravel to tar	8 955 284	8 955 284
• Development of waste disposal site	-	3 142 506
• Nkomo Upgrading From Gravel To Tar	-	2 301 190
• Construction Of Culvert Bridge At Makosha Village	-	640 717
• Shimange upgrading from gravel to tar	87 276	15 236 851
• Blinkwater upgrading of internal street	-	5 437 509
• Thomo upgrading of internal street	-	22 807 740
• Nkuri internal streets upgrading from gravel to paving	-	4 752 435
• Section E (Voningani) internal street upgrading from gravel to paving	19 269 100	40 453 874
• Preventative maintenance of roads and storm water: 1.2km pavement milling – Parliament (Limdev) road leading to Giyani CBD and Giyani Section D1	-	3 129 954
• Preventative maintenance of roads and storm water: 750m2 tar patch within Giyani township Section F	-	86 595
• Preventative maintenance of roads and storm water: 1.770km pavement milling within Giyani CBD	-	1 601 959
• Construction of Civic Centre Parking lot	1 245 253	-
• Ndambi Taxi rank	6 381 234	-
• Construction of Civic Centre phase IV	43 422 580	-
• Construction of culvert bridge at Dzumeri village	498 903	-
• Construction of culvert bridge at Makhuva village	199 951	-
• Construction of Nwazekudzeku community hall	12 734 743	-
• Construction of Homu sports centre	12 017 534	-
• Construction of Shivulani sports centre	2 729 281	-
• Installation of energy saving streetlights in Giyani CBD	5 517 063	-
	115 546 973	111 697 101
Contract approved but where services have not been rendered		
• Preventative maintenance of roads and storm water: 500m2 tar patch within giyani township Section E	-	479 715
• Preventative maintenance of roads and storm water: 750m2 tar patch within giyani township Section F	-	663 894
• 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	-
	4 589 107	1 143 609
Total capital commitments		
Already contracted for but not provided for	115 546 973	111 697 101
Not yet contracted for and authorised by accounting officer	4 589 107	1 143 609
	120 136 080	112 840 710
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	263 665
• Township establishment of various villages	213 038	213 038

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand	2022	2021
48. Commitments (continued)		
• Ngove township expansion	651 858	651 858
• Site demarcation at Sikhunyani Village and site demarcation at Dzumeri	685 000	685 000
Traditional Authority		
• Street naming (including registration)	47 500	47 500
• General Valuation Roll	1 200 000	3 600 000
• Provision for Procurement of Services: Municipal Standard Chart Of Accounts	142 039	1 531 668
Financial System Support (Sage Evolution)		
• Insurance	368 263	1 051 412
• Physical security guarding services	4 789 368	7 989 961
• Rental of photocopy machine	1 475 774	2 469 450
• Design ,compiling,developing,editing and producing GGM news letters for 12 months	-	582 576
• Procurement of 75 3GS for the Municipal Officials	50 500	346 700
• Procurement of 100 MBPS internet line for the municipal officials	158 123	306 405
• Subdivision, rezoning, consolidation and road closure on ERF 1946,1947,1952,1547, Giyani Section F	271 720	475 510
• Rezoning and subdivision of municipal properties including registration with surveyor general	506 000	782 000
• Street naming in Giyani Section C and Giyani BA	474 375	733 125
• Subdivision and rezoning of ERF561 Giyani D into mixed land used development	428 993	1 143 982
• Civil Engineering Professional Service Provider to perform post construction	190 272	190 272
Technical Investigation		
• Formalisation of Church View	130 025	130 025
• ICT security, service support, ICT auditing and ICT network services	5 848 077	-
• Street naming in Giyani section a and section f	673 100	-
• Supply chain management support for the financial year	1 004 900	-
• Supply and delivery of 31 cellphones contract	324 923	-
• Supply and delivery of firearms and training	346 530	-
• Supply installation of electrical cables at Giyani stadium	1 581 847	-
• Preparation of GRAP compliant asset register for the financial year 2021/22	2 721 365	-
• Appointment of service provider for training of MFMP	440 416	-
	24 945 244	23 304 147
Contract approved but where services have not been rendered		
• Development of website and internet	-	98 324
• ICT security,service support, ICT auditing and ICT network services	-	7 039 976
• Preparation of GRAP compliant asset register for the financial year 2020/21	-	5 165 506
• Preparation of Annual Financial Statement for the financial year 2020/21	-	3 105 000
• Township Establishment at Savulani Village	1 400 000	1 400 000
• Street Naming in Giyani Section A and Section F	-	791 800
• Preparation of annual financial statement for the financial year 2021/22	2 796 760	-
• Management and operations of the landfill site	11 137 600	-
• Replacement of air conditioner at library and Civic Centre	188 600	-
• Purchase of Cartridge 80a	29 820	-
• Purchase of C4 brown envelope	29 700	-
• Purchase of Cartridge 305a	25 900	-
	15 608 380	17 600 606
Total operational commitments		
Already contracted for but not provided for	24 945 244	23 304 147
Not yet contracted for and authorised by accounting officer	15 608 380	17 600 606
	40 553 624	40 904 753
Total commitments		
Total commitments		
Authorised capital expenditure	120 136 080	112 840 710

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand	2022	2021
48. Commitments (continued)		
Authorised operational expenditure	40 553 624	40 904 753
	160 689 704	153 745 463

The following contracts are longer than 12 months

	Contract start date	Contract end date	Contract Amounts
General Valuation Roll	01/02/2019	31/01/2024	5 620 000
ICT security, service support, ICT auditing and ICT network service. G/G/M/6105/001/2021	01/08/2021	31/07/2024	7 039 976
Rental of photocopier machine	01/10/2020	31/09/2023	3 420 226
Physical security guarding services	01/09/2020	23/08/2023	10 736 087
Appointment of civil engineering services provider (contractor) for the construction of civic centre building phase iv (cidb 7gb/7ce or higher)	24/01/2022	30/06/2024	43 608 465
Appointment of a service provider for supply and delivery of 31 cell phones through rt15-2021 contract for the period of 24 months	24/01/2022	24/01/2024	445 656
Management and operation of the landfill site	01/07/2022	30/06/2025	11 137 600
			82 008 010

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 (2022) (R 621 610.43 : 2021) for photocopiers and radiophones (R 67 280 (2022) :R 67 280 (2021)). Contingent rent is payable on the number of copies made for the month.

Rental expenses relating to operating leases

Contingent rents	67 280	67 280
Contractual Payments	1 838 994	1 345 156
	1 906 274	1 412 436

Greater Giyani Municipality

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Notes to the Annual Financial Statements

Figures in Rand	2022	2021
49. 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		
Eternity vs GGM. Suing the Municipality for services rendered	-	10 931 266
Mpongwa Hsekani Emmanuel vs GGM. The plaintiff is suing the Municipality for damages he suffered as result of rain	1 000 000	1 000 000
Dane Projects vs GGM. The municipality is being sued for outstanding invoices for work done.	7 140 948	7 140 948
Lunnick Base Khoza vs GGM. The municipality is sued for damage to a car accident owing to its failure to fix potholes	66 531	66 531
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.	863 598	863 598
Botshabelo Consulting Engineers vs GGM. The municipality is being sued for outstanding invoices for work done	6 501 144	6 501 144
PGN Civils (Pty) Ltd vs GGM. The municipality is being sued for outstanding invoices for work done	1 186 328	1 186 328
Rev Dr Mafrecha F Chabalala vs GGM Land dispute	1 600 000	1 600 000
SIDA Consulting & Projects (Pty) Ltd//GGM - Contractual dispute	267 536	-
Mashimbye Witness//GGM	400 000	-
	19 026 085	29 289 815

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand	2022	2021
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50. Related parties

Relationships

Accounting Officer

Councillors

Members of key personnel

Refer to accounting officers' report note

Refer to general information on page 1 to 3

M T Shiviti Director Corporate and Shared Services -

contract expired at the end of April 2022 and N R

Mdaka acted from 12 May 2022 to 30 June 2022)

D Mhangwana Chief Financial Officer resigned at the

end of march 16 April 2022 and N R Muhlari acted

from 12 May 2022 to 30 June 2022)

R H Mashamba Director Technical Services

K V Sithole Director Strategic Planning and LED

Community Services (M I Khosa resigned on the 15

July 2020 and K R Baloyi acted from 01 August 2020

to date.)

Remuneration of management

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand

50. Related parties (continued)

Management class: Councillors

2022

Name	Basic salary	Data Card	Cellphone	Car Allowance	SDL	Backpay	Total
Cllr. T Zitha	400 145	2 400	27 200	143 476	5 415	7 604	586 240
Cllr. AE Mboweni	321 592	2 400	27 200	114 781	3 806	9 647	479 426
Cllr. T Makondo	301 954	2 400	27 200	107 607	3 501	-	442 662
Cllr. RB Ngunyule Mabunda	282 470	2 100	23 800	94 157	3 161	-	405 688
Cllr. TJ Mabunda	301 954	2 400	27 200	107 608	3 501	-	442 663
Cllr. NHP Ndaba	301 954	2 400	27 200	107 608	3 979	16 561	459 702
Cllr. MR Mashale	171 716	2 400	27 200	60 032	2 282	16 561	280 191
Cllr. C Baloyi	171 716	2 400	27 200	60 032	2 116	-	263 464
Cllr. GA Maluleke	171 716	2 400	27 200	60 032	2 116	-	263 464
Cllr. TC Zitha	171 716	2 400	27 200	60 032	2 367	7 604	271 319
Cllr. TC Manganyi	171 716	2 400	27 200	60 032	2 192	-	263 540
Cllr. RE Makondo	296 036	2 400	27 200	107 608	3 455	-	436 699
Cllr. RN Sekgobela	180 721	2 400	27 200	60 032	2 282	7 604	280 239
Cllr. BA Shibambu	131 107	2 400	27 200	45 405	1 902	21 726	229 740
Cllr. RC Mabunda	131 107	2 400	27 200	45 405	1 685	-	207 797
Cllr. SS Mavasa	131 107	2 400	27 200	45 405	1 685	-	207 797
Cllr. NN Maswanganyi	131 107	2 400	27 200	45 405	1 685	-	207 797
Cllr. SS Mathebula	131 107	2 400	27 200	45 405	1 914	9 710	217 736
Cllr. M Shiviti	155 228	2 400	27 200	53 445	1 988	6 432	246 693
Cllr. GE Kobane	131 107	2 400	27 200	45 405	1 780	9 456	217 348
Cllr. NP Mlambo	131 107	2 400	27 200	45 405	1 685	-	207 797
Cllr. XL Ngobeni	160 052	2 400	27 200	55 053	1 971	-	246 676
Cllr. NS Monyipote	131 107	2 400	27 200	45 405	1 685	-	207 797
Cllr. VS Makamu	131 107	2 400	27 200	45 405	1 685	-	207 797
Cllr. MC Machipi	131 107	2 400	27 200	45 405	1 685	-	207 797
Cllr. NC Chabalala	160 052	2 400	27 200	55 053	1 971	-	246 676
Cllr. RG Ngunyula	160 052	2 400	27 200	55 053	2 092	-	246 797
Cllr. PT Mokgobi	160 052	2 400	27 200	55 053	2 047	7 604	254 356
Cllr. MA Khosa	131 107	2 400	27 200	45 405	1 780	7 604	215 496
Cllr. TE Rikhotso	131 107	2 400	27 200	45 405	1 685	-	207 797

Greater Giyani Municipality

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Notes to the Annual Financial Statements

Figures in Rand

50. Related parties (continued)

Cllr. MR Maluleke	131 107	2 400	27 200	45 405	1 685	-	207 797
Cllr. TE Nkuna	160 052	2 400	27 200	55 053	1 973	-	246 678
Cllr. S Sambo	131 107	2 400	27 200	45 405	1 685	-	207 797
Cllr. SC Mahlawule	131 107	2 400	27 200	45 405	1 782	9 710	217 604
Cllr. TN Shirinda	160 052	2 400	27 200	55 053	1 971	-	246 676
Cllr. PH Makhuvela	131 107	2 400	27 200	45 405	1 685	-	207 797
Cllr. TA Mathosi	131 107	2 400	27 200	45 405	1 685	-	207 797
Cllr. NR Shilowa	160 052	2 400	27 200	55 053	1 971	-	246 676
Cllr. RE Ngoveni	131 107	2 400	27 200	45 405	1 761	7 604	215 477
Cllr. KO Maswanganyi	131 107	2 400	27 200	45 405	1 685	-	207 797
Cllr. P Rikhotso	131 107	2 400	27 200	45 405	1 685	-	207 797
Cllr. JP Shibambu	131 107	2 400	27 200	45 405	1 685	-	207 797
Cllr. L Nkuna	131 107	2 400	27 200	45 405	1 685	-	207 797
Cllr. RT Mabunda	131 107	2 400	27 200	45 405	1 685	-	207 797
Cllr. E Mahasha	131 107	2 400	27 200	45 405	1 685	-	207 797
Cllr. A Rabothata	131 107	2 400	27 200	45 405	1 780	-	207 892
Cllr. JN Mashele	160 052	2 400	27 200	55 053	1 971	-	246 676
Cllr. CS Rikhotso	160 052	2 400	27 200	55 053	1 971	-	246 676
Cllr. KS Dlamini	131 107	2 400	27 200	45 405	1 685	-	207 797
Cllr. MD Hlungwani	131 107	2 400	27 200	45 405	1 685	17 781	225 578
Cllr. ML Chauke	131 107	2 400	27 200	45 405	1 780	-	207 892
Cllr. TI Tikhoto	131 107	2 400	27 200	45 405	1 685	-	207 797
Cllr. TN Baloyi	131 107	2 400	27 200	45 405	1 685	-	207 797
Cllr. S Mongwe	131 107	2 400	27 200	45 405	1 780	-	207 892
Cllr. TP Mashaba	131 107	2 400	27 200	45 405	1 685	-	207 797
Cllr. PP Mkhari	131 107	2 400	27 200	45 405	1 685	-	207 797
Cllr. MS Hlongwane	131 107	2 400	27 200	45 405	1 685	-	207 797
Cllr. SM Mahangwane	131 107	2 400	27 200	45 405	1 780	-	207 892
Cllr. MJ Nkuna	131 107	2 400	27 200	45 405	1 685	-	207 797
Cllr. MP Mathevula	131 107	2 400	27 200	45 405	1 685	-	207 797
Cllr. MP Hlungwani	131 107	2 400	27 200	45 405	1 685	-	207 797
Cllr. DJ Hlongwane	131 107	2 400	27 200	45 405	1 780	-	207 892
Cllr. SS Mathebula	92 299	1 243	14 090	31 097	1 190	-	139 919
Cllr. MP Hlungwani	176 476	1 243	14 090	59 457	1 517	7 604	260 387
Cllr. MR Mashale	165 447	1 243	14 090	55 741	1 790	-	238 311
Cllr. NHP Ndaba	165 447	1 243	14 090	55 741	2 012	-	238 533
Cllr. TE Baloyi	165 447	1 243	14 090	55 741	2 177	16 561	255 259

Greater Giyani Municipality

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Figures in Rand

50. Related parties (continued)

Cllr. DE Baloyi	89 590	1 243	14 090	30 184	1 254	9 456	145 817
Cllr. B Gaveni	79 941	1 243	14 090	26 967	1 404	35 186	158 831
Cllr. E Malungana	89 590	1 243	14 090	30 184	1 134	9 456	145 697
Cllr. MI Shimange Fazi	69 810	1 243	14 090	23 520	1 013	7 604	117 280
Cllr. RO Mabasa	162 123	1 243	14 090	54 621	2 137	16 063	250 277
Cllr. S Makhubele	89 590	1 243	14 090	30 184	1 254	9 456	145 817
Cllr. MW Mthombeni	89 590	1 243	14 090	30 184	1 254	9 456	145 817
Cllr. PT Mokgobi	69 810	1 243	14 090	23 520	844	-	109 507
Cllr. FC Makoseni	89 590	1 243	14 090	30 184	1 134	9 456	145 697
Cllr. XJ Valoyi	89 590	1 243	14 090	30 184	1 254	9 456	145 817
Cllr. BA Shibambu	220 595	1 243	14 090	74 321	2 335	-	312 584
Cllr. CM Siweya	69 810	1 243	14 090	23 520	920	7 604	117 187
Cllr. NR Khandhela	69 810	1 243	14 090	23 520	1 013	7 604	117 280
Cllr. GR Kobane	89 590	1 243	14 090	30 184	1 160	-	136 267
Cllr. EN Mabunda	92 299	1 243	14 090	31 097	1 287	9 710	149 726
Cllr. SG Mthombeni	89 590	1 243	14 090	30 184	1 134	9 456	145 697
Cllr. NN Baloyi	69 810	1 243	14 090	23 520	920	7 604	117 187
Cllr. MC Mhlongo	69 810	1 243	14 090	23 520	920	7 604	117 187
Cllr. RE Ngoveni	69 810	1 243	14 090	23 520	844	-	109 507
Cllr. TR Maluleke	69 810	1 243	14 090	23 520	920	-	109 583
Cllr. MA Khosa	69 810	1 243	14 090	23 520	920	-	109 583
Cllr. T Makhubele	69 810	1 243	14 090	23 520	844	-	109 507
Cllr. HW Mhlari	92 299	1 243	14 090	31 097	1 163	9 710	149 602
Cllr. RN Sekgobela	69 810	1 243	14 090	23 520	844	9 456	118 963
Cllr. TM Makhuvele	89 590	1 243	14 090	30 184	1 134	-	136 241
Cllr. MP Mathevula	69 810	1 243	14 090	23 520	920	7 604	117 187
Cllr. XB Mkansi	69 810	1 243	14 090	23 520	844	-	109 507
Cllr. DC Mashibye	69 810	1 243	14 090	23 520	920	7 604	117 187
Cllr. RS Khosa	69 810	1 243	14 090	23 520	920	7 604	117 187
Cllr. HR Rikhotso	69 810	1 243	14 090	23 520	920	7 604	117 187
Cllr. MJ Chauke	69 810	1 243	14 090	23 520	920	7 604	117 187
Cllr. RC Rikhotso	69 810	1 243	14 090	23 520	920	7 604	117 187
Cllr. KA Manganyi	165 447	1 243	14 090	55 741	2 177	16 561	255 259
Cllr. JS Khosa	69 810	1 243	14 090	23 520	920	7 604	117 187
Cllr. AF Mthombeni	18 125	300	3 400	5 676	215	7 604	35 320
Cllr. DT Shivuri	69 810	1 243	14 090	23 520	920	7 604	117 187
Cllr. N Maluleke	69 810	1 243	14 090	23 520	920	7 604	117 187

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Figures in Rand

50. Related parties (continued)

Cllr. MA Makamu	51 081	900	10 200	17 027	681	-	79 889
Cllr. BI Mashele	69 810	1 243	14 090	23 520	920	7 604	117 187
Cllr. AM Mthombeni	92 299	1 243	14 090	31 097	1 287	9 710	149 726
Cllr. PS Mabulana	92 299	1 243	14 090	31 097	1 163	9 710	149 602
Cllr. TC Manganyi	69 810	1 243	14 090	23 520	937	7 604	117 204
Cllr. SS Kubayi	69 810	1 243	14 090	23 520	920	7 604	117 187
Cllr. AE Mboweni	92 299	1 243	14 090	30 184	1 059	-	138 875
Cllr. NM Madzunye	69 810	1 243	14 090	23 520	920	7 604	117 187
Cllr. SC Mahlawule	92 299	1 243	14 090	31 097	1 066	-	139 795
Cllr. TC Zitha	69 810	1 243	14 090	23 520	937	-	109 600
Cllr. HR Shivambu	69 810	1 243	14 090	23 520	1 013	7 604	117 280
Cllr. MJ Makhubela	69 810	1 243	14 090	23 520	1 013	7 604	117 280
Cllr. SR Nkuna	34 054	600	6 800	11 351	407	-	53 212
Cllr. P Mazivuko	69 810	1 243	14 090	23 520	920	7 604	117 187
Cllr. TS Hlungwana	69 810	1 243	14 090	23 520	920	7 604	117 187
Cllr. NJ Zitha	69 810	1 243	14 090	23 520	844	7 604	117 111
Cllr. TP Chaka	69 810	1 243	14 090	23 520	920	7 604	117 187
Cllr. FJ Manganyi	51 081	900	10 200	17 027	611	-	79 819
Cllr. TJ Moshwana	69 810	1 243	14 090	23 520	920	7 604	117 187
Cllr. MD Hlungwani	35 756	643	7 290	12 169	778	10 177	66 813
Cllr. DR Maswanganyi	69 810	1 243	14 090	23 520	920	7 604	117 187
	15 271 238	223 937	2 538 110	5 252 436	195 496	585 156	24 066 373

2021

Name	Basic salary	Data card	Cellphone Allowance	Car Allowance	SDL	Backpay	Total
Cllr. SS Mathebula	270 145	3 600	40 800	90 048	2 884	-	407 477
Cllr. MP Hlungwani	516 516	3 600	40 800	172 172	5 177	-	738 265
Cllr. MR Mashale	484 235	3 600	40 800	161 411	4 321	-	694 367
Cllr. NHP Ndaba	484 235	3 600	40 800	161 411	4 876	-	694 922
Cllr. TE Baloyi	484 235	3 600	40 800	161 411	4 877	-	694 923
Cllr. DE Baloyi	262 214	3 600	40 800	87 404	2 810	-	396 828
Cllr. B Gaveni	204 323	3 600	40 800	68 107	2 272	-	319 102
Cllr. E Malungwani	262 214	3 600	40 800	87 404	2 510	-	396 528

Greater Giyani Municipality

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Notes to the Annual Financial Statements

Figures in Rand

50. Related parties (continued)

Cllr. MI Shimange-Faze	204 323	3 600	40 800	68 107	2 272	-	319 102
Cllr. RO Mabasa	474 506	3 600	40 800	158 168	4 786	-	681 860
Cllr. TL Ndlovu	17 027	300	3 400	5 676	-	-	26 403
Cllr. S Makhubele	262 214	3 600	40 800	87 404	2 810	-	396 828
Cllr. MW Mthombeni	262 214	3 600	40 800	87 404	2 810	-	396 828
Cllr. PT Mokgobi	204 323	3 600	40 800	68 107	2 037	-	318 867
Cllr. FC Makoseni	262 214	3 600	40 800	87 404	2 510	-	396 528
Cllr. XJ Valoyi	262 214	3 600	40 800	87 404	4 310	-	398 328
Cllr. BA Shibambu	645 644	3 600	40 800	215 215	5 639	-	910 898
Cllr. CM Siweya	204 323	3 600	40 800	68 107	2 037	-	318 867
Cllr. NR Khandlela	204 323	3 600	40 800	68 107	2 272	-	319 102
Cllr. GR Kobane	262 214	3 600	40 800	87 404	2 810	-	396 828
Cllr. EN Mabunda	270 145	3 600	40 800	90 048	2 884	-	407 477
Cllr. SG Mthombeni	262 214	3 600	40 800	87 404	2 510	-	396 528
Cllr. NN Baloyi	204 323	3 600	40 800	68 107	2 037	-	318 867
Cllr. MC Mhlongo	204 323	3 600	40 800	68 107	2 037	-	318 867
Cllr. RE Ngoveni	204 323	3 600	40 800	68 107	2 037	-	318 867
Cllr. TR Maluleke	204 323	3 600	40 800	68 107	2 037	-	318 867
Cllr. MA Khosa	204 323	3 600	40 800	68 107	2 037	-	318 867
Cllr. T Makhubele	204 323	3 600	40 800	68 107	2 037	-	318 867
Cllr. TN Mthombeni	152 958	2 100	23 800	50 986	1 255	-	231 099
Cllr. HW Mhlari	270 145	3 600	40 800	90 048	2 575	-	407 168
Cllr. RN Sekgobela	204 323	3 600	40 800	68 107	2 037	-	318 867
Cllr. TM Makhuvele	262 214	3 600	40 800	87 404	2 510	-	396 528
Cllr. MP Mathevula	204 323	3 600	40 800	68 107	2 037	-	318 867
Cllr. XB Mkansi	204 323	3 600	40 800	68 107	2 037	-	318 867
Cllr. DC Mashimbye	204 323	3 600	40 800	68 107	2 037	-	318 867
Cllr. RS Khosa	204 323	3 600	40 800	68 107	2 037	-	318 867
Cllr. HR Rikhotso	204 323	3 600	40 800	68 107	2 037	-	318 867
Cllr. MJ Chauke	204 323	3 600	40 800	68 107	2 037	-	318 867
Cllr. RC Rikhotso	204 323	3 600	40 800	68 107	2 037	-	318 867
Cllr. KA Manganyi	484 235	3 600	40 800	161 411	4 876	-	694 922
Cllr. JS Khosa	204 323	3 600	40 800	68 107	2 037	-	318 867
Cllr. AF Mthombeni	204 323	3 600	40 800	68 107	2 037	-	318 867
Cllr. DT Shivuri	204 323	3 600	40 800	68 107	2 037	-	318 867
Cllr. MP Hlungwani	34 054	600	6 800	11 351	530	-	53 335
Cllr. N Maluleke	204 323	3 600	40 800	68 107	2 037	-	318 867

Greater Giyani Municipality

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50. Related parties (continued)

Cllr. MA Makamu	204 323	3 600	40 800	68 107	2 272	-	319 102
Cllr. BI Mashele	204 323	3 600	40 800	68 107	2 037	-	318 867
Cllr. AM Mthombeni	270 145	3 600	40 800	90 048	2 884	-	407 477
Cllr. PS Mabulana	270 145	3 600	40 800	90 048	2 575	-	407 168
Cllr. TC Manganyi	204 323	3 600	40 800	68 107	2 272	-	319 102
Cllr. SS Kubayi	204 323	3 600	40 800	68 107	2 037	-	318 867
Cllr. AE Mboweni	270 145	3 600	40 800	87 404	2 557	-	404 506
Cllr. MM Madzunya	204 323	3 600	40 800	68 107	2 037	-	318 867
Cllr. SC Mahlaule	270 145	3 600	40 800	90 048	2 575	-	407 168
Cllr. TC Zitha	222 047	3 600	40 800	68 107	2 422	-	336 976
Cllr. HR Shivambu	204 323	3 600	40 800	68 107	2 272	-	319 102
Cllr. MJ Makhubele	204 323	3 600	40 800	68 107	2 272	-	319 102
Cllr. SR Nkuna	204 323	3 600	40 800	68 107	2 037	-	318 867
Cllr. P Mazivuko	204 323	3 600	40 800	68 107	2 037	-	318 867
Cllr. TS Hlungwana	204 323	3 600	40 800	68 107	2 037	-	318 867
Cllr. NJ Zitha	204 323	3 600	40 800	68 107	2 037	-	318 867
Cllr. TP Chaka	204 323	3 600	40 800	68 107	2 037	-	318 867
Cllr. MP Hlungwani	12 084	300	3 400	5 676	203	-	21 663
Cllr. MJ Manganyi	130 539	2 400	27 200	45 405	1 573	-	207 117
Cllr. TJ Moshwana	72 932	1 200	13 600	24 310	958	3 349	116 349
Cllr. DR Maswanganyi	17 027	300	3 400	5 676	468	26 403	53 274
	15 634 520	219 600	2 488 800	5 206 459	159 425	29 752	23 738 556

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand	2022	2021
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51. 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 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.

Municipality 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 @ 25%	1 154 816	1 797 113
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Inter municipal Account

Mopani District Municipality	(4 991 802)	(22 403 947)
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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	23 286 718	21 326 378
Total amount paid or transferred to the principal	(16 531 351)	(16 416 398)
	6 755 367	4 909 980

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 25%.

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.

52. 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

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52. Risk management (continued)

At 30 June 2022

Payables from exchange transactions - 104 485 992

At 30 June 2021

Payables from exchange transactions - 102 455 112

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	220 050 953	179 411 408
Receivables from exchange transactions	13 257 921	29 595 586
Receivables from non-exchange transactions	103 353 601	76 613 355
Other receivables from exchange transactions	38 086 198	21 381 748
VAT	20 440 439	16 131 014
	<u>395 189 112</u>	<u>323 133 111</u>

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.

53. Deviations

Magezi Brandon Muhluri (PTY) LTD	-	113 090
Makhawukani investment trading	-	148 801
Hasler Business systems (PTY) LTD	-	4 692
M and R projects and investment	-	40 050
Smith Sam Trading	-	113 591
Baseccho at RMC INC	-	66 000
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	-
	<u>213 614</u>	<u>486 224</u>

Greater Giyani Municipality

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54. Fruitless and wasteful expenditure		
Opening balance as previously reported	2 208 553	11 335
Add: Fruitless and wasteful expenditure identified - current	5 027 908	86 005
Add: Fruitless and wasteful expenditure identified - prior period	-	2 183 514
Less: Amount written off	-	(72 301)
Closing balance	7 236 461	2 208 553

Fruitless and wasteful expenditure is presented inclusive of VAT

An amount of R 9 870.28 for 2019/2020 financial year is yet to be recovered, as per recommendation by MPAC.

An amount R 13 704 for 2021 financial year is to be recovered from the officials responsible, as per MPAC recommendation.

An amount of R 2 202 970 was paid for free basic electricity for unqualified beneficiaries in the current year and R 2 183 514 in the prior period.

Amount of R 13 151 was paid to Eskom for late payments of Free basic electricity.

Amount of R 11 250 was paid attending a Microsoft Teams on the 28th August and the technical team did not attend.

Amount of R 7 500 was paid attending a Microsoft Teams on the 28th August and the technical team did not attend

Details of fruitless and wasteful expenditure

Penalty for late submission of annual return of earnings	-	72 301
Overcharged for PPE	-	13 704
Interest charged on litigation loss	2 793 037	-
Free basic electricity paid for deceased beneficiaries	2 202 970	2 183 514
Interest for late payment on the disputed FBE bill	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	-
	5 027 908	2 269 519

55. Irregular expenditure

Opening Balance	11 224 426	11 292 032
Add: Irregular expenditure - current	6 281 720	8 945 632
Less: Amount written off by council	(1 583 433)	(9 013 238)
Closing balance	15 922 713	11 224 426

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:

Inadequate reasons provided for approved deviation memorandum for purchase of personal protective equipment	-	524 640
Awards made to suppliers in which persons in service of other state institutions have an interest	1 228 237	473 572
Tender which did not meet the pre-qualification criteria was evaluated further	-	585 221
Regulation 32 contract was entered to beyond the scope of original contract	-	232 066
The tender requirements did not include a condition for mandatory subcontracting to advance designated groups as required by PPR even though the amount was above R30 million	-	7 130 133
Non compliance with SCM policy	5 053 483	-
	6 281 720	8 945 632

Greater Giyani Municipality

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56. Unauthorised expenditure		
Opening balance as previously reported	103 258 108	51 976 064
Add: Unauthorised expenditure - incurred in the current year	49 095 505	51 282 044
Less: Amount written off by council	(103 258 108)	-
Closing balance	49 095 505	103 258 108
The over expenditure incurred by municipal departments during the year is attributable to the following categories:		
Non-cash	49 095 505	51 252 194
Cash	-	29 850
	49 095 505	51 282 044
Analysed as follows: non-cash		
Actuarial valuations	-	208 000
Depreciation and amortisation	30 476 758	22 353 857
Finance costs	6 670 136	3 909 429
Impairment loss	1 786 619	6 298 942
Debt impairment	-	11 082 706
Loss on assets written off	10 142 256	7 393 461
Obsolete inventory written off	19 736	5 799
	49 095 505	51 252 194
Analysed as follows: cash		
Finance and administration	49 095 505	47 342 765
Waste management	-	3 909 429
Public safety	-	1 975
Housing	-	27 875
	49 095 505	51 282 044
57. Additional disclosure in terms of Municipal Finance Management Act		
Audit fees		
Current year subscription / fee	4 067 384	4 870 451
Amount paid - current year	(4 067 384)	(4 870 451)
	-	-
PAYE and UIF		
Current year subscription / fee	25 488 532	22 753 076
Amount paid - current year	(25 488 532)	(22 753 076)
	-	-
Pension and Medical Aid Deductions		
Current year subscription / fee	27 380 992	26 192 817
Amount paid - current year	(27 380 992)	(26 192 817)
	-	-

Greater Giyani Municipality

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57. Additional disclosure in terms of Municipal Finance Management Act (continued)

VAT

VAT receivable 20 440 439 16 131 014

VAT output payables and VAT input receivables are shown in note .

All VAT returns have been submitted by the due date throughout the year.

Councillors' arrear consumer accounts

The following Councillors had arrear accounts outstanding for more than 90 days at 30 June 2022:

30 June 2022	Outstanding less than 90 days	Outstanding more than 90 days	Total
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

30 June 2021	Outstanding less than 90 days	Outstanding more than 90 days	Total
Cllr Mboweni Agrey Ernest	1 846	54 695	56 541
Cllr Chauke Mukhachani Juring	4 170	63 303	67 473
Cllr Shivambu Hasani Richard	2 498	31 376	33 874
Cllr Baloyi Tintswalo Elizabeth	2 963	1 116	4 079
Cllr Makamu Mafakhale Alpjeus	2 429	7 128	9 557
Cllr Shibambu Basani Agnes	1 938	340	2 278
	15 844	157 958	173 802

During the year the following Councillors' had arrear accounts outstanding for more than 90 days.

58. Going concern

We draw attention to the fact that at 30 June 2022, the municipality had an accumulated surplus (deficit) of 1 241 690 076 and that the municipality's total assets exceed its liabilities by 1 241 690 076.

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

59. Events after the reporting date

Mr N Mdaka was appointed director for corporate services on the 01 August 2022.

Ms RT Chabalala was appointed as director for community services on the 01 September 2022.

Mr F Nkuna was appointed as the acting CFO on the 15 August 2022.

On the 05 September 2022 the municipal manager Mr M M Chauke was suspended and Ms K V Sithole was since appointed the acting municipal manager on the same day.

Greater Giyani Municipality

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60. Prior period errors

1. Other financial assets relating to VBS refund of R 10 727 810 was incorrectly reported at the end of 30 June 2021. The refund was supposed to have been reported under events after reporting date note.
2. Water and Sewer payments amounting to R 965 273.35 relating to on hold accounts were incorrectly billed in the prior year.
3. Properties amounting to R 4 808 108 relating to oh hold accounts were incorrectly billed in the prior year.
4. Rental housing, Refuse removal and cemetery with a net movement of R 3 619 980.84 relating to on hold accounts and rental houses which are not in the municipality name were incorrectly billed in the prior years.
5. Investment property amounting to R 245 000 was misclassified as building in the prior year.
6. Buildings of R 245 000 was incorrectly classified as investment property in the prior year. Accumulated depreciations R 268 977 was incorrectly accounted for in the prior years
7. Rent houses that does not belong to the municipality were incorrectly charged property rates with an amount of R 38 595 in the prior years.
8. Deprecation on property, plant and equipment were understated with an amount of R 415 990 in the prior year.
9. Impairment of receivables on rental housing with an amount of R 3 651 600 was reversed due to the houses not belonging to the municipality.
10. Completed project for electrical services amounting to R 8 489 284 were not transferred to Eskom.
11. Commitments on rental of photocopiers, National Treasury transversal contract for procurement of 75 3gs for the municipal officials and National Treasury transversal contract for procurement of 100mbps internet line for the municipal officials were incorrectly disclosed in the prior year.
14. Fruitless and wasteful expenditure, the amount of R 2 183 514 relates to the Free basic electricity that was paid for unqualified beneficiaries in the prior year.

The correction of the error(s) results in adjustments as follows:

Greater Giyani Municipality

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60. Prior period errors (continued)

Statement of financial position	As previously reported	Correction of error	Reclassification	Restated
Other financial assets	10 727 810	(10 727 810)	-	-
Receivable from exchange transaction	30 560 859	(965 273)	-	29 595 586
Receivable from non exchange transaction	81 421 463	(4 808 108)	-	76 613 355
Other receivables from exchange transactions	25 001 738	(3 619 990)	-	21 381 748
Investment property	25 935 570	(245 000)	-	25 690 570
Property, plant and equipment	964 026 837	(23 977)	-	964 002 860
	1 137 674 277	(20 390 158)	-	1 117 284 119

Statement of financial performance	As previously reported	Correction of error	Restated
Recoveries	10 727 810	(10 727 810)	-
Rental of facilities and equipment	965 172	(581 820)	383 352
Interest received (overdue accounts)	2 465 564	(396 154)	2 069 410
Property rates	71 229 310	(38 595)	71 190 715
Depreciation and amortisation	(90 353 857)	(415 990)	(90 769 847)
Debt impairment	(45 382 706)	3 651 600	(41 731 106)
Contracted services	(36 400 409)	(8 489 284)	(44 889 693)
General expenses	(56 384 096)	-	(56 384 096)
	(143 133 212)	(16 998 053)	(160 131 265)

Commitments	As previously reported	Correction of error	Restated
Rental of photocopier machine	2 072 016	397 434	2 469 450
National Treasury transversal contract for procurement of 75 3gs for the municipal officials.	134 000	212 700	346 700
National Treasury transversal contract for procurement of 100mbps internet line for the municipal officials	165 836	140 569	306 405
	2 371 852	750 703	3 122 555

Fruitless and Wasteful expenditure			
Fruitless and wasteful expenditure identified - prior period		-	2 183 514

Greater Giyani Municipality

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61. EXPLANATION OF DIFFERENCES BETWEEN FINAL BUDGET AND ACTUAL AMOUNTS

Material differences between budget and actual amounts

A. Rental of facilities

Decline in revenue for rental of facilities is due to removal of certain houses that do not belong to the municipality.

B. Agency Services

This is due to water shortages in Mopani District and it resulted in lower billing for water consumption.

C. Actuarial gains

The actuarial gain is attributable to membership changes due to more exists than expected since the last valuation most notable including nine in service members with an average of 59 years. Subsidy increases lower than assumed.

D. Licence and permits

The use of the service was slow than expected which may be signs of the effect of covid 19.

Greater Giyani Municipality

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61. EXPLANATION OF DIFFERENCES BETWEEN FINAL BUDGET AND ACTUAL AMOUNTS (continued)

E. Other income

Services in this category is depended on the demand of services by consumers.

F. Interest on investment

Increase on interest on investment is due to the municipality investing VAT recoveries in the call accounts.

G. Interest on overdue accounts

This was due to the increase on debt owed by the municipality. The payment of the services by consumers was slow.

H. Traffic fines

This was due to more roadblocks and enforcement measures employed by the municipality.

I. Property rates

This was due to the exemptions of churches on billing of property rates.

J. Depreciations

Due to the completion of more projects and acquisition of other assets. Other assets were also discovered on the floor.

K. Impairment loss

It was due to the declassification of assets which were discovered during verification and when performing assessment for impairment.

L. Obsolete inventory written off

Obsolete inventory written off was not budgeted for.

M. Finance costs

Due to the interest portion of the provision of dumping site and interest portion of the execution order relating to a litigation.

N. Debt impairment

Decrease in debt impairment is due to the system allocating payments from old debts to current.

O. Lease rentals on operating lease

Due to the less use of rental of photocopiers which is payable based on the use of such equipment.

P. 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.

Q. Loss on assets written off

Due to the pavement milling projects undertaken by the municipality is part of the repairs and maintenance of the municipality infrastructure.

R. General Expenses

There increase in general expenses was due to litigation loss of R 8 140 229, fuel oil due to exponential fuel increase, Increase in legal services, and travelling due to lifting of Covid19 restrictions.

Greater Giyani Municipality

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61. EXPLANATION OF DIFFERENCES BETWEEN FINAL BUDGET AND ACTUAL AMOUNTS (continued)

EXPLANATION OF DIFFERENCES BETWEEN APPROVED BUDGET AND FINAL ADJUSTED BUDGET

A. Services charges

Budget was based on the 2020/2021 final figures and CPI for 2021/2022 financial year. Subsequent reconciliation of refuse removal was performed in the period under review where corrective adjustments were processed which in turn increased refuse removal billing.

B. Agency Services

The budget was based on the actual amount the district is owing to the municipality as per the 2020 2021 financial statement but the district failed to pay as promised.

C. Licence & permits

The adjustment budget was based on the actuals for the first six months of the financial year.

D. Other income

The budget was reduced due to the sale of stands that was no longer moving in the first half of the financial year.

E. Interest on Investment

Approved budget was based on the estimates of the 2020 /2021 figures and the municipality ended investing more vat refunds from the call account in the period under review.

F. Traffic fines

The budget was adjusted downward while checking the trend of the first six months.

G. 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.

H. Remuneration of councillors

The budget was reduced during adjustment budget because the determination of upper limits was not received.

I. Depreciations

The budget was reduced during the adjustment budget while checking the actuals for the first six months.

J. Repairs and maintenance

The budget was increased due to the need by the community to maintain roads.

K. Transfer and subsidies

The budget was reduced during the adjustment budget while checking the actuals for the first six months



Chapter 6

AUDITOR-GENERAL'S REPORT

SEE ATTACHED ANNEXURE D

Report of the auditor-general to Limpopo Provincial Legislature and the 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 ... to ..., which comprise the statement of financial position as at 30 June 2022, the statement of financial performance, statement of changes in net assets and cash flow statement and statement of comparison of budget information with actual information for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Greater Giyani Municipality as at 30 June 2022, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (Standards of GRAP) and the requirements of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act, 2021 (Act No. 9 of 2021) (DoRA).

Basis 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 auditor-general's responsibilities 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 60 to the financial statements, the corresponding figures for 30 June 2021 were restated as a result of an error in the financial statements of the municipality, and for the year ended, 30 June 2022.

Significant uncertainty

8. With reference to note 49 to the financial statements, the municipality is the defendant in multiple lawsuits. 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 impairments

9. As disclosed in note 39 to the financial statements, material impairment of R14 419 155 was incurred as a result of debt of which recovery is doubtful due to inadequate collecting systems.

Other matters

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

Unaudited disclosure schedules

11. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA in the financial statements. The disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.

Unaudited supplementary schedules

12. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA in the financial statements. The disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.

Responsibilities of the accounting officer for the financial statements

13. 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 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.
14. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

15. 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.

16. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor’s report.

Report on the audit of the annual performance report

Introduction and scope

17. In accordance with the Public Audit Act, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected development priorities presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.

18. My procedures address the usefulness and reliability of the reported performance information, which must be based on the municipality’s approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the municipality enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

19. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected development priority presented in the municipality’s annual performance report for the year ended 30 June 2022:

Development priority	Pages in the annual performance report
KPA 3 – Basic services and infrastructure	x – x

20. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

21. The material findings on the usefulness and reliability of the performance information of the selected development priorities are as follows:

KPA 3: Basic services and infrastructure development

Various indicators

22. The achievement below were reported in the annual performance report for the listed indicators. However, some supporting evidence provided, materially differed from the reported achievement, while in other instances I was unable to obtain sufficient appropriate audit evidence. This was due to lack of accurate and complete records. I was unable to further confirm the reported achievements by alternative means. Consequently, I was unable to determine whether any further adjustments were required to the reported achievements.

Indicator description	Reported achievement
To connect 413 units at Mavalani Village by 30 June 2022	Target achieved (413 households connected with electricity)
To connect 250 units at Ndengeza Village by 30 June 2022	Target not achieved (213 households connected with electricity)
To develop a waste disposal site by 30 June 2022	Target achieved (Construction of waste disposal site development)

Various indicators

23. I was unable to obtain sufficient appropriate audit evidence that clearly defined the predetermined source information and method of collection or that related systems and processes were established to enable consistent measurement and reliable reporting of the actual achievement of the indicators listed below. This was due to a lack of measurement definitions and processes. I was unable to confirm that the indicator is well-defined and verifiable by alternative means. As a result, I was unable to audit the reliability of the achievements reported in the annual performance report of the listed indicators.

Indicator description	Planned outcomes	Reported achievement
Construction of Ndhambi taxi rank	Construction of Ndhambi taxi rank	Target not achieved (In progress)
To develop a waste disposal site by 30 June 2022	Construction of waste disposal site development by 30 June 2022	Target achieved (Construction of waste disposal site development)
To upgrade access road to Nkhensani hospital by 30 June 2022	Designs to upgrade access road to Nkhensani hospital by 30 June 2022	Target not achieved (Detailed design report not conducted)
To develop and construct Mavalani indoor sport centre by 30 June 2022	Designs and draft tender document by 30 June 2022	Target not achieved (Service provider not appointed)
To develop and construct Jim Nghalalume community hall by 30 June 2022	Designs and draft tender document by 30 June 2022	Target achieved (Detailed designs and draft tender document)

Indicator description	Planned outcomes	Reported achievement
To develop and construct Nwazekudzoku community hall by 30 June 2022	Designs and draft tender document by June 2022	Target not achieved
To construct an extension of Mageva soccer pitch	To construct an extension of Mageva soccer pitch by June 2022	Target not achieved (service provider not appointed)
Construction of sports centre at section E by 30 June 2022	Section E sports centre constructed by 30 June 2022	Target not achieved

Other matters

24. I draw attention to the matters below.

Achievement of planned targets

25. Refer to the annual performance report on pages ... to... for information on the achievement of planned targets for the year. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraph 21 to 23 of this report.

Adjustment of material misstatements

26. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of basic service delivery and infrastructure development. As management subsequently corrected only some of the misstatements, I raised material findings on the usefulness and reliability of the reported performance information. Those that were not corrected are reported above.

Report on the audit of compliance with legislation

Introduction and scope

27. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the municipality's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

28. The material findings on compliance with specific matters in key legislation are as follows:

Annual financial statements, performance and annual report

29. 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, liabilities 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.

Procurement and contract management

30. 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).
31. Some of the quotations were accepted from bidders who did not submit a declaration on whether they are employed by the state or connected to any person employed by the state, as required by SCM regulations 13(c). Similar non-compliance was also reported in the prior year.

Expenditure management

32. Reasonable steps were not taken to prevent irregular expenditure amounting to R6 281 720 as disclosed in note 55 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the disclosed irregular expenditure was caused by the non-compliance with SCM regulations.
33. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R5 027 908, as disclosed in note 54 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the disclosed fruitless and wasteful expenditure was caused by late payments of suppliers and payment of free basic electricity to non-qualifying beneficiaries.
34. Reasonable steps were not taken to prevent unauthorised expenditure amounting to R49 095 505, as disclosed in note 56 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the unauthorised expenditure was caused by non-cash items.

Strategic planning and performance management

35. The performance management system and related controls were not maintained due to internal control deficiencies identified, as required by the municipal planning and performance management regulation 7(1).

Other information

36. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report, which includes the audit committee's report. The other information does not include the financial statements, the auditor's report and those selected development priorities presented in the annual performance report that have been specifically reported in this auditor's report.

37. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.
38. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected development priorities presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
39. I did not receive the other information prior to the date of this auditors 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 emended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

40. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on the annual performance report and the findings on compliance with legislation included in this report.
41. The financial statements contained material misstatements which were subsequently corrected. This is mainly due to insufficient reviews performed on the annual financial statements.
42. 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 expenditure, fruitless and wasteful expenditure and unauthorised expenditure.
43. 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

44. 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 the material irregularities reported in the previous year's auditor's report.

Material irregularities identified during the audit

Prohibited investment with a mutual bank

45. 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.
46. 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.
47. 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.
48. The municipality received an amount of R10 727 810 on 4 February 2022 from the liquidator and will continue to monitor the liquidation process.
49. I will follow up on progress made during my next audit.

Free basic electricity provided to none qualifying customers.

50. During the 2020-21 and 2021-22 financial year, the municipality paid Eskom an estimated amount of R4 386 484 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 where 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.

51. The non-compliance has resulted in a likely material financial loss of R4 386 484 for the municipality, as payment was made for non-qualifying customers.

52. 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 lead 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 in 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.
- An investigation was instituted to investigate and report on the circumstances that lead to the material irregularity on 4 November 2022. The investigation is planned to be finalised on or before February 2023. 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.

53. I will follow up on this investigation and the implementation of any planned actions during my next audit.

Auditor - General

Polokwane

30 November 2022



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure – Auditor-general’s responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected development priorities and on the municipality’s compliance with respect to the selected subject matters.

Financial statements

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

Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all 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.

ANNEXURE E

AUDIT COMMITTEE REPORT



REPORT OF THE AUDIT COMMITTEE ON GREATER GIYANI MUNICIPALITY (GGM)

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

Audit Committee Structure

Greater Giyani Municipality has an Audit Committee which is composed of five independent members and reports directly to Council. Attendance of meeting was as follows:

Initials and Surname	Position	Ordinary meeting	Special meeting
SAB Ngobeni	Chair	4/4	2/2
P Ramutsheli	Member	4/4	2/2
N Baloyi	Member	4/4	2/2
S Skhosana	Member	4/4	2/2
E Hlungwani	Member	4/4	2/2

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 166 and 165 of the Municipal Finance Management Act and Treasury Regulation 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein and the related code of conduct, policies and practices.

Stakeholder Engagement/s

The committee has been able to engage with the following stakeholders:

- Limpopo Provincial Treasury
- Limpopo Municipality of Corporate Governance, Human Settlement and Traditional Affairs
- Limpopo SALGA
- Limpopo Provincial Auditor (AGSA)

The Effectiveness of Internal Control

Based on the results of the formal documented review of the design, implementation and effectiveness of the municipality's system of internal controls conducted by the internal audit and AGSA during the financial year ended 30 June 2022, and in addition, considering information and explanations given by management plus discussions held with the external auditor on the results of their audit, the Audit Committee concluded that the municipality's system of internal financial controls is partial effective and several material internal control breaches come to the Committee's attention.

Risk Management

The Audit committee reviewed the municipality's policies on risk management and strategy (including IT Governance) and monitored the implementation of risk management policy and strategy and concluded that the municipality's risk management maturity level is satisfactorily and improving

In-Year Management and Monthly/Quarterly Report

Based on the quarterly review of in-year monitoring systems and reports, the Audit Committee is somewhat satisfied with the quality, accuracy, usefulness, reliability, appropriateness, and adequacy of the municipality in-year reporting systems. However, the year-end reporting should improve to avoid adjustment of the annual financial statements after submission to the AGSA.

Internal Audit Arrangement

The Audit committee:

- Reviewed and approved the annual Internal Audit plans and evaluated the independence, effectiveness and performance of the internal audit function;
- Considered the reports of the Internal Auditors on the municipality's systems of internal control;
- Reviewed issues raised by internal audit and the adequacy of corrective action taken by management in response thereto;

Combined assurance

The Audit committee reviewed the plans and reports of the external and internal auditors and other assurance providers including management and concluded that these were adequate to address all significant risks facing the municipality.

Compliance with the relevant laws and regulations

The Audit Committee considered reports provided by management, internal assurance providers and the independent auditors regarding compliance with legal and regulatory requirements and concluded that the municipality did not fully comply with the enabling laws and regulations as well as its municipality policies and standard operating procedures, especially in the areas of addressing the irregular and fruitless expenditure, quality of annual financial statement and supply chain management (including expenditure management)..

Evaluation of Annual Financial Statements

Following the review by the Audit Committee of the draft annual financial statements for the year ended 30 June 2022 before the audit, the committee is of the view that, annual financial statements fairly present the financial performance of the municipality for the year under review and can be incorporated into the annual report.

Evaluation of Annual Performance Report

Following the review by the Audit Committee of the annual performance report for the year ended 30 June 2022 and after the audit, the committee is of the view that, draft annual performance report fairly presents the non-financial performance of the

municipality for the year under review and can be incorporated into the annual report, with exception of areas raised by AGSA.

Consideration of the Final Audit report

The Audit Committee considered final audit report and concurred with the AGSA's unqualified audit opinion. Furthermore, the Audit Committee commended the municipality for obtaining the unqualified audit opinion.

A handwritten signature in black ink, consisting of the letters 'SAB' followed by a period, enclosed within an oval shape.

SAB Ngobeni

Chairperson of the Audit Committee

Date 30 November 2022

ANNEXURE A

AUDITED ANNUAL PERFORMANCE REPORT

ANNUAL PERFORMAMANCE REPORT 2021/22



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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
Planning and Development	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
Corporate Services	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

5. MUNICIPAL MANAGER'S OVERVIEW

The 2021/22 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 centres, 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, in order 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 2021/22 financial year ending on the 30th of June 2022. 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 2020/21 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 completed 8 projects under building, roads and electrification ,21 projects were not achieved for 2021/22 financial ye
The Municipality spent 84% of its MIG budget



MUNICIPAL MANAGER
CHAUKE MM

31/08/2022
DATE

6. Institutional Performance

The institution was responsible for a total number of 123 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 2021/2022 financial year as of 30 June 2022 was at 53%. 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. Institutional statistics were as follows:

7. Comparison of Institutional Performance Levels 2020/2021 – 2021/2022 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 123 Key Performance Indicators inclusive of projects for 2021/2022 financial year. The institution managed to achieve 69 indicators inclusive of projects ,54 targets were not achieved.

The overall institutional performance for 2021/2022 is at **56%** as compared to the **59%** for 2020/2021 financial year, which shows that we have regressed compared to the performance of the previous financial year.

SUMMARY OF PERFORMANCE TARGETS ACHIEVED AND NOT ACHIEVED PER STRATEGIC OBJECTIVE

N o	Strategic Objective	2020/21				2021/2022			
		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	16	12	04	25%	11	05	06	55%
2.	KPA 2: Institutional Development and Municipal Transformation	16	04	12	75%	21	08	13	62%
3.	KPA 3: Basic Services and Infrastructure Development	47	14	30	64%	49	23	26	53%
4.	KPA 4: Local Economic Development	03	03	00	0%	06	03	03	50%
5.	KPA 5: Municipal Financial and Management Viability	10	00	10	100%	13	02	11	85%
6.	KPA 6: Good Governance & Public Participation	24	12	12	50%	23	13	10	43%
Overall Performance		116	45	68	59%	123	54	69	56%

Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2021/2022	Adjusted Budget 2021/22	Special Budget Adjustment 2021/22	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	To Reviewing of the SDF by 30 June 2022	New Indicator	Reviewing of the SDF by 30 June 2022	Review of SDF	Reviewing of SDF	Greater Giyani Municipality	All wards	Income	350 000	350 000	350 000	Target not achieved (SDF not gazetted)	SDF not yet Gazetted	Government still processing Gazetting	Follow up with Government Gazette	SDF, Council Resolution & Gazette	P & D e v
Spatial and town planning	To develop an effective spatial framework that promotes integrated and sustainable development	To align the LUS by 30 June 22	New indicator	Alignment of LUS by 30 June 22	Alignment of LUS	Alignment of LUS	Greater Giyani Municipality	All wards	Income	300 000	300 000	300 000	Target not achieved (LUS not Gazzeted)	LUS not yet Gazetted	Government still processing Gazetting	Follow up with Government Gazette	LUS, Council Resolution & Gazette	P & D e v

Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2021/2022	Adjusted Budget 2021/22	Special Budget Adjustment 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
8.2. MUNICIPAL TRANSFORMATION AND ORGANISATIONAL 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 2022	10 Council meetings held in 2022/22	6 Council Meetings coordinated and supported by 30 June 2022	Council Meeting	Organize Council Meeting as per schedule	Greater Giyani Municipality	Administration	Income	Operational	Operational		Target achieved (16 Council Meetings conducted)	10	There was a need for Special Council sittings	N/A	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 Executive Committee Meetings convened by 30 June 2022	12 Executive Committee held in 2022/22	12 Executive Committee Meetings coordinated and supported by 30 June 2022	Executive Committee Meetings	Organize Executive Committee Meetings as per schedule	Greater Giyani Municipality	Administration	Income	Operational	Operational		Target achieved (18 EXCO meetings convened)	6	There was a need for Special EXCO sittings	N/A	Notices of Invitations, Minutes, Attendance register,	CORP

Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2021/2022	Adjusted Budget 2021/22	Special Budget Adjustment 2021/22	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 2022	Portfolio Committee Meetings held	96 Portfolio Committee Meetings (12 Per Portfolio Committee) held by 30 June 2022	Portfolio Committee Meetings	Organize Portfolio Committee meeting as per schedule	Greater Giyani Municipality	Administration	Income	Operational	Operational		Target not achieved (42 portfolio meetings held)	54	Committee members not adhering to portfolio schedules	Chairpersons of portfolio committees to ensure meetings schedules are adhered to	Notices of Invitation, Minutes, Attendance Register	CORP
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 2022	4 reports developed in 2020/21	4 progress reports on implementation of council resolutions to be developed by 30	Council resolution implementation	Development of Council Resolution Register and monitor implementation of council	Greater Giyani Municipality	Administration	Income	Operational	Operational		Target achieved (4 implementation reports developed)	N/A	N/A	N/A	Progress report and Council Resolution	CORP

Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2021/2022	Adjusted Budget 2021/22	Special Budget Adjustment 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
				June 2022		resolutions												
Human Resources and Organizational Development	To develop and retain the best human capital, effective and efficient administrative and operational support system	To Develop Work Skills Plan (WSP) and Annual Training Report (ATR) and submit to LGSETA by 30 April 2022	WSP and ATR submitted on the 30 April 2022	Developed WSP and ATR and submit to LGSETA by 30 April 2022	WSP and ATR	Development and submission of the WSP and ATR	Greater Giyani Municipality	Administration	Income	Operational	Operational		Target Achieved (WSP and ATR submitted to LGSETA)	N/A	N/A	N/A	WSP, ATR and Proof of Submission	CORP

Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2021/2022	Adjusted Budget 2021/22	Special Budget Adjustment 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
Human Resources and Organizational Development	To develop and retain the best human capital, effective and efficient administrative and operational support system	To submit the Employment Equity report to Department of Labour (DoL) by 15 January 2022	2020/21 Employment Equity Report submitted	Employment Equity Report submitted to DoL by 15 January 2022	Equity	Development and submission of the Employment Equity Report	Greater Giyani Municipality	Administration	Income	Operational	Operational		Target achieved (Employment Equity Report submitted to DoL by 15 January 2022)	N/A	N/A	N/A	Employment Equity Report, Acknowledgement	CORP
Human Resources and Organizational Development	To develop and retain the best human capital, effective and efficient administrative and operational support system	To review HR policies	HR policies reviewed	Review of HR policies by 30 June 2022	HR Policies	Reviewing HR Policies for levels	Greater Giyani Municipality	Administration	Income	Operational	Operational		Target achieved (HR Policies and Council resolution approved)	N/A	N/A	N/A	HR policies and Council Resolution	CORP

Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2021/2022	Adjusted Budget 2021/22	Special Budget Adjustment 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
8.3 BASIC SERVICE DELIVERY																		
Waste Management	Accessible basic and infrastructure services	Collection of waste in all the townships section A,D1,D2 ,E,F,kremetart and CBD household with access to refuse removal by 30 June 2022	63537 having access to refuse removal	Collect refuse removal to all township households by 30 June 2022	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		Target achieved (Refuse collection done once in a week in A,E,F,D1,D2 Kremetart and CBD	N/A	N/A	N/A	Billing report	COM

Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2021/2022	Adjusted Budget 2021/22	Special Budget Adjustment 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
Roads, Bridges and Storm water	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	To upgrade 3.5 km from gravel to paving at Thomo Village by 30 June 2022	New Indicator	Designs and Draft tender document	Thomo upgrading of internal streets	3.5 km upgrading from gravel to paving at Thomo village	Thomo	17	LGES/MIG	12 112 641	13 556 042	13 556 042	Target achieved (Designs and draft tender document and there was an overachievement the project was completed)	Practical Completion	Target was for designs and draft document, however, due to bonus received from MIG Council recommended that we should proceed with the project	N/A	Progress report and Practical Completion Certificate	TECH
Roads, Bridges and Storm water	To develop sustainable infrastructure networks which promotes economic growth and	To upgrade 1km from gravel to paving at Blinkwater by 30 June 2022	New Indicator	Designs and Draft tender document by 30 June 2022	Blinkwater upgrading of internal streets	1 km upgrading from gravel to paving at Blinkwater Village	Blinkwater	1	LGES/MIG	8 000 000	4 080 843	4 080 843	Target achieved (Designs and draft tender document and there was an overachievement the	Practical Completion	Target was for designs and draft document, however, due to bonus received from MIG Council recommended that we should proceed with the project	N/A	Progress report and Practical Completion Certificate	TECH

Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2021/2022	Adjusted Budget 2021/22	Special Budget Adjustment 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
													project was completed)					
Roads, Bridges and Storm water	To develop sustainable infrastructure networks which promotes economic growth and	To upgrade 1km from gravel to paving at Nkuri Zamani by 30 June 2022	New Indicator	Designs and Draft tender document 30 June 2022	Nkuri Zamani upgrading of internal streets	1 km upgrading from gravel to paving at Nkuri Zamani Village	Nkuri Zamani Village	5	LGES/MIG	8 000 000	3 918 915	3 918 915	Target achieved (Designs and draft tender document and there was an overachievement the project was completed)	Practical Completion	Target was for designs and draft document, however, due to bonus received from MIG Council recommended that we should proceed with the project	N/A	Progress report and Practical Completion Certificate	TECH

Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2021/2022	Adjusted Budget 2021/22	Special Budget Adjustment 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
Roads, Bridges and Storm water	To develop sustainable infrastructure networks which promotes economic growth and	To upgrade 2.5 km from gravel to paving at Shiman ge village by 30 June 2022	New Indicator	Designs and Draft tender document by 30 June 2022	Shimange upgrading from gravel to paving	2.5 km upgrading from gravel to paving at Shimange village	Shimange Village	8	LGES/MIG	20 000 000	19 285 242	19 285 242	Target achieved (Designs and draft tender document and there was an overachievement the project was completed)	Practical Completion	Target was for designs and draft document, however, due to bonus received from MIG Council recommended that we should proceed with the project	N/A	Progress report and Practical Completion Certificate	TECH
Building and Construction	Accessible basic and infrastructure services	Construction of Ndhambi taxi rank	New Indicator	Construction of Ndhambi taxi rank	Ndhambi Taxi Rank	Construction of Ndhambi taxi rank	Dzumeri	25	MIG/LGES	12 456 642	12 456 642	12 456 642	Target not achieved (In progress)	Under Construction	The project was delayed due to community differences in terms of the approved designs	Improved Stakeholder engagement	Advert, Appointment, Progress report and Practical handover certificate	TECH

Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2021/2022	Adjusted Budget 2021/22	Special Budget Adjustment 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
PMU	To improve financial management systems to enhance venue base	% of MIG Budget spent by 30 June 2022	100% MIG budget spent	100% of MIG Budget spent by 30 June 2022	MIG Spending	Spending 100 % of MIG allocated fund	Greater Giyani Municipality	Administration	MIG	64 105 000,00			Target not achieved (84,05%)	16%	The project was delayed due to community differences in terms of the approved designs	Improved Stakeholder engagement and Expenditure monitoring	MIG Spending Report	TECH

8.4 LOCAL ECONOMIC DEVELOPMENT

Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2021/2022	Adjusted Budget 2021/22	Special Budget Adjustment 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
LED Strategy	To Create An Enabling Environment For Sustainable Economic Growth	To review LED Strategy by 30 June 2022	Existing LED strategy	1 LED Strategy reviewed and approved by Council by 30 June 2022	LED Strategy Review	LED Strategy to be reviewed and submitted to Council for approval	Greater Giyani Municipality	Giyani	Income	400,000	300,000	300,000	Target not achieved (LED strategy not reviewed)	LED strategy not reviewed and approved by council	Treasury Circular prohibited procurement process	Appointment to be conducted in the next financial year	Terms of reference, methodology, stakeholders' attendance register and appointment letter	P & D e v
SMME Exposure to markets	To Create An Enabling Environment For Sustainable Economic Growth	# of SMME's to be exposed to LED market by 30 June 2022	5 SMMEs exposed to LED market	4 SMMEs exposed to LED market by 30 June 2022	SMME's exposure to market	SMMEs exposed to market by taking them along to different exhibition, tourism indaba, marul	Greater Giyani Municipality	All Wards	Income	Operational	Operational	Operational	Target achieved (4 SMME's exposed to LED Market)	4 SMME's exposed	N/A	N/A	Invitation & Attendance Register	P & D e v

Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2021/2022	Adjusted Budget 2021/22	Special Budget Adjustment 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
						a festival and rand show												
SMME Support (Projects & Cooperatives)	To Create An Enabling Environment For Sustainable Economic Growth	Financially support projects & cooperatives that are operational but facing some challenges.	4 SMME supported	2 SMME'S Supported financially by 30 June 2022	SMME Support	4 SMME'S supported to the tune of R250 000 each by the end of 1st Quarter	Greater Giyani Municipality	All Wards	LED Support funds	600 000			Target achieved (3 SMME'S supported)	1	Catered for the needs of the SMME'S	N/A	Supported SMME'S	P & D e

Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2021/2022	Adjusted Budget 2021/22	Special Budget Adjustment 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
LIBRA	To Create An Enabling Environment For Sustainable Economic Growth	Holding monthly Business Registration and licensing adjudication committee meetings.	12 Adjudication committee meetings	To hold 12 Business Registration and Licensing adjudication committee meetings	Adjudication committee meetings	1 adjudication committee meeting held per month	Greater Giyani Municipality	All Wards	Income	Operational			Target not achieved (2 Adjudication meeting conducted)	10 Adjudication meetings not conducted	No applications received from applicants	N/A	Invitation, Attendance Register & minutes	P & D e v
LED FORUM	To Create An Enabling Environment For Sustainable Economic Growth	4 LED Forum	To hold 4 LED Forum by 30 June 2022	LED Forum meeting	1 LED Forum meeting held per quarter	Greater Giyani Municipality	All Wards	Income	Operational	LED Forum meeting			Target not achieved (2 LED forum conducted)	2	LED Forums were not conducted during first and second quarter due to covid restrictions	Adhere to schedule	Invitations, Minutes, and Attendance Register	P & D e v

Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2021/2022	Adjusted Budget 2021/22	Special Budget Adjustment 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
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8.5 MUNICIPL FINANCE MANAGEMENT AND VIABILITY

Budget and Reporting	To improve financial management systems to enhance venue base	Unqualified Audit Opinion by 30 June 2022	Qualified Audit Opinion	Unqualified Audit Opinion by 30 June 2022	Unqualified Audit Opinion	Complying with legislative frameworks, keeping records and submit AFS	Greater Giyani Municipality	Administration	Income	Operational	Operational		Target not achieved (Qualified Audit Opinion)	Qualified audit opinion	Sufficient appropriate audit evidence to substantiate free basic electricity could not be provided	Development and implementation of the audit action plan. Audit to serve on the Audit steering Committee and the Audit Committee. Strengthening record management system.	AGSA Audit Report	B & T
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Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2021/2022	Adjusted Budget 2021/22	Special Budget Adjustment 2021/22	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	To review the IDP for 2021/2022 and development of 2022/23 IDP financial year by 31 May 2022	IDP review for 2020/2021 was completed and approved by Council on the 30 May 2020	To review the IDP for 2021/2022 and development of 2022/2023 IDP financial year by 31 May 2022	IDP Review	Complete IDP analysis phase, Organise the IDP rep forum. Conduct Strategic Planning session and present to the IDP rep forum, Draft IDP completed and submitted	Greater Giyani Municipality	Administration	Income	550 000	550 000		Target achieved (IDP for 2021/2022 and development of 2022/2023 IDP financial year by 31 May 2022)	N/A	N/A	N/A	Council resolutions, Draft IDP, Strategic plan report, Attendance register, Invitations for strategic plan, IDP Consultation attendance register, IDP Analysis phase	P & Dev

Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2021/2022	Adjusted Budget 2021/22	Special Budget Adjustment 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
						tted to Council for adoption by 31 March 2022, IDP Public participation , Final IDP submitted to council for adoption by 31 May 2022												

Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2021/2022	Adjusted Budget 2021/22	Special Budget Adjustment 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
Performance Management	To develop governance structures and systems that will ensure effective public consultation and organizational discipline	To develop the SDBIP 2022/23 and submit to the Mayor for signature within 28 days after approval of the budget by 30 June 2022	SDBIP 2020/2021 was developed and submitted to the Mayor within 28 days after approval of the budget	Development and submission of the 2022/2023 SDBIP to the Mayor for signature within 28 days after approval of the budget by 30 June 2022	Development of Service Delivery and Budget Implementation Plan (SDBIP)	Collect information from departments, develop a draft SDBIP, Submit to departments for inputs, Incorporate inputs Submit to the Mayor for signature, Submit to council	Greater Giyani Municipality	Administration	Income	Operational	Operational		Target achieved (2022/2023 SDBIP developed and submitted)	N/A	N/A	N/A	Signed SDBIP	MM

Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2021/2022	Adjusted Budget 2021/22	Special Budget Adjustment 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
						l for noting												
Risk Management	To develop governance structures and systems that will ensure effective public consultation	# of risk management activities to be coordinated by 30 June 2022	4 risk activities were coordinated	4 risk activities coordinated by 30 June 2022	Risk Management project	Facilitate and coordinate risk management meetings	Greater Giyani Municipality	Administration	Income	Operational	Operational		Target achieved. (4 Risk Committee meetings held)	N/A	N/A	N/A	Attendance Register	MM

Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2021/2022	Adjusted Budget 2021/22	Special Budget Adjustment 2021/22	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 2022	Audit Committee Charter was developed and submitted to council for approval	Audit Committee Charter developed and submitted to council for approval by 30 June 2022	Audit Committee Charter	Audit Committee Charter submitted to council for approval	Greater Giyani Municipality	Administration	Income	Operational	Operational		Target achieved (Audit Committee Charter developed and submitted to council for approval)	N/A	N/A	N/A	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	To develop the 3year Internal Audit Plan, and Internal Audit Charter and submit to Audit Committee for	3 year Internal Audit plan and Internal Audit Charter was developed and submitted to Audit Committee for	3 year Internal Audit plan and Internal Audit Charter developed and submitted to Audit Committee for	Internal Audit Plan and Internal Audit Charter	Develop the Internal Audit Plan and Internal Audit Charter and submit to Audit Comm	Greater Giyani Municipality	All Wards	Income	Operational	Operational		Target achieved (3 year Internal Audit plan and Internal Audit Charter developed and submitted to Audit	N/A	N/A	N/A	Approved 3-year Internal Audit plan and Internal Audit Charter, AC Resolutions	MM

Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2021/2022	Adjusted Budget 2021/22	Special Budget Adjustment 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
		approval by 30th June 2022	approval	approval by 30 June 2022		Committee for approval							Committee)					
Public Participation	To develop governance structures and systems that will ensure effective public consultation and organizational discipline	# of public participation/imbizos to be convened by 30 June 2022	4 Public participation /imbizos held	4 Public participation/imbizos convened by 30 June 2022	Public Participation	Consult members of the public on service delivery issues	Greater Giyani Municipality	Administration	Income	Operational	To develop governance structures and systems that will ensure effective public consultation and organ		Target Achieved (5 Imbizos conducted)	1	To allow the community to participate on the proposed budget and IDP plans	N/A	Attendance Register and Programme	M

Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2021/2022	Adjusted Budget 2021/22	Special Budget Adjustment 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
											izational							

9. LOWER LEVEL SDBIP

Priority Issue/Programme	Development Objective	Key Performance Indicator	Baseline 2020/21	Annual Target	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2021/22	Adjustment Budget 2021/22	Special Adjustment Budget 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept
9.1 SPATIAL RATIONAL																		
Spatial and Town Planning	To develop an effective spatial framework that promotes integrated and sustainable development	To conduct township establishment expansion (Ngove village) by 30 June 2022	New Indicator	To submit application to Rural Development for deeds to state land (Ngove Village) by 30 June 2022	Town Expansion (Ngove Village)	Expansion	Ngove Village	Ward 21	Income	1 500 000	500 000	500 000	Target achieved (application submitted to Rural Development)	N/A	N/A	N/A	Draft Layout and confirmation letter	P & Dev
Spatial and Town Planning	To develop an effective spatial framework that promotes integrated and sustainable development	Golf Course Development by 30 June 2022	New Indicator	Application to rezone and subdivide Golf Course 30 June 2022	Golf Course Development	Rezoning and subdivision of Golf Course	Giyani D1	Ward 11	Income	1 000 000	1 000 000	1 000 000	Target achieved (land use application done)	N/A	N/A	N/A	Draft Layout and rezoning applications	P & Dev

Spatial and Town Planning	To develop an effective spatial framework that promotes integrated and sustainable development	Formalisation of Church view by 30 June 2022	Draft Layout Plan	To submit application to Rural Development for deeds to state land by 30 June 2022	Formalisation of Church View	Formalisation of Church View	Church View	Ward 11	LGE S	300 000	150 000	150 000	Target achieved (application to Rural Development for deeds to state land submitted)	N/A	N/A	N/A	Proof of submission	P & Dev
Spatial and Town Planning	To develop an effective spatial framework that promotes integrated and sustainable development	Street naming Giyani Section A by 30 June 2022	New Indicator	To conduct public participation on street naming project	Street naming Giyani section A & F	Street naming Giyani Section A & F	Giyani Section A & F	Ward 12 & 13	LGE S	400 000	400 000	400 000	Target not achieved (Conduct Public Participation not conducted)	Public Participation not conducted	Tribunal Committee not appointed	Tribunal Committee appointed during fourth quarter	Attendance register	P & Dev
Spatial and Town Planning	To develop an effective spatial framework that promotes integrated and sustainable development	Street naming Giyani BA & C by 30 June 2022	New Indicator	To conduct public participation on street naming project	Street naming Giyani BA & C	Street naming Giyani BA & C	Giyani BA and C	21	LGE S	300 000	600 000	600 000	Target not achieved (Conduct Public Participation not conducted)	Public Participation not conducted	Tribunal Committee not appointed	Tribunal Committee appointed during fourth quarter	Attendance register	P & Dev

Spatial and Town Planning	To develop an effective spatial framework that promotes integrated and sustainable development	Subdivision, Rezoning and Registration of Municipal Properties in Villages	New Indicator	Application to Rezone and subdivide 3 Municipal Properties by 30 June 2022	Subdivision, Rezoning of Municipal Properties	Rezoning and subdivision of 3 Municipal Properties in villages	Homu, Thomo and Dzumeri	17,10	Income	300 000	480 000	480 000	Target achieved (Application to Rezone and subdivide 3 Municipal Properties)	N/A	N/A	N/A	Draft layout and application	P & Dev
Spatial and Town Planning	To develop an effective spatial framework that promotes integrated and sustainable development	To subdivide & rezone remainder of 1946 Giyani F	New Indicator	Application to Rezoning of remainder 1946 Giyani F	Subdivision & Rezoning of remainder 1946 Giyani F	Subdivision & Rezoning of remainder 1946 Giyani F	Giyani section F	Ward 13	LGES	200 000	450 000	450 000	Target achieved (Application to Rezoning of remainder 1946 Giyani F)	N/A	N/A	N/A	Draft layout and application	P & Dev
Spatial and Town Planning	To develop an effective spatial framework that promotes integrated and sustainable development	To Amend General Plan for the Rezoning and subdivision of parks to be approved by 30 June 2022	New Indicator	Application to Rezoning and subdivision of parks by 30 June 2022	Rezoning and subdivision of parks	Rezoning and subdivision of parks	Giyani township	Ward 13	LGES	300 000	300 000	300 000	Target achieved (Application to Rezoning and subdivision of parks)	N/A	N/A	N/A	Application	P & Dev

Spatial and Town Planning	To develop an effective spatial framework that promotes integrated and sustainable development	To upgrade GIS System by 30 June 2022	New Indicator	Upgrade GIS System by 30 June 2022	GIS Upgrade	GIS Upgrade	N/A	All wards	LGE S	400 000	500 000	500 000	Target not achieved (GIS not upgraded)	Service provider not appointed	Due to Constitutional Court ruling on Preferential Procurement Regulations, 2017	Fastrack appointment process	Advertisement and appointment	P & Dev
Priority Issue/Programme	Development Objective	Key Performance Indicator	Baseline 2020/21	Annual Target	Project Name	Project /Indicator or Description	Location	Ward	Funding Source	Budget 2021/22	Adjustment Budget 2021/22	Special Adjustment Budget 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept
9.2. MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT																		
Wellness Program	To develop and Retain the best Human Capital, Effective and Efficient Administrative and Operational Support System	To conduct inspection on OHS by 30 June 2022	4 OHS reports on site	OHS onsite inspection conducted by 30 June 2022	Occupational health	Development of 4 OHS reports	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	Target achieved (4 OHS onsite inspection conducted)	N/A	N/A	N/A	OHS inspection report	CORP
Human Resources and	To develop and Retain the best	# of Local Labour	12 Local Labour Forum	12 LLF meetings to be	Labour Relations	Maintain good labour	Greater Giyani	Administration	Income	Operational	Human Resou		Target not achieved	8	Due to unavailability of	Invitation to be	Invitations, minutes	CORP

Organizational Development	Human Capital, Effective and Efficient Administrative and Operational Support System	Forum meetings held by 30 June 2022	Meetings held in 2020/2021	held by 30 June 2022		relations	Municipality				Resources and Organizational Development		(4 LLF meetings held)		other LLF Members	circulated in time to all members	es, and attendance registers	
Human Resources and Organizational Development	To develop and Retain the best Human Capital, Effective and Efficient Administrative and Operational Support System	To review the Organogram by 30 June 2022	Approved Organogram 2020/2021	Reviewed organizational structure by 30 June 2022	Organogram review	Review organizational structure	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	Target achieved (Reviewed organizational structure)	N/A	N/A	N/A	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 by 30 June 2022	Approved Organogram 2020/2021	Forty (40) posts to be filled in terms of the organogram by 30 June 2022	Personnel Recruitment	Personnel Recruitment as per priority list	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	Target not achieved (24 posts filled)	16 posts not filled	Postponement of interviews due to urgent engagements by panellists	Adhere to the schedule	Advertisements and Appointment letters	CORP

Information Technology	To develop and Retain the best Human Capital, Effective and Efficient Administrative and Operational Support System	% of network Infrastructure maintained by 30 June 2022	Network Infrastructure maintained	100% of network Infrastructure maintained by 30 June 2022	Infrastructure Maintenance	Maintaining of the network infrastructure	Greater Giyani Municipality	Administration	Income	2,500,000	2,500,000	2,500,000	Target achieved (100% of network Infrastructure maintained)	N/A	N/A	N/A	Maintenance Register	CORP
Information Technology	To develop and Retain the best Human Capital, Effective and Efficient Administrative and Operational Support System	% of municipal website updated by 30 June 2022	Website updated 100% in 2020/21 Financial Year	100% of municipal website updated by 30 June 2022	Update of Municipal website	Placing of compliance documents on municipal website	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	Target achieved (100% of municipal website updated)	N/A	N/A	N/A	Website register	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 by 30 June 2022	4 meetings held in 2020/2021 Financial year	4 IT Steering Committee meetings conducted by 30 June 2022	IT Governance, Risks and Compliance	Coordination of the IT Steering Committee Meeting	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	Target not achieved (3 IT Steering Committee meetings held)	1	Delays in scheduling of the meeting	The meeting to be held on 05 August 2022	Attendance Registers and Minutes	CORP
Provisioning and supply of IT	To develop and Retain the best Human	# of payments made	70 3Gs and Vodacom	12 Payments for Internet	Provisioning and supply	To provide IT Equipm	Greater Giyani	Administration	Income	Operational	income	operational	Target achieved (12 Payment	N/A	N/A	N/A	Invoices	CORP

equipment	Capital, Effective and Efficient Administrative and Operational Support System	for provision of internet connection By 30 June 2022	internet line	t connection	of IT equipment	ent (75 3Gs and Vodacom line)	Municipality						s facilitated)					
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 Tools of Trade for Councilors By 31 December 2021	62 laptops	1 payment made for Tools of Trade for Councilors By 31 December 2021	Provisioning and supply of IT equipment	To provide IT Equipment	Greater Giyani Municipality	Administration	Income	2 200 000			Target achieved (Payment for laptops made)	N/A	N/A	N/A	Invoices	CORP
Office Support - Provision of Office Furniture	To ensure conducive working environment by providing office furniture	Procure and distribute office furniture by June 2022	New Indicator	To Provide office furniture to 20 Offices	Office Furniture	Provision of office furniture	GGM	Administration	Income	Operational			Target not Achieved (Furniture not procured)	Service provider not appointed	Due to Constitutional Court ruling on Preferential Procurement Regulations ,2017	Fastrack appointment process	Invoices and delivery note	CORP

Security of Municipal Premises	To install Cameras at Civic Centre	Acquisition and installation of Cameras by June 2022	New Indicator	To install security Cameras at Civic Centre	Installation of Security cameras at	Provision of security cameras	GGM	Administration	Income	Operational			Target not Achieved (Report on installation of cameras not compiled)	Report on installation of cameras not compiled	Due to Constitutional Court ruling on Preferential Procurement Regulations ,2017	Appointment to be conducted in the next financial year	Invoice and installation Certificate	CORP
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 by June 2022	New Indicator	Acquisition and installation of Walkthrough metal detector and X-Ray Machine by June 2022	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			Target not Achieved (metal detector and X-ray machine not procured)	Metal detector and X-ray machine not procured	Due to Constitutional Court ruling on Preferential Procurement Regulations ,2017	Appointment to be conducted in the next financial year	Invoice and Installation Certificate	CORP
Management of litigation	To develop and Retain the best Human Capital, Effective and Efficient Administrative and Operational	# of litigation matter reduced by 30 June 2022	10 Active Cases	# of litigation matter reduced by 30 June 2022	Management of litigations	Attending and finalizing all litigation cases of the municipality	Greater Giyani Municipality	Administration	Income	7 000 000			Target not achieved (0 litigation matter reduced)	16	Delays on court allocation for dates	To have meetings with service providers and settle	Litigation Register and Report	MM

Priority Issue	Development Objective	Key Performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project Description	Location	Ward	Funding Source	Budget 2021/22	Budget adjustment 2021/22	Special Adjustment Budget 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio of Evidence	Dept
9.3. BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT																		
Electricity Provision	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	To connect 160 units at Tomu Village by 30 June 2022	New Indicator	Connection of 160 units at Tomu Village by 30 June 2022	Electrification of Tomu Village (160)	Construction of Electrical Network Infrastructure	Tomu Village	Ward 05	INEP/LGES	1 800 000	2 900 000	3 780 000	Target not achieved (86 households connected with electricity)	74	Empty stands only provided with capacity	Customers will be covered with free post connection by ESKOM	Progress report Certificate of Completion for Tomu Village	TECH
Electricity Provision	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	To connect 150 units at Blinkwater Village by 30 June 2022	New Indicator	Connection of 150 units at Blinkwater Village by 30 June 2022	Electrification of Blinkwater Village (150)	Construction of Electrical Network Infrastructure	Blinkwater Village	Ward 1	INEP/LGES	2 200 000	2 650 000	2 650 000	Target achieved (150 households connected with electricity)	N/A	N/A	N/A	Progress report Certificate of Completion for Blinkwater Village	TECH

Priority Issue	Development Objective	Key Performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project Description	Location	Ward	Funding Source	Budget 2021/22	Budget adjustment 2021/22	Special Adjust ment Budget 2021/22	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.	To connect 413 units at Mavalani Village by 30 June 2022	New Indicator	Connection of 413 units at Mavalani Village by 30 June 2022	Electrification of Mavalani Village (413)	Construction of Electrical Network Infrastructure	Mavalani Village	Ward 20	INEP/LGES	3 200 000	7 250 000		Target achieved (413 households connected with electricity)	N/A	N/A	N/A	Progress report Certificate of Completion for Mavalani Village	TECH
Electricity Provision	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life.	To connect 220 units at Sifasonke Village by 30 June 2022	New Indicator	Connection of 220 units at Sifasonke by 30 June 2022	Electrification of Sifasonke (220)	Construction of Electrical Network Infrastructure	Sifasonke	Ward 05	INEP/LGES	2 700 000	2 700 000	3 780 000	Target not achieved	220 households not energized	Delay from Eskom to energize	Customers will be covered with free post connection by ESKOM	Progress report Certificate of Completion for Tomu Village	TECH

Priority Issue	Development Objective	Key Performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project Description	Location	Ward	Funding Source	Budget 2021/22	Budget adjustment 2021/22	Special Adjustment Budget 2021/22	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.	To connect 450 units at Siyandhani Village by 30 June 2022	New Indicator	Connection of 450 units at Siyandhani Village by 30 June 2022	Electrification of Siyandhani (450)	Construction of Electrical Network Infrastructure	Siyandhani Village	Ward 7	INEP/LGES	3 700 000	3 600 000	598 696	Target not achieved (Close out reports for Siyandhani Village)	Project could not start due to interference	Project failed to commence due to community interference	Funds were deviated to Mavalani village for electrification	Certificate of Completion for Siyandhani Village	TECH
Electricity Provision	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life.	To connect 250 units at Ndengeza Village by 30 June 2022	New Indicator	Connection of 250 units at Ndengeza Village by 30 June 2022	Electrification of Ndengeza Village (250)	Construction of Electrical Network Infrastructure	Ndengeza Village	Ward 3	INEP/LGES	1 900 000	4 390 000	4 390 000	Target not achieved (213 households connected with electricity)	37	Empty stands only provided with capacity	Customers will be covered with free post connection by ESKOM	Progress report Certificate of Completion for Ndengeza Village	TECH
Electricity Provision	To develop sustainable infrastructure networks which	To connect 150 units at Mavhuza Village	New Indicator	Connection of 150 units at Mavhuza	Electrification of Mavhuza	Construction of Electrical Network Infrastructure	Mavhuza Village	Ward 02	INEP/LGES	1 900 000	1 800 000	1 800 000	Target not achieved	150 households not energised	Delay from Eskom to energise	Customers will be covered with free	Progress report Certificate of Completion for	TECH

Priority Issue	Development Objective	Key Performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project Description	Location	Ward	Funding Source	Budget 2021/22	Budget adjustment 2021/22	Special Adjustment Budget 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio of Evidence	Dept
	promotes economic growth and improve quality of life.	by 30 June 2022		Village by 30 June 2022	Village (150)											post connection by ESKOM	Mavhuza Village	
Electricity Provision	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life.	To connect 100 units at Gon'on'o Village by 30 June 2022	New Indicator	Connection of 100 units at Gon'on'o Village by 30 June 2022	Electrification of Gon'on'o Village (100)	Construction of Electrical Network Infrastructure	Gon'on'o Village	Ward 6	INEP/LGES	1 900 000	1 800 000	1 800 000	Target not achieved (58 households connected)	42	Empty stands only provided with capacity	Customers will be covered with free post connection by ESKOM	Certificate of Completion for Gon'on'o Village	TECH
Electricity Provision	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life.	To connect 100 units at Babangu Village by 30 June 2022	New Indicator	Connection of 100 units at Babangu Village by 30 June 2022	Electrification of Babangu Village (100)	Construction of Electrical Network Infrastructure	Babangu Village	Ward 3	INEP/LGES	1 000 000	1 950 000		Target not achieved	100 households not energized	Delay from Eskom to energize	Customers will be covered with free post connection by ESKOM	Progress report Certificate of Completion for Babangu Village	TECH

Priority Issue	Development Objective	Key Performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project Description	Location	Ward	Funding Source	Budget 2021/22	Budget adjustment 2021/22	Special Adjustment Budget 2021/22	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.	To connect 539 sites Section F by 30 June 2022	New Indicator	539 sites connect with electricity at Section F by 30 June 2022	Electrification of 539 sites (150)	Construction of Electrical Network Infrastructure	Section F	Ward 13	LGES	50 000	50 000	50 000	Target not achieved	Appointment of service provider not conducted	We did not have enough funds	To be prioritize in the next financial year	Appointment Letter	TECH
Electricity Provision	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	To install Traffic Lights in Giyani Township Lighting by 30 June 2022	New Indicator	To install Traffic Lights in Giyani Township Lighting by 30 June 2022	Installation of Traffic Lights in Giyani Township	Installation of Traffic Lights in Giyani Township	Giyani Township	Ward 11,12,13 & 21	LGES	100 000	100 000	1 198 887	Target not achieved (Appointment letter and Project handover	Project not yet commenced	Contract delayed starting	A Mora Letter to be issued to the contractor	Progress report and Completion certificate	TECH

Priority Issue	Development Objective	Key Performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project Description	Location	Ward	Funding Source	Budget 2021/22	Budget adjustment 2021/22	Special Adjustment Budget 2021/22	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.	To install high mast lights in 93 villages (CBD) by 30 June 2022	New Indicator	To Install high mast lights in 93 villages (CBD) by 30 June 2022	Installation of High Mast Lights in 93 Villages (CBD)	Installation of High Mast Lights in 93 Villages (CBD)	Greater Giyani	All wards	LGES	500 000	500 000	1 531 417	Target not achieved (Appointment of Service Provider for CBD High Mast Lights)	Service provider not appointed	Budget constraints	Appointments to be prioritise next financial year	Appointment letter	TECH
Electricity Provision	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life.	To install energy saving street lights in 93 villages (CBD) by 30 June 2022	New Indicator	To install energy saving streetlights in R81 (CBD) by 30 June 2022	Installation of energy saving streetlights	Installation of energy saving street lights	Giyani CBD	All wards	LGES	7 000 000	3 000 000	3 000 000	Target achieved (Service provider appointed)	Service provider appointed	N/A	N/A	Appointment letter	TECH

Priority Issue	Development Objective	Key Performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project Description	Location	Ward	Funding Source	Budget 2021/22	Budget adjustment 2021/22	Special Adjustment Budget 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio of Evidence	Dept
Waste Disposal	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life.	To Develop A waste disposal site by 30 June 2022	Construction of Waste disposal site	Construction of waste disposal site development by 30 June 2022	Waste Disposal Site Development	Development of Giyani waste disposal site	Dzingi dzingi	Ward 21	MIG	500 000	1 675 960	1 675 960	Target achieved (Construction of waste disposal site development)	Project completed	N/A	N/A	Progress report, Practical completion certificate	TECH
Roads, Bridges and Storm water	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	To upgrade 3.5 Km road from gravel to paving at Giyani Section E "Voningani" by 30 June 2022	Detailed designs and tender document	Upgrading of 3.5km road from gravel to Paving by 30 June 2022	Section E upgrading from gravel to paving (Voningani)	Giyani section E "Voningani" Upgrading from gravel to paving	Section E	11	LGES	8 000 000	20 453 874	20 453 874	Target not achieved	Upgrading of 3.5km road from gravel to Paving by 30 June 2022	The project could not be completed due to rainfall	The contractor has been granted extension based on the time lost due to rainfall	Appointment letter, Site handover report Progress report and practical completion certificate	TECH

Priority Issue	Development Objective	Key Performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project Description	Location	Ward	Funding Source	Budget 2021/22	Budget adjustment 2021/22	Special Adjustment Budget 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio of Evidence	Dept
Roads, Bridges and Storm water	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	To develop designs for construction of alternative road to Giyani from R81 by 30 June 2022	Inception, scoping report and Preliminary design.	Designs for Alternative road to Giyani from R81 to developed by 30 June 2022	Alternative road to Giyani from R81	Development of designs for construction of alternative road to Giyani from R81	Ngove, Giyani A	Ward 10 and 12	LGES	500 000	500 000	500 000	Target not achieved (detailed designs not concluded)	Concluding of detailed designs not conducted	Budget constraints	The Municipality to look at the alternative implementing the project	Detailed design report	TECH
Roads, Bridges and Storm water	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	To develop designs for construction of alternative route from Elim road (R578) to Giyani via Siyandhani by 30 June 2022	New Indicator	Designs for Alternative route from Elim road (R578) to Giyani via Siyandhani by 30 June 2022	Alternative route from Elim road (R578) to Giyani via Siyandhani	Development of designs for construction of alternative route from Elim road (R578) to Giyani via Siyandhani	Dzingi dzingi, Siyandhani	Ward 07 and 21	LGES	550 000	550 000	550 000	Target achieved (Detailed design report developed)	Detailed design report developed	N/A	N/A	Detailed design report	TECH

Priority Issue	Development Objective	Key Performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project Description	Location	Ward	Funding Source	Budget 2021/22	Budget adjustment 2021/22	Special Adjustment Budget 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio of Evidence	Dept
Roads, Bridges and Storm water	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	To upgrade access road to Nkhensani Hospital by 30 June 2022	New Indicator	Designs to upgrade access road to Nkhensani Hospital by 30 June 2022	Upgrading of Nkhensani Hospital Access Road	To upgrade access road to Nkhensani Hospital	Section A	Ward 12	LGES	50 000	0	0	Target not achieved (Detailed design report not conducted)	design report not conducted	Budget constraints	To be prioritized in the next financial year	Detailed design report	TE CH
Building and Construction	To develop sustainable infrastructure networks which promotes economic growth and	To upgrade civic centre parking lot by 30 June 2022	Available Parking Lot	Parking lot at Civic Centre upgraded By 30 June 2022	Upgrading of parking lot	To upgrade the parking lot within the municipal offices	GGM offices	CBD	LGES	2 000 000	4 045 647	4 045 647	Target achieved (Parking lot at Civic Centre upgraded)	N/A	N/A	N/A	Advert, Appointment letter, Progress Report & Practical Completion Certificate	TE CH
Building and Construction	To develop sustainable infrastructure networks which promotes	Construction of Civic Centre Phase 4 by 30 June 2022	New Indicator	Construction of Civic Centre Phase 4 by 30 June 2022	Civic Centre Building, Phase 4	Construction of Civic centre council chamber, Hvac, Elevator	Giyani	CBD	LGES	7 064 924	7 064 924	7 064 924	Target achieved (progress report developed)	Progress report developed	N/A	N/A	Progress report.	TE CH

Priority Issue	Development Objective	Key Performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project Description	Location	Ward	Funding Source	Budget 2021/22	Budget adjustment 2021/22	Special Adjustment Budget 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio of Evidence	Dept
	economic growth and					and upgrading of electricity reticulation												
PMU	To develop an effective spatial framework that promotes integrated and sustainable development	# of sites serviced by 30 June 2022	New Indicator	Servicing of 539 sites by 30 June 2022	Servicing of 539 sites	Servicing of 539 sites	Giyani section F	ward 13	LGES	500 000	500 000	500 000	Target not achieved (Appointment)	Service provider not appointed	Budget constraints	To be implemented in the next financial year	Progress report.	TECH
Building and Construction	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	To Develop and Construct Mavalani indoor sport centre by 30 June 2022	New Indicator	Designs and Draft tender document by 30 June 2022	Mavalani indoor sports centre	Development and construction of Mavalani indoor sport centre.	Mavalani village	20	LGES	2 000 000	2 000 000	2 000 000	Target achieved (Design and draft tender document)	N/A	N/A	N/A	Appointment letter, Preliminary design, Detailed design and draft tender document	TECH

Priority Issue	Development Objective	Key Performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project Description	Location	Ward	Funding Source	Budget 2021/22	Budget adjustment 2021/22	Special Adjustment Budget 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio of Evidence	Dept
Building and Construction	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	To Develop and Construct Jim Nghalalu Community Hall by 30 June 2022	New Indicator	Designs and Draft tender document by 30 June 2022	Jim-Nghalalu Community Hall	Development and construction of Jim Nghalalu hall	Jim Nghalalu	30	LGES	2 000 000	2 000 000	2 000 000	Target achieved (Detailed designs and Draft tender document)	Detailed designs and Draft tender document	N/A	N/A	Appointment letter, Preliminary design, Detailed design and draft tender document	TECH
Building and Construction	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	To Develop and Construct Nwazekudze Community Hall by 30 June 2022	New Indicator	Designs and Draft tender document by June 2022	Nwazekudze Community Hall	Development and construction of Nwazekudze community hall	Nwazekudze village	15	LGES	2 000 000	7 602 066	7 602 066	Target achieved (Design and draft tender document)	N/A	N/A	N/A	Appointment letter, Site hand over certificate, progress report and Practical completion certificate	TECH
Sports Facilities	To develop sustainable infrastructure networks which	To Refurbish of Giyani Stadium &	New Indicator	Refurbishment of Giyani Stadium &	Refurbishment of Giyani Stadium & Section A	Refurbishment of Giyani Stadium & Section A	Section A	12	LGES	50 000	0	0	Target not achieved (service provider	Service provider not appointed	Budget constraints	Project to be prioritize next	Appointment letter	TECH

Priority Issue	Development Objective	Key Performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project Description	Location	Ward	Funding Source	Budget 2021/22	Budget adjustment 2021/22	Special Adjustment Budget 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio of Evidence	Dept
	promotes economic growth and improve quality of life	Section A Tennis Court by 30 June 2022		Section A Tennis Court by 30 June 2022	Section A Tennis Court	Tennis Court							not Appointment)			financial year		
Sports Facilities	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	To Refurbish Homu 14B sport centre by 30 June 2022	New Indicator	Designs and Draft tender document by June 2022	Homu 14B Sports centre	Homu 14B Sport centre refurbishment	Homu 14B	9	LGES	4 600 000	4 600 000	4 600 000	Target achieved (Designs and draft tender document)	N/A	N/A	N/A	Appointment letter, Site hand over certificate , progress report and Practical completion certificate	TE CH
Sports Facilities	To develop sustainable infrastructure networks which promotes economic growth and	To construct an extension of Mageva soccer pitch	New Indicator	To construct an extension of Mageva soccer pitch	Extension of Mageva soccer pitch	To construct an extension of Mageva soccer pitch	Mageva - Dzumeri	24 and 25	LGES	1 000 000	1 000 000	1 000 000	Target not achieved (service provider not	Mageva Soccer pitch extension not constructed	Due to Constitutional Court ruling on Preferential Procure	Service provider to be appointed in the	Appointment letter, Site hand over certificate , progress report and Practical	TE CH

Priority Issue	Development Objective	Key Performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project Description	Location	Ward	Funding Source	Budget 2021/22	Budget adjustment 2021/22	Special Adjustment Budget 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio of Evidence	Dept
	improve quality of life			by 30 June 2022									appointed)		ment Regulations ,2017	financial year	completion certificate .	
Sports Facilities	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	construction of sports Centre at Section E by 30 June 2022	New Indicator	Section E Sports Centre constructed by 30 June 2022	Section E Sports Centre	Construction of a roof covering; athletic tracks; soccer pitch; parking area and sidewalks for section sports centre precinct	Giyani Township	Ward 11	LGES	50 000	0	0	Target not achieved	Section E Sports Centre not constructed	Due to budget constraints	To be prioritized in the next financial year	Fixing defects report	TECH

Priority Issue	Development Objective	Key Performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project Description	Location	Ward	Funding Source	Budget 2021/22	Budget adjustment 2021/22	Special Adjustment Budget 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio of Evidence	Dept
Sports Facilities	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Refurbishment of Sporting Facilities (Gawula) by 30 June 2021	New Indicator	Refurbishment of Sporting Facilities (Gawula) by 30 June 2021	Refurbishment of Sporting Facilities (Gawula)	Refurbishment of Gawula Sport centre	Gawula	Ward 18	Income	50 000	0	0	Target not achieved	Fixing of defects nor done	Due to budget constraints	To be prioritized in the next financial year	Fixing defects report	TECH
Sports Facilities	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Refurbishment of Shivulani Sports Centre by 30 June 2022	New Indicator	Refurbishment of Shivulani Sports Centre by 30 June 2022	Refurbishment of sport centre	Refurbishment of Shivulani Sports Centre	Shivulani	Ward 15	Income	1 500 000	3 500 000	3 500 000	Target not achieved (The project is not completed)	Project not completed	Due to Constitutional Court ruling on Preferential Procurement, 2017	Project to be completed in the financial year	Appointment Letter & Completion Certificate	TECH

Priority Issue	Development Objective	Key Performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project Description	Location	Ward	Funding Source	Budget 2021/22	Budget adjustment 2021/22	Special Adjustment Budget 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio of Evidence	Dept
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 2022	170	200 People appointed through EPWP Infrastructure Program by 30 June 2022	EPWP Infrastructure	Creation of jobs through EPWP Infrastructure Program	Giyani Township	All wards	EPWP	5 819 000	0		Target not achieved (163 EPWP appointed)	37 EPWP not appointed	Some of the hired EPWP workers decline before they start their employment	Replacement of EPWP workers	Signed Appointment Memo	TECH
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	130 people appointed through EPWP Environment	200 People appointed through EPWP Environment by 30 June 2022	EPWP Environmental and Culture	Creation of jobs through EPWP Environmental and Culture Program	Giyani Township	All wards	EPWP	4 100 000	0		Target not achieved (150 EPWP appointed)	50 not EPWP appointed	Some of the hired EPWP workers decline before they start their employment	Replacement of EPWP workers	Participant list, Payment Register, Attendance Register	COMM

Priority Issue	Development Objective	Key Performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project Description	Location	Ward	Funding Source	Budget 2021/22	Budget adjustment 2021/22	Special Adjustment Budget 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio of Evidence	Dept
		June 2022																
Environmental Awareness Campaign	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	# of environmental awareness and Educational programs to be conducted by 30 June 2022	8 awareness campaigns conducted	8 Awareness campaigns and Educational programs conducted by 30 June 2022	Environmental Awareness Campaign	Conducting Education awareness campaigns on environmental management to communities	Greater Giyani	All wards	Income	Operational	Operational	Operational	Target achieved ((8 Awareness conducted)	N/A	N/A	N/A	Attendance registers	COMM
Scholar Patrol	To develop sustainable infrastructure networks which promotes economic growth and improve	# of scholar patrol to be conducted by 30 June 2022	38 scholar patrols conducted	20 scholar patrols conducted by 30 June 2022	Scholar Patrol	Conducting of Scholar patrols	All Wards	All Wards	Income	Operational	Operational		Target achieved (20 scholar patrols conducted)	N/A	N/A	N/A	Reports	COMM

Priority Issue	Development Objective	Key Performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project Description	Location	Ward	Funding Source	Budget 2021/22	Budget adjustment 2021/22	Special Adjustment Budget 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio of Evidence	Dept
	quality of life.																	
Speed Checks	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life.	# of speed checks conducted by 30 June 2022	107 Speed checks conducted	40 Speed checks conducted by 30 June 2022	Speed Checks	Conducting of Speed Checks	All Wards	All Wards	Income	Operational	Operational		Target achieved (40 speed check conducted)	N/A	N/A	N/A	Reports	COMM
Traffic summonses issued	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	# of Traffic summonses issued by 30 June 2022	1595 summonses issued	1000(s ec 56) summonses by 30 June 2022	Traffic summonses issued	Issuing of traffic summonses	All Wards	All Wards	Income	Operational	Operational		Target achieved (1608 summonses issued)	608	Traffic flow is increasing every year and cause traffic offenses to keep on	Target to be increased in the next financial year	Reports	COMM

Priority Issue	Development Objective	Key Performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project Description	Location	Ward	Funding Source	Budget 2021/22	Budget adjustment 2021/22	Special Adjustment Budget 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio of Evidence	Dept
															increasing			
Payment of AARTO fees	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	# of Payment of AARTO fees facilitated by 30 June 2022	12	12 payments of AARTO fees facilitated by 30 June 2022	AARTO	Facilitating payment of AARTO	Giyani Section C	Ward 12	Income	Operational	Operational		Target achieved (12 payment facilitated)	N/A	N/A	N/A	Reports	COMM
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 2022	12 payments of DLCA fees facilitated as per Government Gazette	12 payment of DLCA fees facilitated by 30 June 2022	DLCA	Facilitating payment of DLCA	Giyani Section C	Ward 12	Income	Operational	Operational		Target achieved (12 payment facilitated)	N/A	N/A	N/A	Reports	COMM

Priority Issue	Development Objective	Key Performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project Description	Location	Ward	Funding Source	Budget 2021/22	Budget adjustment 2021/22	Special Adjustment Budget 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio of Evidence	Dept
RTMC payments	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	# of RTMC payments facilitated by 30 June 2022	No payments of RTMC fees facilitated	12 payments of RTMC fees facilitated by 30 June by 30 June 2022	Road Traffic Management Corporation fees	Facilitating payment of RTMC fees	Giyani Section C	Ward 12	Income	Operational	Operational		Target achieved (12 payment facilitated)	N/A	N/A	N/A	Reports	COMM
Calibration of VTS	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	# of Calibration of VTS done by 30 June 2022`	1calibration of VTS test equipment as per NRLA	1calibration of VTS test equipment done by 30 June 2022	Vehicle Testing Station Calibration	Facilitating calibration of VTS equipment	Giyani Section C	Ward 12	Income	Operational	Operational		Target achieved (calibration certificate facilitated)	N/A	N/A	N/A	Reports	COMM

Priority Issue	Development Objective	Key Performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project Description	Location	Ward	Funding Source	Budget 2021/22	Budget adjustment 2021/22	Special Adjustment Budget 2021/22	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 2022	12 payments for Agency fee facilitated for payment	12 payments for Agency fees facilitated for payment by 30 June 2022	80% Agency fees	Facilitating payment of 80% agency	Giyani Section C	Ward 12	Income	Operational	Operational		Target achieved (12 payment facilitated)	N/A	N/A	N/A	Reports	COMM
Road safety Operations	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	# of Roadblocks held by 30 June 2022	69 Road blocks operations held	12 Roadblocks held by 30 June 2022	Roadblocks	Conducting of Roadblocks	All Wards	All Wards	Income	Operational	Operational		Target achieved (12 roadblocks conducted)	N/A	N/A	N/A	Reports	COMM

Priority Issue	Development Objective	Key Performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2021/22	Budget adjustment 2021/22	Special Adjustment Budget 2021/22	Actual Performance	Variance	Reason For Variance	Corrective Measures	Portfolio Of Evidence	Dept
9.4. LOCAL ECONOMIC DEVELOPMENT (LOWER SDBIP)																		
Durban Indaba	To Create An Enabling Environment For Sustainable Economic Growth	# of SMME to be exposed to Durban Indaba by 30 June 2022	1 SMME exposed to Durban indaba	1 SMME exposed to Durban Indaba by 30 June 2022	Durban Indaba	Organising and providing transport and accommodation to SMME to attend Durban Indaba	Giyani	Giyani	Income	Operational	Operational		Target achieved (1 SMME to be exposed to Durban Indaba)	N/A	N/A	N/A	Invitation, Attendance Register	P & Dev

Priority Issue/Programme	Development Objective	Key Performance Indicator	Baseline 2020 /21	Annual Targets	Project Name	Project Description	Location	Ward	Funding Source	Budget 2021/2022	Budget adjustment 2021/22	Special Adjustment Budget 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept
9.5. MUNICIPAL FINANCE MANAGEMENT AND VIABILITY (LOWER SDBIP)																		
Revenue Management	To improve financial management systems to enhance revenue base	Implementation of Revenue Enhancement Strategy by 30 June 2022	Revenue enhancement strategy reviewed and implemented	Revenue enhancement strategy reviewed and implemented by 30 June 2022	Revenue enhancement strategy implemented	Prepare report on the implementation of revenue enhancement strategy	Greater Giyani Municipality	Administration	Income	Operational	Revenue Management		Target achieved (Report on implementation of revenue strategy)	N/A	N/A	N/A	Report on the implementation of revenue enhancement strategy	B&T
Budget and Reporting	To improve financial management systems to enhance revenue base	To table the draft budget to council by 31 March 2022	Draft budget was tabled to council	Draft budget tabled to council by 31 March 2022	Draft budget	Collect budget information from departments, Consolidate the budget, Present the draft to management, portfolio committee, EXCO	Greater Giyani Municipality	Administration	Income	Operational	Operational		Target achieved (Draft budget tabled to council by 31 March 2022)	N/A	N/A	N/A	Draft budget and Council Resolution	B&T

Priority Issue/Programme	Development Objective	Key Performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project Description	Location	Ward	Funding Source	Budget 2021/2022	Budget adjustment 2021/22	Special Adjustment Budget 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept
						and Submit to council for approval												
Budget and Reporting	To improve financial management systems to enhance revenue base	To submit the final budget to council by 31 May 2022	Final budget was submitted to council	Final budget submitted to council by 31 May 2022	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	Operational		Target achieved (Budget approved)	N/A	N/A	N/A	Final budget and Council Resolution	B&T
Budget and Reporting	To improve financial management system	To submit the Annual Financial statements to AG by 31	Financial statements was compiled and	Annual Financial statements compiled and submitted to AG	Financial statements	Compile the financial statement. Review the compile	Greater Giyani Municipality	Administration	Income	Operational	Operational		Target achieved (AFS prepared and submitted to AGSA)	N/A	N/A	N/A	Copy of Annual Financial statements	B&T

Priority Issue/Programme	Development Objective	Key Performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project Description	Location	Ward	Funding Source	Budget 2021/2022	Budget adjustment 2021/22	Special Adjustment Budget 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept
	s to enhance venue base	August 2021	submit to AG on the 31 August 2020	by 31 August 2021		d financial statement. Present to management meeting. Submit to AG for auditing.												
Budget and Reporting	To improve financial management systems to enhance venue base	# of section 71 reports submitted to Treasury within 10 days after the end of the month by 30 June 2022	12 Reports submitted in 2020/21	12 Section 71 Reports submitted to Treasury by 30 June 2022	Section 71 report submission	Compile the section 71 report. Submit to treasury within 10 after the end of the month.	Greater Giyani Municipality	Administration	Income	Operational	Operational		Target achieved (12 Section 71 Reports submitted to Treasury)	N/A	N/A	N/A	Acknowledgement from Treasury	B&T

Priority Issue/Programme	Development Objective	Key Performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project Description	Location	Ward	Funding Source	Budget 2021/2022	Budget adjustment 2021/22	Special Adjustment Budget 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept
Budget and Reporting	To improve financial management systems to enhance venue base	Section 72 Mid-year) report submitted to Mayor and Treasury on or before 25 January 2022 as per the legislation	New Indicator	1 Section 72 Report submitted to Mayor by 25 January 2022 and to Council by the end of the quarter	Section 72 report submission	Compile the section 72 report and submit to the Mayor by 25 January as per the legislation and to Council	Greater Giyani Municipality	Administration	Income	Operational	Operational		Target achieved (Sec 72 Report, Mayor's acknowledgment of receipt and Council Resolution attached)	N/A	N/A	N/A	Sec 72 Report, proof of submission to Mayor and treasury	B&T
Supply Chain Management	To improve financial management systems to enhance venue base	# of Quarterly SCM reports submitted to the MM per quarter	New Indicator	4 Quarterly SCM reports submitted to MM	Supply Chain Management Reports	Submit quarterly Supply Chain Management reports to MM per quarter	Greater Giyani Municipality	Administration	Income	Operational	Operational		Target achieved (4 SCM report compiled)	N/A	N/A	N/A	Quarterly SCM reports and MM's Acknowledgment of receipt	B&T

Priority Issue/Programme	Development Objective	Key Performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project Description	Location	Ward	Funding Source	Budget 2021/2022	Budget adjustment 2021/22	Special Adjustment Budget 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept
Supply Chain Management	To improve financial management systems to enhance venue base	#of UIF report/Letter submitted to AGSA and MEC for local government	New Indicator	4 quarterly UIF letters/report submitted on UIF identified per quarterly	UIF Expenditure	submit letters to AGSA and MEC for local government on UIF Identified per quarter	Greater Giyani Municipality	Administration	Income	Supply Chain Management	To improve financial management systems to enhance venue base		Target not achieved	UIF report not submitted to AGSA and COGHTA	Management only reported UIF as and when it occurs	Management to report UIF on a quarterly basis	Proof of submission	B&T
Asset Management	To improve financial management systems	Quarterly Insurance Report to Risk Management Committee	New Indicator	4 Quarterly Insurance reports be submitted to Risk Management Committee	Insurance Report	Submit quarterly Insurance reports to Risk Management Committee	Greater Giyani Municipality	Administration	Income	Operational			Target achieved (4 Quarterly Insurance Report to Risk Management Committee)	N/A	N/A	N/A	Insurance Reports	B&T
Asset Management	To improve financial management	# of Assets verification report submitted	New Indicator	1 Assets verification reports submitted to	Asset Register	Receive new acquisitions, Bar code and	Greater Giyani Municipality	Administration	Income	Operational	Operational		Target achieved (1 asset verification report	N/A	N/A	N/A	Asset Verification Reports	B&T

Priority Issue/Programme	Development Objective	Key Performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project Description	Location	Ward	Funding Source	Budget 2021/2022	Budget adjustment 2021/22	Special Adjustment Budget 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept
	ement systems to enhance venue base	d to AGSA by 31 August 2021		AGSA by 31 August 2021		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							developed)					
Asset Management	To improve financial management	Quarterly Assets Management Report to Finance	New Indicator	4 Quarterly Assets reports to be submitted to	Asset management Report	Submit quarterly Asset management reports to	Greater Giyani Municipality	Administration	Income	Operational			Target achieved (4 Quarterly asset report	N/A	N/A	N/A	Asset Management Report	BTO

Priority Issue/Programme	Development Objective	Key Performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project Description	Location	Ward	Funding Source	Budget 2021/2022	Budget adjustment 2021/22	Special Adjustment Budget 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept
	systems	Portfolio Committee		Finance Portfolio Committee		Finance Portfolio Committee							developed)					
Asset Management	To improve financial management systems	# Fleet Fuel and Maintenance Expenditure Management by 30 June 2022	New Indicator	4 Quarterly Fleet Fuel and Maintenance Expenditure Management Report by 30 June 2022	Fleet Vehicles & Machinery	Perform fuel and expenditure management.	Greater Giyani Municipality	Administration	Income	Operational			Target achieved (fuel and maintenance report developed)	N/A	N/A	N/A	Fuel and Maintenance Report.	BTO
Priority Issue/Programme	Development Objective	Key Performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project Description	Location	Ward	Funding Source	Budget 2021/22	Budget adjustment 2021/22	Special Adjustment Budget 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept
9.6 GOOD GOVERNANCE AND PUBLIC PARTICIPATION (LOWER SDBIP)																		
Public Participation	To develop governance	# of ward committee meeting	372 Ward Committee	372 Ward Committee meeting	Support services for monthl	Support services through PPOs to have	Greater Giyani Municipality	Administration	Income	Operational	Operational		Target not achieved (Coordinate 155	217	Delays in appointment and	We have established Ward	Attendance registers and Ward committee	CORP

Priority Issue/Programme	Development Objective	Key Performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project Description	Location	Ward	Funding Source	Budget 2021/2022	Budget adjustment 2021/22	Special Adjustment Budget 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept
	structures and systems that will ensure effective public consultation and organizational discipline	s conducted by 30 June 2022	meetings	s conducted by 30 June 2022	y ward committee meetings	monthly ward committee meetings in each of 31 wards							ward committee meetings conducted)		induction training which took place in May 2022 therefore the Ward committee members were unable to give report	committee forum to deal with issues of reporting and adhering to SDBIP.	e quarterly report	
Internal Auditing	To develop governance structures and systems that will ensure effective public consultation	# of findings resolved in the Internal Audit Action Plan by 30 June 2022	Implementation in 2020/21 Internal Audit Action plan	100% of findings resolved in the Internal Audit Action Plan by 30 June 2022	Internal Audit Action Plan	Implementation of the Internal Audit Action Plan	Greater Giyani Municipality	Administration	Income	Operational	Operational		Target not achieved . 60% (170/282) of findings resolved	40% (112/282) findings not resolved	Management not implementing Internal Auditors recommendations.	Findings not resolved to be followed up	Updated Internal Audit Action Plan	MM

Priority Issue/Programme	Development Objective	Key Performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project Description	Location	Ward	Funding Source	Budget 2021/2022	Budget adjustment 2021/22	Special Adjustment Budget 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept
	and organizational discipline																	
Internal Auditing	To develop governance structures and systems that will ensure effective public consultation and organizational discipline	% of findings resolved in the AG(SA) Action Plan by 30 June 2022	Implementation of AG(SA) Action Plan	100% of findings resolved in the AG(SA) Action Plan by 30 June 2022	AG(SA) action plan	Implementation of the AG(SA) action plan	Greater Giyani Municipality	Administration	Income	Operational	Operational		Target not achieved. 25% (17/67) findings resolved	75% (50/67) finding not resolved	Management not implementing Auditors recommendations	Findings not resolved to be followed up	Updated Audit Action Plan	MM
Internal Auditing	To develop governance structures and	# of Audit and Performance Audit Committee	6 Audit and performance committee	4 Audit and Performance Committee meeting	Audit and Performance Audit Committee	Organize Audit and Performance Audit Committee	Greater Giyani Municipality	Administration	Income	Operational	Operational		Target achieved (4 Audit and Performance Committee	N/A	N/A	N/A	Minutes, Attendance register	MM

Priority Issue/Programme	Development Objective	Key Performance Indicator	Baseline 2020 /21	Annual Targets	Project Name	Project Description	Location	Ward	Funding Source	Budget 2021/2022	Budget adjustment 2021/22	Special Adjustment Budget 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept
	systems that will ensure effective public consultation and organizational discipline	meetings to be held by 30 June 2022	meetings held	held by 30 June 2022		meetings							meetings held)					
Internal Auditing	To develop governance structures and systems that will ensure effective public consultation and organizational	# of Audit and Performance Audit Committee Reports developed and submitted to Council by 30 June 2022	4 Audit and Performance Audit Committee Reports	4 Audit and Performance Audit Committee Reports developed and submitted to Council by 30 June 2022	Audit and Performance Audit Committee Reports	Develop Audit and Performance Audit Committee Reports	Greater Giyani Municipality	Administration	Income	Operational	Operational		Target achieved (4 Audit and Performance Audit Committee Reports developed and submitted to Council)	N/A	N/A	N/A	Report to Council, Council resolution	MM

Priority Issue/Programme	Development Objective	Key Performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project Description	Location	Ward	Funding Source	Budget 2021/2022	Budget adjustment 2021/22	Special Adjustment Budget 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept
	discipline																	
Internal Auditing	To develop governance structures and systems that will ensure effective public consultation and organizational discipline	# of Audit Steering Committee meetings to be held by 30 June 2022	8 Audit Steering Committee held	8 Audit Steering Committee meetings held by 30 June 2022	Audit Steering Committee	Organize Audit Steering Committee meetings	Greater Giyani Municipality	Administration	Income	Operational	Operational		Target achieved (8 Audit Steering Committee meetings held)	N/A	N/A	N/A	Minutes, Attendance register	MM
Performance Management	To develop governance structures and systems	# of institutional performance reports developed	4 institutional performance reports	4 Institutional performance reports developed	Quarterly performance reports	Develop a reporting template and send to departments,	Greater Giyani Municipality	Administration	Income	Operational	Operational		Target achieved (4 reports developed)	N/A	N/A	N/A	Institutional Performance Report and Council Resolution	MM

Priority Issue/Programme	Development Objective	Key Performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project Description	Location	Ward	Funding Source	Budget 2021/2022	Budget adjustment 2021/22	Special Adjustment Budget 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept
	that will ensure effective public consultation and organizational discipline	d and submitted to Council by 30 June 2022	developed	d and submitted to Council by 30 June 2022		Receive completed template and consolidate into one report. Organise SDBIP Management meeting to consider the report. Submit the report to Council for approval												
Library Outreach Program	To develop governance structures and systems that	# of library outreach conducted by 30 June 2022	12 Library outreach conducted	12 Library outreach conducted by 30 June 2022	Library outreach	Conduct library outreach to identified schools	Greater Giyani Municipality	All wards	Income	Operational	Operational		Target not achieved (10 library outreach conducted)	2	During the second quarter the targeted schools are in prepara	During the next financial year, the department will not target	Attendance registers	CO MM

Priority Issue/Programme	Development Objective	Key Performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project Description	Location	Ward	Funding Source	Budget 2021/2022	Budget adjustment 2021/22	Special Adjustment Budget 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept
	will ensure effective public consultation and organizational discipline														tion of Examinations	for library outreach for second quarter		
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 2022(Mayor, s Tournament, Youth Support, Gender Support, HIV/Candle lighting, Child& Old Age	20 Special Programs activities conducted	16 Special Programs organized by 30 June 2022	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	Operational		Target not achieved (8 special programmes conducted)	8	During the 1 st and 2 nd quarter we could not have gatherings due covid 19 public gathering restrictions	We have re-established the special programmes	Attendance Registers, Invitations , programs	MM

Priority Issue/Programme	Development Objective	Key Performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project Description	Location	Ward	Funding Source	Budget 2021/2022	Budget adjustment 2021/22	Special Adjustment Budget 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept
		Support, Disability Support)																
Newsletter	To develop governance structures and systems that will ensure effective public consultation and organizational discipline	# of Rito newsletters to be produced and circulated by 30 June 2022	4 Rito newsletter produced	4 Rito newsletter edition produced and circulated by 30 June 2022	Rito newsletter	Producing and Circulating of the Rito newsletter	Greater Giyani Municipality	Administration	Income	Operational	Operational		Target not achieved (2 Rito newsletters published and circulated)	2	Service provider contract lapsed	The tender for publishing Rito newsletter has been advertised and will appoint during the first quarter	4 Rito newsletters editions	MM
Public Participation	To develop governance structures and system	# of ward report back meetings to be conducted by 30	124 Report back meetings held	124 ward report back meetings conducted by 30	Ward Public Report Back meetings	Consult members of the public on service delivery issues	Greater Giyani Municipality	All wards	Income	Operational	Operational		Target not achieved (Coordinate 16 ward committee	108	Ward committee members were unable to give report	We have established Ward committee forum	Attendance Registers and Minutes	CORP

Priority Issue/Programme	Development Objective	Key Performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project Description	Location	Ward	Funding Source	Budget 2021/2022	Budget adjustment 2021/22	Special Adjustment Budget 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept
	s that will ensure effective public consultation and organizational discipline	June 2022		June 2022									meetings conducted in the fourth quarter)		due to delay in induction training which took place in May 2022	to deal with issues of reporting and adhering to SDBIP.		
Public Hearing of MPAC	To develop governance structures and systems that will ensure effective public consultation and organizational	# of MPAC Public Hearing to be coordinated by 31 March 2022	1 MPAC Public hearing conducted on 31 March 2020	1 MPAC Public Hearing coordinated by 31 March 2022	MPAC Public Hearing	Conduct public hearing of the 2019/20 Annual Report	Greater Giyani Municipality	Administration	Income	Operational	Operational		Target not achieved (Public hearing conducted)	(Public hearing conducted during May)	The Draft APR was tabled late due to dispute between GGM and AGSA	To comply with timelines and speed up processes of resolving dispute	Attendance registers and advert	CORP

Priority Issue/Programme	Development Objective	Key Performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project Description	Location	Ward	Funding Source	Budget 2021/2022	Budget adjustment 2021/22	Special Adjustment Budget 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept
	discipline																	
Customer Satisfaction Survey	To develop governance structures and systems that will ensure effective public consultation and organizational discipline	To review Customer Satisfaction Survey by 30 June 2022	1 Customer satisfaction Survey conducted	1 Customer satisfaction Survey reviewed by 30 June 2022	Customer Satisfaction Survey	Distribution of Customer Satisfaction survey questionnaire to communities to collect information on customer satisfaction	Greater Giyani Municipality	All wards	Income	Operational	N/A		Target achieved (Customer survey conducted)	N/A	N/A	NA	Reports and Questionnaires	MM
Arts and Culture Support	To promote Arts and Culture within the comm	To host Arts and Culture Festival by September 2021	1 festival was held in 2019	One event of Arts and Culture festival to be held in September 2021	Arts & Culture Support	To host Arts and Culture festival	All Wards	All wards	Income	Operational	Operational		Target not achieved (Arts and Culture festival not held)	(Arts and Culture festival not held not held)	Budget not available	To be budgeted for in the next financial year	Attendance register	CO MM

Priority Issue/Programme	Development Objective	Key Performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project Description	Location	Ward	Funding Source	Budget 2021/2022	Budget adjustment 2021/22	Special Adjustment Budget 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept
	unity members																	
Heritage Day Celebration	To promote the Culture of heritage within members of the community	To host the Heritage Day Celebration by September 2021	1 Heritage Day Celebration was held	1 Heritage Day Celebration held in September 2021	Heritage Day Celebration	To host Heritage Day Celebration	All Wards	All wards	Income	Operational	Operational		Target not achieved (Heritage Day Celebration held)	Heritage day celebration not held	Budget not available	To be budgeted for in the next financial year	Attendance register	COMM
Sport Development	To develop Sports programmes within the community members	# of sporting codes supported by 30 June 2022	7 wards benefited	1 sporting code supported by 30 June 2022	Sport Development	To procure sporting equipments	All Wards	All wards	Income	Operational	Operational		Target not achieved (sporting code not supported)	1	Budget not available	To be budgeted for in the next financial year	Attendance register	COMM
Indigenous games	To promote the Indigenous	To Coordinate and host indigenous	Local, District and Provincial	Coordinate the selection of local team of	Indigenous Games	1 local Indigenous games	All Wards	All wards	Income	Operational	Operational		Target not achieved (Local indigenous	1	Budget not available	To be budgeted for in the next	Attendance register	COMM

Priority Issue/Programme	Development Objective	Key Performance Indicator	Baseline 2020/21	Annual Targets	Project Name	Project Description	Location	Ward	Funding Source	Budget 2021/2022	Budget adjustment 2021/22	Special Adjustment Budget 2021/22	Actual Performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept
	games within the community members	us games within the community by 30 June 2022	Indigenous games coordinated and hosted	Indigenous games by June 2022		to be hosted							us games not conducted)			financial year		

10. Measures taken to improve performance

No.	PROJECT NAME.	TARGET	STATUS	CHALLENGES	INTERVENTIONS
SPATIAL RATIONALE					
1	Review of SDF	Reviewing of the SDF by 30 June 2022	Target not Achieved	Government still processing Gazetting	Follow up with Government Gazette
2	Alignment of LUS	Alignment of LUS by June 2022	Target not Achieved	Government still processing Gazetting	Follow up with Government Gazette

No.	PROJECT NAME.	TARGET	STATUS	CHALLENGES	INTERVENTIONS
3	Street naming Giyani section A& F	Street naming Giyani Section A by 30 June 2022	Target not achieved	Restriction of public gatherings due to Covid-19	Public participation to be conducted during new financial year
4	Street naming Giyani section BA& C	Street naming Giyani Section BA&C by 30 June 2022	Target not achieved	Restriction of public gatherings due to Covid-19	Public participation to be conducted during new financial year
5	GIS Upgrade	Upgrade GIS System by 30 June 2022	Target not achieved	Treasury Circular prohibited procurement process	Fasttrack appointment process
MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT					
1	Portfolio Committee Meetings	96 Portfolio Committee Meetings (12 Per Portfolio Committee) by 30 June 2022	Target not achieved (43 portfolio committee meetings)	59 Portfolio committee members not adhering to schedules	Chairpersons of Portfolio Committees to ensure meetings Adherence to the scheduled are adhered to
2	Personnel Recruitment	Sixty (40) posts to be filled in terms of the organogram by 30 June 2022	Target not achieved (24 posts filled)	Postponement of interviews	Adhere to the schedule

No.	PROJECT NAME.	TARGET	STATUS	CHALLENGES	INTERVENTIONS
3	Management of litigation	# of litigation cases received and finalized by 30 June 2022	Target not achieved (16 cases not finalized)	Delays on court allocation for dates	To have meetings with service providers and settle the matter out of court
4	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	Target not achieved	Due to Constitutional Court ruling on Preferential Procurement Regulations ,2017	Appointment to be conducted in the next financial year
5	Office Furniture	Procurement and distribute office furniture by June 2022	Target not achieved	Due to Constitutional Court ruling on Preferential Procurement Regulations ,2017	Fasttrack appointment process
6	Labour Relation	12 Local Labour Forums meetings held in 2021/22	Target not achieved. 4 LLF meetings conducted	Due to unavailability of LLF members	Invitation to be circulated on time to all LLF members
7	IT Governance, Risks and Compliance	4 IT Steering Committee meetings conducted by 30 June 2022	Target not achieved. 3 IT steering committee meetings held	Delays in scheduling of the meeting	The meeting to be held on 5 th August 2022
8	Provision of security cameras	To install security cameras at Civic Centre	Target not achieved	Due to Constitutional Court ruling on Preferential Procurement Regulations ,2017	Appointment to be conducted in the next financial year

No.	PROJECT NAME.	TARGET	STATUS	CHALLENGES	INTERVENTIONS
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 2022	Target not achieved	Budget constraints	Project to be prioritized next financial year
2	Refurbishment of Sporting Facilities Gawula	Refurbishment of Sporting Facilities Gawula by 30 June 2022	Target not achieved	Budget constraints	Project to be prioritized next financial year
3	Refurbishment of Shivulani Sports centre	Refurbishment of Shivulani Sports centre by 30 June 2022	Target not achieved	Due to Constitutional Court ruling on Preferential Procurement Regulations ,2017	Project to be prioritized next financial year
4	Extension of Mageva Soccer Pitch	To construct an extension of Mageva Soccer pitch by 30 June 2022	Target not achieved	Due to Constitutional Court ruling on Preferential Procurement Regulations ,2017	Service Provider to be appointed in the next financial year
5	Section E Sports Centre	Section E Sports Centre constructed by 30 June 2022	Target not achieved	Budget constraints	Project to be prioritized next financial year
6	Electrification of Tomu Village (160)	Connection of 160 units at Tomu Village by 30 June 2022	Target not achieved. 93 connected	Empty stands only provided with capacity	Customers will covered with free post connection by Eskom

No.	PROJECT NAME.	TARGET	STATUS	CHALLENGES	INTERVENTIONS
7	Electrification of Siyandhani Village (450)	Connection of 450 units at Siyandhani Village by 30 June 2022	Target not achieved. 0 connected	Project failed to commence due to community interference	Funds were deviated to Mavalani village for electrification
8	Electrification of Mavhuza Village (100)	Connection of 100 units at Mavhuza Village by 30 June 2022	Target not achieved. 81 connected	Empty stands only provided with capacity	Customers will covered with free post connection by Eskom
9	Electrification of Gon'on'o Village (100)	Connection of 100 units at Gon'on'o Village by 30 June 2022	Target not achieved. 58 connected	Empty stands only provided with capacity	Customers will covered with free post connection by Eskom
10	Electrification of Babangu Village (100)	Connection of 100 units at Babangu Village by 30 June 2022	Target not achieved. 80 connected	Empty stands only provided with capacity	Customers will covered with free post connection by Eskom
11	Electrification of Sifasonke Village (220)	Connection of 220 units at Sifasonke Village by 30 June 2022	Target not achieved.	Empty stands only provided with capacity	Customers will covered with free post connection by Eskom
12	Electrification of Ndengeza1 Village (250)	Connection of 250 units at Ndengeza Village by 30 June 2022	Target not achieved. 213 connected	Empty stands only provided with capacity	Customers will covered with free post connection by Eskom
13	Electrification of 539 sites (150)	539 sites connected with electricity at Section F by 30 June 2022	Target not achieved. 0 connected	We could not receive additional funds department of Energy	To be prioritized in the next financial year

No.	PROJECT NAME.	TARGET	STATUS	CHALLENGES	INTERVENTIONS
14	Installation of traffic lights in Giyani township	Installation of traffic lights in Giyani township by 30 June 2022	Target not achieved	Contract delayed to start	A Mora Letter to be issued
15	Installation of high mast lights in 93 villages (CBD)	To Installation of high mast lights in 93 villages (CBD) by 30 June 2022	Target not achieved	Budget constraints	Appointment to be prioritized in the next financial year
16	Alternative road to Giyani from R81	Designs for Alternative road to Giyani from R81 to developed by 30 June 2022	Target not achieved	Budget constraints	The municipality to look at the alternative implementation of the project
17	Upgrading of Nkhensani Hospital Access road	Designs to upgrade Nkhensani Hospital by 30 June 2022	Target not achieved	Budget constraints	To be prioritized in the next financial year
18	Servicing of 539 sites	Servicing of 539 sites by 30 June 2022	Target not achieved	Budget constraints	To be implemented in the next financial year
19	Construction of Ndhambi Taxi Rank	Construction of Ndhambi Taxi Rank	Target not achieved	Community unrest	Improved Stakeholder engagement

No.	PROJECT NAME.	TARGET	STATUS	CHALLENGES	INTERVENTIONS
20	MIG Spending	100% MIG Spent by 30 June 2022	Target not achieved	Community unrest at Ndhambi taxi rank and usage of own funding on MIG funded projects	Improved stakeholder engagements and Expenditure monitoring
21	EPWP Infrastructure	200 People appointed through EPWP Infrastructure Program by 30 June 2022	Target not achieved	Some of the hired EPWP workers decline before they start their employment	Replacement of EPWP workers
22	EPWP Environmental	200 People appointed through EPWP Environment by 30 June 2022	Target not achieved	Some of the hired EPWP workers decline before they start their employment	Replacement of EPWP workers
LOCAL ECONOMIC DEVELOPMENT					
1	LED Strategy Review	1 LED Strategy reviewed and approved by 30 June 2022	Target not achieved	Due to Constitutional Court ruling on Preferential Procurement Regulations ,2017	Appointment to be conducted in the next financial year
2	Adjudication Committee Meeting	12 Business Registration and Licensing adjudication committee meetings	Target not achieved	No applications received from applicants	N/A
3	LED Forum	4 LED Forums held	Target not achieved	Due to congestion of programs	Adhere to schedule

No.	PROJECT NAME.	TARGET	STATUS	CHALLENGES	INTERVENTIONS
GOOD GOVERNANCE AND PUBLIC PARTICIPATION					
1	Support services for monthly ward committee meetings	372 Ward Committee meetings conducted by 30 June 2022	Target not achieved (155 Ward committee meetings coordinated)	Delays in appointment and induction training which took place in May 2022 therefore ward committee members were unable to give reports	We have established ward forum to deal with issues of reporting and adhering to SDBIP
2	Internal Audit Action Plan	100% of total number of findings resolved in the Internal Audit Action Plan by 30 June 2022	Target not achieved; 60% findings resolved	Management not implementing Internal Auditors recommendations.	Findings not resolved to be followed up
3	Library outreach	12 Library Outreach conducted by 30 June 2022	Target not achieved. 11 Library Outreach conducted	During the second quarter the targeted schools were in preparation of examinations	During the next financial year the department will not target for Library outreach during second quarter
4	Public Participation	124 report back meetings conducted by 30 June 2022	Target not achieved. 16 conducted	Ward committee members were unable to give report due delay in induction training which took place in May 2022	We have established ward committee forum to deal with issues of reporting and adhering to SDBIP
5	Special Programme	16 Special Programs organized by 30 June 2022	Target not achieved. 8 special programmes conducted	During the 1 st and second quarter we could not have gatherings due to public gatherings restrictions	We have re-established the special programmes
6	Rito Newsletter	4 Rito Newsletter edition produced and circulated by 30 June 2022	Target not achieved. 3 editions produced and circulated	Contract has lapsed	The tender for publishing Rito newsletter has been advertised and will appoint during the first quarter

No.	PROJECT NAME.	TARGET	STATUS	CHALLENGES	INTERVENTIONS
7	Arts & Culture	One event of Arts & Culture Festival to be held in September 2021	Target not achieved	Budget not available	To be budgeted for in the financial year
8	Heritage Day Celebration	1 Heritage Day Celebration held in September 2020	Target not achieved	Budget not available	To be budgeted for in the financial year
9	Sport Development	7 sporting code supported by 30 June 2022	Target not achieved	Budget not available	To be budgeted for in the financial year
10	Indigenous Games	Coordinate the selection of local team of Indigenous games by June 2022	Target not achieved	Budget not available	To be budgeted for in the financial year
MUNICIPAL FINANCIAL AND VIABILITY MANAGEMENT					
1	(AGSA) Action Plan	100% of total number of findings resolved in the AG(SA) Action Plan by 30 June 2020	Target not achieved. 25% findings resolved	Management not implementing Auditors recommendations	Findings not resolved to be followed up
2	UIF Expenditure	4 quarterly UIF letters/reports submitted on UIF identified per quarter	Target not achieved	Management only reports UIF as and when it occurs	Management to report UIF on a quarterly basis

MUNICIPAL FINANCIAL AND VIABILITY MANAGEMENT					
1	(AGSA) Action Plan	100% of total number of findings resolved in the AG(SA) Action Plan by 30 June 2020	Target not achieved. 25% findings resolved	Management not implementing Auditors recommendations	Findings not resolved to be followed up
2	UIF Expenditure	4 quarterly UIF letters/reports submitted on UIF identified per quarter	Target not achieved	Management only reports UIF as and when it occurs	Management to report UIF on a quarterly basis

Signed by



Chauke MM

Municipal Manager

31/08/2022

Date

THE SERVICE PROVIDER MUST BE RATED BASED ON POOR,GOOD,VERY GOOD AND EXCELLENT

Performance rating of service providers for the year 2021/2022

No	Suppliers	Description providers	Contract start date	Contract end date	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Commit
1	PAYDAY	PAY ROLL - FINANCIAL SYSTEM SUPPORT	12/31/2019	n/a	Very good	Very good	Very good	Very good	
2	AISA BANK		6/6/2018	6/5/2023	Excellent	Excellent	Excellent	Excellent	
3	STANDARD BANK	PROVISION FOR BANKING SERVICES	6/6/2018	6/5/2023	N/A	N/A	N/A	N/A	
4	NEDBANK		6/6/2018	6/5/2023	N/A	N/A	N/A	N/A	
5	CALSAVE	TELEPHONE SERVICES	5/9/2017		Good	Good	Good	Good	
10	MASUNGULO TOWN AND REGIONAL PLANNERS	FORMALIZATION OF SETTLEMENT G/G/M/015/004/2016	1/30/2016	6/30/2022	Good	Good	Good	Good	
14	RMSD ENGINEERING CONSULTING	ALTERNATIVE ACCESS ROAD TO GIYANI	10/25/2019	n/a	N/A	N/A	N/A	N/A	
17	MAPOKE CONSULTING	UPGRADING OF XIRUKWANE FROM GRAVEL TO TAR	05/06/2018	N/A	Good	Good	Good	Good	
20	I @ CONSULTING	REZONING AND SUBDIVISION OF PARBS	1 Jul 2018	30 Jun 2022	Very Good	Very Good	Very Good	Very Good	
21	JACQUES DU TOIT	PROCLAMATION PROGRAM, LAND AUDIT AND LAND ACQUISITION	1 Jul 2018	30 Jun 2022	Good	Good	Good	Good	
22	GAP DEVELOPMENT PLANNERS	TOWNSHIP ESTABLISHMENT OF VARIOUS VILLAGES(SIYANDHANI VILLAGE)	1 Jul 2018	30 Jun 2022	Good	Good	Good	Good	
23	GAP DEVELOPMENT PLANNERS	FORMALIZATION OF CHURCH VIEW	1 Jul 2018	30 Jun 2022	Good	Good	Good	Good	
24	LIBERTY TOWN PLANNERS	STREET NAMING(INCLUDING REGISTRATION)	1 Jul 2018	30 Jun 2022	Good	Good	Good	Good	
25	JACQUES DU TOIT	NGOVE TOWNSHIP EXPANSION	1 Jul 2018	30 Jun 2022	Good	Good	Good	Good	
26	PFLUKANI RUSILE CONSULTING	DEEDS REGISTRATION GIYANI SECTION F	1 Jul 2018	30 Jun 2021	Good	Good	Good	Good	
27	KV MANAGING DIRECTORS	SITE DEMARCATION AT SIKHUNYANI VILLAGE AND SITE DEMARCATION AT DZUMERI TRADITIONAL AUTHORITY	1 Jul 2018	30 Jun 2022	Good	Good	Good	Good	
28	MAHLORI DEVELOPMENT CONSULTANT & PROJECTS	REVIEW OF THE GREATER GIYANI MUNICIPALITY SPATIAL DEVELOPMENT FRAMEWORK	2 Jul 2018	30 Jun 2022	Good	Good	Good	Good	
29	NGOTI DEVELOPMENT	ADDMENDMENTS OF THE LAND-USE MANAGEMENT SCHEME OF 2009 IN THE GREATER GIYANI MUNICIPALITY	3 Jul 2018	30 Jun 2022		Good	Good	Good	
31	MUTEKO CONSULTING ENGINEERS	ENERGISING OF 1 HIGH MAST LIGHTS PROJECT			Good	Good	Good	Good	
32	VODACOM	SUPPLY AND DELIVERY OF TABLETS, TABLETS POUCHES AND 3GS	1 Nov 2018	28/02/2021		Good	Good	Good	
34	DALAS BUSINESS ENTERPRISE	MAGEVA SPORT CENTRE G/G/M/015/008/2015	8 Apr 2019	15 Oct 2020	Very Good	Very Good	Very Good	Very Good	
35	MODE HOPE	GENERAL VALUATION ROLL	1 Feb 2019	31 Jan 2024	Very Good	Very Good	Very Good	Very Good	
36	MBANGA TRADING ENTERPRISE	CIVIC CENTRE PHASE 3	1 Jan 2019	14 Oct 2020	Very Good	Very Good	N/A	N/A	
37	NVELETHI CONSULTING (PTY) LTD	CIVIC CENTRE PHASE 3	10 Apr 2019	14 Oct 2020	Very Good	Very Good	N/A	N/A	
38	VODACOM OF SOUTH AFRICA	YODACOM LINE	1 Apr 2019	28 Feb 2021	Good	Good	Good	Good	
39	MULALO CONSULTING	MAGEVA SPORT CENTRE G/G/M/015/008/2015	5 Dec 2019	n/a	Good	Good	Good	Good	
40	TM AFRICA	NROMO UPGRADING FROM GRAVEL TO TAR G/G/M/015/006/2015	5 Dec 2019	n/a	Good	Good	Good	Good	
41	CCG SYSTEMS	PROVISION FOR PROCUREMENT OF SERVICES: MUNICIPAL STANDARD CHART OF ACCOUNT FINANCIALS SYSTEM SUPPORT (SAGE EVOLUTION)	30/07/2019	30/07/2022		Very Good	Very Good	Very Good	Very Good
42	KUNENE MAROPO RISK SOLUTIONS	INSURANCE			Excellent	Excellent	Excellent	Excellent	
43	4E CONSULTING	PROVISION OF CONSULTING SERVICES: QUANTITY SURVEY: CIVIC CENTRE PHASE III	24/07/2019	N/A	Good	Good	Good	Good	
44	DAG CONSULTING PTY LTD	PROVISION OF CONSULTING SERVICES: QUANTITY SURVEY: MAGEVA SPORT CENTRE	24/07/2019	N/A	Good	Good	Good	Good	
45	MAJOR QUALITY INVESTMENT	PROVISION OF CONSULTING SERVICES: QUANTITY SURVEY: SECTION F UPGRADING FROM GRAVEL TO TAR	24/07/2019	N/A	Good	Good	Good	Good	
46	SRSQS QUANTITY SURVEYERS	PROVISION OF CONSULTING SERVICES: QUANTITY SURVEY: HOMU 14A UPGRADING FROM GRAVEL TO TAR	24/07/2019	N/A	Good	Good	Good	Good	
47	4E CONSULTING PTY LTD	PROVISION OF CONSULTING SERVICES: QUANTITY SURVEY: WASTE DISPOSAL SITE	24/07/2019	N/A	Good	Good	Good	Good	
48	LIBERTY TOWN PLANNER	PROVISION OF CONSULTING SERVICES: QUANTITY SURVEY: GAWULA SPORT CENTRE	24/07/2019	N/A	Good	Good	Good	Good	
49	QUANTO 2000 QUANTITY AND PROJECT MANAGERS	PROVISION OF CONSULTING SERVICES: QUANTITY SURVEY: SECTION E SPORT CENTRE	24/07/2019	N/A	Good	Good	Good	Good	
50	DALAS BUSINESS ENTERPRISE	DEVELOPMENT OF WASTE DISPOSAL SITE			Good	n/a	n/a	n/a	
51	TR BUILDING AND ZIGA CIVILS	CONSTRUCTION OF NGOVE REGRAVELLING GIYANI SECTION E (WONINGANI) UPGRADING FROM GRAVEL TO TAR - CONSULTANT			Good				
52	VUTANI CONSULTING ENGINEERS	PHYSICAL SECURITY GUARDING SERVICES	15/03/2020	N/A	Good	Good	Good	Good	
53	MCC SECURITY AND PROJECTS	CONSTRUCTION OF CULVERT BRIDGE AT MAROSHIA VILLAGE CEMETERY	01/09/2020	23/08/2023	Very good	Very good	Very Good	Very Good	
54	OMOHLE GROUP OF COMPANIES (PTY) LTD	CONSTRUCTION OF CULVERT BRIDGE AT MAROSHIA VILLAGE CEMETERY	25/08/2020	31/07/2022	very good		n/a	n/a	
55	MILE 7760 ENTERPRISE	CONSTRUCTION OF CULVERT BRIDGE AT ZAVA VILLAGE CEMETERY	25/08/2020	31/07/2022	good	n/a	n/a	n/a	
56	MARUNGANE PROJECTS	PAVEMENT MILLING OF GIYANI SECTION A ROAD LEADING TO GIYANI CEMETERY PHASE 2	25/08/2020	31/07/2022	very good	n/a	n/a	n/a	
57	MCC SECURITY AND PROJECTS	GIYANI SECTION E MAGEVA TO CHD TRAFFIC CIRCLE PAVEMENT MILLING	25/08/2020	31/07/2022	good	good	N/A	N/A	
58	ANAKA GROUP (PTY) LTD	RENTAL OF PHOTOCOPIER MACHINE	01/10/2020	31/09/2023	Good	Good	Good	Good	
59	SITA (SOC) LTD	DEVELOPMENT OF WEBSITE AND INTRANET	22/07/2020	21/12/2021	Good	Good	Good	Good	
60	ARCOON ENGINEERING CONTRACTORS	CIVIL ENGINEERING PROFESSIONAL SERVICE PROVIDER TO PERFORM POST CONSTRUCTION TECHNICAL INVESTIGATIONS	09/07/2020	08/01/2021/ N/A	Good	Good	Good	Good	
61	NVELETHI CONSULTING (PTY) LTD				Good	Good	Good	Good	
62	SKY HIGH CONSULTING ENGINEERS	SHIMANGE UPGRADING FROM GRAVEL TO TAR	30/07/2020	N/A	Poor	Poor	Poor	Poor	poor performance on site
63	LAZWI ENGINEERING 16	BLINKWATER UPGRADING OF INTERNAL STREET	30/07/2020	N/A	Very Good	Very Good	Very Good	Very Good	
64	PROLINK CONSULTING ENGINEERS	THOMO UPGRADING OF INTERNAL STREET	30/07/2020	N/A	Very Good	Very Good	Very Good	Very Good	
65	RMSD ENGINEERING CONSULTANTS	NKURI UPGRADING OF INTERNAL STREET	30/07/2020	N/A	Very Good	Very Good	Very Good	Very Good	
66	ARCOON ENGINEERING CONTRACTORS	REMOVAL OF ILLEGAL TRADING STRUCTURES IN GIYANI CIVIC CENTRE	01/09/2020	31/09/2022	Good	Good	Good	Good	
67	LONDOLANI TRADING AND PUBLISHERS	DESIGN, COMPILING, DEVELOPING, EDITING AND PRODUCING GGM NEWS LETTERS FOR 12 MONTHS	06/11/2020	05/11/2021	Very Good	Very Good	Very Good	Very Good	
68	VODACOM								
94	VODACOM	NATIONAL TREASURY TRANSVERSAL CONTRACT FOR PROCUREMENT OF 75 3GS FOR THE MUNICIPAL OFFICIALS	01/03/2021	28/02/2023	Poor	Poor	Poor	Poor	wrong billing and poor service delivery
95	VODACOM	NATIONAL TREASURY TRANSVERSAL CONTRACT FOR PROCUREMENT OF 100MBPS INTERNET LINE FOR THE MUNICIPAL OFFICIALS	01/03/2021	28/02/2023	Poor	Poor	Poor	Poor	wrong billing and poor service delivery
96	ENABLING ICT SOLUTION	SITA TRANSVERSAL CONTRACT PROCUREMENT OF 45 COMPUTERS (10 LAPTOPS AND 30 DESKTOPS) MUNICIPAL OFFICIALS	01/01/2021	31/12/2023	Good	n/a	n/a	n/a	
97	BARLOWORLD EQUIPMENT	NATIONAL TREASURY TRANSVERSAL CONTRACT FOR PURCHASE OF SUN VEHICLE FOR OFFICE OF THE SPEAKER, FOUR AX4 VEHICLE AND TWO FRONT-END LOADERS WITH BACK-HOE. TRANSVERSAL CONTRACT NUMBER RT57-2019	10/07/2021	06/10/2021	Good	n/a	n/a	n/a	
98	TOYOTA SOUTH AFRICA MOTORS	NATIONAL TREASURY TRANSVERSAL CONTRACT FOR PURCHASE OF SUN VEHICLE FOR OFFICE OF THE SPEAKER, FOUR AX4 VEHICLE AND TWO FRONT-END LOADERS WITH BACK-HOE. TRANSVERSAL CONTRACT NUMBER RT57-2019	10/07/2021	06/10/2021	Good	n/a	n/a	n/a	
99	ISUZU TRUCK CENTRE	NATIONAL TREASURY TRANSVERSAL CONTRACT FOR PURCHASE OF SUN VEHICLE FOR OFFICE OF THE SPEAKER, FOUR AX4 VEHICLE AND TWO FRONT-END LOADERS WITH BACK-HOE. TRANSVERSAL CONTRACT NUMBER RT57-2019	10/07/2021	06/10/2021	Good	n/a	n/a	n/a	
100	BIDVEST MACCARTHY ISUZU	PROCUREMENT OF ROLL BACK/ TOW TRUCK	10/07/2021	06/10/2021	Good	n/a	n/a	n/a	
101	NINE IT SYSTEMS (PTY) LTD								
102		ICT SECURITY, SERVICE SUPPORT, ICT AUDITING AND ICT NETWORK SERVICE. G/G/M/6105/001/2021				Good	Good	Good	
103	MBANGA TRADING ENTERPRISE	SHIMANGE INTERNAL STREET UPGRADE FROM GRAVEL TO PAVING	13/05/2021	11/05/2022	Very Good	Very Good	Very Good	Very Good	
104	MCC SECURITY AND PROJECTS	THOMO INTERNAL STREET UPGRADING FROM GRAVEL TO PAVING	13/05/2021	11/05/2022	Very Good	Very Good	Very Good	Very Good	
105	NIS PROPERTY DEVELOPERS	NKURI INTERNAL STREET UPGRADING FROM GRAVEL TO PAVING	03/05/2021	03/09/2021	Very Good	Very Good	Very Good	Very Good	

106	CAPSTAN TRADING 415CC	BLINKWATER INTERNAL STREET UPGRADING FROM GRAVEL TO PAVING	03/05/2021	03/05/2022	Very Good	Very Good	Very Good		
107	MOEPENG TRADING 40CC	SECTION E (VONINGANI) INTERNAL STREET UPGRADING FROM GRAVEL TO PAVING			Very Good	Very Good	Very Good		
108	WDN CONSULTING AND PROJECTS	PROFESSIONAL SERVICES FOR CONSTRUCTION OF HOME SPORT CENTRE	21/08/2021	N/A	Good	Good	Good	Good	Good
109	GUMELA GENERAL TRADING AND PROJECTS	PROFESSIONAL SERVICES FOR CONSTRUCTION OF NWADZERI-DZERU COMMUNITY HALL	21/08/2021	N/A	Very Good	Very Good	Very Good	Very Good	Very Good
110	RISMATI CONSULTING ENGINEERS	PROFESSIONAL SERVICES FOR CONSTRUCTION OF MAVALANI INDOOR SPORT CENTRE	21/08/2021	N/A	Very Good	Very Good	Very Good	Very Good	Very Good
111	MAVUYISI TRADING AND PROJECTS	PROFESSIONAL SERVICES FOR CONSTRUCTION OF JIM NGHALALUME COMMUNITY HALL	21/08/2021	N/A	Very Good	Very Good	Very Good	Very Good	Very Good
112	DLOMBE CONSULTING ENGINEERS AND PROJECT MANAGERS	PROFESSIONAL SERVICES FOR PROVISION OF INTENSIVE STUDY AND DESIGN FOR ALTERNATIVE ROUTE FROM ELIM ROAD R378 TO GIYANI CBD VIA SIYANDHANI	21/08/2021	N/A	Excellent	Excellent	Excellent	Excellent	Excellent
113	RGOSHADI CONSULTING ENGINEERS	UPGRADING OF STORMWATER RETICULATION SYSTEM AT GIYANI TOWNSHIP SECTION D1	21/08/2021	N/A	Good	Good	Good	Good	Good
114	IKTN CONSULTING ENGINEERS AND PROJECT MANAGERS	UPGRADING OF STORMWATER RETICULATION SYSTEM AT GIYANI TOWNSHIP SECTION A	21/08/2021	N/A	Good	Good	Good	Good	Good
115	MIT CONSULTING ENGINEERS	UPGRADING OF STORMWATER RETICULATION SYSTEM AT GIYANI TOWNSHIP SECTION E	21/08/2021	N/A	Good	Good	Good	Good	Good
116	PROLINK CONSULTING ENGINEERS	UPGRADING OF STORMWATER RETICULATION SYSTEM AT GIYANI CBD AND GIYANI TOWNSHIP RHEMATART	21/08/2021	N/A	Good	Good	Good	Good	Good
117	WDN CONSULTING AND PROJECTS	UPGRADING OF STORMWATER RETICULATION SYSTEM AT GIYANI TOWNSHIP SECTION F	21/08/2021	N/A	Good	Good	Good	Good	Good
118	BRIGHTWINNER CONSTRUCTION	PREVENTATIVE MAINTANANCE OF ROADS AND STORMWATER. 500M ² TAR PATCH WITHIN GIYANI TOWNSHIP SECTION E	19/06/2021	18/06/2022	very good	n/a	n/a	n/a	n/a
119	MARUNGANE PROJECTS	PREVENTATIVE MAINTANANCE OF ROADS AND STORMWATER. 1.6KM PAVEMENT MILLING- PARLIAMENT (LMDEV) ROAD LEADING TO GIYANI CBD AND GIYANI SECTION D1	19/06/2021	18/06/2022	very good	very good	n/a	n/a	n/a
120	PHILPHINE TRADING ENTERPRISE	PREVENTATIVE MAINTANANCE OF ROADS AND STORMWATER. 750M ² TAR PATCH WITHIN GIYANI TOWNSHIP SECTION F	19/06/2021	18/06/2022	very good	very good	n/a	n/a	n/a
121	PK FINANCIAL CONSULTANTS	FOR PREVENTATIVE MAINTANANCE OF ROADS AND STORMWATER. 1.775KM PAVEMENT MILLING WITHIN GIYANI CBD	19/06/2021	18/06/2022	very good	very good	n/a	n/a	n/a
122	RINGANI HOSANA SECURITY SERVICE TRADING ENTERPRISE	PREVENTATIVE MAINTANANCE OF ROADS AND STORMWATER. 500M ² TAR PATCH WITHIN GIYANI SECTION D1 AND D2	19/06/2021	18/06/2022	very good	very good	n/a	n/a	n/a
123	TDRAN CONSTRUCTION AND PROJECTS	PREVENTATIVE MAINTANANCE OF ROADS AND STORMWATER. 750M ² TAR PATCH WITHIN GIYANI TOWNSHIP SECTION F	19/06/2021	18/06/2022	N/A	very good	very good	n/a	n/a
124	GAAP MASTER PTY LTD	PREPARATION OF GRAP COMPLIANT ASSET REGISTER FOR THE FINANCIAL YEAR 2020/21. TENDER NUMBER G/G/M/6105/001/2021	22/06/2021	31/12/2021	Excellent	Excellent	Excellent	n/a	n/a
125	CATHU CONSULTING INC	PREPARATION OF ANNUAL FINANCIAL STATEMENT FOR THE FINANCIAL YEAR 2020/21. TENDER NUMBER G/G/M/6105/001/2021	22/06/2021	31/12/2021	Very Good	Very Good	Very Good	n/a	n/a
126	CYNT CONSULTING ENGINEER	PROFESSIONAL SERVICES FOR ELECTRIFICATION OF SIYANDHANI VILLAGE. BID NO: G/G/M/6707/001/2021	12/05/2021	N/A	Good	Good	Good	Good	Good
127	RIXONGILE CONSULTING ENGINEERS AND PROJECT MANAGERS	PROFESSIONAL SERVICES FOR ELECTRIFICATION OF TOMU VILLAGE. G/G/M/6707/001/2021	12/05/2021	N/A	Good	Good	Good	Good	Good
128	RISIMA PROJECT MANAGEMENT	APPOINTMENT ON PROFESSIONAL SERVICES FOR ELECTRIFICATION OF SIFASONKE VILLAGE. G/G/M/6707/001/2021	12/05/2021	N/A	Good	Good	Good	Good	Good
129	FUBU AFRICA (PTY) LTD	PROFESSIONAL SERVICES FOR ELECTRIFICATION OF NDENGEZA VILLAGE. G/G/M/6707/001/2021	12/05/2021	N/A	Good	Good	Good	Good	Good
130	PROLINK CONSULTING ENGINEERS	APPOINTMENT ON PROFESSIONAL SERVICES FOR ELECTRIFICATION OF MAVHUSA VILLAGE. G/G/M/6707/001/2021	12/05/2021	N/A	Good	Good	Good	Good	Good
131	URANUS CONSULTING ENGINEERS CC	PROFESSIONAL SERVICES FOR ELECTRIFICATION OF MAVALANI VILLAGE. G/G/M/6707/001/2021	12/05/2021	N/A	Good	Good	Good	Good	Good
132	MIT CONSULTING ENGINEERS	PROFESSIONAL SERVICES FOR ELECTRIFICATION OF GONONO VILLAGE. G/G/M/6707/001/2021	12/05/2021	N/A	Good	Good	Good	Good	Good
133	MUTEQ CONSULTING	PROFESSIONAL SERVICES FOR ELECTRIFICATION OF BLINKWATER VILLAGE. G/G/M/6707/001/2021	12/05/2021	N/A	Good	Good	Good	Good	Good
134	GAP DEVELOPMENT PLANNERS	SUBDIVISION, REZONING, CONSOLIDATION AND ROAD CLOSURE ON ERF 1946,1947,1948,1947, GIYANI SECTION F. G/G/M/6115/003/2018	18/05/2021	17/05/2022	Very Good	Very Good	Very Good	Very Good	Very Good
135	NGOTI DEVELOPMENT CONSULTING	TOWNSHIP ESTABLISHMENT AT SAVULANI VILLAGE. G/G/M/6115/003/2018	18/05/2021	17/05/2022	Very Good	Very Good	Very Good	Very Good	Very Good
136	PFUKANI-RUSILE CONSULTING	REZONING AND SUBDIVISION OF MUNICIPAL PROPERTIES INCLUDING REGISTRATION WITH SURVEYOR GENERAL. G/G/M/6115/003/2018	18/05/2021	17/05/2022	Very Good	Very Good	Very Good	Very Good	Very Good
137	PFUKANI-RUSILE CONSULTING	STREET NAMING IN GIYANI SECTION C AND GIYANI BA. G/G/M/6115/003/2018	18/05/2021	17/05/2022	Very Good	Very Good	Very Good	Very Good	Very Good
138	LIBERTY TOWN PLANNERS	STREET NAMING IN GIYANI SECTION A AND SECTION F. G/G/M/6115/003/2018	18/05/2021	17/05/2022	Very Good	Very Good	Very Good	Very Good	Very Good
139	GAP DEVELOPMENT PLANNERS	SUBDIVISION AND REZONING OF ERF561 GIYANI D INTO MIXED LAND USED DEVELOPMENT	18/05/2021	17/05/2022	Very Good	Very Good	Very Good	Very Good	Very Good
140	MTEMA MASHAO	APPOINTMENT FOR THE NDAMBI TAXI RANK -TENDER NUMBER G/G/M/015/007/2015	5/29/2015	N/A	Good	Good	Good	Good	Good
141	NYELETI CONSULTING (PTY)LTD	APPOINTMENT FOR CIVIL ENGINEERING PROFESSIONAL SERVICES FOR CIVIC CENTRE PHASE 4	30/10/2020	N/A		Good	Good	Good	Good
142	BRIGHT WINNER CONSTRUCTIONS	APPOINTMENT FOR CONSTRUCTION OF CUIVERT BRIDGE AT HOMU 14A.TENDER NUMBER G/G/M/615/006/2018			n/a	very good	very good	n/a	n/a
143	CYNT CONSULTING ENGINEERS	APPOINTMENT ON PROFESSIONAL SERVICES FOR ELECTRIFICATION OF MAVHUSA VILLAGE. BID NO:G/G/M/6707/001/2020	10/06/2021	10/06/2022	Good	n/a	n/a	n/a	n/a
144	DEBT COLLECTION SERVICES FOR THE PERIOD OF THREE (3) YEARS IN THE GREATER GIYANI MUNICIPALITY	TRANSACTION CAPITAL RECOVERIES	19/07/2021	18/07/2024	Good	Good	Good	Good	Good
145	SUPPLY CHAIN MANAGEMENT (SCM) SUPPORT FOR THE FINANCIAL YEAR 2020/21 and 2021/2022	MORAR INCORPORATED	19/07/2021	31/12/2022	Excellent	Excellent	Excellent	Excellent	their Job is excellent
146	VAT RECOVERY SERVICES FOR THR PERIOD OF THREE YEARS	PK FINANCIAL CONSULTANTS	02/08/2021	02/08/2024					they are recovering all the money back to the municipality
147	PROFESSIONAL SERVICES FOR ELECTRIFICATION OF MAVALANI VILLAGE	URANUS CONSULTING ENGINEERS CC	20/08/2022	N/A	Good	Good	Good	Good	Good
148	PROFESSIONAL SERVICES FOR ELECTRIFICATION OF BABANGU VILLAGE	EYONA NEW PLAN CONSULTING AND PROJECTS	20/08/2022	N/A	Good	Good	Good	Good	Good
149	CONSTRUCTION AND CONNECTION OF 100 STANDS AT MAVUSA VILLAGE	PHALENI INVESTMENT AND PROJECTS	01/10/2022	30/06/2022	n/a	Good	Good	Good	Good
150	CONSTRUCTION AND CONNECTION OF 150 STANDS AT BLINKWATER VILLAGE	MOREMASEFARO TRADING CC	01/10/2021	30/06/2022	n/a	Good	Good	Good	Good
151	CONSTRUCTION AND CONNECTION OF 160 STANDS AT TOMU VILLAGE-CONSTRUCTION AND CONNECTION OF 160 STANDS AT TOMU VILLAGE	A NEW AWAKENING TRADING	01/10/2021	30/06/2022	n/a	Good	Good	Good	Good
152	CONSTRUCTION AND CONNECTION OF 450 STANDS AT SIYANDHANI VILLAGE	LJ TRADING AND PROJECTS PTY LTD	01/10/2021	30/06/2022	n/a	Good	Good	Good	Good
153	CONSTRUCTION AND CONNECTION OF 220 STANDS AT SIFASONKE VILLAGE	DAVIES AND SONS ELECTRICAL	01/10/2021	30/06/2022	n/a	Good	Good	Good	Good
154	CONSTRUCTION AND CONNECTION OF 250 STANDS AT NDENGEZA	GIRMAN THANDIYENKOSI TRADING PTY LTD	01/10/2021	30/06/2022	n/a	Good	Good	Good	Good
155	CONSTRUCTION AND CONNECTION OF 250 STANDS AT GONONO VILLAGE	SGIVO TRADING ENTERPRISE	01/10/2021	30/06/2022	n/a	Good	Good	Good	Good
156	CONSTRUCTION OF CIVIC CENTRE PARKING LOT G/G/M/0255/006/2021	RISMAT ENGINEERING AND MINING SUPPLIERS	22/09/2021	31/05/2022	n/a	Good	Good	Good	Good
157	SUPPLY AND DELIVERY OF PERSONAL PROTECTIVE EQUIPMENT FOR EPWP PARTICIPANTS	AKHELANA TRADING (PTY) LTD	22/09/2021	22/12/2021	n/a	n/a	Good	n/a	n/a
158	CONSTRUCTION AND ELECTRICAL CONNECTION OF 100 STANDS AT BLINKWATER VILLAGE	MOREMASEFARO TRADING CC	01/10/2021	30/06/2022	n/a	n/a	n/a	n/a	Good
159	PROFESSIONAL SERVICES FOR RE-DESIGN, SUPPLY, AND INSTALLATIONS OF ELECTRICAL CABLES AT GIYANI STADIUM	SIOTANE DEVELOPMENT CONSULTANTS	04/11/2021	N/A	Good	Good	n/a	n/a	n/a

100	APPOINTMENT OF A CIVIL ENGINEERING SERVICE PROVIDER (CONTRACTOR) FOR THE CONSTRUCTION OF NDHAMBIRI TAJI RANK. G/G/M/0104/0009/2021	LJ TRADING AND PROJECTS PTY LTD	15/12/2021	28/02/2022							
101	APPOINTMENT OF A SERVICE PROVIDER FOR SUPPLY AND DELIVERY OF: 100X WALL CALENDARS, 600X CORPORATE DIARIES 150X EXECUTIVE DIARIES	AFRIRANK TRADING ENTERPRISE	15/12/2021	28/02/2022	N/A	Good	Good	Good			
102	CONSTRUCTION OF CULVERT BRIDGE AT MAPUVE VILLAGE	SWADAWADA	17/11/2021	22/06/2022	N/A	n/a	Good				
103	PROCUREMENT OF TWO MOTOR GRADERS	ROMATSU SOUTHREN AFRICA	23/11/2022	31/12/2022	N/A	Good	Good	Good			
104	APPOINTMENT OF A CIVIL ENGINEERING PROFESSIONAL SERVICES SELAWA UPGRADING OF GRAVEL ROAD TO TAR	TDR PROJECTS	28/11/2021	31/07/2023			Good	Good	Good		
105	PREVENTATIVE MAINTANANCE OF ROADS AND STORMWATER: 1500Mz TAR PATCH WITHIN GIYANI TOWNSHIP SECTION F.	EDLIN CIVILS AND LOGISTICS	18/12/2021	22/06/2022	N/A	Very Good	Very Good				
106	PREVENTATIVE MAINTANANCE OF ROADS AND STORMWATER: 1500Mz TAR PATCH WITHIN GIYANI TOWNSHIP SECTION E, FOR THE PERIOD OF SIX MONTHS	MAJOR QUALITY INVESTMENT	18/12/2021	22/06/2022							
107	APPOINTMENT/ALLOCATION FOR PREVENTATIVE MAINTANANCE OF ROADS AND STORMWATER: 750Mz TAR PATCH WITHIN GIYANI TOWNSHIP SECTION A, FOR THE PERIOD OF FOUR MONTHS	TDRAN CONSTRUCTION AND PROJECTS	18/12/2021	17/04/2022	N/A	N/A	Very Good	Very Good			
108	PREVENTATIVE MAINTANANCE OF ROADS AND STORMWATER: 1500Mz TAR PATCH WITHIN GIYANI TOWNSHIP: KREMATART FOR THE PERIOD OF FOUR MONTHS	THE NOBES EXCELLENT LOGISTICS	18/12/2021	17/04/2022	N/A						
109	APPOINTMENT OF CIVIL ENGINEERING SERVICES PROVIDER (CONTRACTOR) FOR THE CONSTRUCTION OF CIVIC CENTRE BUILDING PHASE IV (CIDB 7CB/7CE OR HIGHER)	MBANGA TRADING ENTERPRISE	24/01/2022	30/06/2024							
110	APPOINTMENT OF A SERVICE PROVIDER (CONTRACTOR) FOR FIXING THE ROOF AND COMPLETE THE CONSTRUCTION OF GUARD HOUSE IN GIYANI COMMUNITY HALL (CIDB GRADING 1-5-6BPE).	RIS WEALTH CREATIONS (PTY) LTD	24/01/2022	23/01/2023	N/A	N/A	Good	Good			
111	APPOINTMENT OF A SERVICE PROVIDER FOR SUPPLY AND DELIVERY OF 31 CELL PHONES THROUGH RT15-0921 CONTRACT FOR THE PERIOD OF 24 MONTHS	VODACOM	24/01/2022	24/01/2024	N/A	N/A	Good				
112	ELECTRIFICATION OF MAVALANI VILLAGE	LJ TRADING AND PROJECTS PTY LTD	01/03/2022	30/11/2022				Poor	Poor	wrong billing	
113	ELECTRIFICATION OF RABANGU VILLAGE	SHIMBYI ELECTRICAL TRADING ENTERPRISE	01/03/2022	30/11/2022							
114	APPOINTMENT OF CULVERT BRIDGE AT NRURI RA TOMU VILLAGE FOR G/G/M/015/006/2018	SHALATI CIVILS CONSTRUCTION				good	good	good			
115	REVIEW OF FIXED ASSETS REGISTER	CATHU CONSULTING	20/08/2021	31/12/2021							
116	CONSTRUCTION AND CONNECTION OF 100 STANDS AT MAVUSA VILLAGE	PHALENG	01/10/2021	30/06/2022		n/a	good	good	good		
117	PROFESSIONAL SERVICES FOR HLOMELA UPGRADING OF ROADS FROM GRAVEL TO PAVEMENT	MIT CONSULTING ENGINEER	24/01/2022			n/a	good	good	good		
118	CONTRACTOR FOR SUPPLY AND INSTALLATION OF ELECTRICAL CABLES AT GIYANI STADIUM	GIRMAN THANDIYENKOSI TRADING PTY LTD	14/03/2022	14/06/2022		n/a	good	good	good		
119	SUPPLY AND DELIVERY G FIREARM ACCREDITATION CERTIFICATE TRAINING AND PROCUREMENT OF FIREARMS G/G/M/0501/002/2021	BERZIL BUSINESS ENTERPRISE JV NWATHEMBU SUPPLY SOLUTIONS	12/10/2021	13/04/2022							
120	PAVEMENT MILLING-SHIMATI TO HOMU 14C INTERSECTION G/G/M/015/006/2018	RIFUMO TRADING ENTERPRISE	19/10/2021	04/02/2022		n/a	Good	Good	Good		
121	CONSTRUCTION OF CULVERT BRIDGE AT ECO-PARK TOW	THE NOBES EXCELLENT LOGISTICS	22/04/2022	21/10/2022		good	good				
122	CONSTRUCTION OF CULVERT BRIDGE AT DZEMERI VILL	SWADAWADA	22/04/2022	21/10/2022		good	n/a	n/a	n/a		
123	CONSTRUCTION OF CULVERT BRIDGE AT MNGENGA VIL	MAJOR QUALITY INVESTMENT	22/04/2022	21/10/2022		good	n/a	n/a	n/a		
124	CONSTRUCTION OF CULVERT BRIDGE AT MNINGANSI VIL	MAVONE SKILLS DEVELOPMENT AND TRAINING	22/04/2022	21/10/2022		good	n/a	n/a	n/a		
125	CONSTRUCTION OF CULVERT BRIDGE AT MAVALANI VIL	N-W-A-MENCANI TRADING	22/04/2022	21/10/2022		good	n/a	n/a	n/a		
126	CONSTRUCTION OF CULVERT BRIDGE AT MARHUVA VIL	BRIGHT WINNER CONSTRUCTIONS	22/04/2022	21/10/2022			n/a	n/a	n/a		
127	ELECTRIFICATION OF NHLANERI VILLAGE	MIT CONSULTING ENGINEERS	22/04/2022	N/A		n/a	n/a	n/a	n/a	Very Good	
128	ELECTRIFICATION OF NSAVULANI VILLAGE	CYNT	22/04/2022	N/A		n/a	n/a	n/a	n/a	Very Good	
129	ELECTRIFICATION OF MAPHATA VILLAGE	MOTEO CONSULTING	22/04/2022	N/A		n/a	n/a	n/a	n/a	Very Good	
130	ELECTRIFICATION OF MARHUVA VILLAGE	RIXONGILE	22/04/2022	N/A		n/a	n/a	n/a	n/a	Very Good	
131	ELECTRIFICATION OF MPHAGANI VILLAGE	SROFANE DEVELOPMENT CONSULTING	22/04/2022	N/A		n/a	n/a	n/a	n/a	Very Good	
132	ELECTRIFICATION OF CHURCH VIEW	MARHADABI CONSULTING AND PROJECTS	22/04/2022	N/A		n/a	n/a	n/a	n/a	Very Good	
133	ELECTRIFICATION OF NWADZEKUDZERU VILLAGE	PROLINK CONSULTING ENGINEERS	22/04/2022	N/A		n/a	n/a	n/a	n/a	Very Good	
134	SUPPLY AND INSTALLATION OF ELECTRICAL CABLES AT GIYANI STADIUM	GIRMAN THANDIYENKOSI TRADING (PTY) LTD	11/03/2022	12/06/2022		N/A	N/A	Good	Good		
135	GRAP COMPLIANT ASSET REGISTER FOR THE 2021/22 FINANCIAL YEAR	GAAP MASTER	01/05/2022	31/12/2022		Very Good	Very Good	Very Good	Very Good		
136	PREPARATION OF GRAP COMPLIANT ANNUAL FINANCIAL STATEMENTS	CATHU CONSULTING	01/05/2022	31/12/2022		Very Good	Very Good	Very Good	Very Good		
137	CONSTRUCTION OF NWA DZERU DZERU COMMUNITY HALL	MARUNGANE PROJECTS	10/05/2022	10/05/2023		n/a	n/a	N/A	N/A		
138	MANAGEMENT AND OPERATION OF THE LANDFILL SITE	THEUWEDI TRADING ENTERPRISE	01/07/2022	30/06/2025		n/a	n/a				
139	CONSTRUCTION OF HOMU SPORTS CENTER	NIS TRADING	23/05/2022	23/05/2023		n/a	n/a	Very Good	Very Good		
140	CONSTRUCTION OF SHIVULANI SPORTS CENTER	PARANI TRADING ENTERPRISE	23/05/2022	23/05/2023		n/a	n/a	Very Good	Very Good		
141	INSTALLATION OF ENERGY SAVING STREETLIGHTS IN GIYANI CBD	LJ TRADING AND PROJECTS PTY LTD	23/05/2022	22/01/2023			n/a	Good	Good		
142	ELECTRIFICATION OF NWADZEKUDZERU VILLAGE	PROLINK CONSULTING ENGINEERS	22/04/2022	21/10/2022		n/a	n/a	Good	Good		
143	INSALATION OF STREET LIGHT AT OLD KHENSANI	THEMBA CONSULTING	22/04/2022	21/10/2022		n/a	n/a	n/a	Good	N/A	
144	HOSPITAL	CFOA MOTORS	22/04/2022	21/10/2022		n/a	n/a	n/a	n/a	Very Good	
145	MAYORS CAR	LJ TRADING AND PROJECTS PTY LTD	22/04/2022	21/10/2022							
146	PROCUREMENT AND INSTALATION OF STANDBY GENERATORS AT TESTING STATION	LJ TRADING AND PROJECTS PTY LTD	22/04/2022	21/10/2022		n/a	n/a	Good	Good		
147	CONSTRUCTION OF CULVERT BRIDGE AT SHAWELA VILLAGE	SHALATI CIVILS CONSTRUCTION	22/04/2022	21/10/2022		n/a	n/a	Very Good	Very Good		
148	ELECTRIFICATION OF MAVUSA-CONSULTANY	CYNT	22/04/2022	21/10/2022		n/a	n/a	n/a	n/a		

ANNEXURE C

AUDIT ACTION PLAN

FINANCIAL YEAR					2021/22									
Municipality Name					Greater Gyani Municipality									
Audit Opinion					Unqualified									
Reporting Period														
No.	Finding No.	Audit Findings	Category of Finding	Commaf number	Description of Finding	Finding is new or recurring	Action Plan Description	Start Date	Completion Date	Person Responsible	Action Owner	Progress	Narrative to Progress	Internal Audit Comments
1	A1	Financial statements high level review	AFS	1	Issue 1: The Statement of Changes in Net Assets is incorrectly casted, Issue 2 - Statement of Comparison of Budget and Actual Amounts, does not have explanations for material differences, Issue 3 – Irregular expenditure note no 55 has a line item with no description, Issue 4 - Difference between the amounts as per the disclosure notes and the supporting schedules, Issue 5 – Differences between comparative amounts per current year annual financial statements to the amount per the prior year final annual financial statements, Issue 6 – Difference between the fixed assets register and annual financial	Recurring	1. The annual financial statement should be reconciled against trial balance, general ledger and the following supporting schedules i. Asset register, operating lease register and finance lease register ii. Payable and receivable age analysis iii. Commitment and contract register iv. Retention register and accrual listings v. Investment and Grant register vi. Supporting schedules (assets depreciation) vii. Schedules of provisions (Actuarial report, Leave bonus, landfill site, Debt Impairment, Long service, cost employment benefit, Workmen's compensation viii. Unauthorized, irregular and fruitless and wasteful expenditure (Including MPAC recommendations) 2. An independent reviewer's appointment letter should	01-Dec-22	28-Aug-23	CFO	Manager Budget			
2	A2	Other receivables from exchange transactions	Receivables	34	Differences between the amounts as per Annual Financial statements and Provision for impairment calculation, during the audit of other receivables from exchange transaction	New	The annual financial statement should be reconciled against trial balance, general ledger and the following supporting schedules i. Receivable age analysis ii. Schedules of provisions - Debt Impairment Submission of the last draft debt impairment to the CFO, Independent reviewer and Audit committee	01-Dec-22	28-Feb-23	CFO	Manager Revenue			
3	A3	Trade payables incorrectly classified as accruals	Payables	11	The Municipality has classified transactions which had a valid invoice as at year end, as an accrual instead of a payable as defined.	New	Arrangement of Basic accounting training for BTO officials Expenditure section and the appointed service provider should review the list of payables and accruals together against the source document Development of payables and accrual spreadsheet to assist in determining the classification between accruals and payables Budget and reporting section to use the stamp to determine whether the budget used if for the current year previous year	01-Dec-22	28-Feb-23	CFO	Manager Expenditure			
4	A4	Cash and cash equivalents- Differences between amounts as per AFS and TB	Cash and cash equivalent	5	Differences between the amounts as per Annual Financial statements and Trial balance, during the audit of cash and cash equivalent.	New	Develop a checklist to reconcile the AFS, Notes to the AFS, Trial Balance, General Ledger and supporting 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	01-Dec-22	28-Feb-23	CFO	Manager Budget			

5	A5	Commitments – Completed Contracts were incorrectly included in the commitment register	Commitments	12.2	Contracts were included in the register even though the contracts were completed.	New	Updating of contract register on a monthly basis Close out report and completion certificate should be attached on the last payment of the contract	01-Dec-22	28-Feb-23	CFO	Manager Budget			
6	A6	Difference between AFS and Accrual listing	Payables	8	Differences between the amounts as per Annual Financial statements and Accrual listing, during the audit of payables from exchange transactions.	New	The annual financial statement should be reconciled against trial balance, general ledger and the following supporting schedules i. Payables age analysis ii. List of accruals Submission of the last draft list of accruals to the CFO, Independent reviewer and Audit committee	01-Dec-22	28-Feb-23	CFO	Manager Expenditure			
7	A7	Procurement and Contract Management: 1. Awards made to suppliers in which persons in service of other state institutions have an interest.	Procurement and Contract Management	6.1	Service providers were in service of the state at the time the award was granted and did not declare the interest.	Recurring	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	01-Dec-22	28-Feb-23	CFO	Manager Supply Chain			
8	A8	Procurement and Contract Management	Procurement and Contract Management	32	Suppliers were awarded the tender for construction work which they did not qualify for in terms of the required grading	New	The finding has been resolved	01-Dec-22	28-Feb-23	CFO	Manager Supply Chain			
9	A9	Procurement and Contract Management	Procurement and Contract Management	37	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 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.	New	Develop a rotation method for the appointed pool of contractors	01-Dec-22	28-Feb-23	CFO	Manager Supply Chain			

10	A10	Procurement and Contract Management	Procurement and Contract Management	22	Councillor did not declare their interest.	New	<p>Include the transaction in the irregular expenditure register and be referred to council for investigation and recommendation</p> <p>Notify National Treasury to add defaulted suppliers on the database of restricted suppliers for wrongful declaration of MBD4 form</p> <p>Officials and councillors to sign declaration forms at the beginning of each financial year</p>	01-Dec-22	28-Feb-23	CFO	Manager Supply Chain			
11	A11	Receivables non-exchange Transactions: Difference between AFS and Provision for Impairment calculation	Receivables non-exchange Transactions	14	Differences between the amounts as per Annual Financial statements and Provision for impairment calculation, during the audit of Receivables non-exchange transactions.	New	<p>The annual financial statement should be reconciled against trial balance, general ledger and the following supporting schedules</p> <p>i.Receivable age analysis ii.Schedules of provisions - Debt Impairment Submission of the last draft debt impairment to the CFO, Independent reviewer and Audit committee</p>	01-Dec-22	28-Feb-23	CFO	Manager Revenue			
12	A12	Receivable from Non-exchange transactions - Difference between the AFS and Debtors age analysis	Receivables non-exchange Transactions	20.1	Differences between the amounts as per Annual Financial statements and Debtors age analysis, during the audit of Receivables from non-exchange transactions: Consumer debtors- Rates.	New	<p>1.The annual financial statement should be reconciled against trial balance, general ledger and the following supporting schedules</p> <p>i.Asset register, operating lease register and finance lease register ii.Payable and receivable age analysis iii.Commitment and contract register iv.Retention register and accrual listings v.Investment and Grant register vi.Supporting schedules (assets depreciation) vii.Schedules of provisions (Actuarial report, Leave bonus, landfill site, Debt Impairment, Long service, cost employment benefit, Workmen's compensation viii.Unauthorized, irregular and fruitless and wasteful expenditure (Including MPAC recommendations)</p>	01-Dec-22	28-Feb-23	CFO	Manager Revenue			
13	A13	Principal and Agent transactions not disclosed in the Annual Financial Statements.		39	During the audit of principal and agent transactions we identified the following differences as per the tables below.	New	<p>2.An independent reviewer's appointment letter should</p> <p>1.The annual financial statement should be reconciled against trial balance, general ledger and the following supporting schedules</p> <p>i.Asset register, operating lease register and finance lease register ii.Payable and receivable age analysis iii.Commitment and contract register iv.Retention register and accrual listings v.Investment and Grant register vi.Supporting schedules (assets depreciation) vii.Schedules of provisions (Actuarial report, Leave bonus, landfill site, Debt Impairment, Long service, cost employment benefit, Workmen's compensation viii.Unauthorized, irregular and fruitless and wasteful expenditure (Including MPAC recommendations)</p>	01-Dec-22	28-Feb-23	CFO	CFO			
14	B1	Accounting Policy –Inconsistency of current year accounting policies with prior year	Accounting Policy	10	The current accounting policies are inconsistent with the prior year accounting policies.	New	<p>2.An independent reviewer's appointment letter should</p> <p>Deliverables in the SLA for AFS preparers and independent reviewer should at least include but not limited to the following:</p> <ul style="list-style-type: none"> • Compile a list of GRAAP standards and interpretation which have been issued but not yet effective • Compile and ensure implementation of the GRAAP standards which became effective in the year under review • Alignment of Council approved policies against AFS policies and GRAP standards. • Ensure that all presentations and disclosures as required by GRAP are adhered to • Submission of formal report upon conclusion of the review 	01-Dec-22	28-Feb-23	CFO	CFO			

15	B2	Payables from exchange transactions - Overtime accrual	Payables	9	Differences between the amounts as per Annual Financial statements and Accrual listing, during the audit of payables from exchange transactions.	New	Develop a checklist to reconcile the AFS, Notes to the AFS, Trial Balance, General Ledger and supporting 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	01-Dec-22	28-Feb-23	CFO	Manager Expenditure			
16	B3	Differences between Annual Performance report and Quarterly performance reports	AOPO	15	The audit of pre-determined objectives the following differences were noted between the quarterly performance reports and the Annual Performance	New	Management did not agree with the finding as we believed that errors reported on quarterly reports are corrected through annual performance report. Management will further engage with Auditor General on the matter.	01-Dec-22	28-Feb-23	Municipal Manager	Manager PMS			
17	B4	Statement of net changes in assets		16	During the audit of the statement of net changes in assets we identified the following differences.	Recurring	1. The annual financial statement should be reconciled against trial balance, general ledger and the following supporting schedules i. Asset register, operating lease register and finance lease register ii. Payable and receivable age analysis iii. Commitment and contract register iv. Retention register and accrual listings v. Investment and Grant register vi. Supporting schedules (assets depreciation) vii. Schedules of provisions (Actuarial report, Leave bonus, landfill site, Debt Impairment, Long service, cost employment benefit, Workmen's compensation viii. Unauthorized, irregular and fruitless and wasteful expenditure (Including MPAC recommendations) 2. An independent reviewer's appointment letter should	01-Dec-22	28-Feb-23	CFO	CFO			
18	B5	AOPO: Reported achievement not consistent with planned target	AOPO	15	Inconsistencies were noted between the planned indicator target and the reported achievement	Recurring	The adjusted budget must be submitted with the adjusted SDBIP to council for approval Appointment of PMS champions for each department (request, consolidate and submit) Over achieved target should be clearly reported together with their reasons and supported by adequate documents Internal Audit division to conduct a review/audit of the Annual performance report Implementation of audit recommendations by PMS	01-Dec-22	28-Feb-23	Municipal Manager	Manager PMS			
19	B6	AOPO: Performance targets not measurable	AOPO	15	During the audit of pre-determined objectives, the targets as per the table below were not measurable.	Recurring	Development of SDBIP process plan Issue SDBIP template to all Directors Conduct a session per Directorate for SDBIP development Directors should declare/sign off the information provided in the SDBIP PMS Unit to consolidate information received into a draft SDBIP and make an assessment to determine if all targets meet the SMART criteria	01-Dec-22	28-Feb-23	Municipal Manager	Manager PMS			

20	B7	Difference between baseline reported in the current year APR and prior year reported achievement	AOPO	15	During the audit of performance information, it was noted that the actual performance from prior year does not agree to the performance(baseline) that has been disclosed in the current APR	New	Review of the Annual Performance Report to ensure; <ul style="list-style-type: none"> •Alignment of key Performance Indicator with the SDBIP and indicator description manual •Alignment of baseline with prior year performance report •Alignment of annual target with SDBIP •Alignment of budget with SDBIP •Alignment of actual performance against the portfolio of evidence 	01-Dec-22	28-Feb-23	Municipal Manager	Manager PMS			
21	B8	Difference between achievement as per APR and total recorded as per listing	AOPO	18	During the audit of performance information, difference were noted between what was reported in the Annual performance report and EPWP listing	Recurring	Development and circulation of time schedule for submission of relevant POE's. PMS unit to insert auto reminder 3days prior the submission of performance report and POE's Development of a checklist by each department on submission of POE's,that will ensure alignment of each programme on the SDBIP with the actual POE's Internal Audit to review performance management reports	01-Dec-22	28-Feb-23	Municipal Manager	Manager PMS			
22	B9	Connection of Units in Babangu Village	AOPO	17	During the audit of performance information for the indicator as per the below.	New	Review of the indicator procedure manual to clearly define the project implementation stages The project implementation stages on the annual performance report should be consistent with the indicator manual	01-Dec-22	28-Feb-23	Municipal Manager	Manager PMS			
23	B10	Connection of units in Tomu Village	AOPO	17	during the audit of performance information for the indicator as per the table below, we identified differences between reported achievement and supporting listing:	New	Development and circulation of time schedule for submission of relevant POE's. PMS unit to insert auto reminder 3days prior the submission of performance report and POE's Development of a checklist by each department on submission of POE's,that will ensure alignment of each programme on the SDBIP with the actual POE's Internal Audit to review performance management reports	01-Dec-22	28-Feb-23	Municipal Manager	Manager PMS			
24	B11	Connection of units in Blinkwater	AOPO	17	It was noted that the beneficiary listing was signed on 06 July 2022, which is after the year end. The effect of the above will result in a misstatement in the Annual Performance Report and affect the lived experience of the community as they don't have access to electricity. The effect of the above will result in a misstatement in the Annual Performance Report and affect the lived experience of the community as they don't have access to electricity.	New	Development and circulation of time schedule for submission of relevant POE's. PMS unit to insert auto reminder 3days prior the submission of performance report and POE's Development of a checklist by each department on submission of POE's,that will ensure alignment of each programme on the SDBIP with the actual POE's Internal Audit to review performance management reports	01-Dec-22	28-Feb-23	Municipal Manager	Manager PMS			

25	B12	Connection of units in Mavalani Village	AOPO	17	It was noted that the date of installation was not available on the listing provided for audit, which will result in an internal control deficiency. The effect of the above will result in a misstatement in the Annual Performance Report.	New	Development and circulation of time schedule for submission of relevant POE's. PMS unit to insert auto reminder 3days prior the submission of performance report and POE's Development of a checklist by each department on submission of POE's,that will ensure alignment of each programme on the SDBIP with the actual POE's Internal Audit to review performance management reports	01-Dec-22	28-Feb-23	Municipal Manager	Manager PMS			
26	B13	Connection of units in Sifasonke	AOPO	17	Beneficiary listing was signed on 03 August 2022, which was after year end. 2. Meter boxes were not active/energized. 3. Beneficiaries did not sign the beneficiary list The effect of the above will result in a misstatement in the Annual Performance Report and affect the lived experience of the community as they don't have access to electricity.	New	Development and circulation of time schedule for submission of relevant POE's. PMS unit to insert auto reminder 3days prior the submission of performance report and POE's Development of a checklist by each department on submission of POE's,that will ensure alignment of each programme on the SDBIP with the actual POE's Internal Audit to review performance management reports	01-Dec-22	28-Feb-23	Municipal Manager	Manager PMS			
27	B14	Connection of units in Ndengeza	AOPO	17	The following issues were noted 1. Beneficiary listing was signed on 19 July 2022, which was after year end. 2. Hlamalani Ngwane received an old meter box The effect of the above will result in a misstatement in the Annual Performance Report	New	Development and circulation of time schedule for submission of relevant POE's. PMS unit to insert auto reminder 3days prior the submission of performance report and POE's Development of a checklist by each department on submission of POE's,that will ensure alignment of each programme on the SDBIP with the actual POE's Internal Audit to review performance management reports	01-Dec-22	28-Feb-23	Municipal Manager	Manager PMS			
28	B15	Connection of units in Mavhusa	AOPO	17	The following issues were noted 1. Date of installation not available 2. Beneficiaries did not sign 3. Meters boxes were installed however, they were not connected/electrified The effect of the above will result in a misstatement in the Annual Performance Report.	New	Development and circulation of time schedule for submission of relevant POE's. PMS unit to insert auto reminder 3days prior the submission of performance report and POE's Development of a checklist by each department on submission of POE's,that will ensure alignment of each programme on the SDBIP with the actual POE's Internal Audit to review performance management reports	01-Dec-22	28-Feb-23	Municipal Manager	Manager PMS			
29	B16	Connection of units in Gonono Village	AOPO	17	The following issues were noted Management report of Greater Giyani Municipality 83 1. List was not signed by the beneficiaries 2. Beneficiary listing was signed on 07 August 2022, which is after year end. The effect of the above will result in a misstatement in the Annual Performance Report.	New	Development and circulation of time schedule for submission of relevant POE's. PMS unit to insert auto reminder 3days prior the submission of performance report and POE's Development of a checklist by each department on submission of POE's,that will ensure alignment of each programme on the SDBIP with the actual POE's Internal Audit to review performance management reports	01-Dec-22	28-Feb-23	Municipal Manager	Manager PMS			

30	B17	Construction of the waste disposal site	AOPO	16	It was noted that the reported target as per the APR states that the target has been achieved however during the physical verification that was conducted 26 October 2022 and it was noted that there were people working on site and the site had not been completed. Furthermore, through inspection it was noted that the asset was still work in progress in the WIP register. Inspected the practical completion certificate dated 13 August 2021, it was noted that the works have reached a Practical completion stage, which allows their use by the Employer as of the 13th August 2021 and outstanding works should be completed in 14 days however, the site has not been used due to outstanding works that should be completed. The effect of the above will result in a misstatement in the Annual Performance Report	New	Project-related targets to be reported complete or achieved after receipt of completion certificate and close-out report and not only practical certificate.	01-Dec-22	28-Feb-23	Municipal Manager	Manager PMS			
31	B18	difference between the reported target and planned target	AOPO	16	It was noted that the reported target as per the APR states that the target has not been achieved however, through inspection it was noted that for both indicators there is design reports and draft tender document in place. The effect of the above will result in a misstatement in the Annual Performance Report.	Recurring	Review of the Annual Performance Report to ensure; <ul style="list-style-type: none"> •Alignment of key Performance Indicator with the SDBIP and indicator description manual •Alignment of baseline with prior year performance report •Alignment of annual target with SDBIP •Alignment of budget with SDBIP •Alignment of actual performance against the portfolio of evidence 	01-Dec-22	28-Feb-23	Municipal Manager	Manager PMS			
32	B19	To upgrade 3.5km road from gravel to paving at Giyani Section E "Voningani" by 30 June 2022	AOPO	16	It was noted that the reported target as per the APR states that the target has been achieved however through inspection of the progress report dated July 2022 the overall progress of the road is 74.9%. Furthermore, physical verification was done on 07 November 2022, and it was noted that the road was not completed and construction is still progress. The effect of the above will result in a misstatement in the Annual Performance Report.	New	Review of the Annual Performance Report to ensure; <ul style="list-style-type: none"> •Alignment of key Performance Indicator with the SDBIP and indicator description manual •Alignment of baseline with prior year performance report •Alignment of annual target with SDBIP •Alignment of budget with SDBIP •Alignment of actual performance against the portfolio of evidence 	01-Dec-22	28-Feb-23	Municipal Manager	Manager PMS			
33	B20	Difference between note 4 of the annual financial statements, the approved council resolution and fixed assets register.	Asset	25	During the audit of property, plant and equipment - assets written off and derecognised assets per note number 4 in the annual financial statements the following differences were noted	Recurring	Develop a checklist to reconcile the AFS,Notes to the AFS,Trial Balance,General Ledger and supporting schedules (AFS preparers and independent reviewer) <ul style="list-style-type: none"> •The checklist should include opening balance against signed prior AFS and current balance against Trial Balance,General Ledger and supporting schedules 	01-Dec-22	28-Feb-23	CFO	Manager Revenue			

34	B21	Revenue from Exchange transactions - Negative balance for Rental line item	Revenue from Exchange transactions	26.2	the municipality recognised the amount for rental of facilities and equipment for an amount of R (2 552 462, 00) as a negative balance. As a result of the above discrepancies, the financial statement submitted for audit might be materially misstated.		Develop a checklist to reconcile the AFS, Notes to the AFS, Trial Balance, General Ledger and supporting 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	01-Dec-22	28-Feb-23	CFO	Manager Revenue			
35	B22	Accounting Policy – Inconsistency of current year accounting policy with prior year	Accounting Policy	33	the current accounting policies are inconsistent with the prior year accounting policies. Refer to the following Provision for rehabilitation for dumping site line item that was identified	New	Deliverables in the SLA for AFS preparers and independent reviewer should at least include but not limited to the following: • Compile a list of GRAAP standards and interpretation which have been issued but not yet effective • Compile and ensure implementation of the GRAAP standards which became effective in the year under review • Alignment of Council approved policies against AFS policies and GRAP standards. • Ensure that all presentations and disclosures as required by GRAP are adhered to • Submission of formal report upon conclusion of the review	01-Dec-22	28-Feb-23	CFO	CFO			
36	B23	Prior Period Error	Fruitless and Wasteful Expenditure	36	the differences detailed below in note no. 54 (Fruitless and Wasteful Expenditure) of the AFS submitted for audit. The differences are between the comparative amount and the related prior year audited amounts. It was identified that the differences were caused by recognition of fruitless and wasteful expenditure relating to free basic electricity which could not be quantified in prior year. The municipality only disclosed the correction under note 54, but did not include a disclosure of prior period error in note 60 (Prior period error) on the AFS submitted for audit.	New	Develop a checklist to reconcile the AFS, Notes to the AFS, Trial Balance, General Ledger and supporting 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	01-Dec-22	28-Feb-23	CFO	Manager Expenditure			
37	B24	Revenue Non-Exchange - Property rates valuations	Revenue Non-Exchange	26.1	the municipality prepared the 2021/2022 supplementary valuation roll and however the supplementary valuation roll was not taken into account in the 2021/22 financial statements. The valuation for 2020/21 is the same as valuations for the 2021/22 financial year.	New	Develop a checklist to reconcile the AFS, Notes to the AFS, Trial Balance, General Ledger and supporting 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	01-Dec-22	28-Feb-23	CFO	Manager Revenue			
38	B25	Fruitless and wasteful expenditure disclosed in the AFS is not complete.	Fruitless and Wasteful Expenditure	35.1	During the follow up on material irregularity raised in the prior year we noted that the amount as per the table below were not included in the fruitless and wasteful expenditure note only the amount relating to the deceased was included:	New	Finalize the FBE beneficiary investigation report Identify all FBE beneficiaries who meet the definition of fruitless expenditure Reconcile all identified fruitless expenditure to the register	01-Dec-22	28-Feb-23	CFO	Manager Expenditure			

39	B26	Fruitless and Wasteful Expenditure	Litigations	35.2	It was noted during the testing of expenditure there were scheduled meetings with the municipality with Nobela Attorneys in which the officials of the municipality failed to attend. However the municipality had to pay the attorneys for meeting as the attorneys were present for the meeting this results in the expenditure being made in vain and could have been avoided had due care been exercised.	New	The item should be updated in the register and reported to Council to refer to MPAC for further investigations Review the UIFW strategy to ensure it covers identification, recording and reporting	01-Dec-22	28-Feb-23	CFO	Manager Expenditure			
40	B27	Inappropriate presentation and disclosure note for other cash and cash equivalent	Cash and cash equivalent	27.1	During the current year audit, we noted cash and cash equivalent accounts in the trial balance, disclosed in the annual financial statement as "Other cash and cash equivalent". Which do not meet the definition of cash nor a liability. The above finding results in the overstatement of cash and cash equivalent The above finding results in the overstatement of cash and cash equivalent	New	The system vendors should identify all control accounts not cleared as at 31 March 2023 The system vendor should investigate and identify transactions not cleared as at 31 March 2023 Re-allocate identified transactions to the correct account	01-Dec-22	28-Feb-23	CFO	Manager Revenue			
41	B28	Rights and obligations over cash and cash equivalent of the principal - Agent	Cash and cash equivalent	27.2	During the current year audit, we noted that included in the balance of cash and equivalent is monies received on behalf of the district municipality for water services. The above finding results in the overstatement of cash and cash equivalent presented and disclosed in the annual financial statement. The above finding results in the overstatement of cash and cash equivalent presented and disclosed in the annual financial statement.	Recurring	Develop a checklist to reconcile the AFS, Notes to the AFS, Trial Balance, General Ledger and supporting 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	01-Dec-22	28-Feb-23	CFO	CFO			
42	B29	Commitments - Difference between Commitment register and Auditors Calculation	Commitments	12.1	We identified the following differences between the amounts as per Commitment register and Auditors Recalculation, during the audit of commitments.	New	Reconcile the commitment register against the payments made to the bank	01-Dec-22	28-Feb-23	CFO	Manager Budget			
43	B30	Difference between reconciliation of property, plant and equipment and assets assessed for impairment and written off as per note number 4	Immovable Assets	24	The management did not adequately review the details disclosed in the annual financial statements notes to identify and rectify the errors as indicated As a result of the above discrepancies, the financial statement submitted for audit might be materially misstated.	New	Develop a checklist to reconcile the AFS, Notes to the AFS, Trial Balance, General Ledger and supporting 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	01-Dec-22	28-Feb-23	CFO	Manager Assets			

44	B31	Reasons for halted projects disclosed on note 4 - PPE were incorrect, not aligned to the disclosure note, not consistent with the prior year and insufficient.	Projects	24	We further noted that the municipality did not indicate whether any impairment loss was recognized in relation to the halted assets. Management did not exercise adequate oversight responsibility regarding review of financial reporting. The above results in the presentation and disclosure of property, plant and equipment not complying with GRAP 17 requirements	Recurring	Develop a checklist to reconcile the AFS, Notes to the AFS, Trial Balance, General Ledger and supporting 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	01-Dec-22	28-Feb-23	CFO					
45	B32	Operating Lease Disclosure	Operating Lease	23	Note 48 to the annual financial statement under operating leases includes the description "sublease" however it was confirmed that no subleasing arrangements exist in the municipality.	New	A session will be held to review all balance sheet and income statement items against the disclosure requirements as per GRAP standards to ensure that all presentations and disclosures are in line with the GRAP standards	01-Dec-22	28-Feb-23	CFO	Manager Assets				
46	B33	Payables from exchange transactions – Retentions	Payables	13	The Accounting Officer did not adequately review the details disclosed in the annual financial statements to identify and rectify the errors as indicated.	New	Develop a checklist to reconcile the AFS, Notes to the AFS, Trial Balance, General Ledger and supporting 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	01-Dec-22	28-Feb-23	CFO	Manager Expenditure				
47	B34	Procurement and contract management	Procurement and Contract Management	21	Service providers were in service of the state at the time the award was granted and did not declare the interest	Recurring	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	01-Dec-22	28-Feb-23	CFO	Manager SCM				
48	B35	Receivable from Non-exchange transactions – debtors with credit balances	Receivable from Non-exchange transactions	20.2	The audit of Receivables from non-exchange transactions, we identified that debtors with credit balances were accounted for as part of the receivables from non-exchange transactions	New	Develop a checklist to reconcile the AFS, Notes to the AFS, Trial Balance, General Ledger and supporting 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	01-Dec-22	28-Feb-23	CFO	Manager Revenue				

49	C1	Vacancy rate	HR	29	the municipality does not have sufficient capacity due to the high vacancy rate of 45% as indicated in the staff establishment. Contrary to the above requirements, we noted that the municipality does not have sufficient capacity due to the high vacancy rate of 45% as indicated in the staff establishment. Non-compliance with Section 68(1) of the Municipal System Ac	Recurring	Re-engineering of the organisational structure will be performed to allow for reprioritisation. The budgeted positions will be advertised and filled	01-Dec-22	28-Feb-23	Director Corporate	Manager HR			
50	C2	Overtime worked before approval	HR	28	ary to the above, the following was noted: Some employees selected for audit were found to have had the overtime authorization documents approved after the actual overtime was worked in contravention of the overtime policy as stated above This results in non-compliance with the municipal overtime policy. This results in non-compliance with the municipal overtime policy.	New	Review of the overtime policy to include consequence management for failure to adhere to policy provisions	01-Dec-22	28-Feb-23	Corporate Service	Manager HR			
51	C3	Performance of the municipality and of each external service provider during the financial year not submitted with the Annual Performance Report	Compliance	3	. the annual performance report, a performance report reflecting the municipality and service providers' performance during the financial year was not submitted.	New	Submission of annual performamance report and Annual financial statement should be centralized at Municipal Managers office	01-Dec-22	28-Feb-23	CFO	Manager PMS			

Number of Actions	51	100%
Number of Actions In Progress	0	0.00%
Number of Actions Resolved	0	0.00%

