

MAYOR'S MESSAGE



EXECUTIVE MAYOR'S FOREWORD

The 2022/2023 financial year marks the 1st year of a new cycle for the 2022/23 – 2026/27 Integrated Development Plan (IDP) implementation. It is my honor to present the annual report of the Sol Plaatje Local Municipality for the 2022/23 financial year. This report highlights our achievements, challenges, and progress towards fulfilling our mandate to deliver quality services and promote sustainable development in our municipality.

As we reflect on the past year, we are proud of the significant strides we have made in improving service delivery and driving economic development.

However, we also acknowledge the challenges we faced, including financial constraints, staffing challenges, and infrastructure backlogs. We are committed to addressing these challenges and ensuring that our municipality remains a hub of economic growth and development. By acknowledging both our successes and failures, we can learn from our experiences and improve our service delivery and development initiatives in the future.

Some of the notable achievements highlighted in this report include:

- Sol Plaatje received a Qualified audit opinion for the 2022/23 financial year, this is progress as it allows the municipality to address and remediate the identified issues which can lead to improved financial management and governance.
- Adjustment Budget: The municipality implemented an adjustment budget for the 2022/23 financial year. This budget included changes to funding allocations, expenditure, and capital expenditure.
- Timely approval of the Integrated Development Plan (IDP) and Budget. Which is an improvement to the previous financial year non-compliance. This further depicts a positive and improvement on governance and stability in the municipality.
- Tariff Adjustments: The municipality adjusted tariffs for services such as water, electricity, sanitation, and refuse collection. These adjustments aimed to balance revenue generation while ensuring affordability for residents.
- The municipality also received the BFI grant to improve water infrastructure -this will improve the water provision significantly.
- Strategic planning attended by Council and the administration to review the vision of the municipality and to develop strategies and objectives to achieve the Council's vision for the remaining Council term.

Challenges that the municipality encountered during the year was as follows:

- **Collection Rate:** The municipality faced difficulties with poor collection rates, resulting in an increase in outstanding debtors. This situation put severe strain on the municipality's cash flow position¹.
- **Debt Owed:** Another significant challenge was the increase in debt owed by various parties, which impacted the municipality's financial stability.
- **Underspending on capital grants.**
- **Incomplete projects by the end of the financial year** which impacts severely on service delivery and economic growth.

Despite the challenges we faced, our commitment to transparency, accountability, and community engagement remains unwavering.

I would like to express my gratitude to our councilors, officials, and stakeholders who have contributed to the development of this annual report. Your efforts are all acknowledged.

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

SIGNATURE

EXECUTIVE MAYOR

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MUNICIPAL MANAGER'S MESSAGE



MUNICIPAL MANAGER'S FORWARD

The 2022/23 financial year has been a challenging yet transformative period for Sol Plaatje Municipality, as this was my first year as the appointed Municipal Manager. Despite the obstacles, we have made significant strides in improving our financial management, enhancing service delivery, and driving economic development.

It is imperative to acknowledge our shortcomings, simultaneously with the efforts and dedication, and commitment to change the obtrusive situation of SPLM. Although not visible externally, there has been significant strides made internally to improve the service delivery and governance in the Municipality.

The instability in the institution attributed to by the vacancies in critical positions, has since improved. Some of the positions have been filled, whilst others are still at recruitment stage.

Key achievements:

- Improved financial and performance management: We achieved a qualified audit opinion, a significant improvement from the previous year's disclaimer.

- Infrastructure development: We completed several high-priority infrastructure projects, including road upgrades and water supply improvements.

At mid-year the municipality managed to achieve 48.2% of its total billable revenue, total operational expenditure was 43.1% spent, whilst the total capital budget was 20.0% spent. The average collection rate was 78.1%. The total outstanding consumer debt amounted to R3,190.215 billion as at the end of December 2022.

Challenges:

- Financial constraints: We faced significant budget pressures, requiring careful management to ensure sustainability.
- Staffing challenges: Vacancies in critical positions hindered our ability to deliver service delivery effectively.
- Infrastructure backlogs: We continue to address the significant infrastructure backlogs inherited from previous years.

The municipality has recorded a capital expenditure of less than 75% in 2021/22 financial year. For 2022/23 mid-year, the municipality has recorded only 20%, which is unsatisfactory. There are operational inefficiencies as there are excessive water and electricity losses. The water losses increased from 61.7% in 2022/23 to 64.6% in 2021/22 financial year, while the allowed norm is between 15-30 percent. They were reported at 62% by January 2023. While challenges persist, our achievements demonstrate our commitment to improvement and growth. We remain dedicated to serving our residents and driving progress in our municipality.

MUNICIPAL MANAGER'S MESSAGE

In conclusion, I would like to thank the Senior Management Team and all staff members who have worked tirelessly toward improving service delivery; advocating for economic growth and development; and a clean city. I would also like to extend my appreciation to the Executive Mayor, Executive Mayoral Committee, councillors and staff for their support and commitment, as well as the community at large for their patience with the municipality. We will continue to improve our efforts towards serving the community and all stakeholders and create an enabling environment for all to thrive in.

Yours in government.

SIGNATURE

MUNICIPAL MANAGER

1.2 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

1.2.1 Demographic Information

MUNICIPAL GEOGRAPHICAL INFORMATION

The Sol Plaatje Local Municipality is a Category B Municipality located in the Frances Baard District in the Northern Cape Province. The geographic area of the Municipality is 3 145 km². It is bordered by Dikgatlong in the north, the Pixley ka Seme District in the south and west, and the Free State Province in the east. It is one of the four municipalities that make up the district, accounting for a quarter of its geographical area. It includes the diamond mining City of Kimberley and Ritchie, in the south eastern corner of the area. Kimberley is approximately 110 km east of the confluence of the Vaal and Orange Rivers. The N12 highway, which connects Gauteng to the Western Cape Province, runs through Kimberley.

Sol Plaatje Municipality is named after Solomon Tshekiso Plaatje, who was a South African intellectual, journalist, linguist, politician, translator and writer. Solomon Plaatje was born just outside Boshof, formerly the Orange Free State (now Free State Province).

The Sol Plaatje Municipality is the seat of the Northern Cape Provincial Government and the Frances Baard District Council. Kimberley is the seat of the Northern Cape Division of the High Court of South Africa, which exercises jurisdiction over the province.

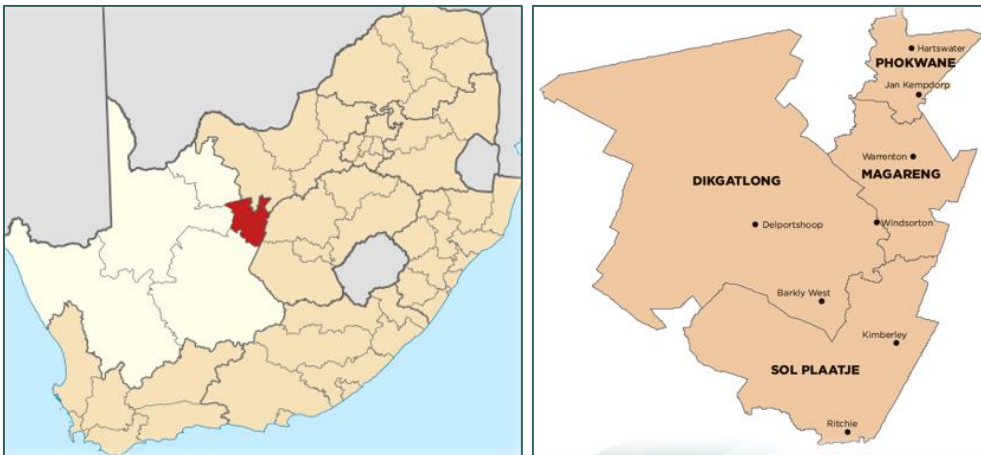


Figure 1: Sol Plaatje Municipal Area

MUNICIPAL WARDS AND NEIGHBOURHOODS

CHAPTER 1: MUNICIPAL OVERVIEW

There are 33 wards within the Sol Plaatje municipal area with several wards overlapping. The table below indicates the various neighbourhoods within the wards:

Wards	Suburbs
1	Roodepan, Sunset Manor
2	Roodepan
3	Homevale, Homelite
4	Homestead, Vergenoeg Ext 3, Vergenoeg Ext 4, Vergenoeg Ext 9
5	Thusanong, Redirile, Vergenoeg Ext 2
6	Vergenoeg Ext 2, Vergenoeg Ext 9, Vergenoeg Ext 10, Boikhutsong
7	Vergenoeg, Vergenoeg Ext 1, Vergenoeg Ext 2, Ubuntu
8	Donkerhoek, Kirstenhof, Riviera, Verwoerd Park
9	Retswelele, Ipopeng
10	Tshwaragona, Vergenoeg Ext 5, Vergenoeg Ext 6, Vergenoeg Ext 7
11	Vergenoeg Ext 6, Vergenoeg Ext 8, Agisanang
12	Galeshewe Ext 2, Galeshewe Ext 3, Vergenoeg Ext 6, KwaNobantu, Galeshewe Proper, China Square
13	Galeshewe Ext 1, Galeshewe Proper, Galeshewe Ext 6, China Square
14	Homestead, North view, Colville, Gemdene, Floors, Square Hill Park, Utility, Ashburnham, Moghul Park
15	Phutanang, Phomolong, Ipeleng
16	Promise Land, Lindelani, Snake Park, Tsweleng
17	Ipeleng, Tlhageng, John Mampe, Kutlwano, Kagiso
18	Verwoerd Park, Kirstenhof, Greater No. 2, Galeshewe Ext 7
19	Latlhi Mabilo, Galeshewe Ext 5, Galeshewe Ext 4, Galeshewe Ext 3
20	Verwoerd Park, Diamant Park, West End, Kestelhof, New Park, Albertynshof, Kimberley Central, Kimberley Mine, Cecil Sussman, Kimberley North, Utility, Square Hill Park
21	De Beers, Moghul Park, De Beers Mine, Herlear, Cassandra, Ernestville, Beaconsfield, Memorial Road area
22	South Ridge, Fabricia, Green Point
23	El Toro Park, Royldene, Monument Heights, New Pak, Labram, Kimberley Central, Hadison Park, Memorial Road area
24	Carters Glen, Rhodesdene, Hadison Park, Heuwelsig, Kestelhof
25	Diamond Park, Diskobolos, Beaconsfield, Klisserville, Memorial Road area, De Beers Mine
26	Hillcrest, Rietvale, Ritchie, Ikageng, Motswedimosa
27	Platfontein, Rietvale
28	De Beers Mine, Kenilworth, Kimdustria, Colville, Floors, Beaconsfield, Greenside
29	Roodepan, Ivory Park, Langley & Riverton
30	Lerato Park, Kamfersdam, Roodepan, Jacksonville
31	Soul City, Kutlwano, Riviera
32	Platfontein, Phutanang
33	Diamant Park, Thambo Square, West End, Gemdene, China Square

Table 1: Municipal Wards

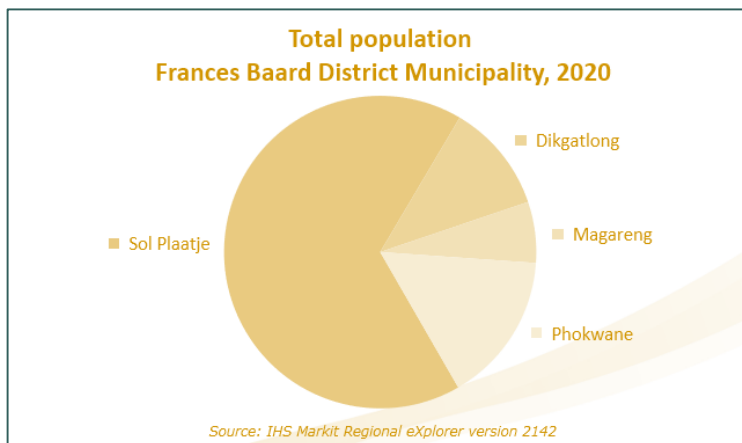
TOTAL POPULATION

CHAPTER 1: MUNICIPAL OVERVIEW

With 299,000 people, the Sol Plaatje Local Municipality housed 0.5% of South Africa's total population in 2020. Between 2010 and 2020 the population growth averaged 2.45% per annum which is close to double than the growth rate of South Africa as a whole (1.59%). The Sol Plaatje Local Municipality accounts for a total population of 299,000, or 66.8% of the total population in the Frances Baard District Municipality, which is the most populous region in the Frances Baard District Municipality for 2020.

Year	Sol Plaatje	Frances Baard	Northern Cape	National Total	% of District Municipality	% of Province	% of National
2010	235 000	359 000	1 120 000	51 100 000	65.5	20.9	0.46
2011	242 000	368 000	1 150 000	52 000 000	65.7	21.0	0.46
2012	248 000	377 000	1 170 000	52 900 000	65.9	21.1	0.47
2013	255 000	386 000	1 200 000	53 700 000	66.1	21.3	0.47
2014	262 000	395 000	1 220 000	54 600 000	66.3	21.4	0.48
2015	268 000	404 000	1 250 000	55 500 000	66.4	21.5	0.48
2016	274 000	412 000	1 270 000	56 400 000	66.5	21.5	0.49
2017	281 000	421 000	1 300 000	57 200 000	66.6	21.6	0.49
2018	287 000	430 000	1 320 000	58 100 000	66.7	21.7	0.49
2019	293 000	439 000	1 340 000	59 000 000	66.8	21.8	0.50
2020	299 000	447 000	1 370 000	59 800 000	66.8	21.9	0.50
% Average Annual growth							
2010-20	2.45%	2.24%	1.98%	1.59%			

Source: IHS Markit Regional Explorer version 2142



Graph 1: Total Population - Sol

Plaatje and the rest of Frances Baard, 2020

CHAPTER 1: MUNICIPAL OVERVIEW

a) Population by Population Group, Gender and Age

Sol Plaatje Local Municipality's male/female split in population was 94.3 males per 100 females in 2020. The Sol Plaatje Local Municipality appears to be a fairly stable population with the share of female population (51.47%) being very similar to the national average of (51.03%). In total there were 154,000 (51.47%) females and 145,000 (48.53%) males. This is different from the Frances Baard District Municipality as a whole where the female population counted 230,000 which constitutes 51.53% of the total population of 447,000.

In 2020, the Sol Plaatje Local Municipality's population consisted of 65.14% African (195,000), 6.98% White (20,900), 26.99% Coloured (80,700) and 0.89% Asian (2,670) people.

Age	African		White		Coloured		Asian	
	Male	Female	Male	Female	Male	Female	Male	Female
0-04	10 200	10 600	538	588	3 750	3 680	96	120
05-09	9 330	10 100	531	499	3 130	3 320	117	78
10-14	8 940	8 740	480	485	3 100	3 220	34	41
15-19	7 400	7 230	654	484	3 280	3 160	96	89
20-24	7 040	6 360	631	652	3 710	3 690	115	26
25-29	8 860	7 630	729	637	3 700	3 720	53	119
30-34	9 890	9 030	740	772	3 390	3 180	118	95
35-39	8 620	8 900	757	749	3 210	2 970	128	164
40-44	7 020	7 920	751	583	2 690	2 500	53	110
45-49	5 650	6 000	673	659	2 510	2 400	56	163
50-54	5 200	4 420	671	669	2 350	2 070	109	197
55-59	3 910	2 730	824	657	2 050	1 640	49	116
60-64	2 460	1 710	739	652	1 610	1 290	55	57
65-69	1 850	1 190	648	579	1 260	807	38	26
70-74	1 710	1 130	609	458	942	765	51	15
75+	1 990	1 020	1 040	741	954	658	54	33
Total	100 000	94 700	11 000	9 860	41 600	39 100	1 220	1 450

Source: IHS Markit Regional eXplorer version 2142

Table 2: Population by Population Group, Gender and Age - Sol Plaatje Local Municipality, 2020

1.2.2 Socio-Economic Information

HOUSEHOLDS

In 2020, the Sol Plaatje Local Municipality comprised 79,500 households. This equates to an average annual growth rate of 2.80% in the number of households from 2010 to 2020. With an average annual growth rate of 2.45% in the total population, the average household size in the Sol Plaatje Local Municipality is by implication decreasing. This is

CHAPTER 1: MUNICIPAL OVERVIEW

confirmed by the data where the average household size in 2010 decreased from approximately 3.9 individuals per household to 3.8 persons per household in 2020.

Relative to the district municipality, the Sol Plaatje Local Municipality had a higher average annual growth rate of 2.80% from 2010 to 2020. In contrast, the province had an average annual growth rate of 2.28% from 2010. South Africa as a whole had a total of 17 million households, with a growth rate of 1.88%, thus growing at a lower rate than the Sol Plaatje.

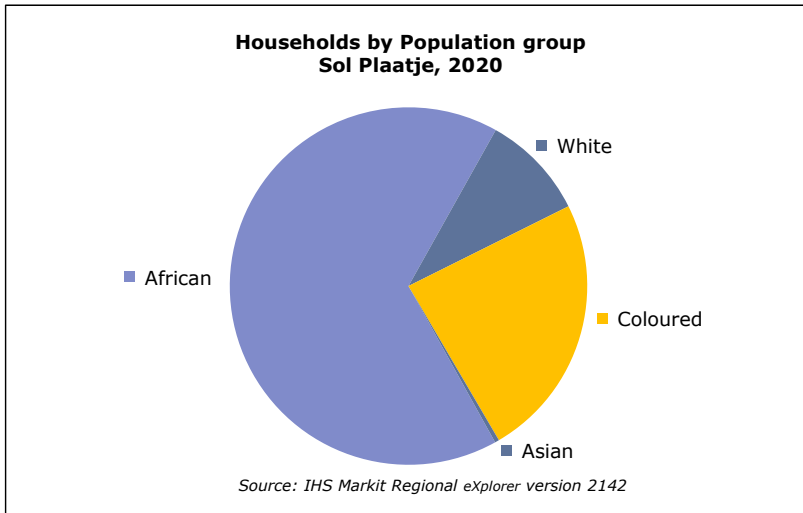
The composition of the households by population group consists of 66.2% which is ascribed to the African population group with the largest number of households by population group. The Coloured population group had a total composition of 23.9% (ranking second). The White population group had a total composition of 9.5% of the total households. The smallest population group by household is the Asian population group with only 0.4% in 2020.

Period	Sol Plaatje	Frances Baard	Northern Cape	National Total	% Of District Municipality	% Of Province	% Of National
	No				%		
2010	60 300	93 400	297 000	14 100 000	64.6	20.3	0.43
2011	62 500	96 500	306 000	14 400 000	64.8	20.4	0.44
2012	64 900	99 700	316 000	14 700 000	65.1	20.6	0.44
2013	67 200	103 000	325 000	15 000 000	65.4	20.7	0.45
2014	69 000	105 000	332 000	15 300 000	65.6	20.8	0.45
2015	70 800	108 000	338 000	15 700 000	65.8	21.0	0.45
2016	73 300	111 000	347 000	16 100 000	66.0	21.1	0.46
2017	76 100	115 000	358 000	16 400 000	66.0	21.3	0.46
2018	77 700	118 000	365 000	16 600 000	66.1	21.3	0.47
2019	78 700	119 000	370 000	16 800 000	66.2	21.3	0.47
2020	79 500	120 000	372 000	17 000 000	66.2	21.4	0.47
Average Annual growth							
2010-2020	2.80%	2.54%	2.28%	1.88%			

Source: IHS Markit Regional eXplorer version 2142

Table 3: Number of Households - Sol Plaatje, Frances Baard, Northern Cape and National Total, 2010-2020

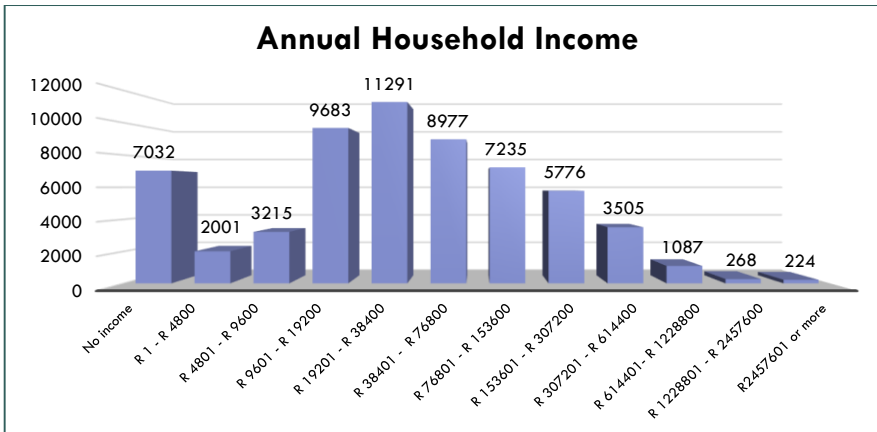
CHAPTER 1: MUNICIPAL OVERVIEW



Graph 2: Number of Households by Population Group - Sol Plaatje Local Municipality, 2020

ANNUAL HOUSEHOLD INCOME

The graph below indicates the annual household income as per Census 2011. The highest proportion of households earned between R19,201 – R38,400 annually.



Graph 3: Annual Household Income, 2011

CHAPTER 1: MUNICIPAL OVERVIEW

UNEMPLOYMENT LEVELS

In 2020, there were a total number of 29,900 people unemployed in Sol Plaatje, which is an increase of 2,580 from 27,400 in 2010. The total number of unemployed people within Sol Plaatje constitutes 67.63% of the total number of unemployed people in the Frances Baard District Municipality. The Sol Plaatje Local Municipality experienced an average annual increase of 0.91% in the number of unemployed people, which is worse than that of the Frances Baard District Municipality which had an average annual increase in unemployment of 0.73%.

Year	Sol Plaatje	Frances Baard	Northern Cape	National Total	% Of District Municipality	% Of Province	% Of National
	No				%		
2010	27 300	41 100	105 000	4 490 000	66.5	26.0	0.61
2011	28 800	43 300	110 000	4 590 000	66.4	26.1	0.63
2012	30 500	46 000	117 000	4 710 000	66.4	26.1	0.65
2013	32 200	48 500	126 000	4 870 000	66.3	25.5	0.66
2014	34 900	52 300	135 000	5 070 000	66.8	25.9	0.69
2015	37 000	54 800	140 000	5 320 000	67.5	26.5	0.70
2016	37 100	54 700	141 000	5 700 000	67.8	26.4	0.65
2017	36 200	53 300	139 000	6 020 000	67.9	26.0	0.60
2018	34 100	50 200	134 000	6 130 000	67.9	25.4	0.56
2019	32 700	48 100	132 000	6 480 000	67.9	24.7	0.50
2020	29 900	44 200	129 000	6 660 000	67.6	23.1	0.45
Average Annual growth							
2010-2020	0.91%	0.73%	2.11%	4.01%			

Source: IHS Markit Regional eXplorer version 2142

Table 4: Unemployment (Official Definition) - Sol Plaatje, Frances Baard, Northern Cape and National Total, 2010-2020

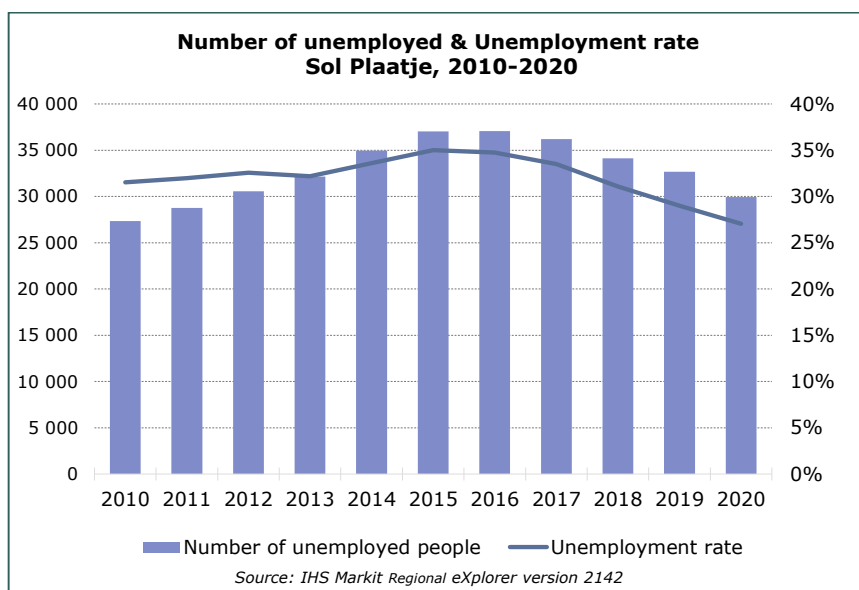
In 2020, the unemployment rate in Sol Plaatje Local Municipality (based on the official definition of unemployment) was 27.05%, which is a decrease of -4.5 percentage points as indicated in the table below. The unemployment rate in Sol Plaatje Local Municipality is lower than that of Frances Baard. Compared to the Northern Cape Province it can be seen that the unemployment rate for Sol Plaatje Local Municipality was lower than that of Northern Cape which was 27.60%. The unemployment rate for South Africa was 29.93% in 2020, which is an increase of -5 percentage points from 24.93% in 2010.

CHAPTER 1: MUNICIPAL OVERVIEW

Year	Sol Plaatje	Frances Baard	Northern Cape	National Total
2010	31.5%	33.4%	27.7%	24.9%
2011	32.0%	34.1%	28.1%	25.1%
2012	32.6%	34.7%	28.4%	25.1%
2013	32.2%	34.5%	29.0%	25.2%
2014	33.6%	35.7%	29.7%	25.2%
2015	35.0%	36.8%	30.1%	25.5%
2016	34.7%	36.4%	30.0%	26.4%
2017	33.5%	35.1%	29.4%	27.2%
2018	31.1%	32.7%	28.1%	27.4%
2019	29.0%	30.5%	27.3%	28.4%
2020	27.0%	28.7%	27.6%	29.9%

Source: IHS Markit Regional eXplorer version 2142

Table 5: Unemployment Rate (Official Definition) - Sol Plaatje, Frances Baard, Northern Cape and National Total, 2010-2020



Graph 4: Unemployment and Unemployment Rate

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EDUCATION LEVELS

The table below indicates the highest level of education: Age 15+. The number of people without any schooling in Sol Plaatje Local Municipality accounts for 42.23% of the number of people without schooling in the district municipality, 12.56% of the province and 0.39% of the national. In 2020, the number of people in Sol Plaatje Local Municipality with a matric only was 65,900 which is a share of 73.77% of the district municipality's total number of people that have obtained a matric. The number of people with a matric and a Postgrad degree constitutes 85.91% of the district municipality, 35.99% of the province and 0.47% of the national.

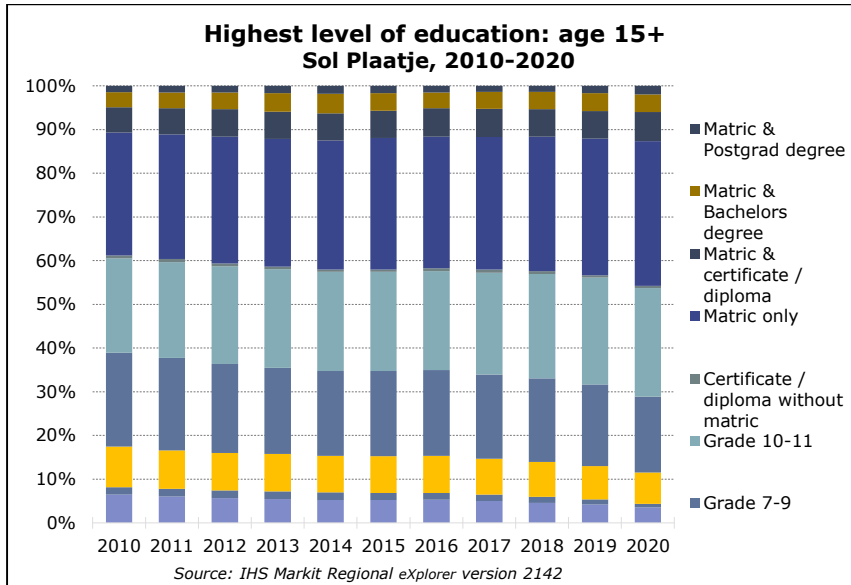
Period	Sol Plaatje	Frances Baard	Northern Cape	National Total	% Of District Municipality	% Of Province	% Of National
	No				%		
No schooling	7 110	16 800	56 600	1 810 000	42.2	12.6	0.39
Grade 0-2	1 580	3 280	11 600	551 000	48.1	13.6	0.29
Grade 3-6	14 200	26 700	93 700	2 900 000	53.1	15.1	0.49
Grade 7-9	34 600	52 400	187 000	6 020 000	66.1	18.5	0.58
Grade 10-11	49 400	70 200	205 000	9 480 000	70.3	24.1	0.52
Certificate/diploma without matric	978	1 200	3 580	197 000	81.5	27.3	0.50
Matric only	65 900	89 300	246 000	12 100 000	73.8	26.8	0.55
Matric certificate/diploma	13 300	16 100	46 500	2 570 000	82.5	28.6	0.52
Matric bachelor's degree	8 010	9 320	22 200	1 720 000	85.9	36.0	0.47
Matric Postgrad degree	3 890	4 590	9 830	848 000	84.7	39.5	0.46

Source: IHS Markit Regional Explorer version 2142

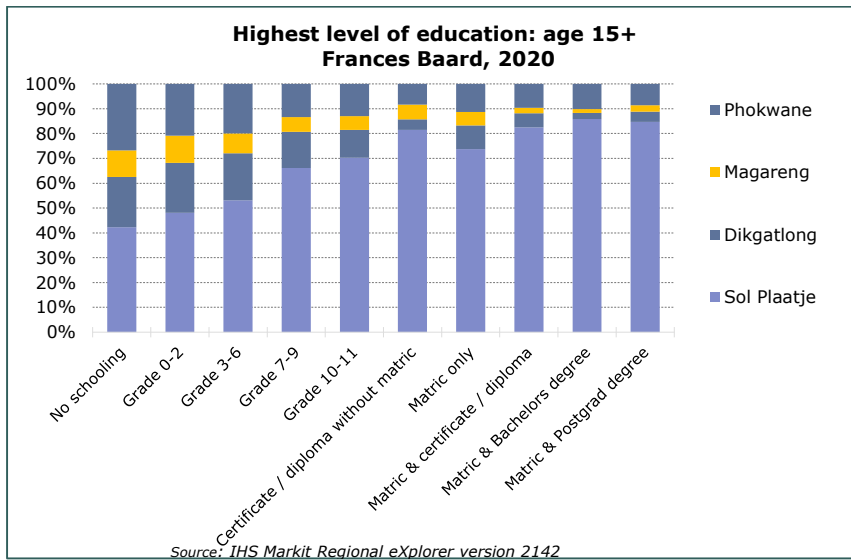
Table 6: Highest Level of Education: Age 15+

Within Sol Plaatje Local Municipality, the number of people without any schooling decreased from 2010 to 2020 with an average annual rate of -3.08%, while the number of people within the 'matric only' category, increased from 42,100 to 65,900. The number of people with 'matric and a certificate/diploma' increased with an average annual rate of 4.38%, with the number of people with a 'matric and a Bachelor's degree' increasing with an average annual rate of 4.42%. Overall improvement in the level of education is visible with an increase in the number of people with 'matric' or higher education.

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Graph 5: Highest Level of Education: Age 15



Graph 6: Highest Level of Education: Age 15, Sol Plaatje, Dikgatlong, Magareng and Phokwane 2020

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1.2.3 Economy

As per Census 2011, the economic activities consist of retailers and industries, as well as mining and farming. Agricultural land is mostly used for game, sheep and cattle farming, and cash crops such as lucerne, grapes, cotton and soybeans. Mining is still an integral part of the economy. Main Economic Sectors: Community services (33%), Finance (24%), Trade (14%), Mining (8%).

The Sol Plaatje Local Municipality does not function in isolation from Frances Baard, Northern Cape Province, South Africa and the world and now, more than ever, it is crucial to have reliable information on its economy for effective planning. Information is needed that will empower the municipality to plan and implement policies that will encourage the social development and economic growth of the people and industries in the municipality respectively.

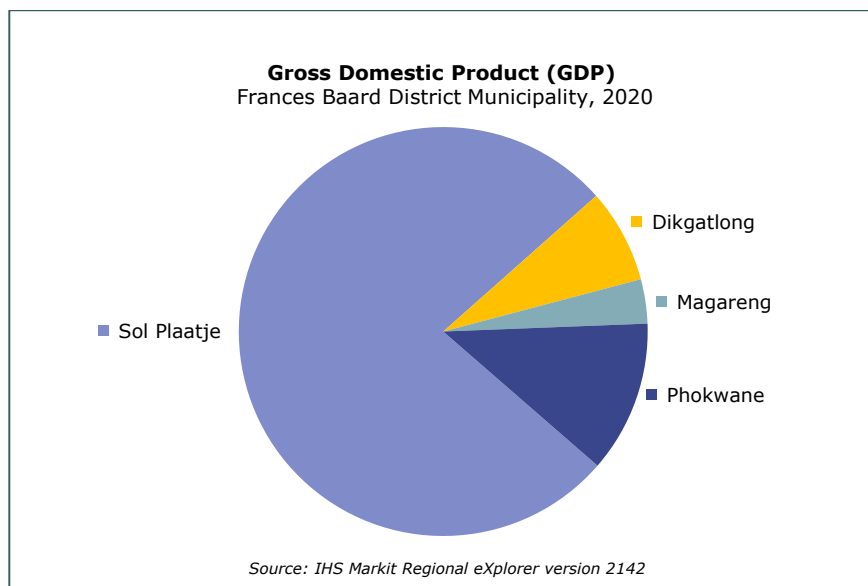
The table below indicates the Gross Domestic Product (GDP) for Sol Plaatje, Frances Baard, Northern Cape and National from 2010 to 2020. The Sol Plaatje Local Municipality contributes 27.63% to the GDP of Northern Cape Province and 0.56% to the GDP of South Africa which had a total GDP of R4.97 trillion in 2020 (as measured in nominal or current prices). It's contribution to the national economy stayed similar in importance from 2010 when it contributed 0.58% to South Africa, but it is lower than the peak of 0.60% in 2014.

Period	Sol Plaatje	Frances Baard	Northern Cape	National Total	% Of District Municipality	% Of Province	% Of National
No				%			
2010	15.9	20.7	60.1	2,748.0	76.8	26.5	0.58
2011	17.1	22.2	64.0	3,023.7	77.1	26.7	0.57
2012	18.4	23.8	68.2	3,253.9	77.2	26.9	0.56
2013	19.7	25.5	72.5	3,540.0	77.1	27.1	0.56
2014	23.0	29.8	83.5	3,805.3	77.2	27.5	0.60
2015	24.0	31.0	86.2	4,049.9	77.3	27.8	0.59
2016	25.3	32.7	90.4	4,359.1	77.2	28.0	0.58
2017	26.8	34.7	96.5	4,653.6	77.2	27.8	0.58
2018	28.0	36.2	100.1	4,873.9	77.2	27.9	0.57
2019	28.9	37.4	103.4	5,077.6	77.2	27.9	0.57
2020	27.8	36.1	100.7	4,973.0	77.1	27.6	0.56

Source: IHS Markit Regional eXplorer version 2142

Table 7: Gross Domestic Product (GDP) - Sol Plaatje, Frances Baard, Northern Cape and National Total, 2010-2020

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Graph 7: Gross Domestic Product (GDP) Frances Baard District Municipality, 2020

The Sol Plaatje Local Municipality had a total GDP of R27.8 billion and in terms of total contribution towards Frances Baard District Municipality the Sol Plaatje Local Municipality ranked highest relative to all the regional economies to total Frances Baard District Municipality GDP. This ranking in terms of size compared to other regions of Sol Plaatje remained the same since 2010. In terms of its share, it was in 2020 (77.1%) slightly larger compared to what it was in 2010 (76.8%). For the period 2010 to 2020, the average annual growth rate of 0.6% of Sol Plaatje was the third relative to its peers in terms of growth in constant 2010 prices.

District	2020 (Current prices)	Share of district municipality	2010 (Constant prices)	2020 (Constant prices)	Average Annual growth
Sol Plaatje	27.83	77.07%	15.94	16.89	0.58%
Dikgatlong	2.68	7.43%	1.73	1.85	0.63%
Magareng	1.26	3.50%	0.73	0.74	0.14%
Phokwane	4.34	12.01%	2.32	2.59	1.12%

Source: IHS Markit Regional eXplorer version 2142

Table 8: Gross Domestic Product (GDP) - Regions within Frances Baard District Municipality, 2010 to 2020, Share and Growth

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1.3 SERVICE DELIVERY OVERVIEW

Sol Plaatje Local Municipality performs the functions of both Water Services Authority (WSA) and Water Services Provider (WSP) in its area of jurisdiction. Thus, in terms of Section 27 of the Constitution and Section 11 of the Water Services Act, Sol Plaatje Local Municipality has an obligation to ensure progressive access to quality and reliable water services to its communities, which is their right as enshrined in the Bill of Rights and Section 3 of the Water Services Act. In terms of the Water Services Act, these services must be provided progressively, efficiently, economically, sustainably and affordable to consumers.

Kimberley is an old city that was designed as a mining town that grew with time. Infrastructure is very old, retrofitted with time and buried under other structures with no accurate “as built” information. This poses a challenge with the maintenance and upgrading of infrastructure for all basic services. The minimum requirement in terms of water provision is that all households living in informal settlements be provided with stand taps at a distance of 200m. In this regard, the municipality has ensured that all households living in informal settlements have access to communal stand taps. This service is provided freely to all households living in informal settlements.

Electrification remains a challenge due to the continuous growth of informal settlements on vacant land. Electrical infrastructure and electrification of houses cannot be installed in informal settlements prior to township establishment. Although the municipality received funding support from the Department of Energy, all these challenges are exacerbated by the availability of funding to timeously address challenges of maintenance, refurbishment, upgrading and development of new infrastructure at the same rate as demand and growth.

With immigration to Sol Plaatje Local Municipality due to several factors, infrastructure improvement and development interventions are chasing a moving target, and funding sources are inadequate to catch up with the demand without impacting on affordability and economic provision of services.

The table below indicates the percentage of households that have access to the minimum levels of basic services according to the Census 2011 and 2016:

Household Services	Census 2011	Census 2016
Flush toilet connected to sewerage	82.80%	87.70%
Weekly refuse removal	84.30%	82.70%
Piped water inside the dwelling	61.90%	60.20%
Electricity for lighting	84.90%	90.80%

Table 9: Access to Basic Services

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The table below indicates service backlogs per service and provision by the Municipality:

Service	2015/16	2017/18	2018/19	2019/20	2020/21	2021/22	Balance	2022/23
	Service Backlogs Census 2016	Provision	Provision	Provision	Provision	Provision		Provision
New Erven Planned and Surveyed*	6 427	235	1 844	0	0	512	3 647	1 533
Erf connected to Water	6 061	0	0	842	0	0	2 114	
Erf connected to Sanitation	5 438	0	0	842	0	0	4 596	
Houses connected to Electricity	6 692	635	1 090	1 055	742	1 577	1 553	1 344
Houses provided with Refuse Removal	4 526	0	0	0	0	4 526	0	0

Table 11: Service Backlogs per Service and Provision

Although significant progress was made in eradicating backlogs in terms of access to services such as housing, water, sanitation, roads and solid waste as discussed above, various service backlogs still exist that need to be addressed. Sol Plaatje Local Municipality, like any other secondary city, is faced with the difficulty of:

- Addressing historical backlog regarding adequate access to quality basic services;
- Influx of people which increases demand for basic services in addition to normal growth demand;
- Achieving progressive development of services provided above the basic level of service, whilst trying to address aging infrastructure; and
- Limited resources available in terms of funding, with a high level of dependency on capital grants as per Census 2011 and Community Survey 2016 indicated below is the percentage of households having access to basic services. Connection to Sewerage and Electricity shows improvement in the level of service provided.

1.3.1 Electricity

Indicated in the following table is the number of households by the main type of energy source as per Census 2016.

Description	No of households by main type of energy source	Access
In-house conventional meter	9 116	12.7%
In-house pre-paid meter	56 130	78.0%

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Description	No of households by main type of energy source	Access
Connected to another source which household pays for	600	0.8%
Connected to another source which household is not paying for	208	0.3%
Solar home system	82	0.1%
Generator/ Battery	266	0.4%
Other	201	0.3%
No access electricity	5 335	7.4%
Total	71 938	100.0%

Table 10: Number of Households by Main Type of Energy Source

1.3.2 Water and Sanitation Services

The minimum requirement in terms of water provision is that all households living in informal settlements be provided with stand taps at 200m. The minimum standard for sanitation services is a ventilated pit latrine or ventilation improved pit latrine (VIP) or chemical toilet. In this regard, the municipality has ensured that all households living in informal settlements have access to communal stand taps, and at least a VIP or chemical toilet. This service is provided freely to all households living in informal settlements.

Indicated in the table below is the number of households by the main source of water for drinking as per Census 2016. When taking into consideration the Minimum Service Level and Above which includes Piped (tap) water inside the dwelling and Piped (tap) water inside the yard, the Minimum service level and above actually amount to 92% access to water for drinking.

Description	No of households by main source of water for drinking	Access
Piped (tap) water inside the dwelling/house	43 297	60.2%
Piped (tap) water inside the yard	22 582	31.4%
Piped water on community stand	4 318	6.0%
Neighbour's tap	146	0.2%
Public/ communal tap	1 088	1.5%
Borehole in the yard – borehole outside the yard	160	0.2%
Rain-water tank in the yard	0.0	0.0%
Watercarrier/tanker	46	0.1%
Flowing water/stream/ river/other	303	0.4%
Total	71 940	100.0%

Table 11: Water and Sanitation Services

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Indicated in the table below is the number of households by type of toilet facility as per the Census 2016.

Description	No of households by type of toilet facility	Access
Flush toilet connected to a public sewerage system	63 085	87.7%
Flushed toilet connected to a septic tank or conservancy tank	281	0.4%
Chemical toilet	22	0.0%
Pit latrine/toilet with a ventilation pipe	1 235	1.7%
Pit latrine/toilet without ventilation pipe	1 535	2.1%
Ecological toilet/Other	342	0.5%
Bucket toilet (collected by the municipality)	3 280	4.6%
Bucket toilet (emptied by household)	1 072	1.5%
None	1 086	1.5%
Total	71 938	100.0%

Table 12: Households by Type of Toilet Facility

1.3.3 Roads And Storm Water

Roads and stormwater management is the responsibility of Sol Plaatje Local Municipality. As such, the municipality strives to improve the provision of these services, and to maintain a high level of service in respect of access to roads and storm water, and their management and maintenance.

Although all residents have access to a road meeting a basic level of service, most streets may have challenges with regard to surface quality and effective stormwater management. This is the reason for the flagship project of upgrading streets to paved roads and resealing of roads.

1.4 FINANCIAL HEALTH OVERVIEW

1.4.1 Financial Overview

The table below shows the financial overview of the municipality for the 2022/23 financial year:

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Details	Original budget	Adjustment Budget	Actual	% Achieved Original budget	% Achieved Adjustment Budget
	(R'000)				
Revenue					
Grants received	392 455	399 219	372 806	95%	93%
Taxes, levies and tariffs	2 000 857	1 978 226	1 797 695	90%	91%
Other	228 235	251 721	329 232	144%	131%
Sub-total	2 621 547	2 629 165	2 499 732	95%	95%
Less Expenditure	(2 465 128)	(2 698 200)	(2 561 276)	104%	95%
Net surplus/(deficit)	156 419	(69 034)	(61 545)	-39%	89%

Note: surplus/(deficit) The surplus at year-end includes an operational deficit of R173,081 million whilst Capital Grants amounts to R108,149 million and Public contributions & donations amounts to R3,387 million

Table 13: Financial Overview

For the financial year ended 30 June 2023, the total operating revenue was R2 499 732 billion versus an adjusted budget of R2 629 165 billion, resulting in an actual achieved of 95% with a satisfactory variance of minus 5%. Total operational expenditure amounted to R2 561 276 billion versus an adjusted budget of R2 698 200 billion, resulting in an actual of 95%, with a satisfactory variance of minus 5%.

1.4.2 Operating Ratios

The key operating ratios are indicated in the following table:

Detail	2020/21	2021/22	2022/23
Employee costs as a % of total expenditure	33,60%	29,77%	30,71%
Repairs and maintenance as a % of total expenditure	7,66%	10,33%	10,65%
Bulk Purchases as a % of total expenditure	25,02%	26,25%	24,72%
Finance charges as a % of total expenditure	1,69%	4,45%	2,82%
Debtors impairment as a % of total expenditure	15,93%	14,79%	17,70%

Table 14: Operating Ratios

Employee costs as a percentage of total operating expenditure increased from 29.77% (2021/22) to 30.71% (2022/23), it is still within the national norm of 35 to 40 percent. For the 2019/20 financial, in an attempt to reduce overtime expenditure, overtime hours were capped at 30 hours per employee amongst most units within the municipality. This control was not as effective for 2021/22 and 2022/23 financial year which was further impeded by a lack of capacity and the full implementation of the Overtime Policy which makes provision for employees to take hours off, in lieu of overtime remuneration.

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The bulk purchases as a percentage of total operational expenditure, remains relatively constant over the three years and constitutes on average about 25% of the municipality's total operational expenditure.

Finance charges as a percentage of total operational expenditure is within the norm of 6 to 8 percent. The municipality managed to maintain its obligations in terms of the long-term loan. Currently the municipality is not in a financial position to incur any further long-term loans.

Depicted in the table below is the year-on-year movement in the cash and cash equivalents of the Municipality. Cash and cash equivalents deteriorated by R84,713 million from 2021/22 to 2022/23. There is a significant improvement as cash and cash equivalents increased by R152,116 million from 2020/21 to 2021/22. This is as a result of a portion of the Equitable Share allocation for the prior year that the municipality was saving to build up some kind of reserve. The cost coverage ratio at year-end was just over 2 weeks which seriously threatens the municipality's ability to continue as a going concern in order to remain operational. The current norm is 3 months. This is evident by the fact that the Municipality is struggling to pay major creditors like ESKOM and the Department of Water and Sanitation.

Detail	2020/21	2021/22	2022/23
Cash and cash equivalents	39 009 634	191 125 575	106 412 540
Year-on-year Increase (decrease)	-	152 115 941	(84 713 035)
Cost coverage ratio	0,23	1,15	0,59
Number of days coverage	7 Days	34 Days	18 Days

Table 15: Cash and Cash Equivalents

1.4.3 Total Capital Expenditure

The table below indicates the total capital expenditure for the last two financial years:

Detail	2020/21	2021/22	2022/23
	(R'000)		
Original budget	154 456	179 266	190 043
Adjustment budget	155 446	154 666	188 893
Actual	132 020	183 271	125 559
Percentage Actual vs Original Budget	85%	102%	66%
Percentage Actual vs Adjustment Budget	85%	118%	66%

Table 16: Total Capital Expenditure

During 2022/23, the capital budget was adjusted upwards from R179 266 million to R190 043 million. Spending on capital versus the adjustment budget in 2021/22 resulted in 118% spent which then decreased in 2022/23 as the spending against the adjustment budget was 66%.

1.5 ORGANISATIONAL DEVELOPMENT OVERVIEW

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The municipality invests in the capacitation of its employees, councillors and the unemployed. Various projects are planned and executed within the restrictions of the budget. Additional sources of funds are accessed for improving knowledge and skills to ultimately improve service delivery.

The training varied from bursaries, online training, and across the spectrum of fields.

Management and Professionals received focused on the minimum competency training and training specific for their professions. The minimum competencies in June 2023 were as listed in the table below:

Position	Highest Educational Qualification	Work Related Experience	Performance Agreement Signed (where required)	Completed Required Unit standards	Requirements met	Compliant (consider budget)
Accounting Officer	√	√	√	√	4	√
CFO Municipality (Acting)	√	√	-	X	2	X
Senior Manager (S56)	√	√	√	X	3	X
Senior Manager (S56)	√	√	√	X	3	X
Senior Manager (S56) (Acting)	√	√	-	X	2	X
Senior Manager (S56) (Acting)	√	√	-	X	2	X
Middle Manager: Finance	√	√	√	X	3	X
Middle Manager: Finance	√	√	√	X	3	X
SCM Head	√	√	√	X	3	X
SCM Manager	X	√	√	X	2	X
SCM Manager	√	√	√	√	4	√

Table 17: Minimum Competencies in June 2023

Councillors were capacitated in various areas related to their portfolios; SALGA training; and Bursaries received from the LGSETA for the National Diploma in Local Government Law and Administration.

The following table provides a breakdown of training beneficiaries as a percentage of the total per group:

Employment Category	Total (Percentage)		
	2020/21	2021/22	2022/23
Legislators	9.4	13.2	11.9
Directors and Corporate Managers	5.6	4.3	4.5
Professionals	6.8	4.9	5.6
Technicians and Trade Workers	10.7	9.9	8.9
Community and Personal Service Workers	7.3	4.8	5.8
Clerical and Administration Workers	16.7	16.3	19.1

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Employment Category	Total (Percentage)		
	2020/21	2021/22	2022/23
Machine Operators and Drivers	5.7	2.7	2.6
Labourers	32.2	30.1	27.5
Sales and Service Workers	5.7	13.8	14.1

Table 18: Training Beneficiaries as a Percentage of the total per Group

The following table provides a breakdown of ABET attendance:

Description	Number
ABET Level 2	0
ABET Level 3	0
ABET Level 4	0

Table 19: ABET Attendance

The following table provides a summary of beneficiaries' trained data:

Description	2019/20	2020/21	2021/22	2022/23
Total number of beneficiaries	1 193	413	997	1 323
Black beneficiaries as % of total beneficiaries	70.9%	91.77%	91.7%	96.22%
Total number of woman beneficiaries	393	142	411	603
Women beneficiaries as % of total beneficiaries	32.94%	34.38%	41.2%	45.6%

Table 20: Beneficiaries Trained

The following information is indicative of the total number of beneficiaries receiving training:

Description	2019/20	2020/21	2021/22	2022/23
Total number of beneficiaries	1 193	413	997	1 323
Beneficiaries as % of the total workforce	58.56%	20.92%	72.6%	75%

Table 21: Total Number of Beneficiaries Receiving Training

The following table indicates the number of employees trained per course:

Employment Category	Total			
	2019/20	2020/21	2021/22	2022/23
ASDSA Virtual Session	0	0	1	2
Basic Computer Training	36	11	0	27
Basic Supervision	0	0	17	10
Boilermaker	0	0	5	7
Code (8/10/14) Driver's License	37	13	121	217

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Employment Category	Total			
	2019/20	2020/21	2021/22	2022/23
Confined Space Entry Accredited Training	0	14	0	24
CPMD / MEFMP/ modules	6	42	29	29
Effective Report Writing, Minute Taking and Excel	10	0	0	21
Elementary Fire Fighting	0	0	0	21
Employee Rights and Obligations	49	12	8	6
Health and Safety Representative	15	0	0	13
HRD Workshop	0	0	0	2
HV Regulations / HV cable fault finding	11	1	1	16
Induction Training	122	0	131	456
LGSETA Research Webinar	0	0	0	3
Local Labour Forum Training	3	13	23	16
Middle management coaching	4	0	21	25
Municipal Staff Regulations	0	0	1	1
Operate a Front-End Loader re-certification	0	0	1	3
Operate Tractor Mobile Work Platform	0	10	0	3
Peace Officer	0	0	15	22
Performance Management	0	22	22	18
Professional Client Service Delivery	27	47	61	8
Project Management	0	4	22	10
Protocol & Etiquette	0	0	14	2
PSDF Meeting LGSETA Virtual	0	0	1	2
SACPCMP	0	0	1	2
SALGA Talent Management Virtual Webinar	0	0	1	3
Truck Mounted Crane Re-cert	0	0	3	3
Trustee Training LARF	0	0	1	1
Vision, Mission & Batho Pele	34	14	13	2
Global Dev in credentialing & a SA Case Study	0	0	0	1
Capacity Building Support for Municipal Cllrs	0	0	0	48
Labour Relations from a Legal Perspective	0	0	0	17
Communication & Aids	0	0	0	6
Anti-Corruption, Fraud & Ethics Workshop	0	0	0	1
NCUTVET College Dip Graduation Ceremony	0	0	0	1
Webinar FSCA Contraventions of PFA	0	0	0	1
Re-certificate Operate a Mobile Elevating Work Platform	0	0	0	1

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Employment Category	Total			
	2019/20	2020/21	2021/22	2022/23
NCP Skills Dev Forum	0	0	0	1
Module 4: Business Sector & Industry	0	0	0	6
Job Description Writing Training	0	0	0	2
Overtime Policy	0	0	0	3
On-the-job Basic Computer Training	0	0	0	5
Module 5: Financial Requirements	0	0	0	6
Gender Responsive Procurement Training	0	0	0	22
Call Centre Training	0	0	0	13
Accredited First Aid	0	0	0	20
Assessment of Electrical RPL	0	0	0	10
None Revenue Water Losses	0	0	0	4
GIS Exam	0	0	0	1
Module 6: Business Operations	0	0	0	6
Re-certificate Operate a Grader	0	0	0	3
Late submission: Explain and perform fall arrest techniques when working at heights	0	0	0	8
Late submission: Install, use and perform basic rescue from fall arrest systems and implement the fall protection plan	0	0	0	8
CPD Point Workshop	0	0	0	1
Operate an excavator	0	0	0	2
End-user Computer Training	0	0	0	41
Retirement Trustee Training	0	0	0	1
WIL Induction Session	0	0	0	49
Cane Handling Training	0	0	0	1
5th Annual Local Gov Labour Law Seminar	0	0	0	2
Career Guidance Workshop	0	0	0	1
Mobility Training	0	0	0	1
Occupational Health & Safety	0	0	0	7
Risk Management Training	0	0	0	24
ISDG Workshop	0	0	0	1
Digital Security Firewall: Virtual Training	0	0	0	2
Install, use & perform basic rescue from fall arrest systems & implement the fall protection plan	0	0	0	6
Workplace Communication	15	13	53	15
Total	789	413	997	1 323

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Table 22: Number of Employees Trained per Course

These figures included the Councillors and unemployed interns and workers on programmes in the municipality.

1.6 AUDITOR-GENERAL REPORT

The Auditor-General of South Africa has a constitutional mandate and, as the Supreme Audit Institution (SAI) of South Africa, exists to strengthen our country's democracy by enabling oversight, accountability and governance in the public sector through auditing, thereby building public confidence. In short, the Auditor-General checks the spending of public money by looking at whether it has been used ideally and for the purposes intended. This is done by annually checking all government spending.

The Auditor-General's annual audit examines 3 areas:

- Fair presentation and absence of significant misstatements in financial statements.
- Reliable and credible performance information for predetermined objectives.
- Compliance with all laws and regulations governing financial matters.

There can be 5 different outcomes to an audit, once the municipality has submitted its financial statements to the Auditor-General, which can be simply defined as follows:

- **Unqualified audit without findings:** The financial statements are free from material misstatements and there are no material findings on reporting on predetermined objectives or non-compliance with legislation. This is commonly referred to as a "clean audit" outcome.
- **Unqualified audit with findings:** The financial statements contain material misstatements. Unless a clean audit outcome is expressed, findings will be raised on either reporting on predetermined objectives or non-compliance with legislation, or both of these aspects.
- **Qualified audit opinion:** The financial statements contain material misstatements in specific amounts, or there is insufficient evidence to conclude that specific amounts included in the financial statements are not materially misstated.
- **Adverse audit opinion:** The financial statements contain material misstatements that are not confined to specific amounts, or the misstatements represent a substantial portion of the financial statements.
- **Disclaimer of audit opinion:** Insufficient evidence was provided in the form of documentation on which to base an audit opinion. The lack of sufficient evidence is not confined to specific amounts or represents a substantial portion of the information contained in the financial statements.

1.6.1 Audited Outcomes

CHAPTER 1: MUNICIPAL OVERVIEW

The table below indicates the audit outcomes for the past four years:

Year	2018/19	2019/20	2020/21	2021/22	2022/23
Status	Qualified	Qualified	Qualified	Qualified	Qualified

Table 23: Audit Outcomes

1.6.2 Auditor-General Report 2022/23

Audit Findings	158
The basis for qualified opinion	Property, Plant and Equipment
	Service charges
	Trade Receivables from exchange transactions
	Investment Property
	Inventory
	Loss/write-down of Inventory
	Material losses - Electricity
Revenue from exchange transactions	
The emphasis of matter paragraphs	None

Table 24: Auditor-General Report

1.7 IDP, BUDGET AND PMS PROCESS

IDP PARTICIPATION AND ALIGNMENT

Criteria	Yes/No
Does the municipality have impact, outcome, input, and output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, and 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 with the KPIs in the strategic plan?	Yes
Do the IDP KPIs align with the Section 57 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 Twelve Outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the four-quarter aligned reports submitted within stipulated timeframes?	Yes
* Section 26 Municipal Systems Act 2000	

Table 25: IDP Participation and Alignment

CHAPTER 1: MUNICIPAL OVERVIEW

The table below is a summary of key activities that took place throughout the 2021/22 financial year in terms of the IDP, Budget and PMS process:

No.	Activity	Timeframe
1	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	July 2022
2	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feed seamlessly into the Annual Report process at the end of the Budget/IDP implementation period	August 2022
3	Finalise the fourth quarter Report for the previous financial year	July 2022
4	The audit committee considers draft Annual Financial Statements, performance report and draft annual report of municipality and entities (where relevant) (not the draft AR)	August 2022
5	Municipal entities submit draft annual reports to MM	Not submitted
6	Submit the first draft year 2021/22 Annual Report to Internal Audit and Auditor-General	Not submitted
7	Auditor-General audits Annual Report including consolidated Annual Financial Statements and Performance data	Aug – Sep 2022 (Except AR)
8	Municipalities receive and start to address the Auditor-General's comments	September to November 2022
9	The mayor tables the unaudited Annual Report	Not submitted
10	The municipality submits the Annual Report including the audited annual financial statements and performance report to Auditor-General	August 2022 (except AR)
11	Annual Performance Report as submitted to Auditor-General to be provided as input to the IDP Analysis Phase	October 2022
12	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor-General's Report	Not submitted
13	The audited Annual Report is made public, and representation is invited	Not submitted
14	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input	January 2023
15	MPAC Committee assesses Annual Report	Not submitted
16	Council adopts Oversight report	Not submitted
17	MPAC report is made public	Not submitted
18	MPAC report is submitted to relevant provincial councils	Not submitted

Table 26: Key Activities Linked to the 2023/24 IDP & Budget Planning Cycle, and 2022/23 PMS Implementation Cycle

CHAPTER 1: MUNICIPAL OVERVIEW

The Municipality develops a process plan for the approval of the annual report. The Annual Report assists the municipal councillors, and officials as well as residents and other stakeholders with information and progress made on service delivery.

It is important that it aligns with the Integrated Development Plan (IDP), Budget, Service Delivery and Budget Implementation Plan (SDBIP), and in-year reports as these reports should be used as decision-making tools by the municipalities.

The advantages of compiling an unaudited Annual Report in August (as per the timeframe in the above table) is that it can be used to influence the strategic objectives indicated in the IDP for the next financial year as well as the related budgetary requirements. It will further provide the Municipality with an opportunity to review the functional areas that received attention during the current financial year and take the necessary corrective actions to align the IDP and budget to other priority areas needing attention.

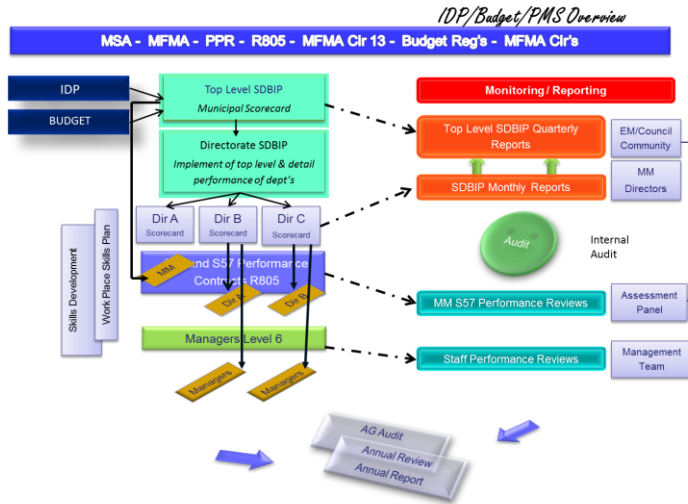
It is vital to align the IDP, Budget and Performance Management systems to ensure the achievement of the Municipality's strategic objectives. The IDP sets out the vision, objectives/goals and development plans of the Municipality. It is presented to the Council who adopts it and undertakes an annual review and assessment of performance.

The IDP informs the budget. The budget sets out the revenue-raising and expenditure plan for approval by Council. The budget informs the SDBIP which lays the basis for the performance agreements of the Municipal Manager and senior management. (The Performance Management System.)

The IDP review is informed by changing policy imperatives and circumstances – described in an accompanying performance evaluation. The evidence of this is obtained from the mid-year Budget and Performance Review (documents presented to Council) in terms of Section 72 of the MFMA and in the Annual Report in terms of Section 121 (Annual financial and performance reports) tabled to Council. The Municipality must also prepare an annual performance report which must form part of the Annual Report for each financial year in accordance with the Municipal Systems Act 2000 (MSA) Section 46, and the Municipal Finance Management Act 2003 (MFMA) Section 121.

CHAPTER 1: MUNICIPAL OVERVIEW

This process as implemented by the Sol Plaatje Municipality is indicated in the following diagram:



CHAPTER 2: GOVERNANCE

CHAPTER 2: GOVERNANCE

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

Good governance comprises eight major characteristics: it is participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive and follows the rule of law. It assures that corruption is minimized, the views of minorities are considered and that the voices of the most vulnerable in society are heard in decision-making. It is also responsive to the present and future needs of society.

During the reporting period Sol Plaatje Local Municipality was governed by an executive mayoral system in order to assist with the achievement of clean audit status. Adequate provision is made in the system of delegations and sub-delegations to ensure the effective, efficient and accountable functioning of the Council, the Political Executive of Council, and the Municipal Manager as Chief Accounting Officer as well as the Executive Directors as executors of policy and service delivery. The Office of the Speaker is responsible to ensure smooth functioning of Council and its committees underpins the functioning of Council.

The governance model consists of Section 80 and 79 committees.

In terms of the Section 80 of the Municipal Structures Act, the under-mentioned committees assist the Executive Mayor in execution of duties and have no binding decision making powers. The ten members of the Mayoral Committee are the chairpersons of the Section 80 committees:

In terms of Section 79 of the Municipal Structures Act (Act No. 117 of 1998), Section 62 of the Municipal Systems Act, (Act No. 32 of 2000), and Section 66 of the Municipal Finance Management Act, (Act No. 56 of 2003), (MFMA), Council must establish the under-mentioned committees to perform certain functions that are directly accountable to Council and consists of non-executive councillors:

In terms of Section 166 of the MFMA, the Audit Committee exists within Council. The Municipal Public Accounts Committee (MPAC) adopts the responsibilities of the Oversight Committee by reviewing the Auditor-General's annual report and, on its own initiative or Council instruction investigates and advise Council of unauthorised, irregular, fruitless and/or wasteful expenditure in terms of Section 32(2) of the MFMA. The Audit Committee and MPAC work in close co-operation and MPAC reports to Council at least quarterly. The Oversight Report is published separately in accordance with MFMA guidance.

The table below indicates the committees (other than the Mayoral/Executive Committee) functioning in the municipality and their purposes:

CHAPTER 2: GOVERNANCE

Municipal Committees	Purpose
Section 80 Committees	The terms of reference of these committees are policy formulation and implementation monitoring within the following functional areas:
Community Services	Sports, Parks and Recreation; Library and Information Services; Commonage; Social Development; Primary Health Care Services and Municipal Health Care Services
Corporate Services & Human Resources	Communication; Customer Relationship Management/Service Delivery; Employment Equity; Information Systems and Technology; Legal Services; Personnel Service; Strategic Human Resources; Strategic Support
Economic Development, Urban Renewal & Tourism Committee	Economic Development; Local Tourism; Urban Renewal; Markets; Street Trading and Informal Trading Schemes; Advertising
Finance	Revenue; Treasury and Accounting
Human Settlement Services	New and Existing Settlements; Housing Finance, Social Housing; Housing Policy, Research Planning and Monitoring
IDP, Budget & Project Management	Development and Review of IDP, Budget and SDBIP
Inter-governmental & International Relations	Intergovernmental Projects and Programmes
Safety & Security	Emergency Services; Law Enforcement; Traffic Management; Motor Registration and Licensing Services
Transport, Roads & Storm water	Transport Planning; Infrastructure Planning, Development and Maintenance
Utility Services	Electricity Infrastructure Planning, Development and Maintenance; Water And Sanitation Infrastructure Planning, Development And Maintenance; Solid Waste Infrastructure Planning, Development And Maintenance
Section 79 Committees	Proposed terms of reference for section 79 committees:
Disciplinary Committee	<p>To investigate and make findings on any alleged breach of the Code of Conduct and to make appropriate recommendations to the council. To investigate and make a finding on non-attendance of meetings and to impose a fine as determined by the Standard Rules of Order of the council. In terms of section 59 of the Municipal Systems Act, council delegated the following powers, functions and duties to the committee:</p> <ul style="list-style-type: none"> To co-opt advisory members who are not members of council provided that such members may not vote on any matter; To instruct any councillor(s) and request official(s)/or other affected parties to appear before the committee to give evidence; To appoint a legal advisor to assist the committee including obtaining internal/external legal opinions; To make written representations to the MEC for local government pertaining to an appeal to the MEC by a councillor(s) who has been warned, reprimanded or fined in terms of paragraph item 14(2)(a), (b) or (d) of the Code of Conduct for councillors; and In appropriate instances act in terms of section 14(2) and impose a fine in respect of contraventions in item 4 of the Code of Conduct for councillors.
General Appeals Committee	Consider appeals from any person affected by the exercise of delegated power by a structure or person to whom such power is delegated.
Municipal Public Accounts Committee (MPAC)	The terms of reference of these committees are to review the Auditor-General's Annual Report and when instructed by the council or on its own initiative, to investigate and advise council in respect of unauthorised, irregular or fruitless and wasteful expenditure in terms of section 32(2) of the MFMA.
Rules Committee	Rules of Order; Attendance of Meetings; Delegation Register.
Spatial Planning, Environment and Land Use Management Committee (SPELUM)	Spatial Development Framework (SDF); Land Use Management Scheme (LUMS); Land Use Applications; Building Plans; Immovable Property; Environmental and Heritage Authorisations and Development and Appeals.

CHAPTER 2: GOVERNANCE

Municipal Committees	Purpose
Ward Participatory Committee	<ul style="list-style-type: none"> To oversee the establishment and coordination of ward committees To determine administrative arrangements to enable ward committees to execute duties and exercise powers To recommend to council in terms of dissolution of ward committees To determine roles and responsibilities of ward committees. To facilitate enabling environment for ward committees to function optimally (training, stipends)
Other Committees	
Audit	<p>A committee of the council typically charged with oversight of financial reporting and disclosure. Their responsibilities are to advise the municipal council, political office bearers, the accounting officer and the management staff of the municipality on matters relating to:</p> <ul style="list-style-type: none"> internal financial control and internal audits; risk management; accounting policies; the adequacy, reliability and accuracy of financial reporting and information; review the annual financial statements to provide the council of the municipality with an authoritative and credible view of the financial position of the municipality; and respond to council on any issues raised by the Auditor-General in the audit report.
Performance Audit Committee	<p>A committee of the council typically charged with oversight responsibilities relating to the performance management and achievement of pre-determined objectives. Their responsibilities are to advise the municipal council, political office bearers, the accounting officer and the management staff of the municipality on matters relating to:</p> <ul style="list-style-type: none"> internal financial control and internal audits; effective governance; the adequacy, reliability and accuracy of financial reporting and information; performance management; performance evaluation; and respond to council on any issues raised by the Auditor-General in the audit report.
Section 57 Appointments Committee	<p>In terms of section 54A of the LG: Municipal Systems Amendment Act, 2011 (Act No 7 of 2011) the section is aimed at regulating the appointment of municipal managers (MMs) and acting municipal managers and has introduced a new approach in terms of recruitment of MMs and section 56 managers. Municipalities must ensure that the Provincial Departments of Co-operative Governance, Treasury, SALGA and Development Bank of SA (DBSA) form part of the shortlisting and interview panels for MMs and managers reporting to the MM.</p>

Table 27: Municipal Committees and Purposes

2.1 POLITICAL GOVERNANCE STRUCTURE

The Council performs both legislative and executive functions. It focuses on legislative, oversight and participatory roles and has delegated its executive function to the Executive Mayor and the Mayoral Committee. Its primary role is to debate issues publicly and to facilitate political debate and discussion. Apart from their functions as policymakers, councillors are also actively involved in community work and the various social programmes in the municipal area.

Description	Number
Total number of councillors	65
Ward councillors	33
Proportional councillors	32

Table 28: Political Governance Structure

CHAPTER 2: GOVERNANCE

2.1.1 Council

The table below categorises the councillors within their specific political parties and wards for the 2022/23 financial year:

Councillors, Committees Allocated and Council Attendance					
Council Members	Full-time/Part-time (FT/PT)	Committees Allocated (Only the Chairperson will be stipulated, if no stipulation, the Cllr is listed as a member of the various committees)	Ward and/or Party Represented	Council Meetings Attended	Apologies / Absent
				%	
Mabilo SP (Mayor)	FT	<ul style="list-style-type: none"> • Mayco: Chairperson • OCM • General Appeals: Chairperson • Municipal Advisory: Chairperson 	ANC	86	14
Koopman I (Speaker)	FT	<ul style="list-style-type: none"> • OCM • Ward Participatory: Chairperson • Disciplinary: Chairperson • Ad Hoc Nelson Mandela: 	ANC	100	00
Keetile WM (Whip)	PT	<ul style="list-style-type: none"> • OCM • Finance • Rules • Municipal Advisory Committee 	ANC Ward 15	86	14
Badenhorst EL	PT	<ul style="list-style-type: none"> • OCM • Community Services • Disciplinary 	DA	43	57
Banda F	PT	<ul style="list-style-type: none"> • OCM • Safety and Security • Utility Trading Services 	ANC Ward 32	100	0
Beylefeld MJ	PT	<ul style="list-style-type: none"> • OCM • Spelum • Disciplinary 	DA	86	14
Bishop PD	PT	<ul style="list-style-type: none"> • OCM 	ANC	86	14
Boqo AN	FT	<ul style="list-style-type: none"> • Mayco • OCM • Corporate Services & Human Resources: Chairperson • Disciplinary 	ANC	100	0
Britz S	PT	<ul style="list-style-type: none"> • OCM • Human Settlement Services 	ANC Ward 16	86	14

CHAPTER 2: GOVERNANCE

Councillors, Committees Allocated and Council Attendance					
Council Members	Full-time/Part-time (FT/PT)	Committees Allocated (Only the Chairperson will be stipulated, if no stipulation, the Cllr is listed as a member of the various committees)	Ward and/or Party Represented	Council Meetings Attended	Apologies / Absent
				%	
Chinkuli DS	PT	<ul style="list-style-type: none"> OCM General Appeals 	ANC	71	29
Diphahe JG	PT	<ul style="list-style-type: none"> OCM Inter-Governmental, International Relations & Customer Services Transport, Roads & Storm Water 	ANC Ward 7	71	29
Farland LK	PT	<ul style="list-style-type: none"> Mayco OCM Community Services - Chairperson Ad Hoc Nelson Mandela 	ANC	100	0
Fourie OC	PT	<ul style="list-style-type: none"> OCM Utility Trading Services 	DA Ward 25	57	43
Francis BP	PT	<ul style="list-style-type: none"> OCM Rules 	DA Ward 1	86	14
Gomba JT	PT	<ul style="list-style-type: none"> Mayco OCM Utility Trading Services - Chairperson 	ANC Ward 10	86	14
Griqua SH	PT	<ul style="list-style-type: none"> OCM Finance IDP, Budget & PM 	ANC	86	14
Hammer N	PT	<ul style="list-style-type: none"> OCM 	IND Ward 27	100	0
Jaffer CB	PT	<ul style="list-style-type: none"> OCM Corporate Services Transport, Roads & Storm Water 	DA	61	39
Japhta H	PT	<ul style="list-style-type: none"> OCM Human Settlement Services Spelum 	DA Ward 28	43	57
Joseph G	PT	<ul style="list-style-type: none"> OCM Finance Utility Trading Services 	DA	57	43
Keme BJ	PT	<ul style="list-style-type: none"> OCM Safety & Security Spelum Disciplinary 	ANC Ward 31	71	29

CHAPTER 2: GOVERNANCE

Councillors, Committees Allocated and Council Attendance					
Council Members	Full-time/Part-time (FT/PT)	Committees Allocated (Only the Chairperson will be stipulated, if no stipulation, the Cllr is listed as a member of the various committees)	Ward and/or Party Represented	Council Meetings Attended	Apologies / Absent
				%	
Kika SN	PT	<ul style="list-style-type: none"> OCM Inter-Governmental, International Relations & Customer Services 	DA	86	14
Kock GP	PT	<ul style="list-style-type: none"> OCM Ward Participatory Rules 	ANC Ward 30	71	29
Kok PK	PT	<ul style="list-style-type: none"> OCM Human Settlement Services 	EFF	57	43
Kruger F	PT	<ul style="list-style-type: none"> Mayco OCM Inter-Governmental, International Relations & Customer Services: Chairperson 	ANC	57	43
Lekoma IA	PT	<ul style="list-style-type: none"> OCM General Appeals Transport, Roads & Storm Water 	ANC Ward 19	72	28
Lewis CB	PT	<ul style="list-style-type: none"> OCM Inter-Governmental, International Relations & Customer Services 	DA Ward 3	29	71
Liebenberg CR	PT	<ul style="list-style-type: none"> OCM 	COPE	72	28
Louw M	PT	<ul style="list-style-type: none"> OCM Corporate Services & Human Resources General Appeals 	DA	29	71
Maditse ND	PT	<ul style="list-style-type: none"> OCM Community Services Human Settlement Services 	DA Ward 22	72	28
Makhamba BJ	PT	<ul style="list-style-type: none"> OCM MPAC (Chairperson) Rules Ad Hoc Nelson Mandela 	ANC Ward 26	100	0
Matika ET	FT	<ul style="list-style-type: none"> OCM Inter-Governmental, International Relations & Customer Services 	ANC	72	28

CHAPTER 2: GOVERNANCE

Councillors, Committees Allocated and Council Attendance					
Council Members	Full-time/Part-time (FT/PT)	Committees Allocated (Only the Chairperson will be stipulated, if no stipulation, the Cllr is listed as a member of the various committees)	Ward and/or Party Represented	Council Meetings Attended	Apologies / Absent
				%	
Matshediso OE	FT	<ul style="list-style-type: none"> Mayco OCM Finance: Chairperson Ad Hoc Nelson Mandela 	ANC	100	0
Meintjies M	FT	<ul style="list-style-type: none"> Mayco OCM Transport, Roads & Storm Water: Chairperson 	ANC	100	0
Miller HB	PT	<ul style="list-style-type: none"> OCM 	EFF	86	14
Mocwagole LL	PT	<ul style="list-style-type: none"> OCM MPAC Economic Development, Urban Renewal & Tourism 	ANC Ward 12	86	14
Mohamed L	PT	<ul style="list-style-type: none"> OCM Safety & Security 	DA Ward 2	29	71
Mohapi PM	PT	<ul style="list-style-type: none"> OCM Spelum - Chairperson 	ANC Ward 5	86	14
Mojakwe IM	PT	<ul style="list-style-type: none"> OCM Community Services Utility Trading Services 	ANC Ward 11	86	14
Molatudi MK	PT	<ul style="list-style-type: none"> OCM MPAC Spelum 	ANC Ward 13	72	28
Morwe RT	FT	<ul style="list-style-type: none"> Mayco OCM Human Settlement Services Chairperson General Appeals 	ANC	43	57
Moshweu MM	PT	<ul style="list-style-type: none"> OCM Finance Inter-Governmental, International Relations & Customer Services 	ANC	86	14
Mothelesi FK	PT	<ul style="list-style-type: none"> OCM 	EFF	72	28
Mpanza TH	PT	<ul style="list-style-type: none"> OCM 	ANC Ward 4	43	57

CHAPTER 2: GOVERNANCE

Councillors, Committees Allocated and Council Attendance					
Council Members	Full-time/Part-time (FT/PT)	Committees Allocated (Only the Chairperson will be stipulated, if no stipulation, the CLR is listed as a member of the various committees)	Ward and/or Party Represented	Council Meetings Attended	Apologies / Absent
				%	
Ngoma TC	PT	<ul style="list-style-type: none"> OCM Human Settlement Services IDP Budget & PM Disciplinary Municipal Advisory Committee Ad Hoc Nelson Mandela 	ANC Ward 8	29	71
Niemann E	PT	<ul style="list-style-type: none"> OCM Safety & Security 	DA	86	14
Ndelaphi J	PT	<ul style="list-style-type: none"> OCM Economic Development, Urban Renewal & Tourism 	ANC	86	14
Pearce C	PT	<ul style="list-style-type: none"> OCM Transport, Roads & Storm Water 	DA Ward 20	43	57
Petoro GI	PT	<ul style="list-style-type: none"> OCM MPAC Spelum 	ANC Ward 17	29	71
Phillipus G	PT	<ul style="list-style-type: none"> OCM Community Services IDP Budget & PM 	ANC	86	14
Phiri KC	PT	<ul style="list-style-type: none"> OCM Finance Ward Participatory General Appeals Municipal Advisory 	DA	86	14
Pholoholo IM	PT	<ul style="list-style-type: none"> OCM 	EFF	29	71
Pieterse LHS	PT	<ul style="list-style-type: none"> OCM IDP, Budget & PM MPAC 	DA Ward 14	57	43
Plaatjie OB	FT	<ul style="list-style-type: none"> Mayco OCM Safety & Security: Chairperson 	ANC	72	28
Sebego KM	PT	<ul style="list-style-type: none"> OCM Community Services Safety & Security Ward Participatory Municipal Advisory 	ANC Ward 33	14	86

CHAPTER 2: GOVERNANCE

Councillors, Committees Allocated and Council Attendance					
Council Members	Full-time/Part-time (FT/PT)	Committees Allocated (Only the Chairperson will be stipulated, if no stipulation, the Cllr is listed as a member of the various committees)	Ward and/or Party Represented	Council Meetings Attended	Apologies / Absent
				%	
Setholo DT	PT	<ul style="list-style-type: none"> OCM Corporate Services & Human Resources Utility Trading Services Ward Participatory Municipal Advisory 	ANC Ward 6	86	14
Shushu LN	PT	<ul style="list-style-type: none"> Mayco OCM IDP Budget & PM: Chairperson Ad Hoc Nelson Mandela 	ANC	100	0
Springbok B	PT	<ul style="list-style-type: none"> OCM Corporate Services & Human Resources Rules: Chairperson 	ANC Ward 29	43	57
Steyn SM	PT	<ul style="list-style-type: none"> OCM Economic Development, Urban Renewal & Tourism IDP, Budget & PM 	DA Ward 24	57	43
Swazi DM	PT	<ul style="list-style-type: none"> OCM Corporation Services & Human Resources Transport, Roads & Storm Water 	Ward 9	57	43
Thulo FL	PT	<ul style="list-style-type: none"> OCM Municipal Advisory 	EFF	86	14
Van den Berg HJ	PT	<ul style="list-style-type: none"> OCM 	VF+	100	0
Van Rooyen WA	PT	<ul style="list-style-type: none"> OCM Economic Development, Urban Renewal & Tourism Ward Participatory 	DA Ward 21	86	14
Van Wyk PR	PT	<ul style="list-style-type: none"> Mayco OCM Economic Development, Urban Renewal & Tourism 	ANC Ward 18	100	0
Vorster PJ	PT	<ul style="list-style-type: none"> OCM MPAC Municipal Advisory 	DA Ward 23	86	14

Table 29: Council 2022/23

CHAPTER 2: GOVERNANCE

2.1.2 Disclosure of Financial Interests

This disclosure of interest is to ensure that councillors adhere to the statutory requirements to avoid conflict of interest.

Paragraph 6 of Schedule 7 (Code of Conduct for Councillors) of the Municipal Structures Act [Act 117 of 1998] as amended in term of Act 3 of 2021 on 1 June 2021 determines that a councillor must –

- “a) disclose to the municipal council, or to any committee of which that councillor is a member, any direct or indirect personal or private business interest that the councillor, or any spouse, partner or business associate of that councillor may have in any matter before the council or the committee; and*
- b) withdraw from the proceedings of the council or committee when that matter is considered by the council or committee unless the council or committee decides that the councillor’s direct or indirect interest in the matter is trivial or irrelevant.”*

Paragraph 8 of Schedule 7 determines that the following financial interests have to be disclosed by a councillor within 60 days of his/her appointment/election:

- Shares and securities in any company
- membership in any close corporation
- interest in any trust
- directorships
- partnerships
- other financial interests in any business undertaking
- employment and remuneration
- interest in the property
- pension
- subsidies, grants and sponsorships by any organisation

Any change in the nature or detail of the financial interests of any councillor or official must be declared in writing to the municipal manager or to the chairperson of the municipal council annually. The municipal council must determine which of the financial interests referred to in the abovementioned list must be made public, having regard to the need for confidentiality and the public interest for disclosure.

2.2 ADMINISTRATIVE GOVERNANCE STRUCTURE

CHAPTER 2: GOVERNANCE

By law the Municipal Manager is the head of administration, as well as the Accounting Officer. The Municipal Manager has extensive statutory and delegated powers and duties, as well as powers and duties that can be inferred from such statutory and delegated powers and duties.

- The Municipal Manager is, amongst others, responsible for:
 - for the formation and development of an economical, effective, efficient and accountable administration;
 - to ensure that the municipal "machine" operates efficiently, that the organisational structure can perform the various tasks and exercise the necessary controls;
 - to fulfil a leadership role in the administration; this is of utmost importance to influence the actions of staff and to inspire and persuade them to work together to realise the municipality's goals;
 - for the implementation of the municipality's IDP, and the monitoring of progress with implementation of the plan; and
 - for the financial responsibilities as accounting officer as determined by the MFMA.

The Municipal Manager is the chief adviser of the Municipality and must advise the political structures and political office-bearers of the municipality. The Municipal Manager must see to the execution of the decisions of the political structures and political office-bearers of the Municipality.

The Municipal Manager must facilitate participation by the local community in the affairs of the Municipality and must also develop and maintain a system whereby community satisfaction with municipal services is assessed.

He is assisted by his Executive Management Team (EMT) as indicated in the table below:

Name of official	Position	Performance agreement signed
		(Yes/No)
Bartholomew Matlala	Municipal Manager	Yes
Nomonde Tyabashe-Kesiamang	Executive Director: Strategy, Economic Development and Planning	Yes
Tebogo Desmond Lang	(Acting) Executive Director: Corporate Services	N/A
Khuza Bogacwi	Executive Director: Community and Social Development Services	Yes
Kenneth Samolapo	(Acting) Chief Financial Officer	N/A
Sabelo Mkhize	(Acting) Executive Director: Infrastructure and Services	N/A

Table 30: Administrative Governance Structure

CHAPTER 2: GOVERNANCE

COMPONENT B: INTER GOVERNMENTAL RELATIONS

2.3 INTER GOVERNMENTAL RELATIONS (IGR)

2.3.1 National Inter Governmental Structures

Sol Plaatje Municipality is a non-delegated municipality and reports monthly and quarterly to National Treasury. During the year, there are various meetings attended with National Treasury and in the main, the following engagements are highlighted:

- National Treasury's mid-term visits to the municipality
- Budget Benchmark Exercise – review of the budget prior to the approval by Council
- Financial Statements Compliance Checklist – for GRAP compliance

Some municipal officials serve in the Institute of Municipal Finance Officers at the National level, thus giving the municipality an early awareness of new developments in the accounting and reporting framework.

2.3.2 Provincial Inter Governmental Structure

The municipality is a full-time member of the Provincial Inter Governmental Relations Committee that is chaired by the Premier of the Province, and it sits on a quarterly basis. There are various other meetings where the municipality is being represented such as SALGAs Working Committees of Finance, Local Economic Development, etc.

2.3.3 Provincial and District Structure

The District Intergovernmental Forum is a legislative structure constituted to ensure that the three spheres of government operate smoothly. The District Technical IGR, therefore, was put together to render technical support to the political IGR. The technical committee's responsibility is to plan for the District IGR. The committee addresses issues that sector departments and municipalities are confronted with.

These issues will then form the Agenda of the District IGR and may be submitted further to the Provincial IGR.

Service delivery by individual municipalities as well as the municipalities on the district level enjoy the advantages of regular contact between professional peers, a sense of coordination and aid in problem solving. Regular communication and planned meetings enhance cooperation on local government level as well as different spheres of government.

2.3.4 District Intergovernmental Structures

The District Intergovernmental Forum is a legislative structure constituted to ensure that the three spheres of government operate smoothly.

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The District Technical IGR, therefore, was put together to render technical support to the political IGR. The technical committee's responsibility is to plan for the District IGR.

The committee addresses issues that sector departments and municipalities are confronted with. These issues will then form the agenda of the District IGR and may be submitted further to the Provincial IGR.

The District IDP Committee consisting of the four local municipalities and the district municipality meets on a quarterly basis to co-ordinate IDP related issues within the district. When required provincial sector departments are also invited for their specific input.

Service delivery, in this case by an individual, as well as the municipalities on the district level, enjoy the advantages of regular contact between professional peers, a sense of coordination and aid in problem solving. Regular communication and planned meetings enhance cooperation on local government level as well as different spheres of government.

COMPONENT C: PUBLIC ACCOUNTABILITY

MSA Section 15(b) requires a municipality to establish and organise its administration to facilitate a culture of accountability amongst its staff. Section 16(i) states that a municipality must develop a system of municipal governance that complements formal representative governance with a system of participatory governance. Section 18(i)(d) requires a municipality to supply its community with information concerning municipal governance, management and development.

Such participation is required in terms of:

- the preparation, implementation and review of the IDP;
- establishment, implementation and review of the performance management system;
- monitoring and review of the performance, including the outcomes and impact of such performance; and
- preparation of the municipal budget.

In line with the requirements of the Municipal Systems Act and Municipal Finance Management Act, the municipality had adopted various platforms for public participation such as ward meetings, Imbizos, the IDP Representative Forum and even through Facebook. The success of public participation is dependent on the activeness of the ward councillors and committees on the ground as well as the municipal communication and public relations team.

On a monthly basis, it is expected that ward councillors call meetings with the intention to communicate the work of the council through the committees established. It is in these meetings where budget and IDP implementation is reported, service delivery challenges as experienced by the communities are noted and forwarded to members of the Mayoral Committee for intervention.

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The office of the Executive Mayor and that of the Speaker work in collaboration to ensure that public participation is effective and encourage participation and involvement of the community in the business of the municipality.

2.4 PUBLIC MEETINGS

Feedback is given directly to the community members during public meetings. The table below provides detail of the public meetings that took place during the year under review:

Nature and purpose of meeting	Date of Meeting	Venue of Meeting	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending
IDP REVIEW MEETING (CLUSTER)	17 April 2023	Colville Swedish Hall	5	4	118
IDP REVIEW MEETING (CLUSTER)	17 April 2023	Jimmy Summers Hall	4	3	26
IDP REVIEW MEETING (CLUSTER)	17 April 2023	Recreation Hall	6	4	157
IDP REVIEW MEETING (CLUSTER)	18 April 2023	Vuyolwethu High School	5	4	275
IDP REVIEW MEETING (CLUSTER)	18 April 2023	Greenpoint High School	4	3	143
IDP REVIEW MEETING (CLUSTER)	19 April 2023	Homelite Swedish Hall	5	2	187
IDP REVIEW MEETING (CLUSTER)	19 April 2023	Platfontein	3	2	65
IDP REVIEW MEETING (CLUSTER)	20 April 2023	Mandela Precint	7	3	116
IDP REVIEW MEETING (CLUSTER)	20 April 2023	Old Roman Catholic Hall	4	2	98
IDP REVIEW MEETING (CLUSTER)	20 April 2023	Motswedimosa Hall	2	2	87

Table 31: Public Meetings

2.4.1 Ward Committees

The purpose of a ward committee is:

- to get better participation from the community to inform Council decisions;
- to make sure that there is more effective communication between the Council and the community; and
- to assist the ward councillor with consultation and report-backs to the community.

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Ward committees should be elected by the community they serve. A ward committee may not have more than 10 members and women should be well represented. The ward councillor serves on the ward committee and acts as the chairperson. Although ward committees have no formal powers, they advise the ward councillor who makes specific submissions directly to Council. These committees play a very important role in the development and annual revision of the IDP of the area.

The ward committee supports the ward councillor who receives reports on development, participates in development planning processes, and facilitates wider community participation. To this end, the municipality constantly strives to ensure that all ward committees function optimally with the provision of community information, convening of meetings, ward planning, service delivery, IDP formulation and performance feedback to communities.

The table below indicates the ward committee members and the capacity they are representing.

Ward	Ward Councillor	Committee Members	Committee Established (Yes/No)	Monthly Committee Meetings	Monthly Reports Submitted to Speakers Office	Quarterly Public Ward Meetings
				Number		
1	Johan Loff	Tania Ngano Wilders Kaunda Venecia Mangambu Motheo Kanye Linda LinksStephen Katz Venesie Nel Jesmine Bezuidenhout Aria Oliphant Festus Jana	Yes	5	7	2
2	Emmanuel Brown	Andrew S Lenyora Sophia Buffel Paulina Tjipoza Chaselee-Ann Links Lionell Pieteron Rose Mpoane Kock Clive Steenkamp Margaret T Lang Crystal James Wilnah Rasau Lionel Pieteron	Yes	4	8	3
3	Derrick Korkie	Kevin Andrews	Yes	2	3	2

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Ward	Ward Councillor	Committee Members	Committee Established (Yes/No)	Monthly Committee Meetings	Monthly Reports Submitted to Speakers Office	Quarterly Public Ward Meetings
				Number		
		Wayne M Doyle Marlon Africa Thabo Seekoei Sue-Ellen Ahmed Priscilla Mcgluwa David Marks Joseph B jansen Elna D Magalty Phomolo Empokile				
4	Tebogo Bopape	Seitisho Kammies Nomvuyo Frans Jane Riet Boitumelo Sago Lindiwe Moroka Pelonomi Namakando Tlhonohatse Riet Jabulani Mbambo Dipuo Marwane Thembisa Sonti	Yes	1	1	2
5	Mcedisi R Nolitye	Mosekimang Dikgetsi Prudence Leburu Kagisho Loabile Hilda Longane Tshepo Pheneyo Thabo Seekoei Philadelphia Donolo Nene Mochai Benedict Kulumalo Mbulelo Banga	YES	8	4	4
6	Rosemary Riet	Nomvula Sekonyela Kagisho Nyembe Ayanda Morumolwane Sana Modise Keitumetsi Oliphant Nomvuyo Mzilile Nthombi Thahane Nomathamsanqa Mshudulu Atlegang Mabilo Sanah Hoff	YES	7	5	3

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Ward	Ward Councillor	Committee Members	Committee Established (Yes/No)	Monthly Committee Meetings	Monthly Reports Submitted to Speakers Office	Quarterly Public Ward Meetings
				Number		
7	Diphahe JG	Clifford Longane Margaret Khunou Anthony Moncho Patricia Jantjies Gololang Tanke Charlotte Tlhagaeng Nthabise Khiba Kgositsile Marumo Rebecca Makhurumeza Nono Sehume	YES	5	7	3
8	Kagisho Sonyoni	Edwin Mdebuka Veronica Duiker Nombulelo Maqubu Tebogo Moepeng Precious Ngalo Beresford Phepheng Nthabizandile Modise Elizabeth Malagabi Obrey Swartz Walter Vyken	YES	7	8	4
9	Dioka	Katlego Macomo Jason Itaoleng Lesego Thebe Lopang Mokgoro Seloane Mokeng Elizabeth Ramaru Mzuthulani Ndlovu Mamohau Mokgosi Bonolo Selote Austin Itaoleng	YES	9	7	3
10	Keitumetsi Molale	Edwin Williams Elsabe Mokhachwe Dibueng Mabeka Samson Gumbu Gaonyadiwe Pilane Sibongile Segami Kamogelo Moshweu Keobaka Jochum Ronald Mdutle	YES	9	7	3

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Ward	Ward Councillor	Committee Members	Committee Established (Yes/No)	Monthly Committee Meetings	Monthly Reports Submitted to Speakers Office	Quarterly Public Ward Meetings
				Number		
		Metsing Seepemere				
11	Khotso Kgadiete	Shiline Senne Veronica Sedukanelo Collin Makhadu Betty Motaung Rachel Matshoba Refiloe Mathlong Mpho Manege Mildred Balepile Thembisile Gabuza Dorah Nyembezi	YES	10	10	4
12	Isaac Ruiter	Tshepo Peters Gloria Tlhageng Lizzie Witkoei Confidence Cidraas Obakeng Sei Mummy Moqhobai Marie Modise Abel Seekoei Sibongile Antoni Dorcas .M.Sinombi	YES	7	8	3
13	Molatudi MK	Jaunita Van Wyk Maureen Mzolo Agnes Mahloko Andries Rankwe Anna Abrahams Tumeletso Khatwane Alfred Mlindini Ronald Ngubane Ruth Johann Maria Mvelase	YES	6	5	3
14	G.H.Joseph	Dorothy Rowan Neville Mongal Joan .M.Davids Johannes Syzaar Lemone Ramzan Esterlieta Bartlet Samantha Malan	YES	0	3	2

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Ward	Ward Councillor	Committee Members	Committee Established (Yes/No)	Monthly Committee Meetings	Monthly Reports Submitted to Speakers Office	Quarterly Public Ward Meetings
				Number		
		Kaylene Longley Latief Kenney Andrew Baraine				
15	Thapelo Nkukane	Nomvulo Matyalane Janet Galeboe Nontlantla .M.Hoye Doreen Goeiemaan Veronica Booysen Debora Sebogodi Lizzy. D.Magabane Zandisile Thezela Galebale Thezela Betty Mmolete	YES	9	7	5
16	Casper Rammutle	Thato Madikgetla Maria Mogoje Eleki Thembani Johanna Molifi Neo Mojakoe Chandler Guys Gladys Tshobeng Betty Debruin Benjam Manyungwana Neo Tshipinyane	YES	7	5	3
17	Nomazizi Maputle	Kabelo Mokwena Tediaboy Matlakala Themba Teisho Maria Moseitla Rosina Mothelesi Bongani Khabeni Nosipho Ngwenya Elizabeth Seritshane Lady Malat John Wandile	YES	8	7	5
18	Gabriel Mofokeng	Lebogang Lephoi Christopher Swartz Phumelele Ndawonde Masego Thobego Thami Mdutyana	YES	5	3	3

CHAPTER 2: GOVERNANCE

Ward	Ward Councillor	Committee Members	Committee Established (Yes/No)	Monthly Committee Meetings	Monthly Reports Submitted to Speakers Office	Quarterly Public Ward Meetings
				Number		
		Bothoboile Phama David November Ronny Drury Rashid Letsie Karel Boikanyo				
19	Lekoma IA	Tebogo Letwaba Dimakatso Tshipa Jonathan Mabilo Esmerelda Reed Patricia Moitsi Jerelda Kwes Robert. O.Neddy Mzwandile Flathele Malebogo Molebatse Shirley Cosa	YES	5	4	3
20	Belinda Moses	Bryan Goeieman Kabelo Motshaledi Anna Pharedi Sussana Van Bosch Luthando Botshobana Zaineb Vuyeka Itumeleng .D.Letsholo Segomolo Jack Phillow.O.Beukes Sandra Stassen Jacobus P Jansen	YES	2	1	1
21	Van Rooyen WA	Veronica Williams Moiria Ferris Emily Rooibaattjie Obrey Mabija Sybil Bailey Kelebogile Vassen Wendell Stevens Sanna Voster Matshidiso Perkins Lydia Moses	YES	3	2	2
22	Jan Pietersen	Jason Leshou Jo-Ann January Venessa Sebusang	YES	7	5	6

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Ward	Ward Councillor	Committee Members	Committee Established (Yes/No)	Monthly Committee Meetings	Monthly Reports Submitted to Speakers Office	Quarterly Public Ward Meetings
				Number		
		Martha Matewis Dorothy Van Heerded Lareen Pretorius Denzil Mitchel Getrude Appies Elizabeth McKarthy				
23	Johannes Louw	Farrel Moses Bakokele Nqadala Meshack Modise Johannes Aucump Derick Payne Johannes Aucamp Neo Sesenyamotse Phillip Voster Roben Gibson Reginald Schikering	YES	5	5	3
24	Whittaker	Gertruida S van der Merwe Donathan Meyer Johanna Esterhuizen Francina Esterhuizen Wynard Delpport GA Bessinger	YES	4	3	3
25	Fourie OC	Boitumelo Setsheogelo Glen Maquba Daniel Slamati Neo Sebolai Sandra Parkersen Ronel Jackson Jean-Anne Cwaile Richard Andrew Vanheerded Daniel Jacobs	YES	9	7	4
26	C Mokwang	Veronica Van Wyk Mpendulo Taweni Siphiwe Makhaye Elnecia Van Wyk Marie Masimeni	YES	3	3	2

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Ward	Ward Councillor	Committee Members	Committee Established (Yes/No)	Monthly Committee Meetings	Monthly Reports Submitted to Speakers Office	Quarterly Public Ward Meetings
				Number		
		Lydia J. Lelwana Nomaandia Malebigo Temptation Komazi Sanny Swats				
27	I Wagter	Susan Vos Olivia Speek Betty Afrika Lorraine Meyers Betty Doyle Lienie Grond Quin N Wild Evelyn Mona Johanes Jafta Samuel Malebogo	YES	7	5	4
28	Martin White	Kenneth Jurries Dalene Juries Rene Moroco Tyslan Japhta Denise moss Clarence Joseph Martin Legrange Phillip Guys Nadine Jafta Jean Barends	YES	8	9	4
29	Malebo Aaron	Christopher Mamapula Maggie Thiipe Emanuel Moswete Diana Moloji Mieta Miershop Baranise Van Nel Moeti Mampula Kenneth Kolberg Veronica Alexander Freddie Louw	YES	5	4	3
30	RM Kock	Brenda Segobaetso Lydia Botlaleboile Bonolo Matiabe Anneline Benjamine Andy Alexander	YES	5	4	4

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Ward	Ward Councillor	Committee Members	Committee Established (Yes/No)	Monthly Committee Meetings	Monthly Reports Submitted to Speakers Office	Quarterly Public Ward Meetings
				Number		
		Magawu Goodman Kutlwano Cidraas Anneline Benjamin Albert Mauza Catherine Ramorakgari Deon George				
31	S Lephoi	Beverley Thompson Keitumetse T Gwala Gloria Peterson Rachel Modise Keitumetse Seroba	YES	6	5	4
32	Banda F	Rena Kashe Soshiena Kuwia Alfred Makaties Tressel Katembo Irene Mokgoro Dineo Rampoane Selby Thelejane Maphefo Thamage Onthatile Moholo Irene Kopeledi	YES	9	10	5
33	Yvonne Tau	Deborah Libang Kabelo Tsiane Mary Bojosi Thobeka Ncwadi Joy Moipolai Julia Shuping Clement Moenko Tebogo Mocumi Kabelo Tsiane Blessing Sohlezi	YES	8	6	3

Table 32: Ward Committees for 2016-2022

2.4.2 Capital Projects in Wards

The table below indicates the wards:

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Wards	Project Name and detail	Start Date	End Date	Total value
				R'000
Water				
All	Lerato Park Water	20-Sep-18	To be determined	49 285
All	Replacement of water meters	01-Jul-22	01-Jun-23	0
All	Water Pipes Refurbishment	01-Jul-22	01-Jun-23	8 569
	Covid 19: Elevated Water Tanks Distribution	10-Jun-20	To be determined	10 226
Sanitation/Sewerage				
All	Lerato Park Sewer	20-Sep-18	To be determined	49 285
All	Carter's Glen Pump Station	09-Sep-21	To be determined	75 251
All	Reconstruction of zinc toilets	N/A	N/A	N/A
Electricity				
All	Hv Sub Acq-Cartglen Transf/Galash Subs	31-Mar-23	To be determined	11 400
All	Electrification Lerato Park	19-Jul-21	To be determined	13 414
All	Street Lights Replace 125w Mv With 36w L	01-Jul-22	01-Jun-23	4 000
Roads				
All	P-Cier Rds Road Structure/R31	01-Jul-22	01-Jun-23	7 517
All	P-Cier Rds Roads	01-Jul-22	01-Jun-23	14 943
All	Upgrade Gravel Roads Wards Various	01-Jul-22	01-Jun-23	12 931
Stormwater				
All	P-Cier Swa Attenuation/Thlageng	01-Jul-22	01-Jun-23	N/A
Economic Development				
All	Planning and surveying plots to be sold	01-Jul-22	01-Jun-23	3 296
All	European Union Bear Project	07-Dec-20	30-Nov-23	44 987
All	Craven Street Trade Centre	2021/02/26	2024/04/30	16 178
Sports, Arts & Culture				
Environment				

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Wards	Project Name and detail	Start Date	End Date	Total value
				R'000
Health				
Safety and Security				
ICT				
All	Replacement Program: It Hardware	01/07/2022	31/06/2023	2 943
Corporate Services				
Other				
All	Fleet Replacement Programme	01-Jul-22	01-Jun-23	7 364
All	Replacement Furniture and Office Equipment	01-Jul-19	30-Jun-20	984
All	Satellite Firestation	05-Nov-18	Ongoing	14,893
All	Other machinery and Equipment	01-Jul-19	30-Jun-20	

Table 33: Capital Projects in Wards

COMPONENT D: CORPORATE GOVERNANCE

Corporate governance is the set of processes, practices, policies, laws and stakeholders affecting the way an institution is directed, administered or controlled. Corporate governance also includes the relationships among many stakeholders involved and the goals by which the institution is governed.

2.5 RISK MANAGEMENT

Risk management is a systematic and formalised process instituted by the municipality to identify, assess, manage, monitor and report risks ensuring the achievement of objectives.

In terms of Sections 62(1)(c)(i) and 95(c)(i) of the MFMA the Accounting Officer is required to ensure that the municipality has and maintains effective, efficient and transparent systems of risk management.

The main reason for risk management is that the service delivery environment and the public sector's interface with stakeholders have become far more demanding and volatile than before.

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Historical ways of doing things are no longer effective as evidenced by several service delivery and general failures.

Benefits of risk management are:

- more efficient, reliable and cost-effective delivery of services;
- minimised waste and fraud; and
- more reliable decision making.

Enterprise Risk Management (ERM) forms a critical part of any entity's strategic management. It is the process whereby an entity both methodically and intuitively addresses the risk attached to their activities with the goal of achieving a sustained benefit within each activity and across a portfolio of activities. Enterprise Risk Management is recognised as a strategic, integral part of sound organisational management and is being promoted internationally and in South Africa as good business practice applicable to the public and private sectors.

The underlying premise of enterprise risk management is that every entity exists to provide value for its stakeholders. All entities face uncertainty and the challenge for management is to determine how much uncertainty to accept as it strives to grow stakeholder value. Uncertainty presents both risk and opportunity, with the potential to erode or enhance value.

Enterprise risk management enables management to effectively deal with uncertainty and associated risk and opportunity, enhancing the capacity to build value. Value is maximised when management sets strategy and objectives to strike an optimal balance between growth and return goals and related risks, and efficiently and effectively deploys resources in pursuit of the entity's objectives.

The framework provides a basis for management to effectively deal with uncertainty of associated risk and opportunity, thereby enhancing its capacity to build value.

The following factors require consideration when integrating ERM into organisational decision-making structures:

- Strategically aligning risk management with objectives at all levels of the organisation;
- Introducing risk management components into existing strategic planning and operational practices;
- Including risk management as part of employees' performance appraisals; and
- Continuously improving control and accountability systems and processes to consider risk management and its results.

The Enterprise Risk Management Framework specifically addresses the structures, processes and standards implemented to manage risks on an enterprise-wide basis in a consistent manner. The standards further address the specific responsibilities and accountabilities for the Enterprise Risk Management process and the reporting of risks

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and incidences at various levels within SPM. As the field of risk management is dynamic, this policy and framework document is expected to change from time to time.

Current trends in good corporate governance have given special prominence to the process of Enterprise Risk Management, and reputable businesses needed to prove that they follow expected risk management standards. This means that SPM must ensure that the process of risk management receives special attention throughout the organisation and that all levels of management know, understand, and follow the framework document.

Risk Management Activities as contemplated in the Framework are properly discharged and all Risk Management activities reported quarterly to the Risk Management and Audit Committee. Sol Plaatje Municipality's Current Key Risks as of 30 June 2023 are as follows:

- Declining economic conditions impacting on customer affordability
- Lagged mSCOA implementation
- Sustainability of revenue generation
- Revenue loss due to significant water and electricity losses
- Reliability of customer information and data
- Audit outcome
- Information technology risk
- Inadequate (failing) water and sanitation infrastructure, roads and storm water and electricity
- Condition of water and sanitation infrastructure (conveyance and reticulation)
- Deterioration of raw water quality and rising tariffs
- Inadequate and ineffective security measures to enable effective control and physical security of works, equipment and plant

SPM was able to align Actions and Projects required for mitigation of the above with the actual Capital Plan as part of the next Five Year IDP cycle but remains challenged by resources.

2.5.1 Top Risks as of 30 June 2023

- Declining economic conditions impacting on customer affordability.
- Lagged mSCOA implementation.
- Sustainability of revenue generation.
- Revenue loss due to significant water and electricity losses.
- Reliability of customer information and data.
- Audit outcome.

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- Information technology risk.
- Inadequate (failing) water and sanitation infrastructure, roads and stormwater and electricity.
- Condition of water and sanitation infrastructure (conveyance and reticulation).
- Deterioration of raw water quality and rising tariffs.

2.6 FRAUD PREVENTION

Section 83(c) of the MSA refers to the implementation of effective bidding structures to minimise the possibility of fraud and corruption and the MFMA, section 112(1) (m)(i) specifies supply chain measures to be enforced to combat fraud and corruption, favouritism and unfair and irregular practices. Section 115(1) of the MFMA states that the accounting officer must take steps to ensure mechanisms and separation of duties in a supply chain management system to minimise the likelihood of corruption and fraud.

The Sol Plaatje Local Municipality has a range of measures to prevent corruption, fraud and theft; these are in harmony with the national anti-corruption strategy. SPM reviewed and the Policy and Council adopted the Fraud Prevention Policy on 14 October 2020, together with the Fraud Prevention and Anti-Corruption Plan; the latter operationalised the broad principles contained in the policy framework. This framework essentially defines and regulates measures to address corruption, fraud and theft. This is underscored by the understanding that criminal and other irregular conduct is detrimental to good, effective, accountable and transparent governance and hampers the service delivery capacity of the Municipality.

To that end, the objective of this policy is to:

- Develop and foster an environment, where public representatives, the employees of the Municipality and the public shall strive to eradicate corruption, fraud and theft through the application of a full spectrum of pro-active and re-active measures at their disposal
- Encourage disclosures of corrupt practices and the protection of whistle-blowers through the application of the Protected Disclosures Act (Act No. 26 of 2000)
- Encourage the reporting of irregular acts or corrupt activities through the joint utilisation of the national anti-corruption hotline
- Ensure that, where appropriate, the municipality recovers financial losses or damages incurred by using a range of legal instruments at its disposal.

Regular incidents of corruption and theft are reported to the Municipal Manager and acted upon by an internal investigative unit, who also reports such incidents to the SAPS, where appropriate.

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It is common within the government sector that various whistle-blowers will approach the Office of the Public Protector and the Hawks. The municipality has dealt with various matters from these two offices, the nature of which can be summarised as follows:

- Billing related enquiries
- Service delivery related enquiries
- Budget implementation enquiries
- Fraud allegation on tendering
- Dissatisfaction with the tender outcomes

All of these are handled through the Municipal Manager, the Executive Directors and other senior managers.

2.7 SUPPLY CHAIN MANAGEMENT (SCM)

According to Robert Handfield, Ph.D. . (<https://scm.ncsu.edu/scm-articles/article/author/hand-field>)

“Supply Chain Management (SCM) is the active management of Supply Chain activities to maximize customer value and achieve sustainable competitive advantage. It represents a conscious effort by the supply chain firms to develop and run supply chains in the most effective and efficient ways possible. Supply chain activities cover everything from product development, sourcing, production and logistics, as well as the information systems needed to coordinate these activities.”

The goal of SCM is to meet the needs of the final consumer by supplying the right product at the right place, time, and price.

The Supply Chain Management Unit (SCM) is a strategic key driver for service delivery and the implementation of projects within the municipality. The SCM is a multi-faceted process with many stakeholders and more moving projects. The procurement of goods and services is mainly done through the SCM. The lack of proper functioning of SCM impacts negatively on the municipality’s performance which leads to delays in the appointment of Service Providers and/or Contractors or Consultants. None functioning of SCM affects the various Committees such as the Bid Specification Committee (BSC), Bid Evaluation Committee (BEC), and Bid Adjudication Committee (BAC) in terms of attaining decisions speedily in connection with bids. SCM comprises Demand and Specifications Management, Acquisition Management, Logistics and Disposal Management, and Risk and Performance Management.

SCM requires new financial procurement systems to make the supply chain more efficient however the SCM is current operating manuals which complicates productivity while hindering sustainability and causing supply chain problems. The lack of proper SCM systems and the use of manual systems hamper operational efficiencies and effectiveness in the municipality’s service delivery mandate.

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In the financial year 2021/2022, the SCM was advertising and evaluating tenders in line with Regulation 2017 (PPPFA) however the Preferential Procurement Policy was introduced in 2022.

In January 2023, the municipality started with the implementation of the new PPR 2022. The PPP policy of the municipality was approved by the council. The PPR 2022 emphasis is on specific goals as outlined in the RDP. All the formal written quotation above the value of R30 00 was advertised with specific goals as well as the tender value above R200 000.

2.8 POLICIES AND BY-LAWS

Section 11 of the MSA gives a Municipal Council the executive and legislative authority to pass and implement by-laws and policies.

Below is a list of all the policies developed and reviewed during the financial year:

Policies developed/ revised	Date adopted	Resolution Number
Policy Asset Management	7 June 2022	C80/03/22
Budget and Virements Policy	7 June 2022	C80/03/22
Policy Cash Management & Investment	7 June 2022	C80/03/22
Policy Customer Services Credit Control Debt Collection	7 June 2022	C80/03/22
Policy Indigent	7 June 2022	C80/03/22
Policy Internal Audit	7 June 2022	C80/03/22
Policy Property Rates	7 June 2022	C80/03/22
Policy Risk Management	7 June 2022	C80/03/22
Policy Supply Chain Management	7 June 2022	C80/03/22
Tariff Policy on Property Rates	7 June 2022	C80/03/22
Tariff Policy on Electricity	7 June 2022	C80/03/22
Tariff Policy on Water	7 June 2022	C80/03/22
Tariff Policy on Sanitation	7 June 2022	C80/03/22
Tariff Policy on Refuse Removal/Solid Waste	7 June 2022	C80/03/22
Policy Debt Write-off	7 June 2022	C80/03/22
Policy Regarding Audit Committees	7 June 2022	C80/03/22
Disposal of Moveable Assets Policy	7 June 2022	C80/03/22
EFT Policy	7 June 2022	C80/03/22
Policy Borrowing	7 June 2022	C80/03/22
Policy Irregular, fruitless and wasteful expenditure	7 June 2022	C80/03/22
Budget Implementation and Management Policy (Budget policy)	7 June 2022	C80/03/22

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Policies developed/ revised	Date adopted	Resolution Number
Funding and Reserves policy	7 June 2022	C80/03/22
Policy Short and Long term borrowing	7 June 2022	C80/03/22
Financial Management and Revenue Enhancement Strategy policy	7 June 2022	C80/03/22
Policy related to long-term financial planning	7 June 2022	C80/03/22
Consumer Deposit Policy	7 June 2022	C80/03/22
Free Basic Services Policy	7 June 2022	C80/03/22
Sol Plaatje Materiality and Significance Framework	7 June 2022	C80/03/22
Contracts Management Policy	7 June 2022	C80/03/22
SSEG PV Policy	7 June 2022	C80/03/22

Table 34: Policies

Municipal by-laws are adopted by Council in terms of section 12 of the Local Government: Municipal Systems Act, No. 32 of 2000. In terms of Section 13 thereof, a by-law takes effect when published in the Provincial Gazette, or on a future date as determined in terms of the by-law. In compliance with the Systems Act, prior to the adoption of by-laws, the Municipality follow public participation processes, affording the public the opportunity to submit comments and/or objections to the proposed by-law, which are subsequently considered by Council. There were no by-laws reviewed for the 2022/23 financial year.

2.9 WEBSITE

The Municipality maintain a functional website that displays relevant information as per the requirements of Section 75 of the MFMA and Sections 21A and B of the MSA as amended.

The website serves as a mechanism to promote accountability and transparency to communities. It is a key communication mechanism in terms of service offering, information sharing and public participation. A website is a communication tool that allows easy and convenient access to relevant information and is an integral part of the Municipality's Communication Strategy.

The information and documents that were published on our website include the following:

Documents published on the Municipality's Website	Yes / No	Publishing Date
Current annual and adjustments budgets and all budget-related documents	Yes	17 August 2022(Annual Budget) 16 August 2023(Adjustment Budget)
All current budget-related policies	Yes	10 June 2022
Annual report (2020/21)	No	

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Documents published on the Municipality's Website	Yes / No	Publishing Date
Annual report 2021/22	No	
The Annual Report 2022/23 to be published	No	
All current performance agreements required in terms of Section 57(1)(b) of the Municipal Systems Act (2022/23) and resulting scorecards	Yes	16 September 2022
All service delivery agreements	No	
All long-term borrowing contracts	Yes	
All supply chain management contracts above R200,000 for 2022/23	Yes	Published day of receipt
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of Section 14 (2) or (4) during 2022/23	No	
Contracts agreed in 2022/23 to which subsection (1) of Section 33 apply, subject to subsection (3) of that section		
All quarterly reports tabled in the council in terms of Section 52 (d) during 2022/23	Yes	Published day of receipt

Table 35: Municipal Website: Content and Currency of Material

The Municipality has complied with the requirements of a municipal website as set out in the MFMA Section 75 especially the requirements that are supply chain, finance, and performance management related. The Municipality continuously aims to improve the content of the website to speak mainly to the needs of the community. As such, the Municipality is currently exploring different cost-effective solutions, which will bring municipal services closer to communities and will be accessible through the Municipality website.

The following table is a website checklist to indicate compliance with Section 75 of the MFMA

Documents published on the Municipal Website	Date Published
Annual Budget for 2022/23	17 August 2022
Adjustment Budget for 2022/23	16 August 2023
Annual Report 2020/21	N/A
Annual Report 2021/22	N/A
IDP 2022/23	31 May 2022
IDP Review (Planning) 2022/23	06 September 2022
Performance Agreements 2022/23	16 September 2022
Quarterly Reports tabled to Council	Published day of receipt

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Documents published on the Municipal Website	Date Published
Mid-Year Assessment Report	15 March 2023
SDBIP 2022/23	02 September 2022
Policies	
Asset Disposal Policy 013 (Revision)	27 March 2023
Cash Management & Investment Policy revised 2013	N/A
Policy on Ward Committees	N/A
SLA Treasury - Infrastructure Skills Development Grant	N/A
SLA Department of Health	N/A
SLA Nugen	N/A
SLA Department Sports, Arts & Culture	N/A
SLA FBDM and SPLM (Municipal Health Services MHS)	N/A

Table 36: Website Publications

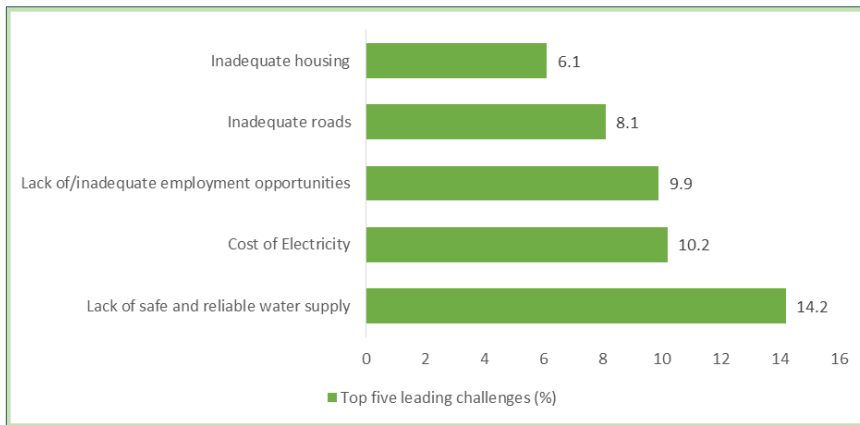
2.10 PUBLIC SATISFACTION WITH MUNICIPAL SERVICES

The Municipality did not conduct a public satisfaction survey on municipal services for the 2021/22 financial year. However, through public meetings held, it can be said that the public is not satisfied with the performance of the Municipality. The public's perception is growing alarmingly negative which directly affects the community's willingness to pay outstanding debt. Comments and posts on social media platforms clearly show that the overall general view is extremely negative. Improving on service delivery and handling of customer complaints or queries will go a long way in addressing this. Required for this to materialize is improved communication amongst different departments, providing timeous feedback and reducing the turnaround time to address calls logged with the Municipality.

2.10.1 Perceptions on Municipal Problems and Services

As per CS 2016, indicated in the following charts are the five leading problems or challenges facing municipalities in the Northern Cape. The main challenge that has been reported by many households across the whole province is lack of safe and reliable water supply services, followed by the cost of electricity. Additionally, the lack of employment opportunities is the third biggest problem; the fourth biggest problem is inadequate roads, while inadequate housing completes the list of the top five challenges facing municipalities in the province.

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Graph 8: Five Leading Problems or Challenges Facing Municipalities in the Northern Cape

2.10.2 Percentage distribution of households rating the overall quality of basic services – Frances Baard District only

For the Northern Cape Province, in relation to the overall quality, all other basic services were rated at an average of 55%. As per CS 2016, indicated in the chart above, the majority of households in the Frances Baard District are fairly satisfied with the overall quality of level of basic services. Electricity supply was rated with the highest satisfaction rating of 59.9%, whilst Refuse removal was rated as the lowest satisfactory level at 51.6%. Water services were rated by households with lowest rating of No access at 2%, whilst Refuse removal services was rated as the highest percentage of 12.3% with No access.

2.10.3 Comment on Satisfaction Levels

The municipality has established a fully-fledged Call Centre to log community infrastructure queries and dispatch them to the technical teams on the ground to resolve. Consumers personally visit the municipality for municipal account queries. Queries can also be done telephonically or via e-mail. The municipality is also in the process of making an application (app) available to log queries and service delivery interruptions.

During the 2022/23 financial year 37 732 calls were officially logged with Edams (Call Log System). Indicated in the following table are all the services affected. It should be noted that Stores Call-out (fuel, material, tyre bay, mechanical workshop, fitter, and turner) are internally reported calls amongst the different departments during working hours. After-hours callouts for the Stores distributed by the Call Centre.

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Service	No of calls	Weighting per Service
Community & Social Development	17	0.04%
Properties and Structures	17	0.04%
Electricity Distribution	11658	30.89%
Metering & testing (traffic lights & geysers)	333	0.88%
Potable water	8786	23.28%
Prepaid metering	3183	8.43%
Roads & potholes	242	0.64%
Stores Call-out (fuel, material, tyre bay, mechanical workshop, fitter and turner)	1140	3.02%
Storm water	48	0.12%
Wastewater	12303	32.60%
Grand Total	37732	99.94%

Table 37: Calls Logged per Service

Indicated in the following table are the top twelve complaint issues logged by the community, ranked from highest to lowest. The majority of calls were for blocked sewer systems and electricity disruptions with a weighting of 32.54 and 25.62 percent respectively.

Complaint Issue	No of calls	Weighting per Complaint issue
Blocked Sewer	10113	32.54%
No Electricity	7961	25.62%
Prepaid Meter Problem	2386	7.67%
Blocked Manhole	1739	5.59%
Burst Pipe	1539	4.95%
Meter is leaking	2459	7.91%
Leaking Pipe	1389	4.47%
Streetlight Not Working	1086	3.49%
No Water	888	2.85%
Broken Pipe	537	1.72%
Damaged Water Service	531	1.70%
Suspected Tampering	444	1.42%
Grand Total	31072	99.93%

Table 38: Calls Logged per Issue

Indicated in the following table are the top four service categories, ranked from lowest to highest and the service affected with the highest volumes of calls being for waste water issues.

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Complaint issue	No of calls	Weighting per Complaint issue
Prepaid metering	3183	8.85%
Potable water	8786	24.45%
Electricity distribution	11658	32.44%
Waste water	12303	34.24%
Grand Total	35930	99.98%

Table 39: Top Four Service Category Calls

Indicated in the following table is the status of calls per task. The status of calls is recorded on Edams. Please take note that the Edams system only makes provision for statuses 1, 2, 3 and 6 and does not have status 4 and 5. It is concerning that the majority of calls resorts under Task Outstanding with a weighting of 48.19%, whilst Tasks Completed has a weighting of 44.45%.

It should be noted that the statuses may not be a true reflection of what transpired during the year, as users unfortunately do not regularly update Edams. What this means, is that calls might have been addressed but not captured on the Edams system timeously. Also, some calls might have been reported in the latter part of June 2021 and might have only been fully resolved in the new financial year.

Better internal controls should be implemented to ensure that the status of calls is regularly updated and finalised. Unfortunately, the report does not indicate the turnaround time of calls from the time they were logged and finally resolved. This can be taken up with the developers, as this has the potential to be a more accurate and realistic measurement of performance.

Status description	Status of task	Weighting per status
The task not given out yet.	392	1.03%
Task outstanding	18186	48.19%
Task identified but outstanding	2381	6.31%
Task completed	16774	44.45%
Grand Total	37732	99.98%

Table 40: Status of Calls per Task

Indicated in the following table is the number of calls per status per month. The average number of calls per month was approximately 3 144 calls. The highest call volumes were experienced in July 2022 and August 2022 with a total of 3 711 and 3 841 calls respectively. It should be noted that some calls are duplicated as the community is sometimes obliged to call several times for the same complaint issue.

Month	The task not given out yet.	Task outstanding	Task identified but outstanding	Task completed	Total
Jul-22	26	2010	171	1504	3711

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Month	The task not given out yet.	Task outstanding	Task identified but outstanding	Task completed	Total
Aug-22	14	1520	208	2099	3841
Sep-22	48	1062	206	1642	2958
Oct-22	37	1427	160	1501	3125
Nov-22	53	1658	305	1219	3235
Dec-22	24	1381	172	1160	2737
Jan-23	24	1368	152	1190	2734
Feb-23	7	1376	213	1193	2789
Mar-23	25	1336	274	1466	3101
Apr-23	40	1541	174	1152	2907
May-23	58	1624	137	1469	3290
Jun-23	36	1883	206	1179	3304
Grand Total	392	18186	2380	16774	37732

Table 41: Call Status per Month

Indicated in the following table is the task status for each service. Electricity distribution, prepaid metering and waste water show the highest totals of tasks being completed. And as the majority of calls were for waste water, it is also showing the highest totals of tasks outstanding, followed by potable water and lastly, electricity distribution.

Service	The task not given out yet	Task outstanding	Task identified but outstanding	Task completed	Total
Community & Social Development	3	7	0	7	17
Properties and Structures	1	5	5	6	17
Electricity Distribution	170	2030	466	8992	11658
Metering & Testing (Traffic Lights & Geysers)	9	153	24	147	333
Potable Water	16	5822	930	2018	8786
Prepaid Metering	22	917	535	1709	3183
Roads & Potholes	1	128	64	49	242
Stores, Mechanical Workshop, Fitter, and Turner	0	0	4	1136	1140
stormwater	0	43	3	2	48
Waste Water	170	9079	347	2707	12303
Grand Total	392	18186	2380	16774	37732

Table 42: Task Status

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CHAPTER 3: SERVICE DELIVERY PERFORMANCE

This chapter provides an overview of the key service achievements of the Municipality that came to fruition during 2022/23 in terms of the deliverables achieved compared to the key performance objectives and indicators in the Integrated Development Plan (IDP).

3.1 MUNICIPAL FUNCTIONS

ANALYSIS OF FUNCTIONS

The municipal functional areas are as indicated below:

Municipal function	Municipal function: Yes / No
Constitution Schedule 4, Part B functions:	
Air pollution	Yes
Building regulations	Yes
Childcare facilities	Yes
Electricity and gas reticulation	Yes
Firefighting services	Yes
Local tourism	Yes
Municipal airports	No
Municipal planning	Yes
Municipal health services	Yes
Municipal public transport	No
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	Yes
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	No
Storm Water management systems in built-up areas	Yes
Trading regulations	Yes
Water and sanitation services are limited to potable water supply systems and domestic waste water and sewage disposal systems	Yes
Constitution Schedule 5, Part B functions:	
Beaches and amusement facilities	No
Billboards and the display of advertisements in public places	Yes
Cemeteries, funeral parlours and crematoria	Yes
Cleansing	Yes

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Municipal function	Municipal function: Yes / No
Control of public nuisances	Yes
Control of undertakings that sell liquor to the public	No
Facilities for the accommodation, care and burial of animals	Yes
Fencing and fences	No
Licensing of dogs	Yes
Licensing and control of undertakings that sell food to the public	Yes
Local amenities	Yes
Local sport facilities	Yes
Markets	Yes
Municipal abattoirs	No
Municipal parks and recreation	Yes
Municipal roads	Yes
Noise pollution	Yes
Pounds	Yes
Public places	Yes
Refuse removal, refuse dumps and solid waste disposal	Yes
Street trading	Yes
Street lighting	Yes
Traffic and parking	Yes

Table 43: Municipal Functions

COMPONENT A: BASIC SERVICES

This component includes details of services provided for water, waste water (sanitation), electricity, waste management, housing services and a summary of free basic services.

To achieve the government's constitutional obligation of providing services, Sol Plaatje Municipality is delegated to provide access to basic municipal services. The Local Government: Municipal System Act (MSA), (Act No. 32 of 2000), describes a basic municipal service, as a service that is necessary to ensure an acceptable and reasonable quality of life and which if not provided, would endanger public health, safety and the environment. In order to ensure sustainable delivery of basic services, SPM should ensure that relevant policies and strategies that govern technical standards and norms are in place.

A municipality as a service authority would, in order to deliver a service, require adequate infrastructure to meet the requirements as set out in the MSA. Infrastructure is a tool to deliver municipal services. The Infrastructure

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Development Act (Act No. 23 of 2014) defines infrastructure as installations, structures, facilities, systems, services or processes relating to the matters specified in Schedule 1 and are part of the National Infrastructure Plan. The Act further defines public infrastructure as infrastructure owned by the state or infrastructure in relation to which a public-private partnership or a concession agreement exists.

Municipal infrastructure may be broadly defined as the capital works required to provide municipal services. This includes all activities necessary to ensure that the works are delivered effectively, such as feasibility studies, project planning and capacity building to establish sound operational arrangements for the works. These activities or projects have also considered the eradication of backlogs and provision of basic services to indigents, despite inadequate funding to address backlogs.

3.2 WATER PROVISION

3.2.1 Introduction to Water Provision

The provision of Water services is directed, regulated and controlled by the Water Services Act (Act No. 108 of 1997) and the National Water Act (Act No. 36 of 1998). The Water Services Act primarily deals with water services provision to consumers, while the National Water Act focuses on water in its natural state.

Sol Plaatje Local Municipality is both the Water Service Provider and Water Service Authority. This means that the municipality is responsible for the planning and implementation of its strategies related to water supply services. The municipality must develop a Water Services Development Plan (WSDP) relevant to Water Services Authority requirements and furthermore defines desired and minimum level of water service for communities, which is a specific function of the Water Services Provider in its area of jurisdiction.

The WSDP describes and defines arrangements for water service provision in the municipal area, both present and future within a prescribed legislative requirement. The WSD plan has been completed and awaiting comments from the Department of Water and Sanitation. Thereafter it will be administered through municipal processes for approval by Council.

In terms of water services provision, the municipality has experienced a common trend of high water consumption. The demand exceeds supply, and this behaviour has already presented serious challenges in relation to water demand. More focus should be given to water demand strategies and water supply related future proposed projects must entail elements of water demand and conservation management.

At face value the unaccountable water losses are almost double that of domestic use. Yet the domestic users are castigated for wasting water. This needs to be addressed urgently because the exercise or the formula currently used

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to determine unaccounted water is not consistent with standards. The municipality needs to address this matter urgently because it depicts a bleak picture as far as non-revenue water is concerned.

In the financial year under review, the municipality has successfully implemented the following major projects, of which some are multi-year projects:

Completed projects:

- Lerato Park Bulk Water Link services
- Construction of 320 toilet top structures

Multi-year projects:

- Lerato Park bulk linking sewer services (95% complete).
- Sewer Outfall Main from Gogga and Galeshewe to Homevale WWTW (practical completion).
- Carters Ridge Sewer Outfall Project – Construction Phase
- Lerato Park – Mechanical and Electrical Project – Construction Phase
- Elevated water tanks distribution – Construction phase

3.2.2 Comment on Water use by Sector

Household and per capita water usage is the highest in this category, followed by industrial water use. There is no significant consumption for the agricultural sector and forestry from the municipal water system. These sectors are serviced directly by different agencies of state such as the Department of Water and Sanitation, and Water Users Associations.

Non-revenue water (NRW), which includes technical and commercial water losses, is not decreasing despite the interventions implemented in the past financial year. The municipality has acknowledged that calculation of NRW is not consistent with International Water Association (IWA) and national norms. As such, NRW figure reported includes operational losses (abstraction and purification), not only the system input volume (SIV) as per IWA Water Balance guide-lines. The establishment of a special committee that monitors the performance of all activities and projects aimed at improving NRW shows significant progress, on programs related to NRW.

Total Use of Water by Sector (cubic meters)						
Period	System Input Volume	Agriculture	Forestry	Industrial	Domestic	Unaccountable water losses
2020/2021	36,923,530	-	-	4,670,884	9,474,668	22,777,978
2021/2022	35,220,273	-	-	3,719,280	8,737,433	22,763,560

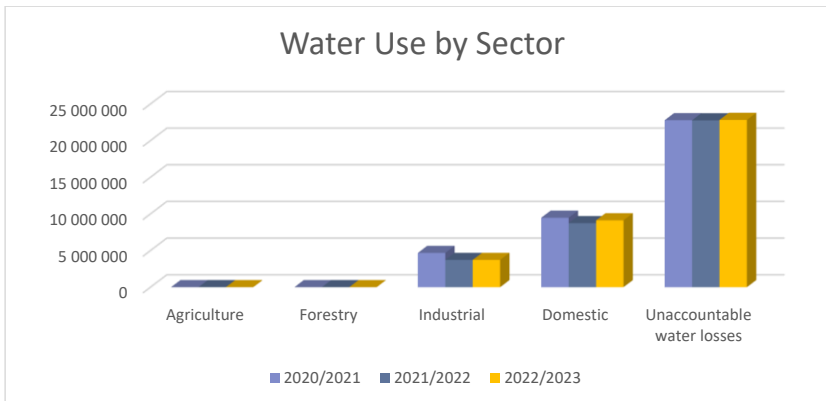
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Total Use of Water by Sector (cubic meters)						
Period	System Input Volume	Agriculture	Forestry	Industrial	Domestic	Unaccountable water losses
2022/2023	35,657,743	-	-	3,716,065	9,122,930	22,818,749

Table 44: Total Use of Water by Sector

Total per Customer Group			
Period	Domestic Use %	Industrial Use %	% Unaccounted Water
2020/2021	25.66%	12.65%	61.69%
2021/2022	24.81%	10.56%	64.63%
2022/2023	25.58%	10.42%	63.99%

Table 45: Total per Customer Group



Graph 9: Water Use by Sector

The above figures and charts considered raw water abstracted or purchased as the System Input Volume (SIV), to align with Auditors' approach and principle when auditing NRW. This is, however, contrary to the International Water Association (IWA) best practice in calculating NRW. Volume of unbilled water consumption, apparent losses and a calculation methodology are regarded as the effective causes of high and unrealistic non-revenue water. Real losses represent a significant defect in water infrastructure such as pipe burst and leakages. The municipality has intensified meter replacement project by prioritizing billing queries in order to improve billing data. Meter reading deficiencies also contribute significantly to these challenges.

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The municipality is also struggling to improve response times when attending water reticulation leakages due to a number of reasons. The primary reason is shortage of personnel and inability to manage maintenance crews. The municipality is aware of this challenge and interventions are in place to address this matter. Secondly, the condition (aged) of infrastructure also contributes to high water leaks in water reticulation network. The network still comprises of old asbestos pipes and the pipe replacement program will start in the 2023/24 financial year.

3.2.3 Water Service Delivery Levels

Below is a table that specifies the different water service delivery levels per household for the financial years 2019/20 to 2022/23.

Description	2019/20	2019/20	2020/21	2021/22	2022/23
	Actual				
	Household				
Water: (above minimum level)					
Piped water inside dwelling	43 612	43 612	48 656	48 685	48 711
Piped water inside yard (but not in dwelling)	23 689	23 689	20 391	20 391	20 391
Using public tap (within 200m from dwelling)	3 764	3 764	2 070	2 070	2 070
Other water supply (within 200m)	1 292	1 292	1 240	1 240	1 240
Minimum service level and above sub-total	72 357	72 357	72 357	72 386	72 412
Minimum service level and above percentage	99%	99%	99.6%	99.7%	99.73%
Water: (below minimum level)					
Using a public tap (more than 200m from dwelling)	0	0	0	0	0
Other water supply (more than 200m from the dwelling)	0	0	0	0	0
No water supply	223	223	223	223	197
Below minimum service level sub-total	223	223	223	223	197
Below minimum service level percentage	0.4%	0.3%	0.4%	0.3%	0.27%
Total number of households	72 580	72 580	72 580	72 609	72 609
<i>Total number of households including informal settlements</i>					

Table 46: Water Service Delivery Levels

3.2.4 Water Service Delivery Levels Below the Minimum

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Description	Households			
	2019/20	2020/21	2021/22	2022/23
	Actual			
Formal Settlements				
Total households	68 679	72 357	72 386	72 291
Households below minimum service level	0	223	223	197
Proportion of households below minimum service level	0%	0.3%	0.3%	0.27%
Informal Settlements				
Total households	7 334	7 334	7 334	7 334
Households below the minimum service level	0	223	0	197
Proportion of households below the minimum service level	0%	0.3%	0.3%	0.27%

Table 49: Water Service Delivery Levels Below the Minimum

3.2.5 Access to Water

Formal areas have 100% access to water services and the informal areas are henceforth defined as all areas used for human settlement while the process of formalisation is or is not proceeding. The Municipality is providing access in terms of water stand pipes as well as jojo tanks for potable water. These households put a lot of pressure on the municipality because the majority of these community members are perceived to be indigent although the majority have not officially declared that status. All formalized areas are in the process of water reticulation services being installed by CoGTA implemented project that include Lethabo and Lerato Park areas.

3.2.6 Water Service Objectives included in the IDP

Municipal Key Performance Area: Access to Basic Services and Infrastructure Development

Strategic Objectives	Key Performance Indicator	2022/23		2023/24
		Revised Target	Actual	Target
Service Provision	Reduce water losses to 50% by 30 June 2023 (Total purchase less water sales / by total purchases x 100)	50%	63,99%	40%
Service Provision	Achieve 98% compliance on drinking water quality by 30 June 2023 (In accordance to SANS 241:2015 - Blue Drop	98%	86.30%	99%

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Strategic Objectives	Key Performance Indicator	2022/23		2023/24
		Revised Target	Actual	Target
Service Provision	% Progress on the construction of the foundations for 2 elevated water tanks by 30 June 2023 as per the project plan	100%	50%	Not a target
Service Provision	% Completion of the Homevale Fire Station by 30 June 2023	100%	97%	Not a target

Table 50: Water Service Objectives included in the IDP

3.2.7 Employees: Water Services

The table below indicates the number of employees for water services:

Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	Number				%
Municipal Manager and Senior Managers	0	1	0	1	100.0%
Other Managers	3	14	4	10	71.4%
Professionals	2	2	2	0	0.0%
Technicians & Trade Workers	21	35	21	14	40.0%
Clerks & Administrative Workers	2	7	4	3	42.9%
Community and Personal Workers	3	15	3	12	80.0%
Service and Sales Workers	0	0	0	0	0.0%
Plant & Machine Operators	19	56	23	33	58.9%
Elementary Occupations	125	196	104	92	46.9%
Total	175	326	161	165	50.6%

Table 51: Employees: Water Services

3.2.8 Financial Performance: Water Services

Details	2021/22	2022/23			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
	R'000				
Total Operational Revenue	307,957	345,167	340,167	328,261	-3%

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Details	2021/22	2022/23			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Expenditure:					
Employees	51,850	53,846	53,846	55,514	3%
Repairs and Maintenance	87,709	97,589	107,752	107,101	-1%
Other	111,781	111,034	61,834	56,310	-9%
Total Operational Expenditure	251,340	262,469	223,432	218,926	-2%
Net Operational Expenditure	(56,618)	(82,698)	(116,735)	(109,336)	-6%

Table 52: Financial Performance: Water Services

3.2.9 Capital Expenditure: Water Services

The table below indicates the amount that was actually spent on water services projects for the financial year.

Capital projects	2022/23				
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget	Total project value
(R)					
Replacement of 1,076 water meters	2,000	2,000	0	-100%	
Water Pipe Replacement	10,000	10,000	8,569	-14%	
Elevated water tanks distribution	1,000	1,000	1,076	-8%	
Total all	13,000	13,000	9,645	-25.81%	
<i>Total project value represents the estimated cost of the project on approval by the council (including past and future expenditure as appropriate)</i>					

Table 53: Capital Expenditure: Water Services

3.2.10 Comment on Water Services Performance Overall

The Sub Directorate Water and Sanitations' key objective is to primarily ensure that bulk, reticulation and supply facilities have the required capacity to meet the current and future demand. The key objective was to ensure that the requirements of bulk have been met. The bulk projects have met the intended objectives, however concurrent reticulation projects have not yet unfolded. Water pipe replacement projects have been implemented through

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operational budget to ensure sustainable provision of water supply. Lastly, the water teams work full time to attending to burst pipes and leaking meters.

Even though the objectives have been met, there is still extensive planning that needs to be undertaken to meet the required needs such as implementing the replacement of the bulk pipelines from Riverton to Kimberley. Furthermore, refurbishment is required at Riverton purification plant as well as the refurbishment of the Pump Station at the Newton Reservoir complex.

3.3 SANITATION SERVICES

3.3.1 Introduction to Sanitation Provision

Provision of waste-water services is an ongoing concern and a well renowned challenge for the municipality due to the lack of service provision in informal areas. The ever-increasing demand of waste-water services due to mushrooming of informal human settlements is posing a serious risk and failure to implement sustainable mitigating measure will worsen the situation. Although the Corporate Governance, Human Settlement and Traditional Affairs (CoGHSTA) is the custodian of waste water provision for newly established areas (installation of sanitation reticulation to households), and thus declaring it a non-core function by the municipality, overall performance of sanitation services is affected negatively by this condition. The Municipality is therefore only responsible for the provision of bulk sanitation services to newly formalized informal settlements which is limited to bulk sewer pipelines and pump stations.

Challenges relating to sewer collector system or reticulation and services of informal areas remains a huge challenge with vandalism, theft and misuse of infrastructure remains a challenge and is of the core challenges that must be addressed when improved service delivery standards is targeted. The municipality has effectively started to address sanitation provision to informal areas in the current year. Provision of basic sanitation to informal areas will improve significantly in the years to come because a lot of time and resources to plan for this objective was done in the current year.

3.3.2 Sanitation Service Delivery Levels

The table below specifies the different sanitation service delivery levels per household for the financial years 2019/20 to 2022/23.

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Description	2019/20	2020/21	2021/22	2022/23
	Actual			
	Households			
Flush toilet (connected to sewerage)	64 466	64 623	64 644	64 672
Flush toilet (with septic tank)	1 816	1 816	1 816	1 816
Chemical toilet	3 431	3 750	3 760	3 760
Pit toilet (ventilated)	1 235	1 235	1 235	1 235
Other toilet provisions (below minimum service level)	342	342	321	293
Minimum service level and above sub-total	71 290	71 766	71 776	71 776
Minimum service level and above percentage	98.2%	98.8%	98,9%	99.1%
Sanitation/sewerage: (below minimum level)				
Bucket toilet	453	453	453	453
Other toilet provisions (below minimum service level)	0	0	0	0
No toilet provisions	837	361	361	361
Below minimum service level sub-total	1 290	814	814	814
Below minimum service level percentage	1.8%	1.2%	1.1%	0,9%
Total number of households	72 580	72 580	72 590	72 590

Table 54: Sanitation Service Delivery Levels

The provision of sanitation services by means of buckets/pails is no longer considered as an acceptable level of service by the sector department (DWS). By implementing a chemical toilet system, the municipality has improved access to this service by gradually reducing bucket sanitation services with minimum acceptable forms of sanitation (chemical toilets).

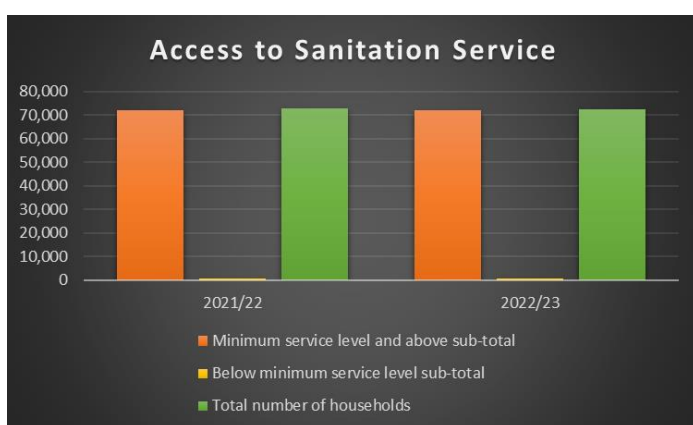
3.3.3 Sanitation Service Delivery Levels Below the Minimum

Description	Households			
	2019/20	2020/21	2021/22	2022/23
	Actual			
Formal Settlements				
Total households	71 290	71 766	71 766	71 766
Households below minimum service level	1 290	814	814	814
Proportion of households below the minimum service level	1.8%	1.2%	1.1%	0.9%
Informal Settlements				
Total households	3 973	814	814	814
Households below minimum service level	1 290	814	814	814
Proportion of households below the minimum service level	1.8%	1.2%	1.1 %	0,9%

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Table 55: Sanitation Service Delivery Levels Below the Minimum

3.3.4 Access to Sanitation



Graph 10: Access to Sanitation Services

3.3.5 Sanitation Service Objectives included in the IDP

Municipal Key Performance Area: Access to Basic Services and Infrastructure Development

Strategic Objectives	Key Performance Indicator	2022/23		2023/24
		Revised Target	Actual	Target
Service Provision	Achieve 70% Compliance on treated waste water effluent quality by 30 June 2023 (In accordance with effluent general standards) - Green Drop	60%	72.10%	80%
Service Provision	% Completion for the installation of electrical and mechanical components in Lerato Park Sewer pump Station as per the project plan by 30 June 2023	100%	28.50%	100%
Service Provision	% Completion for the reconstruction work of 320 aged sink toilets in Kagisho, Kutlwanong and Phomolong by 30 June 2023 as per the project plan	100%	100%	Not a target

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Strategic Objectives	Key Performance Indicator	2022/23		2023/24
		Revised Target	Actual	Target
Service Provision	% Progress on the construction phase for the Carters Ridge sewer pump station building with all electrical and mechanical equipment as per the Project Plan by 30 June 2023	60%	12%	100%

Table 56: Sanitation Service Objectives included in the IDP

3.3.6 Financial Performance: Sanitation Services

Details	2021/22	2022/23			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	93,896	92,200	104,000	108,190	17%
Expenditure:					
Employees	47,193	47,143	47,143	57,541	22%
Repairs and Maintenance	22,004	17,397	21,718	19,227	11%
Other	23,145	28,836	23,036	17,825	-38%
Total Operational Expenditure	92,343	93,375	91,896	94,593	1%
Net Operational Expenditure	(1,553)	1,175	(12,104)	(13,597)	-1257%

Table 57: Financial Performance: Sanitation Services

3.3.7 Capital Expenditure: Sanitation Services

The table below indicates the amount that was actually spent on sanitation services projects for the financial year.

Capital projects	2022/23					
	Budget	Adjustment budget	Actual expenditure	Variance from original budget	Variance from adjustment budget	Total project value
	(R)					
Reconstruction old sink toilet phase 1	1,000	1,000	0	-100%	-100%	
Lerato Park sewer upgrade downstream infra	21,090	21,090	12,397	-41%	-41%	

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Capital projects	2022/23					
	Budget	Adjustment budget	Actual expenditure	Variance from original budget	Variance from adjustment budget	Total project value
	(R)					
Acq - carters glen sewer pump station	19,948	19,948	8,138	-46%	-59%	
Total all	42,038	37,038	20,535	-45%	-51%	

Table 58: Capital Expenditure: Sanitation Services

3.3.8 Comment on Sanitation Services Performance Overall

The Sub Directorate Water and Sanitation's key objective is to primarily ensure that bulk, reticulation and supply facilities have the required capacity to meet the current and future demand.

The bulk projects have met the intended objectives, however concurrent reticulation projects have also unfolded such as the upgrading of the Gogga outfall sewer line from Galeshewe to Homevale WWTW which is at practical completion stage as well as the Lerato Park link sanitation project. Sanitation operational teams work full time to ensure that blockages are minimized and that the provision of quality services is maintained. The construction of the Carters Ridge sewer pump station commenced with construction of the second phase of the project as well as the construction of the Legaeng and Eagle street pump station is underway.

Even though the objectives have been met in terms of bulk services, there is still extensive planning that needs to be undertaken to meet the required needs of the reticulation network such as there are sewer pipe replacement projects that need to unfold to meet the current demand and maintenance projects to extend the operational life of the existing infrastructure.

3.4 ELECTRICITY

3.4.1 Introduction To Electricity

Sol Plaatje Local Municipality is licensed to purchase electricity from Eskom and then distribute the electricity via the 66kV, 11kV and 400V/230V low-voltage electrical network.

There are three bulk 66kV electricity supply points from Eskom namely: Herlear and HA Morris Substations supplying the Kimberley area and Riverton Substation which supplies the water purification plant of Kimberley. Although Ritchie is demarcated into the Sol Plaatje municipal area, Eskom is licensed to distribute electricity in that area.

Over and above electricity supply management, the section is also responsible for the following functions:

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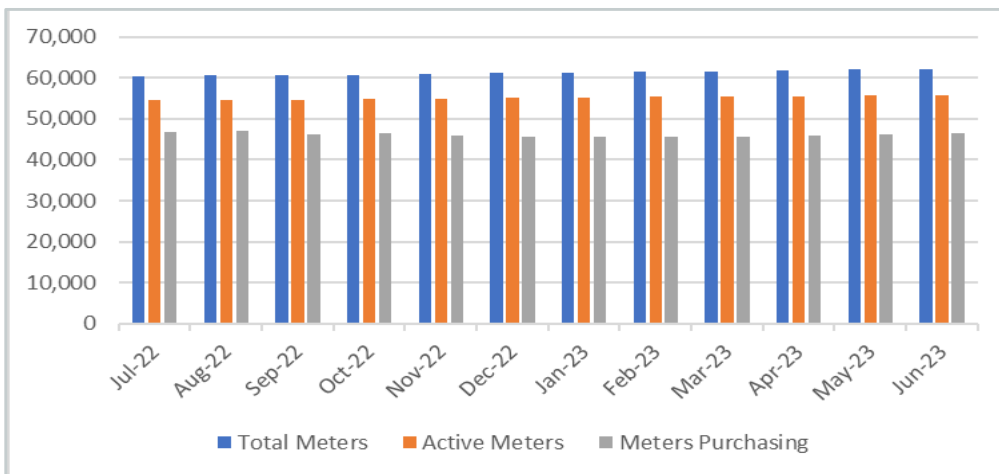
- Occupational Health and Safety
- Fleet Management
- Mechanical and Workshop services.

Over the past eight years, great progress has been made on the Electrification Programme under the Integrated National Electrification Programme (INEP), duly funded by the Department of Mineral Resources and Energy (DMRE). For the financial year period 2022/23, 1 344 households have been supplied with electricity under the Electrification Program.

Challenges do however impact on the implementation progress of this program due to continuous growth of informal settlements on vacant land. Electrical infrastructure and electrification of houses cannot be installed in informal settlements prior to township establishment processes being completed.

Other major challenges regarding electricity are vandalism and copper theft that led to equipment damage, electrical supply interruptions and possible fatalities to municipal employees or members of the public. This puts a strain on the maintenance and management of the electrical infrastructure and thus responding to faults and providing mitigation remedies as a result may take longer than anticipated.

3.4.2 Pre-Paid Electricity Supply



Graph 11: Pre-paid Meter Purchases

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The above Graph clearly indicates that on average only 83.66% of Pre-paid meter consumers are purchasing electricity.

3.4.3 Electricity Service Delivery Levels

The table below indicates the different service delivery level standards for electricity within the urban edge area of the Municipality:

Description	2019/20	2020/21	2021/22	2022/23
	Actual			
	Household			
Energy: (above minimum level)				
Electricity (at least minimum service level)	4 234	3682	3254	3 026
Electricity - prepaid (minimum service level)	60 583	57 142	60 363	63 965
Minimum service level and above sub-total	69 699	70 616	71 737	72 852
Minimum service level and above percentage	86%	91%	93%	94%
Energy: (below minimum level)				
No access to electricity (< minimum service level)	3 685	4033	3562	3 012
Other energy sources	1 357	1357	1357	1 357
Below minimum service level sub-total	5 042	3 399	3175	2 974
Below minimum service level percentage	7.0%	8%	6%	5%
Total number of households	71 938	74 015	74 912	75 826

Table 59: Electricity Service Delivery Levels

3.4.4 Electricity Service Delivery Levels Below Minimum

SPM installs a 60 Amp electrical connection in all low-cost houses as per a Council resolution, whereas the DMRE makes provision for a supply of 20 Amp per household. However, to allow for growth of areas and longer lasting networks, a 40 Amp per household is provided with new settlement developments. Top-up funding is normally provided by the municipality. SPM does not install electricity in informal settlements or houses. The area must be formalised, and a Surveyor General Layout must be available before any electrification can be done.

Description	2019/20#	2020/21#	2022/23#	2022/23
	Actual	Actual	Actual	Actual
Households				
Formal Settlements				

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Description	2019/20#	2020/21#	2022/23#	2022/23
	Actual	Actual	Actual	Actual
Households				
Total households	60 583	61 500	62 621	63 966
Households below minimum service level	4 234	3 682	3 254	3 142
Proportion of households below the minimum service level	3 239	3 399	3175	3 318
Informal Settlements				
Total households	7 211	6294	5173	3 829
Households below minimum service level	2 895	2 999	3129	3 195
Proportion of households below minimum service level	2 768	3 212	3 341	3 123

Table 60: Electricity Service Delivery Levels below minimum

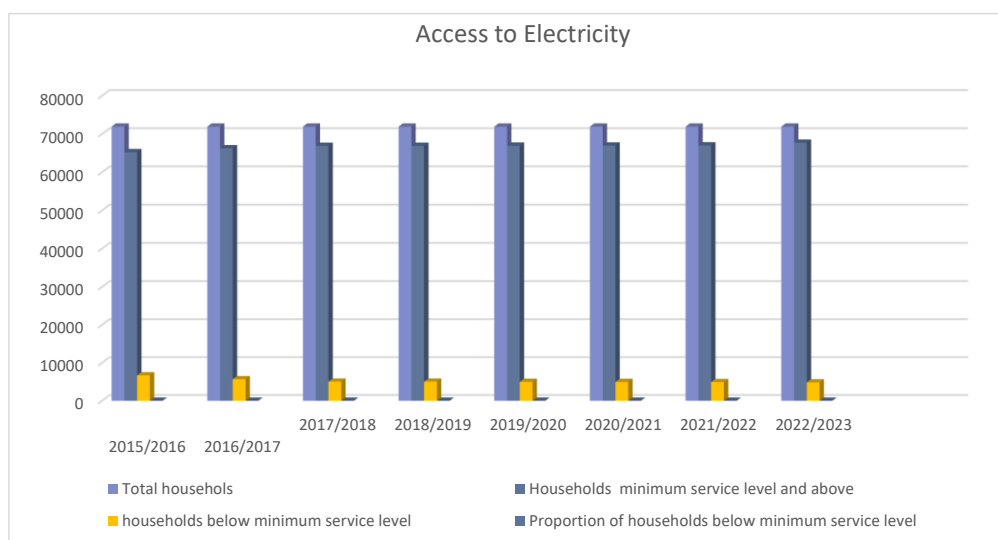
The major electricity connection backlogs are in the informal settlements that have not been formalised in terms of surveying and township establishment. The backlog decreased from 6,692 in 2015/16 to 5,677 as a result of 1,015 households being electrified during 2016/17. From 2016/17 to 2017/18, a further 635 households in Ivory Park were connected to electricity.

In 2018/19 a further 1,060 households in Ivory Park and Snake Park were connected to electricity. In 2019/20 a total of 1,743 households were added into the network from informal areas Ivory Park, Snake Park, Platfontein, Kutlwanong and Ramorwa. A further 917 households were added in 2020/21, together with 1,121 connections archived in 2021/22 that were added to the formal settlement of SPLM. A total of 771 households were added to the network in 2022/23 financial year.

The SPM Electrical Department, together with the DMRE, proactively ensures that as soon as an area has been formalized, the funding application from the DMRE is fast-tracked and the provision of electricity is completed.

3.4.5 Access to Electricity

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Graph 12: Access to Electricity

The totals for 2015/2016 is based on the outcomes of the Community Survey 2016. For 2016/2017, a total of 1,015 households were connected to electricity, whilst 635 electrical connections were achieved for 2017/2018. In 2018/2019 1,060 electricity connections were achieved. In 2019/20 a total of 1 743 households were added into the network from informal areas being Ivory Park, Snake Park, Platfontein, Kutlwanong and Ramorwa. A total of 750 households were added into the formal settlement of SPLM. Additional of 771 households were added in Lerato park phase 6 and 7 respectively, as well as for Soul City and Witdam.

As at the end of June 2023, Households below the minimum service level amounted to 3,213 resulting in a 2.6% proportion of households below the minimum service level.

The Electricity Distribution Section attended to supply interruptions according to NERSA requirements. The following table below indicates the restoration times and percentages of power interruptions for the 2022/23 financial year.

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Date	Total No of forced interruptions after which supply was restored	Supply restored within								Supply restored after 24 hours	
		1.5 hours		3.5 hours		7.5 hours		24 hours		Target 100%	
		Target 30%		Target 60%		Target 90%		Target 98%		Target 100%	
		Actual	%	Actual	%	Actual	%	Actual	%	Actual	%
July	516	199	38.57	410	79.46	492	95.35	512	99.22	516	100
August	411	151	36.74	332	80.78	394	95.86	409	99.51	411	100
September	391	158	40.41	316	80.82	375	95.91	390	99.74	391	100
October	442	193	43.67	377	85.29	426	96.38	442	100	442	100
November	745	351	47.11	643	86.31	724	97.18	745	100	745	100
December	636	289	45.44	529	83.18	613	96.38	636	100	636	100
January	534	245	45.88	444	83.15	518	97.00	528	99.88	534	100
February	492	196	39.84	377	76.63	471	95.73	491	99.80	491	99.80
March	692	259	37.43	540	78.03	645	93.21	690	99.71	692	100
April	517	240	46.42	429	82.98	498	96.32	515	99.61	517	100
May	612	276	45.10	496	81.05	582	95.10	612	100	612	100
June	524	242	46.18	426	81.30	511	97.52	524	100	524	100
Total	6512	2799	42.98	5319	81.68	6249	95.96	6494	99.72	6511	99.98

Table 61: Electrical Restoration Times

3.4.6 Electricity Service Objectives included in the IDP

Municipal Key Performance Area: Access to Basic Services and Infrastructure Development

Strategic Objectives	Key Performance Indicator	2022/23		2023/24
		Revised Target	Actual	Target
Service Provision	Decrease electricity losses to 16% by 30 June 2023	16%	29.38%	15%
Service Provision	Number of households in Lethabo Park connected to the electricity network by 30 June 2023 (Phase 1)	1166	0	1166
Service Provision	Number of street lights heads replaced within Sol Plaatje municipal area by 30 June 2023 (Replacing 250 W HPS with 100 W LED)	500	900	No target
Service Provision	Number of street lights heads replaced within Sol Plaatje municipal area by 30 June 2023 (Replacing 125 W HPS with 36 W LED)	1 036	1 107	No Target
Service Provision	% Progress on the upgrading of the Carters Glen sub station to deload the Galeshewe sub station (Phase 3) by 30 June 2023	100%	53%	No target

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Strategic Objectives	Key Performance Indicator	2022/23		2023/24
		Revised Target	Actual	Target
Service Provision	Number of households in Lerato Park connected to the electricity network by 30 June 2023 (Phase 7)	650	0	634
Service Provision	Number of households in Lerato Park connected to the electricity network by 30 June 2023 (Phase 6)	411	0	No target

Table 62: Electricity Service Objectives included in the IDP

3.4.7 Employees: Electricity Services

The table below indicates the number of employees for electricity services:

Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	Number				%
Municipal Manager and Senior Managers	1	1	1	0	0.0%
Other Managers	7	9	7	2	22.2%
Professionals	7	13	1	12	92.3%
Technicians & Trade Workers	98	150	84	66	44.0%
Clerks & Administrative Workers	24	28	23	5	17.9%
Community & Personal Workers	0	0	0	0	0.0%
Service and Sales Workers	0	0	0	0	0.0%
Plant & Machine Operators	2	2	2	0	0.0%
Elementary Occupations	6	22	5	17	77.3%
Total	145	225	123	102	45.3%

Table 63: Employees: Electricity Services

3.4.8 Financial Performance: Electricity services

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Details	2021/22	2022/23			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	742,172	935,854	915,854	773,385	-17%
Expenditure:					
Employees	50,166	55,540	55,540	54,717	-1%
Repairs and Maintenance	30,773	32,902	34,402	34,414	5%
Other	801,570	827,240	815,340	799,994	-3%
Total Operational Expenditure	882,510	915,683	905,283	889,125	-3%
Net Operational Expenditure	140,338	(20,171)	(10,571)	115,740	-674%

Table 64: Financial Performance: Electricity Services

3.4.9 Capital Expenditure: Electricity Services

The table below indicates the amount that was actually spent on electricity services projects for the financial year.

Capital projects	2022/23				
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget	Total project value
(R)					
Hv sub acq-Carters Glen transf/Galeshewe subs	7,000	11,400	10,153	-11%	45%
Electrification Lerato Park	33,000	26,000	22,708	-13%	-31%
Street lights replace 125W MV with 36W L	3,000	4,000	4,000	0%	33%
Install VSD's at Newton Reservoir	1,000	0	0	-100%	-100%
Capital spares-acq-prepaid meters	2,000	2,000	-	-100%	-100%
Total all	45,000	43,400	36,862	-15%	

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Table 65: Capital Expenditure: Electricity Services

3.4.10 Comment on Electricity Services Performance Overall

The Electricity Department has supplied a reliable and secure electricity supply to numerous households of all sectors, within the jurisdiction of Sol Plaatje Local Municipality in the previous and current year. The Electrical Department has further embarked on bulk upgrade substation to strengthen the 66kV/11kV network in order to cater for expansion and growth within the electrical network. There are two types of projects which are of significance impact to service delivery and Sol Plaatje Local Municipality in general. These capital projects are Electrification and Substation 66/11kV Bulk Upgrades.

Electrification is the erection of 11kV/400V/230V electrical network and electrical infrastructure and auxiliary equipment to supply households with a secure and reliable source of electricity. Over the past two financial year periods, Sol Plaatje Local Municipality has electrified 2 207 households in Township Establishments. The Department of Mineral Resources & Energy caters to funding for electrification in the township area. The municipality do cater for funding for electrical reticulation in the suburban area through bulk infrastructure and link services

Over the years, this has resulted in an imbalance in terms addressing the backlog of households without access to electricity in both areas, being township and suburban developments. However, the mitigation strategies have been set in place to cater for upcoming growth and developments, which may arise.

We have registered projects under the IDP and have implemented bulk upgrades in our substations to ensure we can accommodate growth in our network. Revenue generated from electrical supply to our customers and residents is inherently utilized to maintain electrical infrastructure and network, so a secure, protected and reliable point of supply is provided to all households and customers within Sol Plaatje Local Municipality.

Bulk Substation upgrades are the installation, upgrade, testing and commissioning of 66kV/11kV electrical infrastructure for our 66kV main substations and 11kV switching substation. These upgrades are implemented to cater for the growth of the electrical network, due to the advancement and expansion of Kimberley.

Over the recent years, the following upgrades have been implemented:

- 11kV bulk upgrade in Berbeck Sub Station to cater for the expansion of the New SPLM University and
- NMD bulk upgrade to cater for overall total growth.
- The Lerato park link service is also ongoing to provide a firm supply for phase 7 and 8 of electrification projects as well as any future development.

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- There is currently an ongoing project of Carters Glen Substation to deload Galeshewe substation, by taking few areas off Galeshewe and transferring them to Carters Glen. Secondly Riverton Substation to cater for electrification and water purification treatment, respectively.

Future projects are registered on the IDP and implementation shall be done in relation need and growth of areas.

3.4.11 Occupational Health and Safety

The City Electrical Engineer is also appointed as GMR 2(1) under the Occupational Health and Safety Act (OHS Act), Act No. 85 of 1993, to oversee the safe operation of machinery.

A full-time Occupational Health and Safety Practitioner was appointed in July 2016, under Infrastructure and Services Directorate, to assist and advise all Managers and Line Managers on Occupational Health and Safety matters. Her appointment ensures legal compliance with OHS Act and provides support to Managers and Line Managers to fulfil their duties in terms of the Act.

By means of the NOSA Miracles software application procured as a Health and Safety system management tool, controls were set up in such a manner that the software application enables Executive Management, Managers and Line Manager to actively manage their Risks identified in their respective areas of responsibility.

There is a new system that Nosa need to come and present to us that is having different packages, the name of the system is Safety Cloud. The advantage of this system is more friendly and easy to navigate on it.

3.5 WASTE MANAGEMENT (REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING)

The main objective of this section is to provide an effective and efficient refuse removal and solid waste disposal for all the residents within the Sol Plaatje Municipal Area.

3.5.1 Waste Management Service Delivery Levels

The table below indicates the different refuse removal service delivery level standards of the Municipality:

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Description	2019/20	2020/21	2021/22	2022/23
	Actual			
	Household			
Refuse removal: (Minimum level)				
Removed at least once a week	59 526	63 014	63 014	72 629
Minimum service level and above sub-total	59 526	63 014	63 014	72 629
Minimum service level and above percentage	92.9%	86.7%	86.7%	100%
Below minimum service level				
Removed less frequently than once a week	0	0	0	0
Using communal refuse dump	0	0	0	0
Using own refuse dump	0	0	0	0
Other rubbish disposal	0	0	0	0
No rubbish disposal	4 526	9 615	9 615	9 615
Below minimum service level sub-total	4 526	9 615	9 615	9 615
Below minimum service level percentage	7.1%	13.2%	13.2%	13.2%
Total number of households	64 052	64 052	72 629	72 629

Table 66: Refuse Removal Service Delivery Levels

3.5.2 Waste Management Service Delivery Levels Below the Minimum

Description	Households			
	2019/20	2020/21	2021/22	2022/23
	Actual			
Formal Settlements				
Total households	61 793	72 629	72 629	72 629
Households below minimum service level	4 526	9 615	9 615	9 615
Proportion of households below the minimum service level	7.3%	13.24%	13.24%	13.24%
Informal Settlements				
Total households	10 146	9 615	9 615	9 615
Households below minimum service level	4 526	5 089	5 089	5 089
Proportion of households below minimum service level	44.6%	52.92%	52.92%	52.92%

Table 67: Solid Waste Service Delivery Levels

3.5.3 Waste Management Service Objectives included in the IDP

Municipal Key Performance Area: Access to Basic Services and Infrastructure Development

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Strategic Objectives	Key Performance Indicator	2021/22		2022/23
		Revised Target	Actual	Target
Service Provision	Provide a weekly refuse collection service (according to the revised collection route) to all formal households	59 500	59 500	59 500

Table 68: Waste Management Service Objectives included in the IDP

3.5.4 Employees: Waste Management

The table below indicates the number of employees for waste management (refuse collections, waste disposal, street cleaning and recycling):

Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	Number				%
Municipal Manager and Senior Managers	0	0	0	0	0.0%
Other Managers	1	7	0	7	100.0%
Professionals	0	0	0	0	0.0%
Technicians & Trade Workers	0	0	0	0	0.0%
Clerks & Administrative Workers	1	9	1	8	88.9%
Community and Personal Workers	2	5	0	5	100.0%
Service and Sales Workers	0	0	0	0	0.0%
Plant & Machine Operators	26	75	22	53	70.7%
Elementary Occupations	81	253	90	163	64.4%
Total	111	349	113	236	67.6%

Table 69: Employees: Waste Management (Refuse Collections, Waste Disposal, Street Cleaning and Recycling)

3.5.5 Financial Performance: Waste Management

Details	2021/22	2022/23			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
	R'000				
Total Operational Revenue	68,729	70,950	79,090	81,173	14%
Expenditure:					
Employees	47,997	42,752	42,752	47,236	10%

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Details	2021/22	2022/23			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Repairs and Maintenance	18,039	20,005	19,705	17,702	-12%
Other	5,943	8,193	2,993	2,672	-67%
Total Operational Expenditure	71,978	70,950	65,450	67,610	-5%
Net Operational Expenditure	3,249	(0)	(13,640)	(13,562)	101%

Table 70: Financial Performance: Waste Management

3.5.6 Capital Expenditure: Waste Management

There was no capital expenditure during the period under review.

3.5.7 Comments on Performance Overall

As in previous financial years, the fleet of various vehicle types remains a great challenge with aged and unserviceable vehicles having a very negative impact on service delivery. Financial constrictions also plays a major role with decreasing operational budgets and no capital budget for the replacement of vehicles but also for the expansion of the fleet to service new areas. The maintenance of the current fleet is also a challenge with vehicles being unserviceable for long periods of time. This also holds true for other types of machinery and equipment.

Due to the above reasons, it was necessary to continue the hiring of heavy machinery and vehicles within the refuse removal and waste disposal environments.

Littering and illegal dumping remains a major problem throughout the city with the shortage of staff within the cleaning environment (eg. Street sweepers) being the main contributor.

EPWP teams assist with the cleaning of the CBD and residential areas. However, the waste operational budget for cleaning resulted in a major shortfall.

The residential areas receive a weekly refuse collection service with commercial areas serviced daily (or as required). Developed informal residential areas are serviced through communal waste collections utilizing skip bins.

Waste management through the IWMP is an integral part of the IDP and must be allocated the priority it deserves as an essential service.

3.6 HOUSING

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3.6.1 Introduction to Housing

Housing provision is a provincial government function administered by the Department of Corporative Governance, Human Settlement and Traditional Affairs (COGHSTA). However, SPM is accredited, at level 2, to implement subsidy administration and housing development. SPM is primarily responsible for ensuring housing development readiness status in accordance with COGHSTA housing strategy. This includes identification of projects as prioritized on the IDP which must then be budgeted for under the Division of Revenue Act (DoRA).

The municipality has taken steps to ensure that the following activities are in place:

- Credible IDP
- Land use management that supports human settlement
- Township establishment
- Integrated Human-Settlements Policies
- Beneficiary database maintenance (linked to National)
- Land invasion control

During the financial year under review COGHSTA, as the custodian of human settlement in the province, took a decision to reinforce project management capacity in housing delivery. This development resulted in COGHSTA establishing its internal Project Management unit (PMU) to accelerate housing development. This decision also affected the Municipality and some of the projects were taken over from the Municipality.

THE NATIONAL UPGRADING SUPPORT PROGRAMME (NUSP)

The programme was initiated by the National Department of Human Settlements, and Sol Plaatje Municipality was identified to be one of the participants in the programme. The mandate of the NUSP programme is to support Municipalities with formalisation and infrastructure upgrading of informal settlements in their municipal area.

The total number of sites is 10 393 and there are 31 settlements mentioned, of which 18 have been upgraded to a level of formalised settlements. The remainder to be formalised is thirteen (13).

Area	Number of Sites	State of Progress
Snake Park	1 660 sites	Electrified with 99% services
Ivory Park	1 174 sites	Electrified 60% services
Diamant Park	892 sites	300 + 100 Houses with all services
Jacksonville Ext	339 sites	72 Houses formalized and 339 electrified with services
Kutlwanong	48 sites	Formalised and electrified

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Area	Number of Sites	State of Progress
Colville	130 sites	Formalised phases 1 & 3
Santa Centre	139 sites	Formalised 65 services and ready for electrification
Phomolong Ext	269 sites	Electrified without services on all sites
Greenpoint	155 sites	None
Waterloo	240 sites	None
Riemvasmaak	260 sites (plus/minus)	Electrified without services
Soul City	112 sites (64 sites Forest View & 48 sites King Senare)	Electrified without services
Beaconsfield	28 sites	Infills connecting services
Donkerhoek	111 sites	Formalised Catalytic Project in terms of National Priority, electrification done without services
Ramorwa	98 sites	Formalised and electrified
Witdam	138 sites	100% Formalised and electrified
Lerato Park	4 600 sites	Catalytic Project in terms of National Priority

Table 71: NUSP Sites in Progress

The NUSP has enabled the municipality to integrate human settlement interventions.

INTEGRATED RESIDENTIAL DEVELOPMENT PROGRAMME (IRDP)

The IRDP is a housing delivery programme that deals with the individual housing subsidy as well as rectification of post-1994 housing stock. Under this programme Sol Plaatje Local Municipality benefited 469 housing units, delivered under shared efforts by SPM and COGHSTA.

COMMUNITY RESIDENTIAL UNITS (CRUs)

The Community Residential Unit programme was designed to cater accommodation for families who could not afford market-related rental units. Currently there is a CRU project being implemented by Province which consists of 481 rental units of different sizes. The first phase of this project consists of approximately 142 units that was completed during April 2021.

The Municipality has a rental stock of 936 units. The demand for these units is very high due to the high demand for the Gap Housing Market. However, sustainability of CRUs maintenance is compromised due to high default in rental payment. In order to address this challenge, the municipality is currently exploring more effective methods of enhancing revenue collection strategies, by looking at appointing a management company, for the leasing and maintenance of the rental stock starting with Lerato Park.

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CHALLENGES IN HOUSING PROVISION

The demand for housing is fast outpacing the rate at which CoGHSTA can provide funding for development. Although the Municipality has tried to plan and avail land for future housing developments, these efforts worked against the Municipality where the illegal occupation of land became a norm. This condition has also compromised the housing readiness status.

3.6.2 Percentage of Households with Access to Basic Housing

Year-end	Total households (including in formal and informal settlements)	Households in formal settlements	Percentage of households in formal settlements
2016/17	63 297	49 214	81.6%
2017/18	65 297	49 589	82.2%
2018/19	67 297	50 111	83.1%
2019/20	69 297	50 123	81.2%
2020/21	69 369	49 255	82.3%
2021/22	69 450	49 200	70.84%
2022/23	69 500	50 100	72.09%

Table 72: Households with Access to Basic Housing

3.6.3 Housing Services Objectives included in the IDP

There are no KPI's for Housing in the IDP

3.6.4 Employees: Housing

The table below indicates the number of employees for housing:

Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	Number				%
Municipal Manager and Senior Managers	0	1	0	1	100.0%
Other Managers	1	2	2	0	0.0%
Professionals	0	0	0	0	0.0%
Technicians & Trade Workers	2	2	2	0	0.0%
Clerks & Administrative Workers	3	4	2	2	50.0%
Community and Personal Workers	20	20	4	16	80.0%
Service and Sales Workers	0	0	0	0	0.0%

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Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	Number				%
Plant & Machine Operators	0	0	0	0	0.0%
Elementary Occupations	34	48	27	21	43.8%
Total	60	77	37	40	51.9%

Table 73: Employees: Housing

3.6.5 Financial Performance: Housing

Details	2021/22	2022/23			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
	R'000				
Total Operational Revenue	12,192	12,801	12,801	12,972	1%
Expenditure:					
Employees	18,090	20,658	20,658	18,369	-12%
Repairs and Maintenance	1,380	1,531	2,031	1,940	21%
Other	404	579	779	672	14%
Total Operational Expenditure	19,874	22,768	23,468	20,980	-9%
Net Operational Expenditure	7,682	9,967	10,667	8,008	-24%

Table 74: Financial Performance: Housing

3.6.6 Capital Expenditure: Housing

There was no capital expenditure during the period under review.

3.6.7 Comment on the Performance of the Housing Service Overall

The Municipality targeted to construct 500 households with BNG (Breaking New Grounds) houses in the financial year. COGHSTA through its Project Management Unit (PMU) constructed 300 of the 500 houses in Diamond Park. Therefore, the total number of houses constructed for the financial year was 133 units under these Covid-19 conditions/ circumstances.

Project Area	Number of Houses Built
Ivory Park (1,175)	1 175 Services Installation
Santa Centre (139)	65 Services designs

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Project Area	Number of Houses Built
Rectification of houses (84)	54 Rectification stopped 11 Outstanding
Jacksonville Ext (339)	71 Units were built of which the remaining services are complete. Awaiting further allocation for 267 top-structures
Individual rectification (disaster houses) (10)	8 Done through emergency services funding
Total number of houses built	133

Table 75: Number of Houses Built

As indicated above, insufficient funding to eradicate all housing backlogs remains a challenge for Sol Plaatje Municipality. The current housing backlog in terms of Census 2011 statistics is 7 846 households. At the rate at which funding is provided, backlogs relating to housing delivery will take much longer to eradicate the current and future demand.

3.7 FREE BASIC SERVICES AND INDIGENT SUPPORT

3.7.1 Introduction to Free Basic Services and Indigent Support

The Indigent Policy of the municipality recognises indigent households as households with the following distinct characteristics that are also criteria to qualify and receive free basic services:

Income Indigent

- Full-time occupant of the property
- Account holder (municipal account)
- Use of municipal services
- Total household income must not exceed R4 500 per month
- Child-headed households
- Beneficiaries of low cost-free basic houses funded through subsidies and grants
- Certain geographic areas
- Exceptional circumstances

It is expected that the account holder will complete an application form to register as an indigent. If the applicant meets all the criteria, they will be entitled to free basic services on a monthly basis. A site verification visit will be performed, and the applicant will be interviewed within a two-year period to confirm their declarations in the application. Thereafter, site verifications will be conducted at least every two years.

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As an exception to the above criteria and process, the Municipality has determined certain geographical areas as indigent. The households within these areas will be registered as indigent by reason of their location within a designated area but will also be individually verified within a two-year period.

The municipality installs a prepaid electricity meter at own cost to all qualifying households to ensure that the electricity bill is easily managed and to enable the customer to claim free units per month. The municipality provides the following services to indigent households who qualify:

- 50Kwh of electricity per month
- 6Kl of water per month
- Refuse removal (full subsidisation)
- Sanitation (full subsidisation)

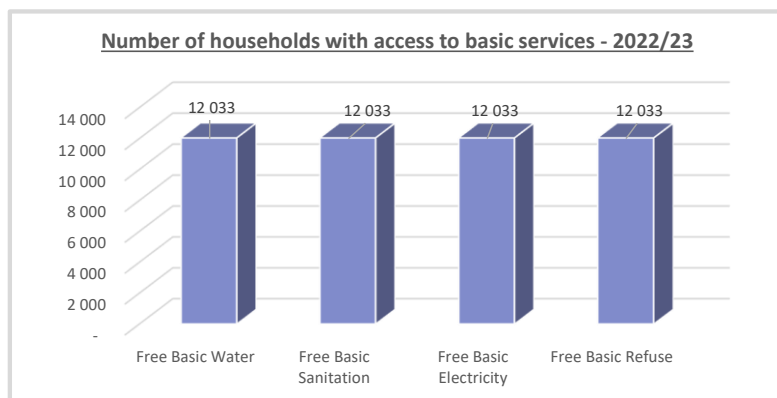
It is incumbent upon the indigent household to declare any change in their status that will necessitate review of the allocation.

One of the most important provisions in the Policy recognises and defines the incidence of Child-headed households. It was recognised that this is quite a prolific circumstance in the Sol Plaatje municipal area and that these types of households were at risk as the policy did not make express allowance for them. An extract from section 5 of the Indigent Management Policy expounds on this category below:

Child-headed households shall qualify automatically for subsidisation in line with this policy. A child shall be any person who is 18 years and younger. Such applicants shall be assisted by the ward councillor and all documentary proof shall serve as evidence prior to qualification.

3.7.2 Free Basic Household Services

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Graph 13: Number of Households with Access to Basic Services

3.7.3 Free Basic Services to Low Income Households

Period	Number of households											
	Total [1]	Households earning less than R4,500 per month [2]										
		Total	Target	Revised	Free Basic Water		Free Basic Sanitation		Free Basic Electricity		Free Basic Refuse	
					Access	%	Access	%	Access	%	Access	%
2020/21	71 939	24 541	12 000	12 000	11 980	99%	11 980	99%	11 980	99%	11 980	99%
2021/22	68 314	24 541	12 000	12 264	12 264	82%	12 264	82%	12 264	82%	12 264	82%
2022/23	68 314	24 541	15 000	15 000	12 033	80%	12 033	80%	12 033	80%	12 033	80%

Table 76: Free Basic Services to Low Income Households

It is noted that there has been a decline in the number of registrations on the indigent register. This is mainly attributable to the audit outcome, where a number of indigents for example did not have ID numbers and unfortunately had to be removed from the indigent totals. The municipality is committed to ensuring that it increases its efforts to meet the targets set in terms of its KPI for the Indigent Register.

3.7.4 Free Basic Service Policy Objectives included in the IDP

Municipal Key Performance Area: Access to Basic Services and Infrastructure Development

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Strategic Objectives	Key Performance Indicator	2022/23		2023/24
		Revised Target	Actual	Target
Service Provision	15 000 Indigent households to receive free basic services (water, electricity, sanitation and waste removal according to national guidelines) by 30 June 2023	15 000	12 033	11 800

Table 77: Free Basic Service Policy Objectives included in the IDP

3.7.5 Comment on the Performance of Free Basic Service Overall

The income threshold of R4 500 per month per household is substantially higher than the national norm. Because of the level of unemployment and the migration of labour to other cities, it is submitted that households in the Sol Plaatje Municipal area have far more occupants than the national average where multiple generations and extended family all reside in one property. To illustrate, one household may contain ten residents with a collective income of no more than R4 500 (subsistence of R375 per person) versus a national income threshold of e.g. R2 500 where the national norm for residents in a household may be five (subsistence of R500 per person). Considering the levels of basic services provided where a household of ten must survive with 50kWH of electricity and 6KL of water per month compared to a household of five sharing the same level of service.

Our challenge is that we lack more accurate statistics to conduct a proper analysis of the level of basic services that are needed by our municipal community, and we also not yet reached all our indigent households as the number may be as great as 25 000. A full-time verification team is urgently needed to do door-to-door verification of all the applications received before any approval can be implemented. This information is required to increase the levels of, and the funding for, basic services. With the establishment of the Sol Plaatje University, it is intended to approach them for assistance in conducting various polls and research with a view to better understand our indigent community's needs.

We are experiencing a high incidence of water wasting by indigent households. This is mainly attributed to leaking pipes and broken/damaged toilet cisterns and, in some cases, the irresponsible use of water. As a result, the indigent debt on average is increasing.

Cost to Municipality of Free Basic Services Delivered						
Services Delivered	2021/22	2022/23				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Original Budget	Variance to Adjustment Budget
Water	4 245 870	8 000 000	8 000 000	4 392 359	-45%	-45%

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Waste Water (Sanitation)	19 072 595	21 000 000	21 000 000	20 051 102	-5%	-5%
Electricity	7 110 331	12 000 000	12 000 000	6 569 232	-45%	-45%
Waste Management (Refuse removal)	13 331 455	13 500 000	13 500 000	14 442 364	7%	7%
Total (FBS)	4 3 760 251	54 500 000	54 500 000	45 455 057	-17%	-17%

Table 78: Cost to Municipality of Free Basic Services Delivered

COMPONENT B: ROAD TRANSPORT

The White Paper on National Transport Policy (1996) spells out the following vision for South African transport: “provide safe, reliable, effective, efficient and fully integrated transport operations and infrastructure which will best meet the needs of freight and passenger customers at improving levels of service and cost in a fashion which supports government strategies for economic and social development whilst being environmentally and economically sustainable.” This component includes roads and waste water (stormwater drainage).

3.8 ROADS AND STORMWATER

3.8.1 Introduction to Roads

The Roads and Stormwater Section provides an effective, competitive and responsive infrastructure by ensuring continuous maintenance, refurbishment, upgrade and replacement of existing roads and stormwater infrastructure assets in order to sustain service delivery and infrastructure development in the municipality.

This section therefore contributes towards facilitating economic growth and social development, improving traffic flow and traffic safety by alleviating traffic congestion.

ROADS STATUS QUO, CHALLENGES AND MITIGATION STRATEGIES

The level of access to road infrastructure in Sol Plaatje Municipality is still at a satisfactory level, although the level of service as well as the overall condition of the road infrastructure may not be where it needs to be. With the Rural Road Assessment Management System Program completed by the consultants, the report indicates that the overall standard of roads range between fair and poor, with a very small percentage falling into good and very poor respectively.

Among all road classes and surface types, tarred roads are the most deteriorated, with potholes, rutting and aggregate loss highly visible. This is mainly due to the routine maintenance carried out over the past fifteen to twenty years being less than the minimum maintenance required to sustain and conserve an intact infrastructure. This has caused a great backlog in the maintenance of tarred roads, resulting in the level of deterioration that we experience. This result in

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the municipality being unable to implement preventative maintenance but forced to catch up with reactive maintenance.

Due to financial constraints in recent years, the resealing of roads has not been budgeted for under the capital budget programme. The Road and Stormwater Section has to rely on its operational budget to maintain and reseal roads, which can basically only be patching of potholes. This further set back the efforts of focusing on preventative maintenance.

Only a little over 30% of municipal streets are dirt and gravel roads and thus not a great concern in terms of quality and maintenance requirements as other types of surfaces. Although the municipality may not have the sufficient yellow fleet to match our extent of gravel road network, great efforts are made to maintain the gravel road network in a drivable state under all weather conditions. The municipality is also continuously upgrading these gravel roads into blocked paved surface, which is more durable and a higher level of service. The gravel road backlog has decreased from 199.7km to 195.7km after approximately 4km of gravel roads were paved in the year under review.

STORMWATER STATUS QUO, CHALLENGES AND MITIGATION STRATEGIES

The management of stormwater in Sol Plaatje Municipality remains a major challenge, especially in low-lying areas as well as old developments where no consideration whatsoever was made for stormwater management. The city has grown exponentially over the years, resulting in additional surface runoff requiring upgrade of stormwater infrastructure to accommodate additional discharge.

The compromised structural integrity and inadequate capacity of Tlhageng Retention Dam remains the biggest stormwater threat, as it forms an integral part of the stormwater network in Galeshewe. In order to address this risk, the upgrade of the retention dam was planned for construction in the 2020/21 financial year under the Neighbourhood Development Partnership Grant (NDPG) Upgrading of Stormwater in the Galeshewe Project. This project started in May 2021 but the contract was terminated in July 2021 due to poor performance of the contractor. The grant was subsequently withdrawn by National Treasury citing irregularities in the procurement process when the contractor was appointed. The internal team reinforced the dam wall and unblocked major culverts along the open channel which directs the flow of water towards R31 retention dam. No flooding of properties due to collapsed dam wall was experienced after this intervention.

Maintenance of stormwater infrastructure also remains a great challenge as available personnel resources and yellow fleet machinery at our disposal is inadequate to deal with the maintenance of stormwater infrastructure, specifically the cleaning of major stormwater canals and unblocking of catch pits.

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3.8.2 Gravel Road Infrastructure

Kilometres				
Period	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained
2017/18	223	0	5.7	77
2018/19	220	0	6.3	0
2019/20	216.3	0	8.7	20.6
2020/21	202.7	0	5.3	0
2021/22	199.7	0	3	0
2022/23	195.7	0	4	120

Table 79: Gravel Road Infrastructure

3.8.3 Tarred Road Infrastructure

Kilometres				
Period	Total tarred roads	New tar roads	Existing tar roads re-tarred	Existing tar roads re-sheeted
2017/18	589	3.7	0	0
2018/19	589	0	0	0
2019/20	589	0	0	1.2
2020/21	589	0	0	0
2021/22	589	0	0	8.2
2022/23	589	0	0	20.5

Table 80: Tarred Road Infrastructure

3.8.4 Cost of Construction/Maintenance

Period	Gravel			Tar		
	New	Gravel – Tar	Maintained	New	Re-worked	Maintained
	R'000					
2017/18	0	23 622	1 860	0	0	11 741
2018/19	0	23 181	0	0	0	9 825
2019/20	0	18 532	1 100	0	2 950	9 368
2020/21	0	9	750	0	0	9
2021/22	0	12 000	0	0	23 500	9 500
2022/23	0	12 000	0	0	25 000	16 000

Table 81: Cost of Construction/Maintenance

3.8.5 Roads and Stormwater Service Objectives included in the IDP

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Municipal Key Performance Area: Access to Basic Services and Infrastructure Development

Strategic Objectives	Key Performance Indicator	2022/23		2023/24
		Revised Target	Actual	Target
Service Provision	Number of km of residential roads upgraded from gravel to a paved surface within the Sol Plaatje municipal area by 30 June 2023 as per the project plan	4 km	2.47 km	5 km
Service Provision	Number of square metres of roads to be resealed within Sol Plaatje municipal area by 30 June 2023 as per the Project Plan	100 000 square metres	123 000 square metres	150 000 square metres

Table 82: Roads and Storm Water Service Objectives included in the IDP

3.8.6 Employees: Roads and Stormwater

Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	Number				%
Municipal Manager and Senior Managers	1	1	0	1	100.0%
Other Managers	1	1	1	0	0.0%
Professionals	2	2	1	1	50.0%
Technicians & Trade Workers	4	6	4	2	33.3%
Clerks & Administrative Workers	2	2	2	0	0.0%
Community and Personal Workers	1	1	1	0	0.0%
Service and Sales Workers	0	0	0	0	0.0%
Plant & Machine Operators	8	22	5	17	77.3%
Elementary Occupations	46	126	37	89	70.6%
Total	65	161	51	110	68.3%

Table 83: Employees: Roads and Stormwater

3.8.7 Financial Performance: Roads and Stormwater

Details	2021/22	2022/23			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
	R'000				
Total Operational Revenue	964	300	300	906	202%
Expenditure:					

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Details	2021/22	2022/23			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Employees	25,897	28,440	28,440	27,491	-3%
Repairs and Maintenance	17,067	16,313	21,152	24,028	12%
Other	767	853	853	738	-16%
Total Operational Expenditure	43,731	45,606	50,445	52,257	3%
Net Operational Expenditure	42,767	45,306	50,145	51,351	2%

Table 84: Financial Performance: Roads and Stormwater

3.8.8 Capital Expenditure: Roads and Stormwater

The table below indicates the amount that was actually spent on roads and stormwater projects for the financial year:

Capital projects	2022/23				
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget	Total project value
R'000					
P-cier rds road structure/R31	0	7,700	7,517	-2%	
Resealing of Roads	15,000	15,000	14,943	0%	
Upgrade gravel roads wards various	12,000	12,000	12,931	8%	
Total	27,000	34,700	35,392	2%	

Table 85: Capital Expenditure: Roads and Stormwater

3.8.9 Comment on the Performance of Roads and Stormwater Services Overall

Notwithstanding the above scenario, the Municipality managed to make some strides into improving the roads and stormwater conditions during the financial year.

The Municipality has over the past year been able to perform periodic maintenance on some of the major arterial roads with funds allocated from IUDG and CRR. Residential roads were also upgraded from gravel to a paved standard through IUDG grant funding. Interlocking paving have proven to be more effective with minimum maintenance required and much longer life span than other types of seals, and the Municipality intends converting dilapidated tarred roads which cannot be salvaged to interlocking paving to reduce future maintenance costs of the road network.

Some of the areas that benefited from the paving of roads are Galeshewe, Greenpoint, Ritchie and Roodepan. This program saw approximately 4km of roads being paved.

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Very little was done in the 2022/23 financial year in regard to the actual upgrading of stormwater infrastructure, although a number of major stormwater canals and catch pits were maintained in order to sustain the network and maintain an adequate level of stormwater management.

COMPONENT C: PLANNING AND DEVELOPMENT

3.9 STRATEGIC ECONOMIC DEVELOPMENT AND PLANNING (SEDP)

3.9.1 Introduction

The Directorate Strategy, Economic Development and Planning (SEDP) is a directorate within the Sol Plaatje Local Municipality that has a sole mandate of developing the economy of the City through different spatial interventions. The residue of the severe Covid-19 impact within the jurisdiction is still prevalent even though the Municipality is slowly on the road to recovery through exploring myriad of strategies such the Business Expansion Attract Retention initiatives. SEDP directorate is tasked with the responsibility to make sectoral interventions to resuscitate the economy and start to fight the triple challenges of poverty, unemployment and inequality that face the livelihoods of our communities.

SEDP VISION

Creation of quality urban spaces for sustained development and growth.

SEDP MISSION STATEMENT

Promote sustainable local socio-economic and environmental development through sound urban planning and land use management.

The following sub-directorates are the cornerstone of the Strategy, Economic Development and Planning:

- Local Economic Development (LED)
- Fresh Produce Market
- Property Services
- Urban Renewal Programme
- Urban Planning Services

LED ECONOMIC DEVELOPMENT SUB-DIRECTORATE

The responsibility of socio-economic development in the Municipality is vested within the Local Economic development, the synchronization between spatial planning and economic activities is of extreme importance. The

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deliberate intention of spatial planning must translate and foster economic growth, creation of employment opportunities and gradually contributing to the gross domestic product of the Municipal jurisdiction. The LED Unit has been rationalized to comprise of the following business units that will comprehensively deal with the economic development of the Municipal jurisdiction.

- Small, Medium and Micro Enterprise (SMME) support
- Investment Promotions
- Tourism
- Area Based Management

FRESH PRODUCE MARKET

Sol Plaatje Fresh Produce Market is nationally recognized, and it is the only Market in the Northern Cape province. There has been significant contribution made to food security in the period under review. The Market is mandated to create linkages between farmers and agents through creating a conducive environment as a result giving access to hawkers and retailers, however over the years theft and vandalism have been a growing concern. Compared to previous financial years, the Market has seen a significantly increase in terms of fresh produce sales. Of importance to mention is that proper funding to improve the market infrastructure is quite urgent and critical.

PROPERTY SERVICES

This sub-directorate is tasked with revenue generation, property management and administration, through the leasing and alienation of land parcels and it is key in enhancing revenue collection. Strategic intent of this sub-directorate is also to foster private sector investment in line with Municipal Spatial Development Framework (SDF). The properties sub- directorates currently manages a significant property portfolio.

URBAN RENEWAL PROGRAMME

The Urban Network Strategy (UNS) seeks to create linkages between the primary (Greater Kimberley) and secondary (Galeshewe) hub, the link is complimentary in nature in terms of economic activities. The UNS is finalized with the only challenge being budgetary as there are projects contained within the Strategy that are already conceptualized and need to be taken to a bankable stage. There are continuous engagements with National Treasury through the neighbourhood partnership grant to explore ways to fund these projects in a blended approach of utilization of Municipal cash reserves ratio and National Treasury funding envelopes.

URBAN PLANNING

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This is the nerve center that is mandated in integrative planning, spatial development and Land Use management aimed at redressing the spatial transformation between Kimberley and historically disadvantaged townships such as (Greenpoint, Ritchie, Riverton, Roodepan, Galeshewe, Colville, Floors). Facilitation and acceleration of both public/private investment is at the heart of urban planning and it's an enabler for service delivery through township establishments, followed by services such as provision of housing, electricity, water, and sanitation which contribute to broadening the collection rate in terms of rates/ taxes.

The urban planning sub-directorate comprises of the following units.

- Building Control
- Maintenance
- Town planning services
- Urban Control

3.9.2 Employees: SEDP

Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	Number				%
Municipal Manager and Senior Managers	1	1	1	0	0.0%
Other Managers	9	21	10	11	52.4%
Professionals	6	19	10	9	47.4%
Technicians & Trade Workers	15	29	15	14	48.3%
Clerks & Administrative Workers	34	61	11	50	82.0%
Community and Personal Workers	0	5	2	3	60.0%
Service and Sales Workers	0	7	3	4	57.1%
Plant & Machine Operators	0	2	2	0	0.0%
Elementary Occupations	22	34	17	17	50.0%
Total	87	179	71	108	60.3%

Table 86: Employees: SEDP

3.9.3 Directorate Performance Overall

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The directorate of Strategy Economic Development and Planning has performed satisfactorily in the year under review. There are a few strategic initiatives that were undertaken by SEDP, such as Growth and Development Strategy (GDS), and IUDG. Sol Plaatje Municipality continues to be part of the Integrated Urban Development Grant, a grant that is aimed at upgrading infrastructure in low-income areas and improving the spatial fabric of the City in order to realise SPLUMA (16 of 2013) principles, inclusive of spatial equity and spatial transformation. The continued participation of SPM as a grant recipient is dependent on the review of the Capital Expenditure Framework (CEF) which is key in securing future allocation, and SEDP champions such review.

Another initiative started by SEDP, is the annual Tourism event – “Mayoral Christmas Carols by Candlelight”. It is aimed at fostering social cohesion and generally celebrate and welcome and celebrate the festive of season. This initiative is anticipated to be an annual event.

KEY ACHIEVEMENTS 2022/23

Business Expansion Attraction and Retention Initiative

This is a multiyear programme aimed at enhancing SPM’s economic governance and infrastructure through digitalising business application processes either through submission of building plans or town planning applications. The turnaround time and ease of doing business is at the heart of the this project that is both internally (building internal capacity) and externally (establishing E-One- Stop Shop). In the financial year 2022/2023 significant ground has been covered in conducting intense research work to gather business intelligence across sectors that will edify decision making within the Municipality and to enhance the overall endeavours of the programme aimed at strengthening economic development.

GIZ Galeshewe Open Air Arena Living lab.

In strengthening international partnership, in the financial year 2021/22 the Municipality through the Local Economic Development partnered with Deutsche Gesellschaft für Internationale (GIZ) and participated in the Global Cities’ Challenge 2.0 of which an allocation of 99 000 euros was awarded. This led to the conceptualization of the Galeshewe Trader’s Hub of which Deutsche Gesellschaft Für Internationale Zusammenarbeit (GIZ) and Sol Plaatje Municipality under the Safer Places, Resilient Institutions and Neighborhoods programme participated. The Galeshewe Open Air Living lab focusing primarily on Woman SMME’s.

The Cities Challenge 2.0 focused on building vibrant and resilient neighborhood while promoting sustainability.

Investment facilitation

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The facilitation of high impact developments has been fast tracked at the level of Municipal Planning Tribunal, catalyst in the year 2022/23, among the proceeded applications, is student accommodation with a yield of 6700 students. Construction is anticipated from the next financial year. From 79 applications received in the year under review 71 (89%) were approved by the MPT, these applications ranged from removal of title deed restrictions, rezoning, consolidation, and subdivision. Through submission of building plans, the municipality approved building plans of approximately R2 billion worth of investments into the City. This will further contribute to reviving the total value chain of construction sector post Covid -19. Material supplies and machinery hire will contribute to creation of jobs. These approvals have a direct bearing on increased Municipal revenue through payment of rates and related services including water and electricity.

Law enforcement

There has been a concerted collaborative effort to strengthen the implementation of Municipal by-laws, particularly on illegal businesses that operate without necessary permits and land-use rights. During our sting operations we found out there is a total of 603 guesthouses, day care centres, tuck- shops, offices that operate without permits and/or expired. The dire impact of this illegality is loss of revenue as billing information is not based on current land-use.

Formalization of Informal Settlements

The municipality led by the Urban Planning Unit within the SED&P directorate in collaboration with the department of Cooperative Governance, Human Settlement and Traditional Affairs (Goghsta) have over the years engaged in an all-inclusive process of formalization of informal settlements to ensure suitability for human habitation and inclusion of social and economic amenities.

The aim of the Township Establishment Process is, among others, to provide security of tenure to residents of Sol Plaatje Municipality, promote sustainable human settlements and to enable provision of permanent services such as water, sanitation, electricity and roads to the residents

Formalisation refers to a legal process where townships are created through the process of township establishment in line with the Spatial Planning and Land Use Management Act, 16 of 2023. This is achieved through in-situ upgrades and relocations wherein the informal settlements are orderly planned and through identification of Infill sites for human settlement e.g. Frans Farm Area.

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Out of 49 identified informal settlement, approximately 28 informal settlements were formalized. This equates to ±18,076 new erven created. This has direct impact linked to security of tenure as well as to provision of basic services.

CHALLENGES

- Lack of adequate budget allocation to accelerate economic infrastructure roll -out to leverage private sector investment.
- Red tape in alienation and leasing land parcels within the municipality
- Narrow economic base as a result there is an over reliance on public sector to create jobs and stimulate the economy.
- Filling of both funded critical middle management and unfunded positions within the directorate is crucial.
- Urban Renewal Unfunded mandates and institutional misalignment.
- The proliferation and spiralling of informal settlement places pressure on bulk infrastructure.
- Inadequate implementation of the capital expenditure framework.

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INTERVENTIONS

- Explore funding blended models to implement prioritised capital projects as per the capital expenditure framework.
- Develop sector targeting strategies to broaden the economic structure of the jurisdiction. Targeted sectors include renewable energy, agriculture/ Agri- processing, Information Communication Technology especially cloud storage, packaging, and logistics.
- Application to Municipal Institutional Support Agency (MISA) or Development Bank of South Africa for secondment of key unfunded position within the directorate (i.e economists, urban planners).
- Phased implementation of Incentive Strategy Framework.

3.10 URBAN PLANNING

The trajectory for the built environment is to drive and sharpen the spatial form of Sol Plaatje Municipality under the Urban Planning division, a sub-directorate within the Directorate Strategy, Economic Development and Planning (SED&P) with the following spatial development agenda:

- provide spatial leadership towards creating a vibrant, safe, and sustainable city.
- play a strategic role in developing and promoting an integrated town that addresses spatial injustices, promote integration and enhancement of industrial and agricultural belt ;
- implement initiatives that enhance a developmental and innovative city ;
- support and facilitate strategic urban developments

The Urban Planning Division oversees:

- Urban Planning Services, i.e. provision of zoning information and processing of various land use applications (rezoning, subdivision, consent use, consolidation, etc.).
- Building Control, i.e. building plans' submission, inspections, and approval / disapproval of building plans.
- Urban Control, i.e. Enforcement of town planning scheme rules, prosecution of illegal land uses, e.g. tuck-shops
- Maintenance of municipal-owned buildings.

Collectively the Unit plays a pivotal role in the facilitation of spatial development, proper land use management and orderly built environment. The unit is responsible for development and implementation of strategic tools to guide decision-making in land development and investment that supports spatial transformation, promotes sustainability, and improve resilience.

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In response to spatial transformation, the Urban Planning Section acknowledges that spatial restructuring is necessary to accelerate investment and create opportunities that will enhance the local economy and achieve strategic goals of the Municipality.

KEY ACHIEVEMENTS IN 2022/23

The Sol Plaatje Municipality has a competitive advantage given its prime land use of being an administrative hub , a Gate Way City and knowledge economy with a rich industrial and agricultural potential. These factors make the town the choice for investors and urban migrants yet impact on adequate bulk infrastructure and suitably located residential demands for urbanisation and migration.

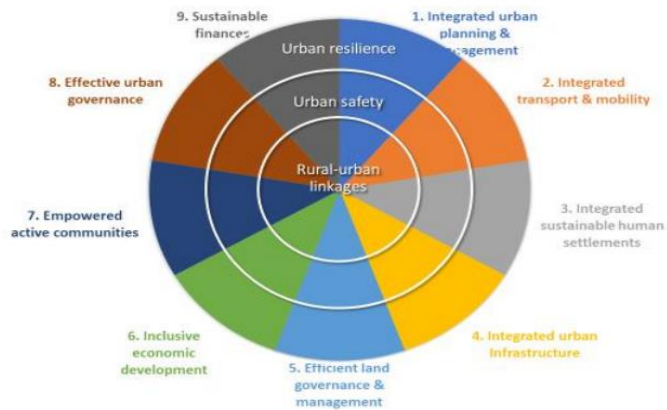
The central location of the municipality have a comparative advantage in addressing densities along the R31, releasing strategic land parcels for future investment, designing precinct in identified areas and developing growth management strategies that will link to the broader District. There are also initiatives to design certain application processes related to electronic systems to enhanced ICT .This electronic system will form the start of making easy for applicants to do business with the municipality and fast track processing of application and ease of doing business.

a) Alignment With Integrated Urban Development Framework (IUDF) And Integrated Urban Development Grant

The Integrated Development Framework (IUDF) is a framework position to guide the future growth and management of urban areas. From a global context, the IUDF is largely influenced and informed by the Sustainable Development Goals (SDGS) particularly Goal 11 that influences built environment :

‘Making cities and human settlements inclusive, safe, resilient and sustainable’ is directly linked to sustainable urbanisation.

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Sol Plaatje
Municipality
the only

municipalities in the Northern Cape Province selected as a pilot project for the implementation of this national programme facilitated by National Department of Co-operative Governance and Traditional Affairs (COGTA) to foster liveable, safe, resource-efficient cities and towns that are socially integrated, economically inclusive, and globally competitive.

The municipality acquired an Integrated Urban Development Grant (IUDG) in 2020 wherefrom three (03) projects for Township Establishment amounting to R 5 000 000.00 were successfully implemented in the 2022/2023 financial year.

The three (03) projects funded through the IUDG yielded **±1369** Erven which then provided security of tenure to the residents of Sol Plaatje Municipality and henceforth providing sustainable service delivery which is a necessity in terms of the Constitution of South Africa. In addition, respond to the developmental goal of IUDF which place emphasis on inclusive, sustainable and safe human settlements.

Proposed layout plans, specialized studies, Draft SG diagram and Record of Decisions were completed in the financial year 2022/2023.

b) Planning And Surveying Of Erven In Various Wards Within Sol Plaatje Municipality

The Sol Plaatje Municipality embarked on a project of planning and surveying of various municipal owned properties for mixed use particularly erven for churches, creches, businesses, municipal, parks and residential purposes. The total created erven were **±1393** in total. Some of the informal settlement areas which were formalized as part of the project by means of in-situ upgrading included:

- Planning and Surveying Phase 1- (± 41)
- Planning and Surveying Phase 2: (± 788)
- Jacksonville (±254)

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- Riemvasmaak – Golf Course (±271)
- Soul City (39)

Furthermore, in addressing the challenge of reducing backlog for the missing middle, other strategic land parcels in areas like Galeshewe and Ritchie were also planned for those who intend to buy land from the municipality and built for their families. The investment for the proposed middle income houses is projected at R 100 million.

The land for middle income will be disposed of by the municipality's Property Section through complete bidding processes once installation of services are in place. The Municipality is also grateful to the Northern Cape Department of COGHSTA for supporting every effort to creating sustainable human settlement, such as in the case of Jacksonville in-situ upgrading project.

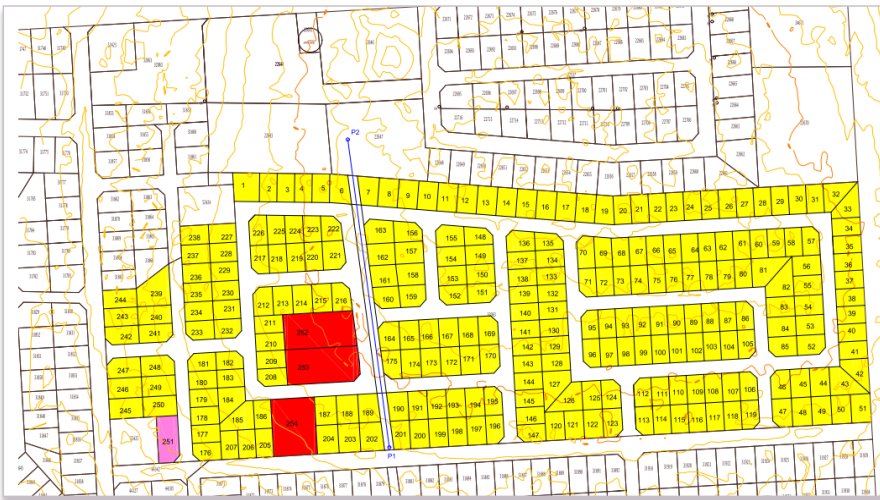


Figure 4: Layout Jacksonville (254)

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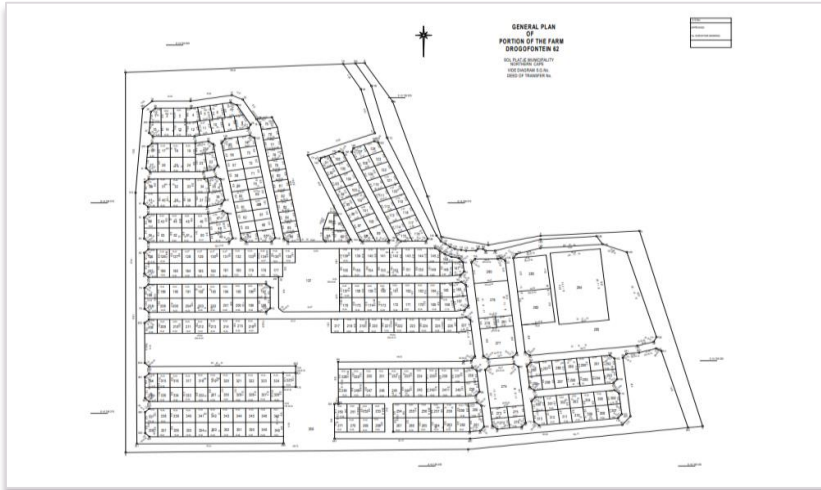


Figure 5: Riverton (350)

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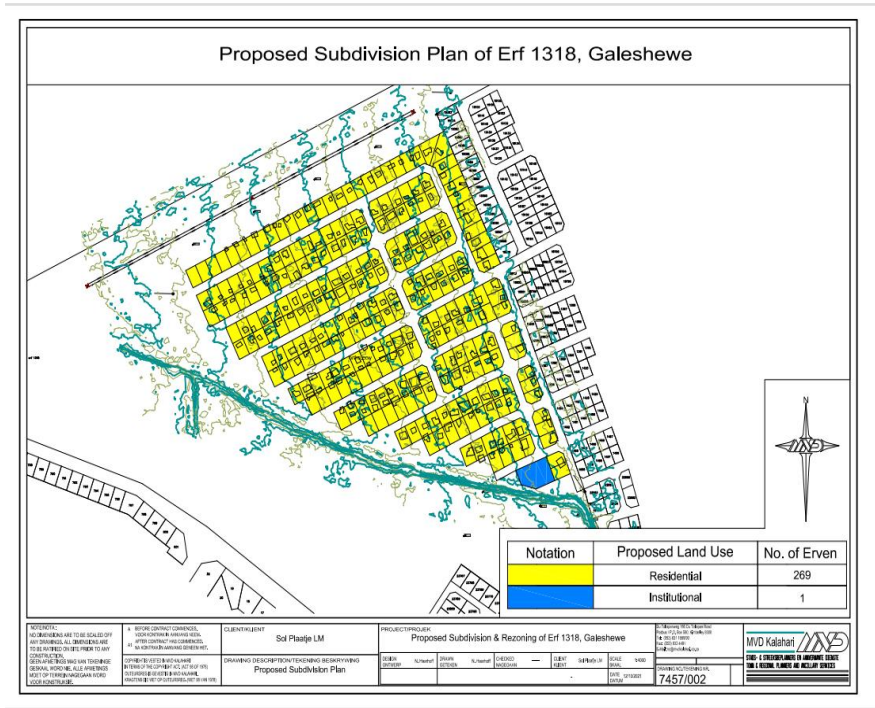


Figure 6: Riemvasmaak – Golf Course (271)

c) Township Establishment (Planning and Surveying)

In order to ensure that the Municipality successfully addresses the need of delivering security of tenure to the community, the Urban Planning Division has managed to complete the following human settlement project in the 2022/2023 Financial Year:

- Planning and Surveying of Erf 12 and 454 Ritchie

The Sol Plaatje Municipality is embarking upon a process of formalization of various informal settlements of Ritchie area (Rietvale and Motswedimosa) as well as provision of mixed-use developments in order to improve security of tenure for community of Sol Plaatje Municipality.

The study areas are located within the jurisdiction of the Sol Plaatje Municipality, (Northern Cape). Erven 2 & 12 is located in a small town of Ritchie and is approximately 42km, to the south of Kimberley. The site is easily accessible via Seeduif Street, Rietvale. Furthermore, Erf 454 Motswedimosa can easily be accessible via church and Sebaku Street, Motswedimosa.

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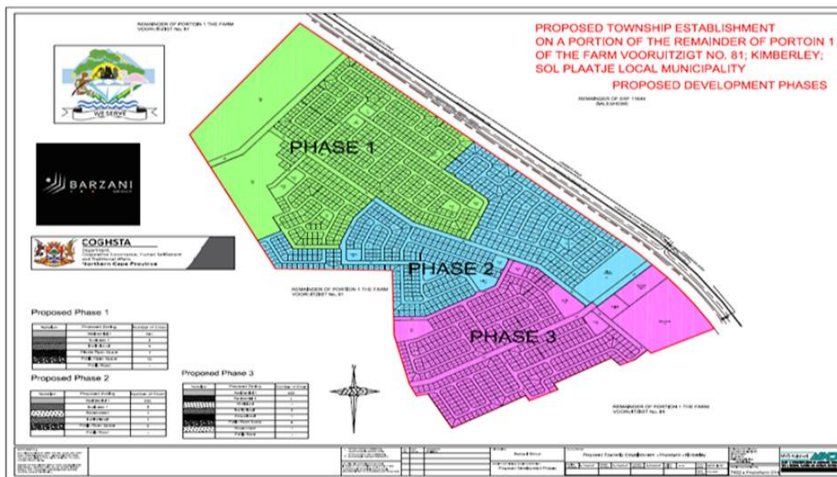
The letter of appointment was issued to the service provider on the 02 May 2023. Furthermore the municipality was also informed of the project in order to monitor the deliverables and quality of work. The inception meeting was held on the 24 May 2023 outlining the methodology for the implementation of the project.

- Planning and Surveying of Frans Farm

The Planning and Surveying of Frans Farm township establishment project facilitated by Sol Plaatje Municipality in collaboration with Northern Cape Department of COGHSTA is currently in the 2nd phase of installation of services and subsequently construction of top structure.

The project will create approximately 1481 mixed-use development that will cater for 400 middle income, 1000 low cost and 12 social and commercial amenities.

The project is located on a portion of the Remainder Farm Vooruitzigt No.81 Kimberley, Along R31 Road, opposite the Phutanang Township. This project is in line with the IDP objective of creating housing opportunities for the residents of the Municipality and assist reduce the housing backlog.



- Formulation of the Land Use Management Scheme

In the previous financial year the Land Use Scheme was at Phase 7 (council approval and gazette notification of adoption of the LUS). The Sol Plaatje Land Use Scheme was adopted by Council on the 10 November 2022, and gazetted on the 26 December 2022. The LUS came into operation on the 01 July 2023.

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The LUS is to create coordinated, harmonious and sustainable development of a municipal area in such a way that it efficiently promotes health, safety, order, amenity, convenience and general welfare of Sol Plaatje Local Municipality residents.

- SPLUMA (Municipal Planning Tribunal)

The establishment of the Single Municipal Planning Tribunal has ensured that high-value developments are processed quicker and hence increased private sector investment and turnaround time for approvals. As such, for the financial year 2022/2023, 08 MPT Hearings unfolded in order to consider various land development applications to ensure that private investment development is enhanced in the municipality.

To actively engage the Community in decision-making process, the Municipal Planning Tribunal has promoted a platform where objectors are requested to make representation prior a decision is taken to enable fairness and transparency. This has contributed to no appeals lodged against a decision by the MPT nor the DO.

Expansion of the Student Accommodations

One of the massive developments that was approved by the Municipal Planning Tribunal dated 21 February 2023 (MPT 16/2023) was the Proposed Student Accommodation that will accommodate 6700 students cnr of Reservoir and Birbeck within the Knowledge Economy Precinct.

The proposed development is projected to attract Investment in Kimberley of a Total Development Cost of **R197million**. **The number of job opportunities** during construction phase are projected to 300 to 500 job opportunities and prior contraction phase approximately 30 permanent jobs which decrease the unemployment rate.



Figure 8: Proposed Student Accommodation

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Currently there is also the Christian Revival Centre Church Development was approved in the financial year 2022/2023. The City Gates is a residential development situated along N12. The development seeks to address the rental housing development about 109 sites. This proposed development will blend in with the new CRC Church that is currently in the construction phase. The investment for the CRC precinct is close to 100 million.

- Inter-Governmental and Private Sector Engagements

Sol Plaatje Municipality particularly Kimberley has been identified as a *“National Urban Node”* and a *“Transformation corridor”* in terms of the National Spatial Development Framework, 2020 and the Provincial Spatial Development Framework, 2019.

The National, Provincial and District policies predominantly view Kimberley as an area of focus to attract private and public investment that will in turn encourage an environment that will foster opportunities for more labour –absorbing activities.

Based on the above, the Town Planning Unit fostered collaboration with the Sol Plaatje University to facilitate the preparation of Growth and Development Strategy. A letter was prepared to request SPU to facilitate the preparation of the Growth and Development Strategy on the 19 September 2023. This will strengthen the relationship between the University and Sol Plaatje Municipality and integration of strategic goals to ensure the city is vibrant and safe to live in.

The Municipality continues to engage Development Bank of South Africa (DBSA) through the Spatial Restructuring Programme to assist the Municipality with financial and Technical support to implement the precinct plans. That include *Leisure and Conferencing, Tourism/Adventure, Agri-Park, Heritage, Industrial and Eco-Friendly* wherein extensive studies need to determine the feasibility of the identified precincts. The application for funding and Technical support is estimated at **R 7 000.000.00** for the development of the above-mentioned precinct plans.

Furthermore, the Municipality through the precinct plans intends to unpack the economic potential within the Sol Plaatje Local Municipality vicinity in order to ease the high unemployment rate within the City.

- Benchmarking with Pixley Ke Seme District Municipality

The Municipality embarked on a benchmarking exercise with Pixley Ke Seme District Municipality on the 28 September 2023 whereby the District requested to benchmark on the best practices with Sol Plaatje in terms of processing applications and implementation of strategic documents. In addition, the District’s interest was on processing of applications zoned renewable resources and mining. This exercise strengthened knowledge sharing and understanding dynamics in other Municipality.

The District was more impressed on the turnaround time for processing of applications and building plans. The output of the discussions between the District and Sol Plaatje Municipality were shared with the Municipalities within Pixley Ka Seme District Municipality.

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AGENDA
BENCHMARKING WORKSHOP
(PIXLEY KA SEME DISTRICT MUNICIPALITY)
DATE: 28 SEPTEMBER 2023
VENUE: SOL PLAATJE LOCAL MUNICIPALITY
TIME: 08:30-16:00
CHAIRPERSON: Mr Ngoako Modiba

NO	TIME	ITEM	RESPONSIBILITY
1.	08:30 – 09:15	Welcome & Introduction Workshop	ED:SEDP
2.	09:15 – 11:00	SPM-Urban Planning Policy Framework & Challenges	Senior Town Planner
3.	11:00 – 11:15	Refreshment Break	All
4.	11:15 – 11:30	Building Control Section	Acting Manager Building Control
5.	11:30- 13:00	Investment & Development in Kimberley City	Chief Town Planner
6.	13:00 – 14:00	Lunch	All
7.	14:00 15:30	Site Visit- Lerato Park & Lethabo Park	All
6.	15:30 – 16:00	Closure	ED:SEDP

Figure 9: Agenda of the Meeting

- SPLUMA (Municipal Appeals Tribunal)

During the final quarter of the 2022/2023 financial year, 04 appeals were lodged against the decision made by the Municipal Planning Tribunal in relation to availability of services. None of the appeals were in relation to the proposed land used. All the appeals were processed by the Municipal Appeals Tribunal (MAT) .

In addition, to promote fair and Just processing of applications for appeals, the aggrieved applicant is awarded an opportunity in terms of the Promotion of Administrative Justice Act 3 of 2000 <https://www.gov.za/documents/promotion-administrative->

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[justice-act](#) (PAJA) read together with section 51 of the SPLUMA (Act 13 of 2015) to lodge an appeal on a decision made by the Municipal Planning Tribunal or Designated Official.

The Appeals Tribunal aims to assist the municipality to deal with and dispose of Appeals, which is therefore an important decision-maker in the land development process where decisions by the Municipal Planning Tribunal and Authorized Official are appealed.

- Street Naming Project

The Urban Planning Division has commenced with the street naming/renaming for the financial year 2022/2023.

The naming and / or renaming of streets, public places, natural areas, council-owned buildings, facilities, and artefacts play a very important social role in the community. Names help generate a sense of identity; and streets are an important element of urban form – as they assist people to orientate and familiarise themselves in any given space and assist in identifying an area (residential, commercial, industrial, etc.).

Public participation process was conducted with various wards whereby the community was granted the opportunity to provide suitable names for their community/ streets. Approximately 450 street name were identified in the following areas:

- Lerato Park (Ward 30)
- Motswedimosa (Ward 26)
- Witdam (Ward 4)
- Phomolong (Ward 15)
- Promise land (Ward 16)
- Santa Centre (Ward 13)
- Lindelani (Ward 16)
- Lethabo Park (Ward 1 & 29)
- Soul City (Ward 31)
- China Square (Ward 13)
- Diamond Park (Ward 25)
- Donkerhoek (Ward 18)
- Hull Street (Ward 21)
- Ivory Park (Ward 29)
- Kutlwanong (Ward 31)

The areas will be gazetted and installed in the next financial year.

Maintenance of Properties

The maintenance of properties is currently centred in maintaining Municipal Buildings i.e. Installation of LED lights, Air conditioners, plumbing services etc.

In the financial year 2022/2023, the Maintenance Unit completed the renovations for the Recreational Hall in order for the community to utilise for social gatherings and meetings. In the next financial year, the unit will focus on the

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renovations of the Social Centre in Galeshewe which will also act as a “One Stop Shop” for social facilities as it is centrally located and easily accessible.

Residential Businesses

The Urban Planning Section is the custodian of Land Use Management and Control, where Residential Business (including Guesthouses and Tuckshops) is one of its core functions. There are areas of concerns within this function that has necessitated the review of the policies that govern the function. Sol Plaatje Municipality’s Residential Business Policy was approved by Council on 01 March 1999 (Resolution T36) –wherein the policy’s intent was to enable residents to conduct small businesses from their homes.

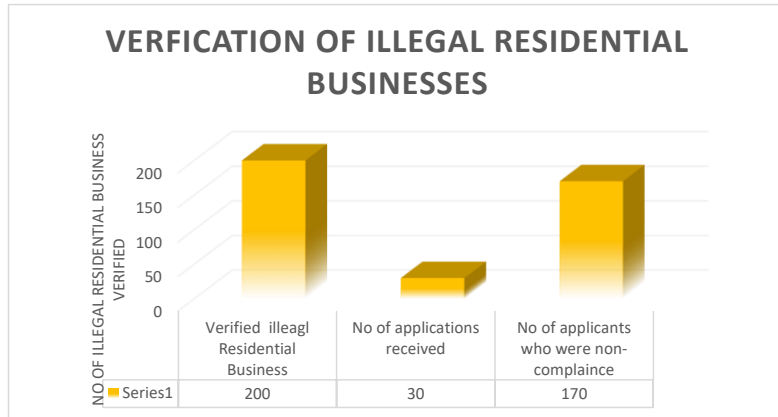
Lawlessness is detected within the built environment of the Sol Plaatje Municipality, as the public tends to act first and subsequently seek approval from Council.

The Urban Control Unit conducted a tuckshop data collection exercise to determine the number of existing and operational tuckshops (legal and illegal) in the Sol Plaatje municipal area –As such, 200 illegal Residential Business were detected and verified and against the 200 verified only 30 applied (15 %) and 170 applicants (75%) continued with the transgression.

The Residential Business Unit, at present, is in possession of data that is outdated that relates to the number of tuckshops in Sol Plaatje Municipality. The proposed data collection process will seek to reconcile existing data with the current data. This process will eliminate duplications, where any are identified; and will thus provide a clearer picture of the status quo.

Once the tuckshop data is collected from all of Sol Plaatje Municipality’s wards, the information will be collapsed into one comprehensive spreadsheet.

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Graph 14: Verified Illegal Residential Businesses

Building Control Section

The Building Control Department serves as a vital entity within Municipal or Governmental structures responsible for overseeing and regulating construction activities to ensure compliance with Building codes, standards and regulations.

The Building Control department plays a pivotal role in promoting sustainability within the built environment through several key functions, such as:

- **Enforcement of Green Buildings**, which incorporates energy efficiency, water conservation and environmental quality. This includes reviewing Building Plans, conducting inspections and issuing of Occupational Certificates to ensure compliance with Green Building requirements as well as the National Building Regulations Act (Act No. 103 of 1977) and SANS 10400.
- **Providing Guidance and Support:** The Building Control Unit provides guidance and support to developers, architects, the members of the public and builders on integrating sustainable design and construction practises into their projects.
- **Monitoring and Compliance:** The department monitors construction activities to ensure compliance with the Local Authority and National Building Regulations Act. Which includes, site inspections, reviewing documentation and issuing of Non-Compliance notices to those who are non-compliant.

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- **Education and Outreach:** The unit has an intergovernmental relationship with a National Council of Professionals, South African Institute of Architectural Technologists (SAIAT) to promote awareness about the importance of sustainability in the built environment. In the next coming Financial Year, the unit will be launching a workshop with SAIAT for the public and stakeholders in regards to the importance of submitting Building Plans and adhering to National Building Regulations Act.

The turnaround time for the processing of completed buildings is between eight (08) to ten (10) weeks. There was an outcry from the community that the turnaround times on development applications are lengthy hence the municipality has increased Technical capacity and the turnaround time and response is much faster. There are also initiatives to implement electronic systems to enhanced ICT and monitor turnaround time processing of building plans i.e. Building Plan Management Systems (BPAMS)

The Building Control Department has approved Building Plans for the following Green Buildings:

Adistra Properties in Kimberley

The Office Block is situated in No. 5 – 7 Bean Street , Kimberley. The development demonstrates green building as it is constructed with Lightweight Steel which incorporates energy efficient features such as thermal insulation, air barriers, and renewable energy systems to enhance building performance and reduce energy consumption. The initiative responds to climate change and adaptation as the building makes use renewable energy system. The estimated building cost for the office block is R30 million.

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Figure 10: Office Block

Sol Plaatje University Residences

The Building Unit has been working closely with the University since the commencement of the first (1st) phase of development in Kimberley. The following residences are harvesting greywater (the process of collecting and reusing wastewater from sources such as sinks, showers, and laundry) . The recycling of underground water presents a viable solution to mitigate water scarcity while promoting environmental sustainability.

The investment for the university residence is close to R150 million into the city.



Figure 11: SPU Residence

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Sol Plaatje University Library

There are various open-air courtyards in the academic buildings to allow for natural ventilation, fresh air and natural light which saves energy and supplements the need for heavy mechanical equipment. For the Financial Year of 2022-2023 the Building Control department has met their targets exceptionally well, the unit has collected a total amount of R6 349 278.00 for Building Plan Applications.



Figure 12: SPU Library

CHALLENGES

- Due to budgetary and cash flow constraints the municipality is not in a position to fully implement the spatial strategy and should be then implemented over a multi-year period. E.g. The complete implementation of Priority Human Settlement and Housing Development Areas (PHSHDA's).
- Limitation in terms of Bulk Infrastructure have impact on densification of land use applications i.e. New Park area short of sufficient electrical bulk because of the Sol Plaatje University Precinct, which is growing at a rapid pace.
- Limitation in terms of Bulk Infrastructure the implementation of middle income developments for revenue enhancement.

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- Non-compliance of residents in terms of following correct land use management procedures through Sol Plaatje Land Use Management Bylaw, 2015 and SPLUMA (Act 16 of 2013) e.g. developing without following rezoning processes.

INTERVENTIONS

- Council should consider increasing the internal budget of the Urban Planning Section to affect the agenda of spatial transformation in the municipality.
- Strengthen external partner relationship to address structural impediments and improve on service delivery (e.g. DBSA, National Department of COGTA, Office of The Premier (Northern Cape), National Department of Public Works & Infrastructure, National Department of Rural Development & Land Reform).
- Municipality to provide co- funding for implementation of Precinct plan to unlock investment opportunity and diversify the economy.
- To effectively make use of the existing digital applications (TPAMS and BPAMS).

3.10.1 Planning Objectives included in the IDP

Municipal Key Performance Area: Access to Basic Services and Infrastructure Development/Local Economic Development

Strategic Objectives	Key Performance Indicator	2022/23		2023/24
		Revised Target	Actual	Target
Spatial Transformation	Ensuring a response time of 11 weeks for building plan submissions received in the current financial year for buildings or architectural buildings greater than 500 m ² annually (Number of plans received divided by number of weeks to process)	11 weeks	11 weeks	11 weeks
Spatial Transformation	Ensuring a response time of 11 weeks for building plan submissions received in the current financial year for buildings or architectural buildings less than 500 m ² annually (Number of plans received divided by number of weeks to process)	11 weeks	8 weeks	11 weeks
Spatial Transformation	To process 80% category 1 land use applications received until 30 April of the current financial year through MPT (Municipal Planning Tribunal)	80%	89,80%	80%

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Strategic Objectives	Key Performance Indicator	2022/23		2023/24
		Revised Target	Actual	Target
	by 30 June 2023 in terms of the SPLUMA by-law (2015)			
Spatial Transformation	Number of processed building plans received before 1 July 2022 by the end of the current financial year (30 June 2023)	200	200	200
	Number of erven planned and surveyed within Sol Plaatje Municipal area by 30 June 2023 as per the project implementation list	1 400	1 533	5 500

Table 87: Planning Objectives included in the IDP

3.10.2 Financial Performance: Urban Planning

Details	2021/22	2022/23			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
	R'000				
Total Operational Revenue	–	–	–	–	0%
Expenditure:					
Employees	3,277	3,325	3,325	3,624	8%
Repairs and Maintenance	–	6	6	–	
Other	25	123	123	14	-796%
Total Operational Expenditure	3,302	3,454	3,454	3,638	5%
Net Operational Expenditure	3,302	3,454	3,454	3,638	5%

Table 88: Financial Performance: Urban Planning

3.10.3 Capital Expenditure: Urban Planning

The following were capital expenditure for Urban Planning

Capital projects	2022/23					Total project value
	Budget	Adjustment budget	Actual expenditure	Variance from the original budget	Variance from adjustment budget	
	(R)					
Township Establishment	5,000	5,000	3,296	-34%	-34%	
Total	5,000	5,000	3,296	-34%	-34%	

Table 89: Capital Expenditure: Urban Planning

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3.10.4 Comment on the Performance of Physical Planning Overall

The directorate of Strategy Economic Development and Planning has performed satisfactorily in the year under review. There are a few strategic initiatives that were undertaken by SEDP, such as Growth and Development Strategy (GDS), and IUDG. Sol Plaatje Municipality continues to be part of the Integrated Urban Development Grant, a grant that is aimed at upgrading infrastructure in low-income areas and improving the spatial fabric of the City in order to realise SPLUMA (16 of 2013) principles, inclusive of spatial equity and spatial transformation. The continued participation of SPM as a grant recipient is dependent on the review of the Capital Expenditure Framework (CEF) which is key in securing future allocation, and SEDP champions such review.

Another initiative started by SEDP, is the annual Tourism event – “Mayoral Christmas Carols by Candlelight”. It is aimed at fostering social cohesion and generally celebrate and welcome and celebrate the festive of season. This initiative is anticipated to be an annual event.

3.11 PROPERTY SERVICES

3.11.1 Introduction to Property Services

The Property Section is a sub-directorate within the Directorate Strategy, Economic Development and Planning and oversees the sale as well as leasing of the various properties of municipality. Amongst other roles the property section deals with are the following:

- Leasing of Property
- Alienation of municipal land to both public and private sector
- Administration of temporary use of municipal land i.e., Church Crusades and Awareness Campaigns by various public and private entities.

Moreover, the property section ensures that the council’s property portfolio is managed and administered in an efficient manner.

KEY ACHIEVEMENTS

- Alienation Of Municipal Land

During the period under review, the sub-directorate: Property Services has actively engaged in the strategic sale of municipal land to achieve various objectives, including revenue generation, security of tenure, economic development, and community enhancement. Between 1 July 2022 – 30 June 2023, the municipality entered into

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land sale agreements and managed to successfully sell seven (7) properties at fair market prices, resulting in significant revenue generation of R3,254, 050.00 for the municipality.

Other significant strides made include the new Sol Plaatje University development (Oppenheimer Gardens), where the subdivision and rezoning application was approved in June 2023 by the Municipal Planning Tribunal (MPT). This will enable finalization of the Deed of Sale between the municipality and Sol Plaatje University and transferring of the property for a purchase fee of approximately R16,500,000.00 which is earmarked for the next financial year 2023/2024.

- Leasing Of Municipal Land

Leasing of municipal land is significant to the municipality. The importance of the lease agreements is to enable the municipality to claim possession of the property once the lease period has expired.

In addition, leasing land can also attract private businesses and investors, leading to economic growth and development in the jurisdiction of Sol Plaatje Municipality. By providing land for commercial, industrial, or business purposes, the municipality has been able to create opportunities for job creation and stimulate local business activity.

For the financial year 2022/2023, the sub-directorate Property Service finalised ten (10) renewal applications for existing lease agreements. Furthermore, through these lease applications, the sub-directorate has equally ensured that the municipality encourages revitalization and transformation of neglected municipal owned land parcels into vibrant and productive spaces.

CHALLENGES

- Pending Lease Agreements

One of the reasons for the low number of finalized lease agreements (renewals) for the current financial year, is due to poor responsiveness from applicants after Council has endorsed some of the lease applications. In some cases, it is a struggle to get tenants to come and sign their renewals. They are mostly notified by telephone, but every so often contact numbers have changed without them notifying sub-directorate: Property Service. The Post Office has proved not to be the way to go, as mail does not reach their intended destination anymore, or is ignored by the addressee.

- General Plan approvals (subdivisions) from External Stakeholders

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There are several land sale transactions which cannot be concluded by the sub-directorate: Property Services due to the slow rate which subdivision diagram approvals are issued by the Surveyor General Office (Bloemfontein). This is specifically after MPT approvals for the subdivision and rezoning of various Council owned properties were finalized by the Town Planning Department. Overall, the delay from the SG Office continues to have significant impact on the revenue of the municipality and finalizing property transfers.

- SPELUM Committee Meetings

SPELUM Committee meetings have not taken place regularly in order to ensure fast-tracking of lease/alienation applications. For instance, postponement of scheduled meetings had a negative impact in terms of the ongoing backlog of applications which also frustrates the public tremendously.

- Moratorium

The moratorium, specifically for church applications, had a negative impact on the backlog of applications. It also resulted to illegal mushrooming of churches on municipal owned land without following proper procedures.

- Un-serviced land

Provision of serviced land as a form of service delivery by the Sol Plaatje Municipality is quite a challenge due to the limitation of bulk infrastructure available. Serviced land requires infrastructure such as roads, water supply, electricity, and sewage systems. Developing this infrastructure can be costly and time-consuming, especially in areas with limited resources. Addressing these challenges requires a comprehensive approach that involves collaboration between internal departments including Properties, Finance and Technical Services. It is essential to prioritize affordable land, streamline regulations, and invest in infrastructure development to ensure the provision of serviced land for housing especially the missing middle.

3.11.2 Property Services Objectives included in the IDP

Municipal Key Performance Area: Local Economic Development

Strategic Objectives	Key Performance Indicator	2022/23		2023/24
		Revised Target	Actual	Target
Spatial Transformation	Administration of lease agreements	8	16	8
	To enhance revenue through the sale of available land to prospective buyers by 30 June 2023	R4 000 000.00	R3 019 000.00	R399 997.00

Table 90: Property Services Objectives included in the IDP

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3.11.3 Comment on the Performance of Property Services Overall

The Sub-Directorate: Property Services achieved much needed revenue through land sales of over R3 million. Much effort and hard work is being put into finalizing pending subdivisions at the SG Office to improve the sale of more erven especially taking into consideration the growing demand for serviced residential properties. In addition, for the upcoming financial year, the Sub-Directorate: Property Services will explore the possibility of implementing application fees for the sale and leasing of municipal land in order to address the issues posed by the increasing volume of applications and to generate income.

3.12 LOCAL ECONOMIC DEVELOPMENT (LED)

3.12.1 Introduction to Economic Development

The third objective of local government, as outlined in the Constitution of South Africa (Act 108 of 1996), focuses on promoting social and economic development. The White Paper on Local Government (1998) further identifies the key characteristics of developmental local government, emphasizing the maximization of social and economic growth, coordination of government, business, and non-profit sector activities, democratization of development through empowerment and redistribution, and the fostering of "social capital" at the local level through a leadership approach committed to learning.

Local Economic Development (LED) involves collaborative efforts among government, non-government, or private sector entities to stimulate and expand economic activity in a specific locality, ultimately contributing to economic development and enhancing the well-being of residents.

Despite the inherent challenges, the imperative for LED is too significant to overlook. It is incumbent upon the advocates and implementers of LED in SPM to acknowledge and embrace this challenge, recognizing that substantial achievements are possible even in remote and resource-scarce localities such as the Municipality's LED Unit.

3.12.2 Comment on Local Job Opportunities

TOTAL AGGREGATE EMPLOYMENT

The analysis of workforce statistics plays a pivotal role in gauging unemployment rates. Furthermore, fluctuations in employment across various sectors and industries typically signal substantial shifts within the economy's structure. Workforce data also underpins the assessment of productivity, individual earnings, and various other economic metrics.

Aggregate employment encompasses both formal and informal sector employment.

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Year	Sol Plaatje	Frances Baard	Northern Cape	National Total
2010	58 300	80 600	273 000	13 600 000
2011	59 300	81 200	278 000	13 800 000
2012	62 900	85 500	288 000	14 000 000
2013	66 100	89 600	300 000	14 500 000
2014	68 200	92 400	311 000	15 100 000
2015	67 600	91 600	314 000	15 500 000
2016	67 100	90 900	314 000	15 700 000
2017	66 500	90 300	317 000	15 900 000
2018	70 500	95 700	344 000	16 300 000
2019	72 800	99 400	351 000	16 300 000
2020	74 300	101 000	339 000	15 700 000
Average Annual growth				
2010-2020	1.75%	1.57%	1.71%	1.48%

Source: IHS Markit Regional Explorer version 2112

Table 91: Total Employment - Sol Plaatje, Frances Baard, Northern Cape and National Total, 2007-2017

In 2020, Sol Plaatje employed 74 300 people which is 73.82% of the total employment in Frances Baard District Municipality (101 000), 21.88% of total employment in Northern Cape Province (339 000), and 0.47% of the total employment of 15.7 million in South Africa. Employment within Sol Plaatje increased annually at an average rate of 1.75% from 2010 to 2020.

Sector	Sol Plaatje	Dikgatlong	Magareng	Phokwane
Agriculture	1 290	546	313	1 090
Mining	4 080	1 230	319	1 090
Manufacturing	3 050	494	120	557
Electricity	500	33	46	108
Construction	2 940	355	210	623
Trade	15 700	1 840	782	3 130
Transport	2 140	247	109	255
Finance	9 840	766	318	1 190
Community services	30 000	2 670	1 460	4 220
Households	4 760	781	282	1 150
Total	74 300	8 960	3 960	13 400

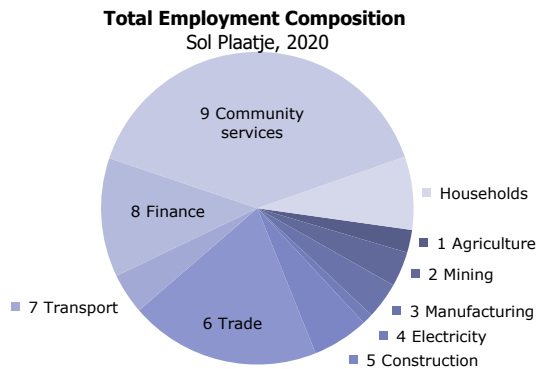
Source: IHS Markit Regional Explorer version 2112

Table 92: Total Employment per Broad Economic Sector - Sol Plaatje and the rest of Frances Baard, 2020

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Sol Plaatje municipal area employs a total number of 74 300 people within its local municipality. Sol Plaatje municipal area is also employing the highest number of people within Frances Baard District Municipality. The local municipality that employs the lowest number of people relative to the other regions within Frances Baard District Municipality is Magareng Local Municipality with a total number of 3 960 employed people.

In Sol Plaatje municipal area the economic sectors that recorded the largest number of employments in 2020 were the community services sector with a total of 30 000 employed people or 40.4% of total employment in the local municipal area. The trade sector with a total of 15 700 (21.1%) employs the second highest number of people relative to the rest of the sectors. The electricity sector with 500 (0,7%) is the sector that employs the least number of people in the Sol Plaatje municipal area, followed by the agriculture sector with 1 290 (1,7%) people employed.



Source: IHS Markit Regional eXplorer version 2112

Graph 15: Total Employment Composition

FORMAL AND INFORMAL EMPLOYMENT

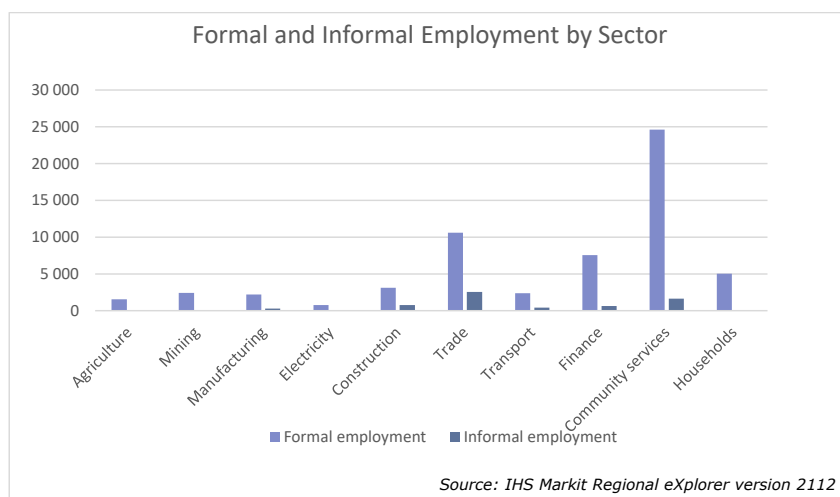
Total employment can be broken down into formal and informal sector employment. Formal sector employment is measured from the formal business side, and the informal employment is measured from the household side where formal businesses have not been established.

Formal employment is much more stable than informal employment. Informal employment is much harder to measure and manage, simply because it cannot be tracked through the formal business side of the economy. Informal employment is however a reality in South Africa and cannot be ignored.

The number of formally employed people in Sol Plaatje Local Municipality counted 68 900 in 2020, which is about 92,720% of total employment, while the number of people employed in the informal sector counted 5 410 or 7.28%

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of the total employment. Informal employment in Sol Plaatje increased from 5 180 in 2010 to an estimated 5 410 in 2020.



Graph 16: Formal and Informal Employment by Broad Economic Sector

Some of the economic sectors have little or no informal employment.

Mining Industry, due to well-regulated mining safety policies, and the strict registration of a mine, has little or no informal employment. The Electricity Sector is also well regulated, making it difficult to get information on informal employment. Domestic Workers and employment in the Agriculture Sector is typically counted under a separate heading.

In 2020 the Trade Sector recorded the highest number of informally employed, with a total of 1 860 employees or 34.36% of the total informal employment. This can be expected as the barriers to enter the Trade Sector in terms of capital and skills required is less than with most of the other sectors. The Manufacturing Sector has the lowest informal employment with 264 and only contributes 4.88% to total informal employment.

Sector	Formal employment	Informal employment
Agriculture	1 290	n/a
Mining	4 080	n/a
Manufacturing	2 780	264
Electricity	500	n/a

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Sector	Formal employment	Informal employment
Construction	2 360	583
Trade	13 800	1 860
Transport	1 640	494
Finance	9 000	842
Community services	28 600	1 370
Households	4 760	n/a

Table 93: Formal and Informal Employment by Broad Economic Sector - Sol Plaatje Local Municipality, 2020

The informal sector is vital for the areas with very high unemployment and very low labour participation rates. Unemployed people see participating in the informal sector as a survival strategy. The most desirable situation would be to get a stable formal job. But because the formal economy is not growing fast enough to generate adequate jobs, the informal sector is used as a survival mechanism.

3.12.3 Local Economic Development Objectives included in the IDP

Municipal Key Performance Area: Local Economic Development

Strategic Objectives	Key Performance Indicator	2022/23		2023/24
		Revised Target	Actual	Target
Spatial Transformation Inclusive Growth	Number of SMME's supported through the implementation of the business incubation developmental program annually	10	13	10
	% Implementation of Business Expansion Attraction and Retention (BEAR) program as per the annual approved Implementation Plan by 30 June 2023	100%	17%	Not a Target
	% Implementation of the training programme for the development of 100 Artisans from the unemployed youth aged between 18 and 35 years as part of developing skilful economies by 30 June 2023	100%	0%	Not a Target
	% Progress on the construction of Craven Street Centre using Pre-owned shipping containers for business development by 30 June 2023	100%	98%	Not a Target

Table 94: Local Economic Development Objectives included in the IDP

3.12.4 Financial Performance: Local Economic Development

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Details	2021/22	2022/23			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	14,973	810	19,660	558	-97%
Expenditure:					
Employees	8,118	7,134	7,134	7,749	9%
Repairs and Maintenance	489	790	1,084	763	-30%
Other	132	256	256	77	-70%
Total Operational Expenditure	8,740	8,179	8,473	8,589	1%
Net Operational Expenditure	(6,234)	7,369	(11,187)	8,031	-172%

Table 95: Financial Performance: Local Economic Development

3.12.5 Capital Expenditure

The following were capital expenditure for LED

Capital projects	2022/23					
	Budget	Adjustment budget	Actual expenditure	Variance from the original budget	Variance from adjustment budget	Total project value
	(R)					
European Union Bear Project	-	18,850	-	-100%	-100%	
Craven Street Trade Centre	8,300	8,300	8,996	8%	8%	
Total	8,300	27,150	8,996	-67%	-32%	

Table 96: Capital Expenditure: LED

3.12.6 LED Highlights

- Local Economic Development Strategy

Final draft of the strategy has been concluded, Local Economic Development (LED) is an approach towards economic development which allows and encourages local people to work together to achieve sustainable economic growth and development thereby bringing economic benefits and improved quality of life for all residents in a local municipal area. SPM has undertaken the process in collaboration with the university of Johannesburg to ensure the creation of an enabling environment for investments, enterprise support and tourism thrives the municipal area.

- Number of SMME's supported through the implementation of the business incubation developmental programme.

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Through our incubation program housed at the Galeshewe SMME Village is a multi-sectoral business incubation center that provides SMMEs with physical office space and enterprise development services through an innovative business incubation support program that is designed to accelerate business growth and job creation. The Galeshewe SMME Village also serves external entrepreneurs with basic business support and business development services to start, grow and manage a successful business. The Galeshewe SMME Village strives to be the preferred partner in incubation and business development.

- Hold 4 workshop per annum to train and develop SMME's
- Issuing Informal Trade Permits

The enterprise support sub function has issued a total of 158 street trading permits allowing and encouraging informal trading in the municipal area. Traders are issued with permits at demarcated trading areas identified and suitable for informal trade business operations.

- SPRINT: Active Box/informal Traders Hub

The implementation of the Safer Places – Resilient Institution and Neighbourhoods Together (SPRINT) initiative, in particular within the capacity development process and the implementation of the community development fund (CDF) to make a contribution to area-based violence prevention initiative in the Municipal jurisdiction.

Sol Plaatje Municipality is the only municipality in South Africa, that through GIZ, successfully applied to be part of the Cities Challenge 2.0 together Mexico, India and Pakistan under the theme building vibrant resilient neighbourhoods. Galeshewe township was chosen as the neighbourhood that was most appropriate site to construct the Informal Traders Hub focusing primarily on women and youth. The informal trader's hub was initially planned to be constructed at the Hulana Park but was later moved to be placed the Galeshewe Open Air Arena.

- Facilitated the Development of an Informal Trade Policy

The Municipality recognises the key role that informal trading plays in poverty alleviation, income generation and entrepreneurial development and, in particular, the positive impact that informal trading has on historically disadvantaged individuals and communities.

Acknowledging the need to adopt a developmental approach to the informal trading sector in order to create an environment that is conducive to the growth of businesses in the informal trading sector. To create a platform and opportunity, particularly for the unemployed to participate in the economy in order to make a living. To stimulate and encourage the notion of self-employment, self-sustainability, self-reliance, particularly for the unemployed.

- Business Expansion Attraction and Retention Program (BEAR)

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The BEAR project is a Sol Plaatje Municipality (SPM) initiative administered by National Treasury under the General Budget Support Programme funded by the European Union. The Centre for Municipal Research & Advice (CMRA) is the implementing service provider of the project.

The project aims to enhance SPM's economic governance and infrastructure through a digitalised business application (& facilitation) platform, a harmonised business regulatory environment, and through capacity & capability enhancement of the municipality (institution) and municipal officials (individual) to promote SPLM's BEAR endeavours for overall local economic development.

The project comprises of five (5) distinct components:

Component 1 (Project Set-up);

Component 2 (Capacity and Capability Enhancement Programme);

Component 3 (Ease of Doing Business Index & Baseline Study Subcomponents: Global Competitiveness Index and Red Tape Reduction Assessment);

Component 4 (Testing & Piloting E-One-Stop Shop) and

Component 5 (Project Closure).

- Craven Informal Trade Centre

The centre consists of 19 pre used shipping containers reconfigured into an informal shopping centre development in the CBD. The transformation will result in park into boutique stores, restaurants and kiosk spaces geared towards starter entrepreneurs – from fashion designers to chefs and artists. The focus of many of the stores is on local cuisine, designs and production and you will often find that the friendly face behind the counter is also the person who handmade the unique items that you will be buying.

- Where to Eat: Food Court

There are a number of places to eat, with various cosy corners and green open spaces in which to sit and enjoy your lunch. The list includes fresh lunch specials, sandwiches, local cheesanyama and coffee shopw and for something hearty, and welcoming cuisines. The centre will be completed end -2023.

- Carols By Candlelight Family Carnival

The Sol Plaatje Municipality Carols by candlelight/ Christmas Family Fun Carnival is a family-oriented event designed to usher-in the spirit of Christmas and the festive season break. The event is a vibrant and enchanting carnival space, adorned with colourful streetlights, festive decorations, and a joyful atmosphere. The event took place over a period of 1 day, encompassing various activities and entertainment for all ages. The event aims were to bring together families, friends, and neighbours, providing them with an unforgettable experience filled with merriment and community bonding. The carnival featured an array of activities that catered to diverse interests, that ensured that everyone experienced something enjoyable.

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- BFI Information Sharing Workshop

Sol Plaatje Municipality (SPM) in collaboration with BIGEN AFRICA will be conducting information sharing workshops for the integration of Small, Medium, and Micro Enterprises (SMMEs) in the implementation of the Budget Facility for Infrastructure (BFI) water refurbishment programme. The programme aims to address frequent supply disruptions caused by continued leaks and poor water quality. Through the implementation of this programme the municipality hopes to restore, monitor, and control water quality and water supply within the Sol Plaatje Municipality. The purpose of the information sharing workshops is to sensitize all small enterprises with CIDB grading 1-3 (for classes: CE, GB, ME, EB, EP, SO), suppliers, business forums, labourer's - skilled & semi-skilled, and entrepreneurs of the potential business opportunities the programme will provide.

Through these workshops qualifying SMMEs/Labourer's/ Suppliers will be able to understand the database creation and prequalification processes to be followed as part of the BFI water refurbishment programme. All interested parties were invited to come and participate in the workshops, which were facilitated by BIGEN AFRICA. Details of the venues, time and date of the workshops were as follows:

DATE	VENUE	TIME	WARD CLLR
29 th May 2023	Galeshewe: Recreational Hall	09:00 – 12:00	Clr Burger Lekoma & Clr Isaac Ruiters
30 th May 2023	CBD: City Hall	09:00 – 12:00	Clr Belinda Moses
30 th May 2023	Riverton: Uniting Presbyterian church	14:00 – 16:00	Clr Malebo Aaron
31 st May 2023	Rietvale Community: Rietvale Hall	09:00 – 12:00	Clr Wagter
31 st May 2023	Motswedimosa Community Rietvale hall	14:00 – 16:00	Clr Mokwang
01 st June 2023	Roodepan: Swedish Hall	10:00 – 13:00	Clr, Moses Ferguson Clr Malebo Aaron and Johannes Brown
01 st June 2023	Plaatfontein: Xhung-Khwes Combined School	14:00 – 16:00	Clr Moses Ferguson & Clr Frikkie Banda
01 st June 2023	Riverton: Presbyterian Church	17:00 – 19:00	Clr Malebo Aaron
02 nd June 2023	Greenpoint: Garna Williams Hall	10:00 – 13:00	Clr Jan Peterson
02 nd June 2023	Lorato park Bigen Offices	14:00 – 16:00	Clr Kok
07 th June 2023	Motswedimosa Community Motswedimosa hall	15:00 – 17:30	Clr Mokwang

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Figure 13: Agenda BFI Workshop

- Mobile Laboratory (Mlab)

The DSI and DEDAT jointly funded the establishment of mLab in Northern Cape, a Mobile Applications Laboratory providing physical and virtual support for ICT and business skills development. It operates as a Non-Profit Company and collaborated with SPM for tech innovation and start-ups. The programs and activities are aimed at empowering the youth with practical skills to pursue either employment or self-employment opportunities.

The Sol Plaatje Municipality has, as part of its strategic intent, the need to revitalise and modernise the township economy of Galeshewe, to which extent they have availed the SMME Village to locate mLab NC.

Given the challenges experienced in the previous financial year with respect to management of the SMME Village facility, these mLab NC partners entered into an agreement with Diamond Creative Vision to manage and maintain the building. Below is an outline of the responsibilities of the Facilities Manager.

3.12.7 Comment on Local Economic Development Performance Overall

With a GDP of R25.5 billion in 2020 (up from R16.9 billion in 2010), the Sol Plaatje Local Municipality contributed 78.30% to the Frances Baard District Municipality GDP of R32.6 billion in 2020 increasing in the share of the Frances Baard from 78.37% in 2010. The Sol Plaatje Local Municipality contributes 25.33% to the GDP of Northern Cape Province and 0.51% to the GDP of South Africa which had a total GDP of R 4.97 trillion in 2020 (as measured in nominal or current prices). Its contribution to the national economy stayed similar in importance from 2010 when it contributed 0.61% to South Africa, but it is lower than the peak of 0.61% in 2010.

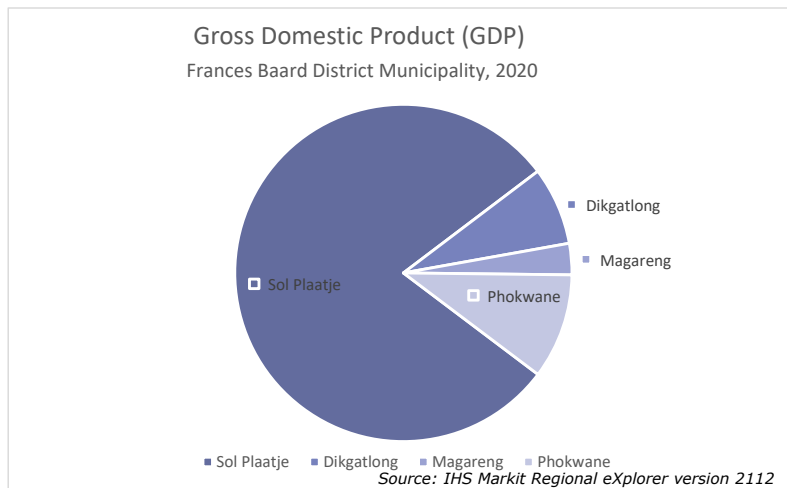
Year	Sol Plaatje	Frances Baard	Northern Cape	National Total	% of District Municipality	% of Province	% of National
2010	16.5	21.1	60.1	2 748.0	78.1%	27.5%	0.60%
2011	17.6	22.4	64.0	3 023.7	78.5%	27.4%	0.58%
2012	18.9	24.0	68.2	3 253.9	78.7%	27.7%	0.58%
2013	19.9	25.3	72.6	3 540.0	78.5%	27.4%	0.56%
2014	23.7	30.0	83.5	3 805.3	78.9%	28.4%	0.62%
2015	24.9	31.4	85.7	4 051.4	79.3%	29.0%	0.61%
2016	26.0	32.8	90.9	4 350.3	79.4%	28.6%	0.60%
2017	28.5	35.9	100.1	4 651.8	79.4%	28.5%	0.61%
2018	25.8	32.8	100.1	4 873.9	78.7%	25.8%	0.53%
2019	25.9	33.1	103.4	5 077.6	78.2%	25.1%	0.51%
2020	25.5	32.6	100.8	4 974.0	78.3%	25.3%	0.51%

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Year	Sol Plaatje	Frances Baard	Northern Cape	National Total	% of District Municipality	% of Province	% of National
<i>Source: IHS Markit Regional Explorer version 2112</i>							

Table 97: GDP - Sol Plaatje, Frances Baard, Northern Cape and National Total, 2010-2020

In 2020, the Sol Plaatje Local Municipality achieved an annual growth rate of -2.07% which is a significantly higher GDP growth than the Northern Cape Province's -8.53%, but is higher than that of South Africa, where the 2020 GDP growth rate was -6.96%. Contrary to the short-term growth rate of 2020, the longer-term average growth rate for Sol Plaatje (-0.95%) is significantly lower than that of South Africa (0.64%). The economic growth in Sol Plaatje peaked in 2017 at 2.47%.



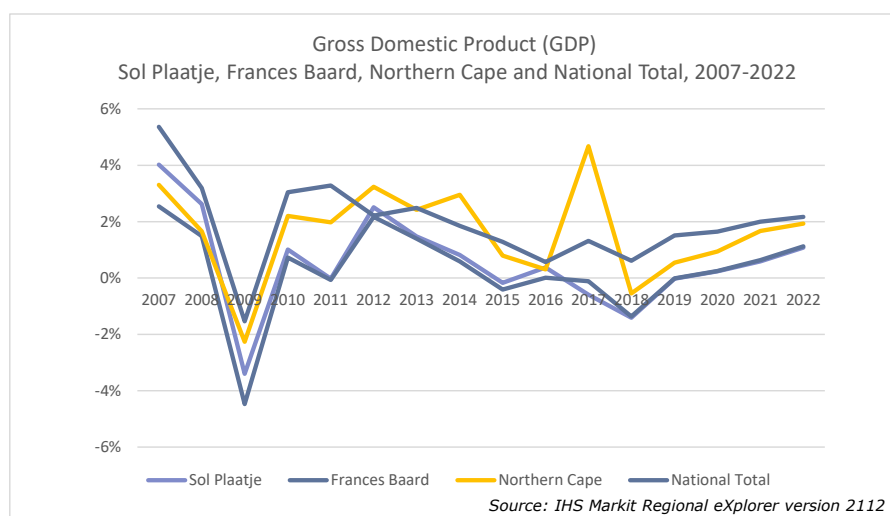
Graph 17: GDP - Sol Plaatje Local Municipality and the rest of Frances Baard, 2020

The Sol Plaatje Local Municipality had a total GDP of R25.5 billion and in terms of total contribution towards Frances Baard District Municipality the Sol Plaatje Local Municipality ranked highest relative to all the regional economies to total Frances Baard District Municipality GDP. This ranking in terms of size compared to other regions of Sol Plaatje remained the same since 2010. In terms of its share, it was in 2020 (78.3%) very similar compared to what it was in 2010 (78.4%). For the period 2010 to 2020, the average annual growth rate of -0.9% of Sol Plaatje was the second relative to its peers in terms of growth in constant 2010 prices.

ECONOMIC GROWTH FORECAST

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It is expected that Sol Plaatje Local Municipality will grow at an average annual rate of 0.09% from 2017 to 2022. The average annual growth rate in the GDP of Frances Baard District Municipality and Northern Cape Province is expected to be 0.12% and 0.90% respectively. South Africa is forecasted to grow at an average annual growth rate of 1.58%, which is higher than that of the Sol Plaatje Local Municipality.



Graph 18: GDP - Sol Plaatje, Frances Baard, Northern Cape and National Total, 2007-2022 [Average annual growth rate, constant 2010 prices]

In 2022, Sol Plaatje's forecasted GDP will be an estimated R17.4 billion (constant 2010 prices) or 78.8% of the total GDP of Frances Baard District Municipality. The ranking in terms of size of the Sol Plaatje Local Municipality will remain the same between 2017 and 2022, with a contribution to the Frances Baard District Municipality GDP of 78.8% in 2022 compared to 78.9% in 2017. At a 0.09% average annual GDP growth rate between 2017 and 2022, Sol Plaatje ranked the second compared to the other regional economies.

GROSS VALUE ADDED BY REGION (GVA-R)

The Sol Plaatje Local Municipality's economy is made up of various industries. The GVA-R variable provides a sector breakdown, where each sector is measured in terms of its *value-added* produced in the local economy.

The following summary table puts the Gross Value Added (GVA) of all the regions in perspective to that of the Sol Plaatje Local Municipality.

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Economic Sectors	Sol Plaatje	Frances Baard	Northern Cape	National Total	% of District Municipality	% of Province	% of National
Agriculture	0.3	0.9	6.7	119.6	35.2%	4.7%	0.27%
Mining	0.8	1.2	20.9	372.9	68.4%	4.0%	0.22%
Manufacturing	0.8	1.3	3.1	573.4	57.3%	24.1%	0.13%
Electricity	1.0	1.5	3.4	167.2	65.0%	28.8%	0.58%
Construction	0.6	0.7	2.0	140.2	77.5%	27.3%	0.39%
Trade	3.1	4.0	9.9	655.2	79.1%	31.7%	0.48%
Transport	3.8	4.5	9.8	396.4	85.3%	39.0%	0.96%
Finance	4.7	5.6	12.7	879.5	84.9%	37.2%	0.54%
Community Services	7.8	9.5	22.7	1,125.3	82.2%	34.3%	0.69%
Total Industries	22.9	29.2	91.2	4,429.7	78.6%	25.1%	0.52%

Source: IHS Markit Regional eXplorer version 2112

Table 98: GVA by Broad Economic Sector - Sol Plaatje Local Municipality, 2020

In 2020, the community services sector is the largest within Sol Plaatje Local Municipality accounting for R7.8 billion or 34.0% of the total GVA in the local municipality's economy. The sector that contributes the second most to the GVA of the Sol Plaatje Local Municipality is the finance sector at 20.7%, followed by the transport sector with 16.7%. The sector that contributes the least to the economy of Sol Plaatje Local Municipality is the agriculture sector with a contribution of R318 million or 1.39% of the total GVA.

HISTORICAL ECONOMIC GROWTH

For the period 2020 and 2010, the GVA in the finance sector had the highest average annual growth rate in Sol Plaatje at 0.71%. The industry with the second highest average annual growth rate is the community services sector averaging at 0.42% per year. The construction sector had an average annual growth rate of -3.15%, while the mining sector had the lowest average annual growth of -5.61%. Overall, a negative growth existed for all the industries in 2020 with an annual growth rate of -1.33% since 2019.

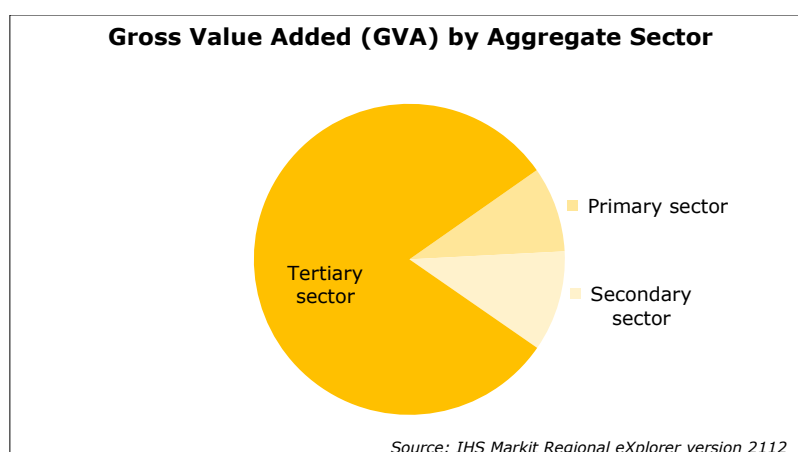
Sector	2010	2015	2020	Average Annual growth
Agriculture	0.23	0.21	0.21	-1.18%
Mining	1.72	1.02	0.97	-5.61%
Manufacturing	0.52	0.47	0.40	-2.44%
Electricity	0.48	0.45	0.48	0.00%
Construction	0.45	0.43	0.33	-3.15%
Trade	2.37	2.29	2.04	-1.47%
Transport	2.31	2.30	1.97	-1.58%

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Sector	2010	2015	2020	Average Annual growth
Finance	2.93	3.02	3.14	0.71%
Community Services	4.14	4.21	4.32	0.42%
Total Industries	15.15	14.40	13.86	-0.89%

Table 99: Historical Economic Growth

The tertiary sector contributes the most to the Gross Value Added within the Sol Plaatje Local Municipality at 85.0%. This is significantly higher than the national economy (69.0%). The secondary sector contributed a total of 10.0% (ranking second), while the primary sector contributed the least at 5.0%.



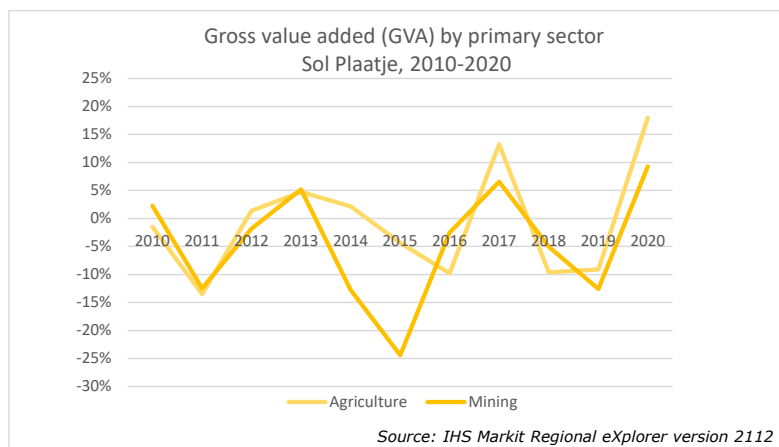
Graph 19: GVA by Aggregate Economic Sector - Sol Plaatje Local Municipality, 2017

The following is a breakdown of the Gross Value Added (GVA) by aggregated sector:

PRIMARY SECTOR

The Primary Sector consists of two broad economic sectors namely the mining and the agricultural sector. The following chart represents the average growth rate in the GVA for both sectors in Sol Plaatje Local Municipality from 2010 to 2020.

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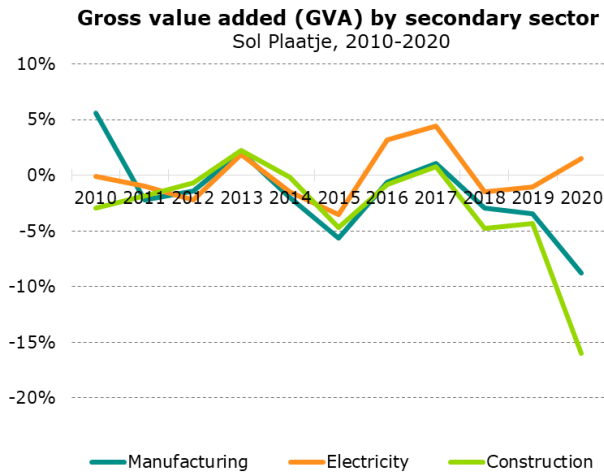
Graph 20: GVA by Primary Sector - Sol Plaatje, 2010-2020

Between 2010 and 2020, the agriculture sector experienced the highest positive growth in 2020 with an average growth rate of 18.0%. It is evident for the mining sector that the highest positive growth rate also existed in 2020 and it experienced a growth rate of 9.3% which is lower than that of the agricultural sector. The agricultural sector experienced the lowest growth for the period during 2011 at -13.5%, while the mining sector reached its lowest point of growth in 2015 at -24.4%. Both the agriculture and mining sectors are generally characterised by volatility in growth over the period.

SECONDARY SECTOR

The Secondary Sector consists of three broad economic sectors namely the manufacturing, electricity and the construction sector. The following chart represents the average growth rates in the GVA for these sectors in Sol Plaatje Local Municipality from 2010 to 2020.

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Source: IHS Markit Regional eXplorer version 2112

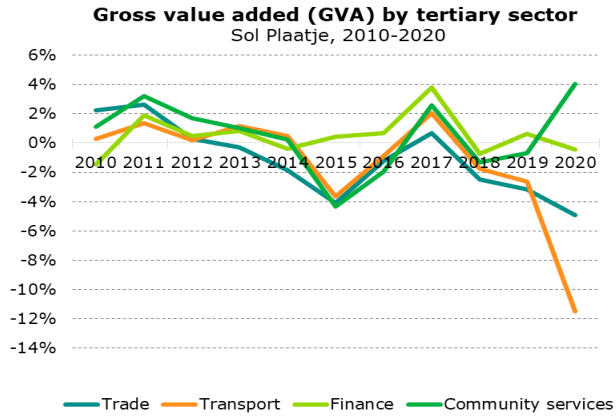
Graph 21: GVA by Secondary Sector - Sol Plaatje, 2010-2020 [Annual percentage change]

Between 2010 and 2020, the Manufacturing Sector experienced the highest positive growth in 2010 with a growth rate of 5.6%. The Construction Sector reached its highest growth in 2013 at 2.3%. The Manufacturing Sector experienced its lowest growth in 2020 of -8.8%, while Construction Sector also had the lowest growth rate in 2020 and it experiences a negative growth rate of -16.0% which is higher growth rate than that of the Manufacturing Sector. The Electricity Sector experienced the highest growth in 2017 at 4.5%, while it recorded the lowest growth of -3.5% in 2015.

TERTIARY SECTOR

The Tertiary Sector consists of four broad economic sectors namely the Trade, Transport, Finance and the Community Services Sector. The following chart represents the average growth rates in the GVA for these sectors in Sol Plaatje Local Municipality from 2010 to 2020.

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Source: IHS Markit Regional eXplorer version 2112

Graph 22: GVA by Tertiary Sector - Sol Plaatje, 2007-2017

The Trade Sector experienced the highest positive growth in 2011 with a growth rate of 2.6%. The Transport Sector reached its highest point of growth in 2017 at 2.1%. The Finance Sector experienced the highest growth rate in 2017 when it grew by 3.8% and recorded the lowest growth rate in 2010 at -1.4%. The Trade Sector had the lowest growth rate in 2020 at -4.9%. The Community Services Sector, which largely consists of government, experienced its highest positive growth in 2020 at 4.0% and the lowest growth rate in 2015 with -4.3%.

SECTOR GROWTH FORECAST

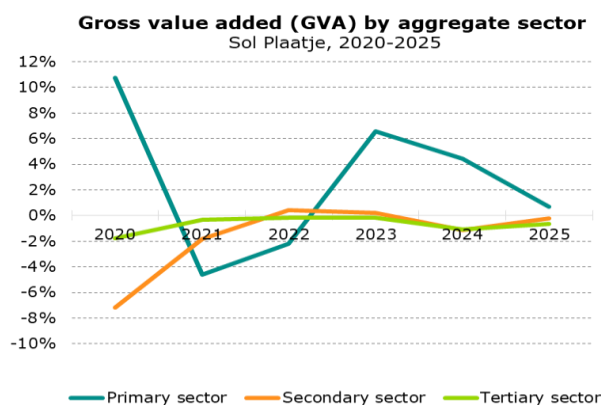
The GVA forecasts are based on forecasted growth rates derived from two sources: historical growth rate estimates and national level industry forecasts. The projections are therefore partly based on the notion that regions that have performed well in the recent past are likely to continue performing well (and vice versa) and partly on the notion that those regions that have prominent sectors that are forecast to grow rapidly in the national economy (e.g., finance and telecommunications) are likely to perform well (and vice versa). As the target year moves further from the base year (2010) so the emphasis moves from historical growth rates to national-level industry growth rates.

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Sector	2020	2021	2022	2023	2024	2025	Average Annual growth
Agriculture	0.21	0.20	0.18	0.17	0.17	0.16	-4.91%
Mining	0.97	0.92	0.92	1.00	1.05	1.07	1.99%
Manufacturing	0.40	0.40	0.40	0.39	0.38	0.38	-1.29%
Electricity	0.48	0.48	0.49	0.49	0.49	0.50	0.65%
Construction	0.33	0.31	0.31	0.31	0.31	0.30	-1.34%
Trade	2.04	2.07	2.07	2.08	2.04	2.01	-0.29%
Transport	1.97	2.01	2.03	2.03	2.01	2.00	0.32%
Finance	3.14	3.08	3.12	3.14	3.14	3.16	0.09%
Community Services	4.32	4.27	4.19	4.15	4.07	4.03	-1.37%
Total Industries	13.85	13.74	13.70	13.76	13.67	13.61	-0.36%

Table 100: GVA by Broad Economic Sector - Sol Plaatje Local Municipality, 2020-2025

The mining sector is expected to grow fastest at an average of 1.99% annually from R965 million in Sol Plaatje Local Municipality to R1.07 billion in 2025. The community services sector is estimated to be the largest sector within the Sol Plaatje Local Municipality in 2025, with a total share of 29.6% of the total GVA (as measured in current prices), growing at an average annual rate of -1.4%. The sector that is estimated to grow the slowest is the agriculture sector with an average annual growth rate of -4.91%.



Source: IHS Markit Regional eXplorer version 2112

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Graph 23: GVA by Aggregate Economic Sector - Sol Plaatje Local Municipality, 2017-2022 [Annual Growth Rate, Constant 2010 Prices]

The Primary Sector is expected to grow at an average annual rate of 0.90% between 2020 and 2025, with the Secondary Sector growing at -0.51% on average annually. The Tertiary Sector is expected to grow at an average annual rate of -0.48% for the same period.

3.13 FRESH PRODUCE MARKET

3.13.1 Introduction

The South African Fresh Produce Market system is unique from the rest of the world because it functions on a commission basis. We have been told that this feature of South African market place is alone in the world. South Africa's fresh produce markets are the only system of fresh produce commission market in the world (Jansen,2017).The system provides the ideal inclusive and transparent trading environment to all fresh produce, be it commercial, small scale or emerging farmers to sell the products directly to the buyers.

Markets selling agricultural products have been with humanity for many Thousands years. They have adjusted and change over time but the fundamental reason for their existence has never changed, where supply and demand meet to establish a value for a product so that a sale can be set.

National Fresh Produce Markets are a trading platform where farmers see what value is being placed on their produce. The registered market agents sell produce on behalf of the farmers, they are governed by the Agricultural Produce Agents Act No12 of 1992 (amended2003). The Act requires a market agency to open a trust account on behalf of its farmers thereby ensuring that their money is controlled and regulated. Farmers will deliver produce to the market facility and the Market agents sell produce and charge a commission fee that is between 5-7, 5% while a further 5% commission that is additional goes to the municipality for the upkeep of the infrastructure and facilities. This system is governed by legislation that protects the farmers and the Agricultural Produce Agents Council (APAC). APAC ensure that the farmers are more of a price maker rather than being price takers, and provide training, licensing and even disciplining market agents when necessary.

The prices at the market they are determined by the interaction between supply and demand, both of which is influenced by various factors supply factors include climate change, season production, and perishability of products of produce to price gathered in preceding period. The demand factors includes consumer habits, substitution between product and per capital income, as well as the amount which consumers are willing to spend on a specific product. During 2023, Sol Plaatje Fresh Produce market had an increased in the market tonnages the total tonnage of fruit and vegetables that were sold in 2023 (7830) compared to the 2022 tonnages 7483. There were more produce and more

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buyers, more farmers. The turnover for 2023 (49479887.82) compared to the previous year (39623543.39) there is an increase of (9856344.43) the market has increase in the turnover and the tonnages. The market has enough space to accommodate two or more agents on the trading floor.

Sol Plaatje Fresh Produce Market is the sole national fresh produce market in the Northern Cape and falls under the Directorate of Strategic Economic Development & Planning. The market currently hosts two market agents namely, Subtropico and Kimberley Varsprodukte Agentskap.

Local Economic Development (LED)

National fresh produce Markets are a public marketing infrastructure that are key for food safety and local Economic Development. The food procured at the National Fresh produce market have created employment and entrepreneur opportunities, hawkers and sales agents. The familiar sight of hawkers on the side of the road or traffic lights is an immediate example, which comes to mind, not only is food being available but also people are generating revenue.

TOP SERVICE DELIVERY

To create a juncture for business, hawkers and emerging farmers with a market for their produce either locally or worldwide and give retailers and distributors access to fresh fruit and vegetables at their doorstep.

To ensure we comply with Health & Safety Act (Act No. 85 of 1993) and promote food safety and quality assurance.

The role of Sol Plaatje Fresh Produce Market is to provide the necessary facilities as well as to:

- Make sure Sol Plaatje Fresh Produce Market remains ideal channel of distribution of fresh produce in the Northern Cape
- Create a platform to allow anyone, farmers, hawkers and buyers to participate in trade without discrimination
- Introducing satellite market
- To render an effective and efficient service to all stakeholders.

MEASURES TAKEN TO IMPROVE THE PERFORMANCE OF THE MARKET

- Benchmarking with other fresh produce markets
- Review of the Business Plan
- Marketing and advertising
- Assist small scale farmers, providing them in-house training and information sharing
- Get more investor to invest in the Fresh Produce market.
- More agents on the trading floor

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- Build consignment control office

THE SUPPORT GIVEN TO COMMUNITIES THAT ARE LIVING IN POVERTY

- With support of the agents the market is giving food and vegetables to the needy and soup kitchen
- Support small scale farmers

MAJOR ACHIEVEMENTS

- Implementation of the Business plan
- Painting of market hall
- Maintenance of cold-rooms
- Increase in turnover and tonnages

CHALLENGES

- Security is a major challenges
- Deteriorating of infrastructure.
- Vandalism of market assets (ripening and cold room complex).

3.13.2 Policy Objectives included in the IDP

Municipal Key Performance Area: Access to Basic Services and Infrastructure Development

Strategic Objectives	Key Performance Indicator	2022/23		2023/24
		Revised Target	Actual	Target
Service Provision	Report quarterly on the monitoring of tonnage and condemned produce	4	4	4
Service Provision	Implement the recommendations of the business plan	4	4	4
Service Provision	Report quarterly on the turnover marketing and advertising of the market	4	4	4

Table 101: Fresh Produce Objectives included in the IDP

3.13.3 Financial Performance: Fresh Produce Market

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Details	2021/22	2022/23			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
	R'000				
Total Operational Revenue	1,104	1,500	1,500	736	-51%
Expenditure:					
Employees	5,560	5,237	5,237	5,506	5%
Repairs and Maintenance	546	487	487	412	-15%
Other	367	462	462	362	-22%
Total Operational Expenditure	6,473	6,185	6,185	6,280	2%
Net Operational Expenditure	5,369	4,685	4,685	5,543	18%

Table 102: Financial Performance: Fresh Produce Market

3.13.4 Capital Expenditure

There was no capital expenditure during the period under review.

3.13.5 Comment on the performance overall

Sol Plaatje Fresh Produce Market had no capital projects. In the absence of capital budget, it is difficult to implement recommendations from the Business Plan.

PROPOSED SOLUTION

By increasing more agents on the trading floor, the market this will led to increase of revenue and tonnages. Sol plaatje Fresh produce market need a Permeant health inspector to ensure that market adhere to food safety.

Marketing and advertising plays a vital role in the Fresh produce market this can also increase the market revenue. Prioritising the infrastructure, security and the consignment control will grow the market.

3.14 URBAN RENEWAL PROGRAMME (URP)

3.14.1 Introduction

The Urban Renewal Programme biggest niche is to utilize public sector investment as a strategic tool to attract private sector interest, to sustain spending and income generating initiatives in the townships as well as the CBD to sustainable jobs creation through development of township strategy known as the Urban Network Strategy UNS funded through NDPG. Sol Plaatje Municipality forms part of one the eight national nodal townships funded through National Treasury Neighbourhood Development Partnership Grant technical assistance and capital grant.

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The local economic development opportunities and social infrastructure development are as a direct result of initiatives such as UNS, NDPG through the URP due to the direct impact of public spending, job creation, SMME development, support and economic growth. These are the immediate financial and non-financial impacts of the URP.

OPPORTUNITIES

- The Urban Renewal Programme can forge more inclusive planning and sectoral collaborations through NDPG funded initiatives.
- Urban Renewal Program has an added advantage of readily available Neighbourhood Development Partnership Grant
- Implementation of the Urban Network Strategy to enhance commercialisation within the Kimberley CBD and attracting investment into the City
- Implementation of the proposed Government Precinct in Roper Street parking as a catalyst of the Urban Network Strategy in partnership with National Department of Public Works.
- Sol Plaatje University as a growth point for potential investments opportunities.
- Positioning Kimberley as bulk mining consumables hub in the province.
- Asset base of De Beers, Eskom and Transnet.
- Strategic parcels of available land.

CHALLENGES

- No internal budget allocation to fund URP initiatives and additional technical posts.
- Absence of a political champion a strategic risk.
- Sol Plaatje Municipality not using URP as a strategic vehicle as envisioned by the Cabinet Lekgotla of 2001.
- URP not receiving any strategic and technical support from the provincial government.
- URP has an unfunded mandate

STATUS OF THE NEIGHBOURHOOD PARTNERSHIP GRANT

Throughout the aforesaid financial year NDPG related projects were implemented by the Infrastructure Directorate thus no progress account can be provided from SEDP, and no funding allocation was made available for URP new projects.

MITIGATION

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- URP to resuscitate the relationship Neighbourhood Development Partnership relationship with National Treasury (NDG Unit).
- URP to request National Treasury to review previously submitted projects for possible funding.
- Implementation of the Urban Network Strategy through a Medium-Term Revenue and Expenditure Framework period between the primary and secondary hub.
- URP to submit new projects for to NDPG for assessment and approval for funding approval.
- URP to canvass the Executive Mayor to be a political champion for the URP.

PRIMARY HUB (KIMBERLEY CBD) SERVICES MASTER PLAN

The completed of the services master plan for the CBD will focus status on CBD infrastructure which comprises of roads & stormwater, water & sewer, electricity before the actual projects commences within the epicentre. Urban Renewal Program will canvass National Treasury through NDPG to fund the following activities:

- Feasibility study for Public Intermodal Transport Precinct (Craven Taxi rank Redevelopment).
- Detail designs for all identified projects within the Urban Network Strategy. (Heritage Footprint project, SMME Activation Hubs etc).
- City Hall redevelopment project
- And infrastructural projects such as roads and storm water etc).

3.14.2 Galeshewe Urban Renewal Programme Objectives included in the IDP

Municipal Key Performance Area: Local Economic Development

Strategic Objectives	Key Performance Indicator	2022/23		2023/24
		Revised Target	Actual	Target
Inclusive Growth	Facilitate meetings with other spheres of government to strengthen IGR Relations	4	4	4
Inclusive Growth	Submission of business plans to external funders	4	2	4

Table 103: Galeshewe Urban Renewal Programme Objectives included in the IDP

3.14.3 Financial Performance: Urban Renewal Programme

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Details	2021/22	2022/23			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
	R'000				
Total Operational Revenue	–	–	–	–	0%
Expenditure:					
Employees	3,277	3,325	3,325	3,624	9%
Repairs and Maintenance	–	6	6	–	0%
Other	25	123	123	14	-89%
Total Operational Expenditure	3,302	3,454	3,454	3,638	5%
Net Operational Expenditure	3,302	3,454	3,454	3,638	5%

Table 104: Financial Performance: Urban Renewal Programme

3.14.4 Capital Expenditure 2022/23

There was no capital expenditure during the period under review.

3.14.5 Comment on performance overall

The overall performance of all URP Key Performance indicators was met according to our performance agreement in Service Delivery and Budget and Implementation Plan targets.

Urban Renewal Program has met all its KPI targets for the aforesaid Service Delivery Budget and Implementation Plan (SDBIP) period of 2022/2023. No mitigation nor adjustment was required on all the URP targets.

COMPONENT D: COMMUNITY & SOCIAL SERVICES

The mandate for the Directorate: Community and Social Development Services is derived from the Constitution of the Republic of South Africa (Act No. 108 of 1996) which provides that local government must, as part of its objectives, ensure the provision of services to communities in a sustainable manner; the promotion of a safe and healthy environment and the achievement of social development imperatives. The Directorate performs functions that are dedicated to the social and environmental well-being of the community. Part of the matters listed in Schedule 4(b) and 5(b) of the Constitution are the primary responsibility of this Directorate. These include firefighting services, municipal health services, cemeteries, cleansing services, municipal parks amongst others.

The functional responsibilities of the Directorate are Parks and Recreation:

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- Library Services
- Waste Management and Environmental Health
- Emergency Services and Disaster Management
- Traffic Law Enforcement Services
- Motor Licensing and Registration Services
- Social Development Services and
- Primary Health Care Services (Clinics)

3.15 MOTOR VEHICLE LICENSING AND REGISTRATION

3.15.1 Introduction

The primary sections residing under this Department are:

- Motor Registration Section
- Vehicle Testing Station
- Drivers' Licence Section.

The Drivers' Licensing Section is based on issuing legal, valid and authentic Learners' Licences, Drivers' Licences and Professional Drivers' Permits (PDP).

The function of the Vehicle Testing Station is to ensure that all vehicles going through the Vehicle Testing Station (VTS) undergo roadworthiness to determine whether they are in a good condition and that they are roadworthy. In doing so, they are tested according to the compliance standards of the South African National Standards, (SANS) 1026:2017, SANS 10047:2009 and the National Road Traffic Act, (NRTA) Act 93/1993 .

Registration of vehicles must be in-line with Road Traffic Act (Act No. 93 of 1996). All relevant registration documents must be submitted and comply with the requirements of the Act.

All spheres of government must comply with the requirements of the National Road Traffic Act (Act 93 of 1996) and the Provincial Standards.

The targets that we set in this regard were to address service delivery objectives and the administrative efficiency of the Department in delivering an effective service to every individual who requires the service of the Department.

Targets and actuals were adapted during the period under review due to:

- Staff component. We have one vacant post and two officials that are suspended to perform their duties under driver's license section.

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- Drivers testing officers remain a problem, as the staff shortage has not been addressed and posts were not filled and there are currently two vacant posts..
- There has been an increase in the number of renewals due to an influx of people in and around Sol Plaatje municipal area.
- The challenge at the Vehicle Testing Centre is that we have four vacant posts, two examiners of vehicles and two Pit Assistants.
- Registration Authority (RA) Section
- One vacant post for E-Natis Principal Clerk

3.15.2 Motor Vehicle Licensing Objectives included in the IDP

Municipal Key Performance Area: Access to Basic Services and Infrastructure Development

Strategic Objectives	Key Performance Indicator	2022/23		2023/24
		Revised Target	Actual	Target
Service Provision	Process learner driver license applications	6 000	2 499	6 000
	Process driver license applications	3 600	2 244	3 600
	Test vehicles for roadworthiness to comply with the Act and SANS specifications	960	933	960
	Process of renewal applications of driver licenses of existing drivers and bi-annual renewal of PRDP (professional driving permit)	12 000	9 706	12 000

Table 105: Motor Vehicle Licensing Policy Objectives included in the IDP

3.15.3 Employees: Motor Vehicle Licensing and Registration

Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	Number				%
Municipal Manager and Senior Managers	1	1	1	0	0.0%
Other Managers	1	2	1	1	50.0%
Professionals	1	1	1	0	0.0%
Technicians & Trade Workers	3	6	3	3	50.0%

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Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	Number				%
Clerks & Administrative Workers	14	14	13	1	7.1%
Community and Personal Workers	7	15	7	8	53.3%
Service and Sales Workers	0	0	0	0	0.0%
Plant & Machine Operators	0	3	0	3	100.0%
Elementary Occupations	2	6	1	5	83.3%
Total	29	48	27	21	43.8%

Table 106: Employees: Motor Vehicle Licensing and Registration

3.15.4 Financial Performance: Motor Vehicle Licensing and Registration

Details	2021/22	2022/23			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	8 750	7 100	7 100	9 286	31%
Expenditure:					
Employees	12 165	14 637	14 637	12 318	-16%
Repairs and Maintenance	421	412	412	364	-12%
Other	129	363	363	115	-68%
Total Operational Expenditure	12 715	15 412	15 412	12 796	-17%
Net Operational Expenditure	3 966	8 312	8 312	3 511	-58%

Table 107: Financial Performance: Motor Vehicle Licensing and Registration

3.15.5 Capital Expenditure

There were no capital projects for the period under review.

3.15.6 Comment on Performance Overall

The department has been able to achieve the set performance objectives with limited resource availability. This achievement is largely due to the filling of critical vacancies and the improvement of staff morale to due to innovative team building exercises implemented during the period under review.

3.16 LIBRARY SERVICES

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3.16.1 Introduction to Libraries

VISION:

Kimberley Libraries: Dynamic, Welcoming, Safe, Easily Accessible Community Beacons - fulfilling informational and recreational needs of all.

MISSION:

Uplifting the community and enriching their lives through the power of information, literacy and recreation through collaboration, partnerships, emerging technologies, current and relevant library collections and a well-skilled, efficient workforce.

STRATEGIC OBJECTIVES

In order to fulfil our mission and realise our vision, we value and promote:

- Lifelong Learning
- Literacy
- Sufficient Collection Development
- Accessibility
- Partnerships
- Outreach and Marketing
- Efficient Operations
- Excellent Workforce
- Libraries as safe spaces

SERVICE POINTS (9 LIBRARIES)

- Kimberley Public Library
- Beaconsfield Public Library
- Hadison Park Public Library
- Greenpoint Public Library
- Judy Scott Public Library (Florianville)
- Sonny Leon Public Library (Roodepan)
- Ubuntu Public Library (Homevale)
- Galeshewe Public Library
- Africana Research Library

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All libraries also render outreach services to the schools and old age homes in the surrounding areas. Africana Research Library also works in collaboration with Sol Plaatje University.

The new library that was built in Greenpoint by the Department of Sport, Arts and Culture during the 2019/20 book year is still not operating. The recruitment process for 3 staff members (librarian, library assistant and a general worker) have not been finalized yet. Until the new library becomes operational the Municipality is still managing the depot library in Greenpoint.

STAFF COMPLIMENT

Full time staff complement: 34 (4 vacant and funded positions)

The *Cleaner* position at Beaconsfield Library was filled during February 2022 and the *Senior Librarian: Africana Library* retired at the end of February 2022. The following positions are still vacant: *Manager: Library Services, Librarian (Kimberley), Library Assistant (Judy Scott) and Senior Librarian (Head): Africana Library*

Temporary staff complement: 13 (2 vacant and funded positions)

Shift workers are appointed at the various libraries with the Conditional Grant Funding received from the Department of Sport, Arts and Culture. Two shift workers took up other positions in the municipality: 1 shift worker at Kimberley Library moved to Emergency Services in February 2022 and 1 shift worker at Beaconsfield Library moved to Supply Chain Management in June 2022. Two vacancies were filled during February 2022 - 1 at Kimberley Library and 1 at Sonny Leon Library.

Total 51 (6 vacant and funded positions)

A new library was built in Greenpoint by the Department of Sport, Arts and Culture during the 2019/20 book year. The opening of the library was planned for April 2020, but as a result of the National Covid-19 Pandemic and lockdown, the opening of the new library was put on hold. The Department is currently busy with the recruitment process for 3 staff members: librarian, library assistant and a general worker. When the library starts operating, the current Library in Greenpoint that is managed by Sol Plaatje Municipality will be closed and all the books will be transferred to the new library. The Department of Arts and Culture will inform us in due course when the library becomes operational.

KEY PERFORMANCE AREAS

- To establish a reading culture
- To provide a research service
- To provide an information service

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HIGHLIGHTS OF THE YEAR

During the year the libraries were still affected by the National Covid-19 Lockdown Restrictions, but nonetheless we still managed to do the following:

- Various displays were made at the different libraries during the year. Themes included: Spring, Heritage Day, Covid-19 Vaccination, Africa Day, Mothers' Day, International Museum Day, Herfs, Workers' Day, Library Week, Human Right's Day, Freedom Day, Easter, Valentine's Day, Love my library, Libraries – for the love of reading, World Read Aloud Day, Celebrate stories of love



Galeshewe



Sonny Leon



Beaconsfield



Kimberley

- The Library and Information Association's Annual Conference was held virtually from 27-30 September 2021 and was attended by Mess M Hough and B Nagel.
- A successful workshop, *Preventative conservation of photographs* were held on 28-30 September 2021 at Africana Library. The facilitators were Mr. Keith Seaford and Mr. Dieter Wickert-Luderman from the City of Cape Town. They are both known as the best Conservators in the country and were willing to present this workshop in Kimberley. 12 Delegates from different museums and libraries across South Africa attended.
- Lebogang Ditsebe from the Chaeli Campaign facilitated a few workshops in the Kimberley Library hall during October 2021. Afterwards the library was presented with a copy of the book, *Unapologetically Able* by Chaeli



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Mycroft. It is the life-story of Chaeli, a young disabled girl who has received the International Children's Peace Award.

- Various outreach and holiday programs were held at the different libraries during 2022. The programs included school visits for library orientation, story hours, arts and crafts, as well as virtual outreach programs on the Library Facebook pages where they uploaded videos and story reading sessions by Ms C Beylefeld and Dr M Zwiegers.



Galeshewe



Beaconsfield



Sonny Leon

- Ms Annelize Rowan (African Library) received her Bachelor of Information Science Degree on 5 November 2021 in Bloemfontein.
- Mrs Shirley James, Head: Africana Library, completed the upgrade on the John McGuire gravestone at the Dutoitspan Cemetery on 8 December 2021. This request was made by the McGuire family in Ireland. Mrs James previously assisted the family with the McGuire family research.
- Th The Community and Social Development Services Department held a Strategic Planning and Team Building Weekend from 21- 22 January 2022 at Raekofela. All Library Heads attended.
- The 13th Annual World Read Aloud Day was celebrated on 2 February 2022. Stories were Read Aloud for groups of children visiting the libraries. Videos were also uploaded to our different Library Face Book Pages. Africana Library also posted videos on their Facebook Page of stories being read aloud.



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- Mrs. M Hough attended an online training session about the POPI Act and how it applies to libraries on 17 February 2022. The session was facilitated by the Library and Information Association of South Africa's Special Libraries' Interest Group Free State (LISLIG).
- The Department of Sport, Arts and Culture is planning to build a new library in Galeshewe in the next 2 years. The first consultation meeting took place at Kimberley Public Library on 22 February 2022 and was attended by the Acting Manager, Mrs M Hough.
- SA Library Week was celebrated by all libraries during the week of 14-20 March 2022 with the theme: ReImagine! RePurpose! ReDiscover..... Libraries! The Library and Information Association of South Africa's Northern Cape Branch (LIASA NC) held a Library Week Launch Event at Kimberley Public Library with speakers from the Sol Plaatje University, Chaeli Campaign as well as a local Author and Life Coach, Mark Kotze. The Acting Manager: Libraries, Me M Hough, who is the Chairperson for LIASA NC, did an interview on Radio Teemaneng regarding Library Week on Monday 14 March 2022. During Library Week the Libraries also featured in the Diamond Fields Advertiser.



- Mark Kotze @ Library Week Launch Beaconsfield Staff at Library Week Launch



Puppet Show @ Library Week Launch



Radio Interview



DFA

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- Africana Library received several donations during the year. Some interesting donations include Mr Richard Oliver's *Tramways of Kimberley*, a photograph of the *Griqualand West Coloured Rugby Union, Rhodes Cup 1935* donated by Mr Mark Fredericks, a *Kimberley-Boshoff map dated early 1900's that shows the Pniel Mission* by, Extraordinary Professor at Sol Plaatje University and well-known author, Mr Brian Willan. St Cyprian Church donated all their church registers to the Africana Library for safeguarding due to their inability to preserve these valuable records. The donation consists of baptism and marriage registers from several towns in the Northern Cape.
- New Health and Safety Representatives were elected at each library. They attended an information session on 26 April 2022. This session was facilitated by Me M Sigenu, Occupational Health & Safety Practitioner. The training for the new Health and Safety Representatives commenced in May 2022.
- Mess M Hough and B Nagel attended a 7-day training course on Labour Relations from 9 – 17 May 2022.
- All Libraries in the Frances Baard District did Asset Verification of all moveable assets of DSAC e.g. IT equipment and furniture during May 2022.
- All Library Staff attended a meeting on 23 May 2022, facilitated by Me M van Zyl from staff development unit to discuss the new staff Regulations to be implemented from July 2022.
- Kimberley Public Library assisted the Department of Sport, Arts and Culture with library related training to Correctional Services Officials on 25 May 2022. The training was attended by seven correctional service officers from different correctional facilities in the Northern Cape. The training was facilitated by Mess M Noortman and J Bezuidenhout.
- The year was ended off with another successful workshop at Africana Library on *Paper Conservation* by the Conservators Mr. Keith Seaford and Mr. Dieter Wickert-Luderman from the City of Cape Town on 28- 30 June 2022.



GRANT FUNDING FROM THE DEPARTMENT OF SPORT, ARTS AND CULTURE

Kimberley Library and Research Services received an amount of R 8 300 000 grant funding from NC Department of Sport, Arts and Culture for the period July 2021 – June 2022. That is an increase of 6.4% from the previous financial year. This is a conditional grant and is being used to assist with the smooth daily operations of the library and research services. The Grant Funding was used for Staff salaries

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(permanent staff salaries are subsidised) and additional staff were appointed on contract (shift workers). It was also used for library outreach and marketing, security, maintenance, rental of Hadison Park Library's building, newspapers, magazines, stationary and other consumables, as well as staff development.

The Acting Manager: Libraries, Me M Hough, together with the Acting ED: CSDS, Me T Maropong, attended a Consultation Meeting at NC Provincial Library Services to discuss the New Business Plan and Reporting Template for the 2022/2023 Libraries Conditional Grant on 6 December 2021.

The Department of Sport, Arts and Culture hosted a Community Library Services Grant: 2021/22 Evaluation Meeting on Monday 30 May 2022 for the Frances Baard District Libraries. The meeting was attended by Me C Mazimba from Galeshewe Library, Me E Mpotsang (Financial Manager) and Mr KA Bogacwi (ED: CSDS).

3.16.2 Service Statistics for Libraries

Description	2019/20	2020/21	2021/22	2022/23
Book circulation	128 632	67 903	77 192	
Internet searches done by users	12 276	3 114	6 607	
Photocopies made	302 263	94 370	97 536	
Research completed successfully at Africana	892	1 071	1 218	
Magazine circulation	4 535	1 649	1 646	
Videos/cd's/art prints/puzzles circulated	784	365	412	
Faxes sent	6	0	0	
Enquiries handled	11 583	4 089	17 997	
Use of library halls	334	132	245	

Table 108: Service Statistics for Libraries

3.16.3 Library Services Policy Objectives included in the IDP

Municipal Key Performance Area: Access to Basic Services and Infrastructure Development

Strategic Objectives	Key Performance Indicator	2022/23		2023/24
		Revised Target	Actual	Target
Service Provision	Conduct awareness programme through monthly displays	60	105	60
	Conduct outreach programmes at all service points to indicate a reading culture	60	112	60

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Strategic Objectives	Key Performance Indicator	2022/23		2023/24
		Revised Target	Actual	Target
	Digitization of archival records for preservation and to provide access to electronic records for a wider research community by 30 June 2023	12 000	17 505	12 000
	Respond to enquiries received regarding research at Africana Library within 7 working days	90%	82.42%	90%
Governance	Spend approved library grant (actual expenditure divided by the approved grant)	100%	100%	95%
	Submit reports to the Portfolio Committee on new library activities	10	6	10

Table 109: Library Services Policy Objectives included in the IDP

3.16.4 Employees: Library Services

Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	Number				%
Municipal Manager and Senior Managers	1	1	0	1	100.0%
Other Managers	1	1	1	0	0.0%
Professionals	10	22	12	10	45.5%
Technicians & Trade Workers	0	0	0	0	0.0%
Clerks & Administrative Workers	1	1	1	0	0.0%
Community and Personal Workers	18	33	28	5	15.2%
Service and Sales Workers	0	0	0	0	0.0%
Plant & Machine Operators	1	1	1	0	0.0%
Elementary Occupations	7	7	7	0	0.0%
Total	39	66	50	16	24.2%

Table 110: Employees: Library Services

3.16.5 Financial Performance: Library Services

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Details	2021/22	2022/23			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
	R'000				
Total Operational Revenue	8 427	7 963	8 663	8 701	9%
Expenditure:					
Employees	15 339	16 322	16 322	16 085	-1%
Repairs and Maintenance	386	361	851	487	35%
Other	322	428	638	457	7%
Total Operational Expenditure	16 047	17 111	17 811	17 029	0%
Net Operational Expenditure	7 621	9 149	9 149	8 328	-9%

Table 111: Financial Performance: Library Services

3.16.6 Capital Expenditure

There was no capital expenditure for the period under review.

3.16.7 Comment on the Performance Overall

The Covid-19 pandemic continued to have a negative impact on the libraries' service delivery statistics and performance during 2021/2022. The libraries needed to adhere to the National Lockdown Levels announced throughout the year. Library Services were being rendered according to our Covid-19 working plan and only a certain number of people were allowed inside the different libraries at a time according to available space and type of service rendered. Library halls could not be used for the most part of the year and the use of the public internet computers were also restricted. See table below.

Library	Photocopies	Studying/Research (3-hour sessions)	ICT(PIA) (30-Minute sessions)
Africana	N/A	2	N/A
Beaconsfield	1	5 (4 children side / 1 adult side)	2
Galeshewe	1	15 (4 children side / 11 study hall)	2
Greenpoint	1	1	1
Hadison Park	1	1	N/A
Judy Scott	1	8 (2 children side / 6 study hall)	2
Kimberley	1	26 (2 children side / 24 adult side)	2

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Sonny Leon	1	4 (2 children side / 2 adult side)	1
Ubuntu	1	1	1

Old Age Homes could still not be visited due to the Covid-19 restrictions. During 2022 after the restrictions were lifted, we could accommodate more people at a time and more face-to-face outreach programs could be introduced again.

The physical usage of newspapers and magazines are still not at the capacity it was before National Lockdown started in March 2020. This is partly because some newspapers and magazines were ceased due to the impact of the National Corona Virus Pandemic. Some newspapers are now only available as digital copies e. g. Volksblad. Our users want access to especially the Volksblad newspaper since it is a local newspaper. We therefor subscribed to Media 24's online Network24 subscription service. This gives all libraries access to all Media 24 digital newspapers and magazines available.

Cable theft and vandalism is still a huge problem at Galeshewe, Judy Scott and Ubuntu Libraries and the ICT services and operational statistics are still being negatively impacted because of this.

3.17 SOCIAL DEVELOPMENT (HIV/AIDS)

3.17.1 Introduction to Social Development (HIV/Aids)

The Social Development Unit strives to reduce and ultimately end HIV and AIDS amongst SPM employees through ensuring that all personnel are fully informed about HIV and AIDS and related issues, including the workplace AIDS policy.

The Unit is also committed to providing the much-needed assistance to the SPM community requesting assistance for youth programmes, indigent burials and other poverty related programmes or projects.

3.17.2 Service Objectives for Social Development (HIV/Aids)

- To provide TB/STI/HIV/AIDS, Youth and Poverty Alleviation services within the Sol Plaatje Municipality as well as provide the employees of Sol Plaatje Municipality with a sustainable prevention, care, and support intervention of TB/STI/HIV/AIDS in a professional and respectful manner.
- Also ensuring the widespread knowledge and understanding of HIV and AIDS, to reduce infections and improve the lives of those infected. This is done by promoting innovative approaches, partnerships and action to inform and empower.
- To promote awareness campaigns and commemorate special awareness days according to the National Department of Health Activity Calendar.
- To always ensure the availability of condoms (male & female) in the workplace and community facilities.

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- To encourage the employees to know their HIV status by providing HST in the workplace and in the community.
- Aid with burials of indigent community members.
- Provision of support by peer educators and all relevant partner NGOs to infected and affected employees.
- Assist in improving the living conditions of the community, where possible, through poverty alleviation programmes.

3.17.3 Social Development (HIV/Aids) Objectives included in the IDP

Municipal Key Performance Area: Access to Basic Services and Infrastructure Development

Strategic Objectives	Key Performance Indicator	2022/23		2023/24
		Revised Target	Actual	Target
Service Provision	Distribute condoms to employees on a monthly basis	24 000	34 370	24 000
	Train Peer Educators to provide support to HIV positive employees and their families	7	33	7
	Conduct quarterly awareness campaigns for HIV, STI and TB	4	49	4
	Assist indigent families with burials	84	5	84
	Test employees for HIV/AIDS	12	192	12

Table 112: Social Development (HIV/Aids) Objectives included in the IDP

3.17.4 Employees: Social Development (HIV/Aids)

Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	Number				%
Municipal Manager and Senior Managers	1	1	1	0	0.0%
Other Managers	0	0	0	0	0.0%
Professionals	0	0	0	0	0.0%
Technicians & Trade Workers	0	0	0	0	0.0%
Clerks & Administrative Workers	2	2	2	0	0.0%
Community and Personal Workers	0	0	0	0	0.0%
Service and Sales Workers	0	0	0	0	0.0%
Plant & Machine Operators	0	0	0	0	0.0%

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Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	Number				%
Elementary Occupations	0	0	0	0	0.0%
Total	3	3	3	0	0.0%

Table 113: Employees: Social Development (HIV/Aids)

3.17.5 Financial Performance: Social Development (HIV/Aids)

Details	2021/22	2022/23			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	-	-	-	-	#DIV/0!
Expenditure:					
Employees	2 883	2 922	2 922	2 817	-4%
Repairs and Maintenance	94	133	111	106	-21%
Other	380	462	484	464	1%
Total Operational Expenditure	3 356	3 517	3 517	3 387	-4%
Net Operational Expenditure	3 356	3 517	3 517	3 387	-4%

Table 114: Financial Performance: Social Development (HIV/Aids)

3.17.6 Capital Expenditure

There was no capital expenditure for the period under review.

3.17.7 Comment on the Performance Overall

This unit plays an important function in assisting and supporting Municipal employees with TB/STI/HIV/Aids Prevention, Support and Care Programme while at the same time addressing contributing issues.

The HIV counselling and testing is mostly conducted with the assistance of NGOs, especially during awareness campaigns. Clients are constantly counselled on healthy living and treatment adherence. In terms of HIV-related deaths, it is still a challenge to get such information since such information is not disclosed to this unit.

COMPONENT E: ENVIRONMENTAL PROTECTION

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According to Section 156(2) of the Constitution, a municipality may make and administer bylaws for the effective administration of matters that it has the right to administer. Air pollution is listed as a matter in which local government has authority and national and provincial government may not compromise or impede a municipality's right to exercise its powers or perform its functions.

3.18 SUSTAINABLE ENERGY AND CLIMATE CHANGE UNIT (SECCU)

3.18.1 Introduction

The SECCU unit was moved to the Electricity Sub-directorate at the beginning of 2015. The two leading positions in SECCU are vacant now. This unit champions energy efficiency and climate change and facilitates the integration of the SPECCS within the Municipality.

This unit is currently not functioning. There is no budget allocation for this unit.

3.18.2 SECCU Objectives taken from IDP

There were no key performance indicators for the period under review.

3.18.3 Comment on performance overall

This unit is not functional. Currently all SSEG applications are being processed by the Electrical Department.

3.19 BIODIVERSITY

3.19.1 Introduction

Biodiversity is the totality of life on earth, all living organisms are connected to the circle of life for survival. Hence the Sol Plaatje Municipality supports the initiative, through its Integrated Environmental Management Programme (IEMP) as far as the National Environmental Management Act (NEMA), Act No. 107 of 1998, (NEMA) and the National Environmental Management Biodiversity Act (NEMBA), Act No. 10 of 2004, (NEMBA) is concerned i.e., for the protection and sustainable development use of the ecosystems and its' natural resources for the future generations to come.

The Biodiversity Section work with different stakeholders i.e., Government departments, local municipalities, NPOs, NGOs, Religious organisations etc. to ensure the environment and the natural resources within the Sol Plaatje Municipal jurisdiction are not harmed through illegal dumping, fire, air pollution etc., by raising awareness and educational campaigns to the broader communities of Kimberley, Galeshewe and surrounding areas through social media, i.e. Radio, flyers, banners, pamphlets etc.

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CHALLENGES

Financial constraints and lack of a fully-fledged biodiversity office to have its own budget and run its own programmes.

COMPONENT F: HEALTH

This component includes clinics and environmental health. Health is a state of complete physical, mental and social well-being and not merely the absence of disease.

The Integrated Chronic Disease Management model (ICDM) is a public health approach to achieve an optimal clinical outcome for patients with chronic communicable and non-communicable diseases

3.20 CLINICS

3.20.1 Introduction

Primary Health Care is the science and art of preventing disease, prolonging life and promoting health through the organized efforts and informed choices of society, organizations, public and private committees and individuals.

Total number of patients seen for the year: 202 651.

CHALLENGES

- Pharmacies at facilities needs to be extended and proper shelves installed for storage of bulk medication.
- Maintenance of buildings remains a challenge as the Maintenance Section itself is handling all maintenance of Sol Plaatje as well as attending to urgent repair-work at the clinics.
- The Department of Health is trying to render a security service at some of Sol Plaatje facilities to ensure the safety of patients and staff, due to violent behaviour of especially the mental health patients.
- In order to render the full basket of services to our communities, the clinic buildings need to be extended.
- Nurses still work outside their scope of practice, packing and distributing medication where there is no Pharmacist available. Pre-packing & labelling also done by Prof nurses in absence of a qualified Pharmacist.
- Due to staff shortages at the facilities, the morale between staff members still low, which lead to a high absenteeism rate.
- Medication especially immunizations & HIV testing kits, labels and pill packages are regularly out of stock.
- A proper computer services, with linkages from one clinic to another remains a challenge as patients use this situation to do clinic-hopping.

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- Occupational hazards, e.g., Tuberculosis, Extensively Drug Resistant TB, etc.
- Unplanned water-shutdowns lead to Jo-jo tanks not being refilled by Emergency Services or Waterworks as they are also experiencing challenges regarding the provision/distribution of water to the entire Kimberley area.
- Due to budget constraints, the ordering of stock for cleaning & stationary was only done once, monthly by facilities.
- Service of UV lights, fire equipment and problems encountered with the alarm systems must be sourced out, which took longer to rectify and placing an extra strain on the budget of the Section.

3.20.2 Service Data for Clinics

Description	2020/21	2021/22	2022/23	2023/24
	Actual			Estimate
The average number of patients visits on an average day	850	898	845	1 160
Total Medical Staff available on an average day	48	46	42	72
Average Patient waiting time (in minutes)	45-60	60-65	45-60	60-65
Number of HIV/Aids tests undertaken in the year	11 291	7 308	7 153	2 280
Number of tests in 4 above that proved positive	635	369	353	40
Number of children that are immunised at under one year of age	1 447	1 393	1 436	1 070
Child immunisations above compared with the child population under one year of age	No statistics available for the number of children in the population under one year of age.			

Table 115: Service Data for Clinics

3.20.3 Clinics Policy Objectives included in the IDP

Municipal Key Performance Area: Access to Basic Services and Infrastructure Development

Clinics report to Sol Plaatje and to the Department of Health. All monthly statistics and weekly reports are shared between Sol Plaatje and the Department of Health.

Strategic Objectives	Key Performance Indicator	2022/23		2023/24
		Revised Target	Actual	Target
Service Provision	Provide comprehensive primary health care including- maternal health care (Antenatal, postnatal, reproductive health, cervical screening, breast examination) and TOP referrals, curative-, rehabilitative- chronic services (HIV, ARV & TB Services) and	156 000	173 641	156 000

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Strategic Objectives	Key Performance Indicator	2022/23		2023/24
		Revised Target	Actual	Target
	mental health care to reach a head count of 80% of population by 30 June 2023			
	Promote health through preventative health education & immunization, IMCI and PMTCT to reach a head count of 80% of population by 30 June 2023	24 000	29 179	24 000

Table 116: Clinics Objectives included in the IDP

3.20.4 Employees: Clinics

Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	Number				%
Municipal Manager and Senior Managers	1	1	1	0	0.0%
Other Managers	0	1	0	1	100.0%
Professionals	5	71	2	69	97.2%
Technicians & Trade Workers	0	0	0	0	0.0%
Clerks & Administrative Workers	5	11	3	8	72.7%
Community and Personal Workers	0	0	0	0	0.0%
Service and Sales Workers	0	0	0	0	0.0%
Plant & Machine Operators	2	2	1	1	50.0%
Elementary Occupations	8	12	6	6	50.0%
Total	21	98	13	85	86.7%

Table 117: Employees: Clinics

3.20.5 Financial Performance: Clinics

Details	2021/22	2022/23			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	–	–	–	–	#DIV/0!
Expenditure:					
Employees	4 979	5 031	5 031	5 065	1%
Repairs and Maintenance	120	190	190	151	-20%

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Details	2021/22	2022/23			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Other	121	90	90	79	-12%
Total Operational Expenditure	5 220	5 310	5 310	5 295	0%
Net Operational Expenditure	5 220	5 310	5 310	5 295	0%

Table 118: Financial Performance: Clinics

3.20.6 Capital Expenditure

There was no capital expenditure for the period under review.

3.21 ENVIRONMENTAL HEALTH

3.21.1 Introduction to Environmental Health

Municipal Health Services (MHS) is entrenched in the Constitution of South Africa and is set out in legislation. The MHS is a highly regulated environment with the following functions:

- Food Safety
- Disease Control
- Environmental Assessments and Investigations
- Waste Management
- Pollution Control
- Occupational Health and Safety
- Chemical Safety
- Vector Control
- Water Quality Management

The primary approach within Environmental Health Services is the prevention and limitation of negative and adverse impacts on the health of our communities and the environment.

The Environmental Health Services has been functioning in the “trenches with contact tracing, awareness in communities, water safety and handling of human remains as the major points of focus. Funeral parlours, the actual burials/funerals, schools, Early Childhood Development (ECD) centres, homeless shelters and homes for the aged were also treated as priorities.

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This section has seven (7) permanent Environmental Health Practitioners (EHPs) and three (3) intern EHPs responsible for all the tasks and duties as per the scope of practice, as well as the additional workload. Should the national norm of one EHP per 10,000 of the population be achieved, this will entail a staff component of twenty-eight EHPs. Therefore the severe staff shortage continues and as such the negative impact thereof on service delivery continues. The function of Municipal Health Services (MHS) has been allocated to C municipalities, thus District Municipalities, however, due to similar lack of capacity, the Service Level Agreement between Frances Baard District Municipality and Sol Plaatje Local Municipality continues.

3.21.2 Service Statistics for Environmental Health

Description	2020/21	2021/22	2022/23
Persons given health/hygiene awareness – training in food safety	803	1 120	929
Inspection/investigations of food premises to ensure compliance with legislation	1 084	1 422	1 212
Environmental pollution control investigations	6	37	33
Water samples taken	370	692	464
Food samples taken	5	35	46
Inspections of complaints attended to ensure effective hygiene control	159	281	245
Vector control complaints attended to	2 662	3 187	2 653
Foodstuff condemned (unfit for human consumption)	1 340 kg	1 321.55 kg	8
Certificates of acceptability applications – Inspections new food premises	302	195	132
Inspections/investigations of general businesses	3 255	3 821	3 256
Building plan inspections approved	55	54	81

Table 119: Service Statistics for Environmental Health

3.21.3 Environmental Health Objectives included in the IDP

Municipal Key Performance Area: Access to Basic Services and Infrastructure Development

Strategic Objectives	Key Performance Indicator	2022/23		2023/24
		Revised Target	Actual	Target
Service Provision	Conduct health/hygiene awareness training sessions	240	929	48
	Conduct routine inspections and investigations to ensure compliance to legislation	1 200	1 212	1 200

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Strategic Objectives	Key Performance Indicator	2022/23		2023/24
		Revised Target	Actual	Target
	Conduct surveys, inspections and attend to complaints to ensure effective vector control	2 160	2 653	2 160
	Conduct investigations and inspections of food premises	1 800	3 256	1800

Table 120: Environmental Health Objectives included in the IDP

3.21.4 Employees: Environmental Health

Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	Number				%
Municipal Manager and Senior Managers	1	1	1	0	0.0%
Other Managers	1	4	0	4	100.0%
Professionals	6	24	8	16	66.7%
Technicians & Trade Workers	0	0	0	0	0.0%
Clerks & Administrative Workers	0	5	3	2	40.0%
Community and Personal Workers	0	1	1	0	0.0%
Service and Sales Workers	0	0	0	0	0.0%
Plant & Machine Operators	0	0	0	0	0.0%
Elementary Occupations	0	0	0	0	0.0%
Total	8	35	13	22	62.9%

Table 121: Employees: Environmental Health

3.21.5 Financial Performance: Environmental Health

Details	2021/22	2022/23			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
	R'000				
Total Operational Revenue	3 023	80	3 580	3 560	
Expenditure:					
Employees	9 555	9 589	9 589	10 115	5%
Repairs and Maintenance	430	251	3 751	215	-14%
Other	98	174	40	20	-89%

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Details	2021/22	2022/23			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Expenditure	10 083	10 015	13 380	10 350	3%
Net Operational Expenditure	7 059	9 935	9 800	6 789	-32%

Table 122: Financial Performance: Environmental Health

3.21.6 Capital Expenditure

There was no capital expenditure for the period under review.

3.21.7 Comment on the Performance Overall

The Service Level Agreement between Sol Plaatje Local Municipality and Frances Baard District Municipality is still in place and informs the delivery of Municipal Health Services within the area of Sol Plaatje Municipality be the Environmental Health Services Section of Sol Plaatje Municipality.

In order to ensure compliance with the National Norms and Standards and to deliver an effective service, the focus has been food safety, water quality monitoring and other high priority facilities and premises namely funeral parlours, schools, ECD centres, health facilities, facilities for the aged and complaints. With the mushrooming of tuckshops within all areas, a concerted effort was made to ensure compliance of such premises to requirements (R 638). This is a major challenge in the light of the Economic Development Section having secured a moratorium on the approval of new permits for tuckshops. This resulted in conflicting compliance to relevant Health Regulations and legislation. The resolution of this matter is still in process.

COMPONENT G: SECURITY AND SAFETY

This component includes Traffic Law Enforcement; emergency services; disaster management, licensing and control of animals, and control of public nuisances, etc.

3.22 TRAFFIC LAW ENFORCEMENT

3.22.1 Introduction to Traffic Law Enforcement

The Traffic Section is responsible to ensure a safe road environment by providing efficient and effective law enforcement resulting in the reduction in the loss of life as well as the number of persons injured on our roads and creating public awareness with emphasis to educate all road users.

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The main function of traffic services is to ensure the free flow of traffic and for all road users to arrive alive. For us to be successful in this objective one needs to ensure as a priority that:

- All vehicles that make use of the road are roadworthy
- The person in control of the vehicle must be driving fit
- Pedestrians are safe
- There is no overloading
- There is no drinking and driving
- Safety belts are worn

In order to achieve this our emphasis is placed on:

- Roadblocks
- Stopping and checking
- Speed and red traffic light law enforcement
- Hawkers
- Overloading of vehicles
- Taxis
- Parking offences in the CBD
- Drunk driving
- Escort of abnormal loads/processions
- Arrangements and policing of special events
- Execution of warrants of arrest
- Traffic related complaints
- Road signage and markings
- Traffic law administration
 - cashier services (payment of fines and miscellaneous payments)
 - data capturing
 - reporting and capturing of accidents
 - preparation of court dates
 - collecting and filing warrants of arrest
 - filing and safekeeping of all traffic court documents
 - representations

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- Accidents
- Transportation of dangerous goods
- The Gatherings Act (Act No. 203 of 1993)
- Building Plans
- AARTO Awareness

3.22.2 Service Statistics for Traffic Law Enforcement

Description	2019/20	2020/21	2021/22	2022/23
	Actual	Actual	Actual	Actual
Number of road traffic accidents during the year	2 249	2 597	0	2 792
Number of by-law infringements attended	22 547	18 095	28 159	37 476
Number of police officers in the field on an average day	34	34	33	35
Number of police officers on duty on an average day	42	41	40	40

Table 123: Service Statistics for Traffic Law Enforcement

3.22.3 Traffic Law Enforcement Objectives included in the IDP

Municipal Key Performance Area: Access to Basic Services and Infrastructure Development

Strategic Objectives	Key Performance Indicator	2022/23		2023/24
		Revised Target	Actual	Target
Service Provision	Facilitate regular stop and check points to improve road safety	72 000	15 919	6 000
	Conduct regular roadblocks to test the roadworthiness of vehicles conducted successfully in line with national initiatives	8	22	8
	Maintain road traffic signs and road markings in accordance with standards determined for SADC countries	70%	59,58%	Not a Target
	Monitoring and collection of outstanding fines on a monthly basis	40%	31,47%	40%
	Report monthly on accidents in Sol Plaatje municipal area to the ED and the Safety and Security Committee	12	12	12

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Strategic Objectives	Key Performance Indicator	2022/23		2023/24
		Revised Target	Actual	Target
	Conduct bi-annual Firearm Training in terms of Regulation 21	2	0	2
	Conduct public awareness programmes for the implementation of AARTO	2	0	2

Table 124: Traffic Law Enforcement Objectives included in the IDP

3.22.4 Employees: Traffic Law Enforcement

Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	Number				%
Municipal Manager and Senior Managers	1	1	1	0	0.0%
Other Managers	5	5	5	0	0.0%
Professionals	0	0	0	0	0.0%
Technicians & Trade Workers	2	9	2	7	77.8%
Clerks & Administrative Workers	17	18	16	2	11.1%
Community and Personal Workers	0	0	0	0	0.0%
Service and Sales Workers	47	53	50	3	5.7%
Plant & Machine Operators	1	1	0	1	100.0%
Elementary Occupations	13	18	13	5	27.8%
Total	86	105	87	18	17.1%

Table 125: Employees: Traffic Law Enforcement

3.22.5 Financial Performance: Traffic Law Enforcement

Details	2021/22	2022/23			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
	R'000				
Total Operational Revenue	12 210	10 190	10 190	15 873	56%
Expenditure:					
Employees	39 362	44 753	44 753	41 042	-8%
Repairs and Maintenance	1 185	1 751	1 711	1 464	-16%

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Other	667	1 215	1 255	743	-39%
Total Operational Expenditure	41 214	47 720	47 720	43 248	-9%
Net Operational Expenditure	29 004	37 530	37 530	27 375	-27%

Table 126: Financial Performance: Traffic Law Enforcement

3.22.6 Capital Expenditure

There was no capital expenditure for the period under review.

3.22.7 Comment on the Performance Overall

The vacant positions across the Traffic and Road Marking Technical Section continues to be a challenge.

Another ongoing challenge is the absence of an impoundment facility for the impoundment of illegal taxi's.

Speed law enforcement has been limited due to the ongoing legal case of the Prolaser 4. At monument we only have one camera running and there is not sufficient and effective speed law enforcement been done. The procurement of additional speed law enforcement equipment is essential.

The implementation of AARTO is still in abeyance and we are awaiting the outcome of the Constitutional Court regarding the pending court case. Mr K L Louw is still the custodian for AARTO representing this department.

3.23 EMERGENCY SERVICES (INCLUSIVE OF DISASTER MANAGEMENT)

3.23.1 Introduction to Emergency Services

Rendering of an all-inclusive effective emergency service (fire, rescue and disaster management activities) through the following sections Operational, Public Safety and Training and Logistical to the residents of Sol Plaatje Municipal Area.

3.23.2 Service Statistics for Emergency Services

Description	2019/20	2020/21	2021/22	2022/23
	Actual	Actual	Actual	Actual
Total fires attended in the year	368	870	820	756
Total of other incidents attended in the year	431	193	200	131
Average turnout time - urban areas	3 min (minimum 85% according to the SANS 10090, Community safety against fires)		496	644
Average turnout time - rural areas			323	115
Firefighters in post at year end	36	33	4141	41
Total fire appliances at year-end	6	6	3 x Pumper 2 x water tanker	3 x Pumper 2 x water tanker

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Description	2019/20	2020/21	2021/22	2022/23
	Actual	Actual	Actual	Actual
			1 x snorkel 3 x skid unit	1 x snorkel 3 x skid unit
The average number of appliances off the road during the year	3	3	1 x Pumper 2 x water tanker 1 x snorkel	1 x Pumper

Table 127: Service Statistics for Emergency Services

3.23.3 Emergency Services Objectives included in the IDP

Municipal Key Performance Area: Access to Basic Services and Infrastructure Development

Strategic Objectives	Key Performance Indicator	2022/23		2023/24
		Revised Target	Actual	Target
Service Provision	Conduct monthly fire safety/prevention inspections	720	763	720
	Present Fire safety/prevention programmes per annum	24	13	24
	Respond to 85% of emergency callouts within time limits as prescribed in table 1 and table 2 of SANS 10090 by 30 June 2023	85%	42.50%	85%
	Ensure 70% compliance with the National Disaster Management Tool by 30 June 2023	70%	73%	70%
	Manage commonage farms and offer support to emerging farmers	12	14	12
	Respond to all queries from community, SAPS and Traffic about free-roaming animals within the community	12	23	12

Table 128: Emergency Services Objectives included in the IDP

3.23.4 Employees: Emergency Services

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Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	Number				%
Municipal Manager and Senior Managers	1	1	0	1	100.0%
Other Managers	2	15	2	13	86.7%
Professionals	3	7	7	0	0.0%
Technicians & Trade Workers	2	2	2	0	0.0%
Clerks & Administrative Workers	6	10	5	5	50.0%
Community and Personal Workers	0	10	0	10	100.0%
Service and Sales Workers	40	79	40	39	49.4%
Plant & Machine Operators	0	0	0	0	0.0%
Elementary Occupations	8	16	7	9	56.3%
Total	62	140	63	77	55.0%

Table 129: Employees: Emergency Services

3.23.5 Financial Performance: Emergency Services

Details	2021/22	2022/23			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
	R'000				
Total Operational Revenue	12	300	300	402	34%
Expenditure:					
Employees	2 780	38 285	38 285	35 622	-7%
Repairs and Maintenance	287	2 588	2 588	2 482	-4%
Other	252	1 488	1 488	1 320	-11%
Total Operational Expenditure	3 319	42 361	42 361	39 423	-7%
Net Operational Expenditure	3 307	42 061	42 061	39 021	-7%

Table 130: Financial Performance: Emergency Services

3.23.6 Capital Expenditure

There was no capital expenditure for the period under review.

3.23.7 Comment on the Performance Overall

HIGHLIGHTS

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Some highlights for the Emergency Services through the financial year under review are:

- The Sol Plaatje Municipal Disaster Management Advisory Forum was established.
- We are a member of Fire Protection association Frances Baard District Municipality.
- The Homevale Satellite Fire Station is completed but they are challenges to be handed over to emergency services by project manager.
- The position of senior manager emergency services and mechanic were filled.

CHALLENGES

Some challenges for the Emergency Services for the financial year under review are:

- The vehicle fleet and equipment are old and need replacement. The average age of the firefighting vehicles in service are sixteen years, and the maintenance costs on the vehicles are escalating at an alarming rate. Due to the fact that most vehicles are imported, the availability of critical parts is a huge challenge causing extended downtime of vehicles and equipment. All our vehicles were out of operation for 4 months and we rented the loan vehicle from Marce'.
- Resources for the Homevale Satellite Fire Station. The vehicle was not delivered due to some technical issues from the supplier.
- The overtime issue is still a challenge and it create the unhappy and stressful workforce whereby they cannot take leave.

COMPONENT H: SPORT AND RECREATION

This component includes community Parks; Sports Fields; Sports Halls; Stadiums; Swimming Pools; Cemeteries and Campsites.

3.24 PARKS AND RECREATION

The provision of sport and recreational facilities, pleasure resort, parks and gardens and other horticultural services, community halls and to provide quality cemetery facilities and services to the residents of Sol Plaatje Municipal area.

3.13.4 Service Statistics for Parks and Recreation

The nature and extent of facilities provided are

Description	Number
Other community halls/facilities	10

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Description	Number
Cemeteries and crematoriums (crematorium private)	12
Sporting facilities – Stadiums	2
Sports fields (Community facility)	8
Caravan Park	1
Swimming pools	4
Parks, gardens, islands	83 (60 ha)
Pleasure resorts	4

Table 131: Service Statistics for Parks and Recreation

3.13.5 Parks and Recreation Objectives included in the IDP

Municipal Key Performance Area: Access to Basic Services and Infrastructure Development

Strategic Objectives	Key Performance Indicator	2022/23		2023/24
		Revised Target	Actual	Target
Service Provision	Conduct monthly inspections of the cemeteries according to the templates	132	121	KPI Reviewed
	Conduct monthly inspections of parks according to the templates	95%	87,08%	95%
	Remove alien vegetation trees as part of the maintenance and administration of parks, sports and recreational centres	312	399	312
	Maintain community halls monthly	84	101	KPI Reviewed
	Maintain swimming pools monthly according to specific standards	48	44	KPI Reviewed
	Maintain stadia monthly according to specific standards	24	24	KPI Reviewed
	Conduct monthly inspections of the resorts (Riverton, Langleg, Transka and Rekaofela)	48	61	KPI Reviewed

Table 132: Parks and Recreation Objectives included in the IDP

3.13.6 Employees: Parks and Recreation

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Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	Number				%
Municipal Manager and Senior Managers	1	1	1	0	0.0%
Other Managers	2	3	3	0	0.0%
Professionals	1	2	2	0	0.0%
Technicians & Trade Workers	13	16	16	0	0.0%
Clerks & Administrative Workers	17	18	16	2	11.1%
Community and Personal Workers	4	7	5	2	28.6%
Service and Sales Workers	6	33	25	8	24.2%
Plant & Machine Operators	31	39	17	22	56.4%
Elementary Occupations	178	200	110	90	45.0%
Total	253	319	195	124	38.9%

Table 133: Employees: Parks and Recreation

3.13.7 Financial Performance: Parks and Recreation

Details	2021/22	2022/23			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
	R'000				
Total Operational Revenue	3 372	3 875	3 875	4 075	5%
Expenditure:					
Employees	57 310	57 651	57 651	64 573	12%
Repairs and Maintenance	5 135	5 769	5 769	3 260	-43%
Other	882	1 050	1 050	847	-19%
Total Operational Expenditure	63 327	64 470	64 470	68 680	7%
Net Operational Expenditure	59 955	60 595	60 595	64 605	7%

Table 134: Financial Performance: Parks and Recreation

3.13.8 Capital Expenditure

There was no capital expenditure for the period under review.

3.13.9 Comment on the Performance Overall

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The Parks Section continued to provide horticultural and other services to the residents of Sol Plaatje. Water-wise gardening practices were introduced due to water challenges experienced. This included improved planning, a reduction in lawn areas and the use of drought tolerant plants. Water restrictions prompted the Parks Section to rethink the way forward such as additional park developments which were put on hold; existing parks, gardens and traffic islands developed in line with water-wise gardening practices. Refurbishment of Parks in line with available funding, which included a partnership with MISA (Municipal Infrastructure Support Agent). Botsang Park in Galeshewe was refurbished through this partnership. Own funding projects included playground and fencing repairs in Ipeleng Park, Kekana Park, Galeshewe and an extension to the existing fencing surrounding the Cenotaph in Du Toitspan Road. Contract appointment of community park workers was also prioritized during this period to improve the landscape maintenance of community parks in the respective wards. As an added service, the Parks Section provided bereaved members of the community with approximately 450 tons of firewood for cooking purposes for funerals. Bereaved families were also provided with spinach bundles supplied by Tariro Horticultural services, a SMME in food gardening, as part of Food Month which is observed annually in October.

Efforts are continuously made to repair and upgrade pleasure resorts albeit the challenges encountered. Pleasure resorts suffered from damage to municipal asset and property and subsequently lost on revenue generation as a result of the sluice gates that were opened at the Vaal dam to prevent flooding of the upstream areas. This led to the flooding of the pleasure resorts whereby resorts amenities submerged in the overflowing Vaal river which posed a risk to patrons and personnel. Day visitors could not be catered for the entire season while the temperatures were high creating a need to visit the resorts.

Cleaning of cemeteries has been ongoing and the section found itself in a predicament of having to deal with *erigeron canadensis* species, commonly known as horseweed, which was growing at an alarming rate at cemeteries. Clearing of cemeteries to get rid of this species damaged the machinery that are used for cutting grass. The section had to outsource the removal of these species at cemeteries that suffered most such as West-End and ABC cemeteries. Seven (7) contract workers who were appointed under the Parks' cleaning and greening project were transferred to cemeteries to accelerate the cleaning processes of cemeteries. One (1) cemetery worker was identified to with the piloting of the burial recordings app that was developed jointly with GIS/IT section. Due to poor safeguarding of cemeteries caused by the insufficient number of Access Controllers/Securities that were appointed in 2022, West-End, Roodepan, ABC and Phutanang suffered from theft and vandalism of municipal assets and properties such as fencing, office buildings, tools and machinery. Limited maintenance budget remains to be a challenge.

The section is grateful for the support received from Maintenance section by repairing the Roodepan swimming pool which got damaged during the COVID-19 pandemic. The pool was handed over in February 2023 but access could still

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not be given to the public as Mechanical section had to work on the filter pumps to ensure that the swimming pool water is clean and safe for use. Repairs of the Social Centre started after the requested additional funds were availed in March 2023. An additional nine (9) Access Controllers/Security were appointed in August 2022 which is still not sufficient in safeguarding all the hotspot areas that were identified. A vegetable garden was developed at the Recreation Hall which formed part of the Parks' Cleaning and Greening program which was initiated in the 2022/2023 financial year.

General challenges faced by the section which negatively affect service delivery include discipline, poor supervision and low literacy level of Supervisors, non-filing of vacancies, ageing and deteriorating infrastructure, lack of security which leads to theft and vandalism of municipal asset and property and limited funds budgeted for maintenance of facilities.

COMPONENT I: CORPORATE POLICY, OFFICES AND OTHER SERVICES

This component includes Communications, Human Resource and Employment Equity, Recruitment and Selection, Training and Organisational Development, Gender and Special Programmes, Research and Efficiency, Employee Relations, Risk Management, Security, Councillor Support, Administration and Committee Services.

3.25 CORPORATE SERVICES

Corporate Services provides support services to all departments, employees, as well as political offices, i.e., the Office of the Speaker and Office of the Executive Mayor.

It provides needed support services based on specialised knowledge, best practices, to advise and serve internal directorates on issues of governance and external clients.

The Corporate Services Directorate includes the following sections:

- Administration
- Security
- Risk Management
- Mayor's Office
- Committee Services
- Research & Efficiency
- Communication
- Gender & Special Projects

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- Employee Relations
- Speaker's Office
- Human Resource
- Organisational Development & Training
- EAP & Selection

3.25.1 Employees: Corporate Services

Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	Number				%
Municipal Manager and Senior Managers	1	1	1	0	0.0%
Other Managers	14	19	14	5	26.3%
Professionals	8	8	5	3	37.5%
Technicians & Trade Workers	0	0	0	0	0.0%
Clerks & Administrative Workers	48	93	36	57	61.3%
Community and Personal Workers	0	0	0	0	0.0%
Service and Sales Workers	40	48	41	7	14.6%
Plant & Machine Operators	6	12	7	5	41.7%
Elementary Occupations	18	39	19	20	51.3%
Total	135	220	123	97	44.1%

Table 135: Employees: Corporate Services

3.25.2 Financial Performance: Corporate Services

Details	2021/22		2022/23		
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	6 869	6 873	6 873	5 432	
Expenditure:					
Employees	62 016	67 560	67 560	63 300	-6%
Repairs and Maintenance	2 183	2 666	2 681	1 741	-35%
Other	74	4 193	3 005	2 576	-39%
Total Operational Expenditure	64 274	74 419	73 245	67 617	-9%

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Net Operational Expenditure	57 405	67 546	66 372	62 185	-8%
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Table 136: Financial Performance: Corporate Services

3.25.3 Capital Expenditure

There was no capital expenditure for the period under review.

3.25.4 Comment on the Performance Overall

Strategic performance indicates how well the Municipality is meeting its objectives and which policies and processes are working.

The municipality must also develop strategic plans and allocate resources for their implementation, which must be monitored on an ongoing basis and results must be reported on during the financial year to various role players to enable timeously corrective measures where required.

3.26 HUMAN RESOURCE SERVICES

3.26.1 Introduction to Human Resource Services

Dedicated and competent staff are fundamental for the municipality in achieving its goals and objectives. The municipality's biggest, and most important asset is its human capital; therefore, the municipality is committed to acquire, retain and develop the best human capital available in the market, and to make diligent efforts to develop and motivate all human capital towards a higher standard of performance. The municipality provides its employees with opportunities to attain their full potential and to serve at the highest level of responsibility consistent with his/her own interests, skills and abilities.

Human Resource at a strategic level provides management with effective and efficient strategic advice and support with reference to new and amended legislation, interpretation of policies, organisational change and sound labour relation practices.

3.26.2 Human Resource Services Objectives included in the IDP

Municipal Key Performance Area: Institutional Development and Capacity Building

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Strategic Objectives	Key Performance Indicator	2022/23		2023/24
		Revised Target	Actual	Target
Governance	Review the Human Resource Management Plan annually by 30 June 2023	1	0	1
	Achieve 72% compliance with the EAP Plan of the municipality by ensuring representation of the racial profile of the local authority on municipal level by 30 June 2023	72%	58%	72%
Governance	Evaluate all identified personnel in terms of the performance management system	2	1	2
	Co-ordinate bi-annual performance assessments of the municipal manager and managers reporting directly to the municipal manager by 30 June 2023	2	0	2
	Develop and sign performance agreements and performance development plans with all identified personnel before 31 August	100%	100%	KPI Reviewed
	Number of quarterly communications to the Executive Directors of the funded vacant positions	4	1	KPI Reviewed
Governance	Review the municipal organization structure annually by 30 June 2023	1	0	1
	Number of skills development programs implemented by 30 June 2023	2	2	KPI Reviewed

Table 137: Human Resource Services Objectives included in the IDP

3.26.3 Risk Management Resource Services Objectives included in the IDP

Municipal Key Performance Area: Institutional Development and Capacity Building

Strategic Objectives	Key Performance Indicator	2022/23		2023/24
		Revised Target	Actual	Target
Governance	To report quarterly on the progress of risk mitigation to the Accounting Officer and Executive Management Team (EMT)	4	4	4

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Table 138: Risk Management Resource Objectives included in the IDP

3.26.4 Communication Services Objectives included in the IDP

Municipal Key Performance Area: Good Governance and Public Participation

Strategic Objectives	Key Performance Indicator	2022/23		2023/24
		Revised Target	Actual	Target
Governance	To respond to all media enquiries and issue media statement within 24 hours after an occurrence	24	24	Not a Target

3.26.5 Financial Performance: Human Resource Services

Details	2021/22	2022/23			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
	R'000				
Total Operational Revenue	6 813	6 800	6 800	5 378	-21%
Expenditure:					
Employees	18 935	22 040	22 040	18 860	-14%
Repairs and Maintenance	177	351	366	251	-28%
Other	1 206	2 839	2 824	1 100	-61%
Total Operational Expenditure	20 317	25 230	25 230	20 211	-20%
Net Operational Expenditure	13 504	18 430	18 430	14 833	-20%

Table 139: Financial Performance: Human Resource Services

3.26.6 Comment on the Performance Overall

Performance management is a process that measures the implementation of the organisation's strategy. It is also a management tool to plan, monitor, measure and review performance indicators to ensure efficiency, effectiveness and the impact of service delivery by the municipality. At local government level performance management is institutionalised through the legislative requirements on the performance management process for Local Government. Performance management provides the mechanism to measure whether targets meet the strategic goals, set by the organisation.

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The Municipal Systems Act (MSA), Act No. 32 of 2000, requires municipalities to establish a performance management system. Further, the MSA and the Municipal Finance Management Act (MFMA) requires the Integrated Development Plan (IDP) to inform the municipal budget and to be monitored for the performance of the budget against the IDP via the Service Delivery and the Budget Implementation Plan (SDBIP).

In addition, Regulation 7 (1) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 states that

“A Municipality’s Performance Management System entails a framework that describes and represents how the municipality’s cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role players.”

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

Bearing this in mind, the need for local government service is forever increasing whilst the affordability of services is declining. However, the municipality has managed to achieve a targeted ratio of employee costs against total expenditure as indicated in the table below.

Operating Ratio				
Description	2020	2021	2022	2023
Employee costs as a % of total expenditure	33.74%	33.52%	39.45%	30.71%

Table 140: Employee Operating Ratio

3.27.1 FINANCIAL SERVICES

3.27.1 Introduction to Financial Services

Commented [Jv1]: Finance to update CFO

The Chief Financial Officer heads the Financial Services Directorate, with seven divisions in the directorate. The divisions are as follows:

- Revenue Management and Billing
- Expenditure Management and Payroll
- Supply Chain Management
- Assets Management
- Budget and Treasury Office
- Information Communication and Technology

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- Debtors Management.

The financial services directorate is responsible for the implementation and compliance with Municipal Finance Management Act, Act No. 56 of 2003, the Municipal Property Rates Act, Act No. 6 of 2004, as amended, the Municipal Systems Act, Act No. 32 of 2000, as amended, Fiscal Powers and Functions Act, Act No. 12 of 2007, the Division of Revenue Act, to mention but a few.

During the 2022/23 financial year, there were 225 employees against staff establishment with 247 positions in the directorate, with cashiers and other services operating at eight service centres for the convenience of the public.

Commented [CC2]: HR to please confirm totals

The directorate is responsible for ensuring general compliance with supply chain management policy of the municipality, whilst the expenditure section identifies any irregular expenditure that may have been incurred as a result of non-compliance.

The directorate submitted the General Valuation Roll 2019 in term of section 49 (1) of the Local Government: Municipal Property Rates Act 6 of 2004 (as amended Act 29 of 2014) on 30 January 2019 that became effective 1 July 2019. All objections were processed, and notifications were sent out according to sections 52 and 53 of the MPRA. Appeal process proposed for September 2021. The general valuation roll for 2019 shall remain valid for a four-year period ending 30 June 2023, except for amendments to existing properties or new developments, whereby supplementary valuations are conducted throughout each financial year.

Supply chain management division provides secretariat function for all the bid committees as set-up by the Municipal Manager. The Municipal Manager also appointed an ICT Steering Committee, the Asset Disposal Committee and the Insurance Committee all chaired by the Chief Financial Officer or his/her delegate. These committees have terms of reference and report to the Executive Management Team and Council, through various committees that exercise oversight on these issues.

The municipality implements consolidated billing and our key billing objectives are as follows:

- Customer information management to ensure accuracy of information and billing
- Timely billing to ensure improved payment levels
- Efficient bill notification procedures, reaching the customer
- Proper and accurate billing for rates based on the category and land use
- Proper tariff for each property category
- Accessibility through properly resourced service centres
- And fast and friendly customer interface (Cashiers, Indigents, and Debt Collection)

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The table below represents revenue billed during the 2022/23 financial year:

Description	2021/22	2022/23			2022/23 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjust. Budget
	R'000				%	
Property rates	599 898	627 646	610 074	610 991	-2,7%	0,2%
Service Charges - electricity revenue	728 486	919 854	899 854	755 677	-18%	-16%
Service Charges - water revenue	273 280	310 717	305 717	272 860	-12%	-11%
Service Charges - sanitation revenue	83 392	81 700	93 500	90 568	11%	-3,1%
Service Charges - refuse revenue	60 632	60 940	69 080	67 598	11%	-2%
Service Charges – other	0	0	0	0		
Rentals of facilities and equipment	16 755	13 010	25 896	26 000	100%	0%
Interest earned - external investments	3 125	6 000	6 000	8 550	42%	42%
Interest earned - outstanding debtors	131 160	156 500	156 500	199 982	28%	28%
Dividends received	0	0	0	0		
Fines	15 405	27 730	35 730	59 462	114%	66%
Licenses and permits	8 532	6 850	6 850	9 021	32%	32%
Agency services	0	0	0	0		
Transfers recognised – operational	236 646	258 117	266 031	264 657	3%	-1%
Other revenue	16 821	18 145	20 745	16 939	-6,6%	-18%
Gains on the disposal of PPE	1 134	0	0	5 891		
Total Revenue (excluding capital transfers and contributions)	2 175 267	2 487 209	2 495 977	2 388 196	-4%	-4%
Capital Grants	123 667	134 338	133 188	108 149	-19,5%	-19%
Public contributions & donations	165 449			3 387		
Total Revenue	2,464,382	2,621,547	2,629,165	2,499,732	-5%	-5%

Table 141: Revenue Billed

Commented [CC3]: Updated total revenue

3.27.2 Debt Recovery

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Details of the types of accounts raised and recovered	2020/21		2021/22				2022/23	
	Actual for accounts billed in year	Proportion of accounts value billed that were collected in the year	Budgeted Billed for the Year	Actual for accounts billed in year	Actual Receipts	Proportion of accounts value billed that were collected	Estimated outturn for accounts billed in the year	Estimated Proportion of accounts billed that were collected
	R'000	%	R'000			%	R'000	%
Property Rates	599 898	68%	584 108	599 898	407 759	68%	627 646	85%
Electricity – B	8 658	59%	3 689	8 658	5 067	59%	9 403	85%
Electricity – C	396 452	92%	519 484	396 452	366 686	92%	626 101	85%
Electricity Prepaid	254 197	100%	243 059	254 197	254 197	100%	284 350	100%
Water – B	2 588	20%	4 222	2 588	528	20%	2 692	85%
Water – C	256 568	64%	274 404	256 568	164 617	64%	308 025	85%
Sanitation	78 186	56%	71 175	78 186	44 059	56%	81 700	85%
Refuse	56 401	62%	53 984	56 401	34 820	62%	60 940	85%
Other	147 661	100%	209 837	147 661	147 738	100%	153 568	85%

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. For 2022/23 financial year the average collection rate is budgeted at 85%.

Table 142: Debt Recovery

Commented [CC4]: I must still finalise this table

3.27.3 Financial Services Objectives included in the IDP

Municipal Key Performance Area: Sound Financial Management / Good Governance and Public Participation

Strategic Objectives	Key Performance Indicator	2022/23		2023/24
		Revised Target	Actual	Target
Governance	Submit an Audit Action Plan to the Municipal Manager to address issues raised by the Auditor General within (30) days after the end of the audit annually	1	0	1
Governance	Ensure that the actual spending on employee related costs does not exceed 33% of the total expenditure by 30 June 2023 (Employee Related Costs and Councillor's Remuneration) /Total Operating Expenditure x100)	33%	31,92%	33%
Governance	Improve revenue enhancement by ensuring a collection rate of 85% after debt write off by 30 June 2023 as per the MFMA, Circular 71 (Gross Debtors Closing Balance + Billed	85%	70%	KPI Reviewed

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Strategic Objectives	Key Performance Indicator	2022/23		2023/24
		Revised Target	Actual	Target
	Revenue - Gross Debtors Opening Balance - Bad Debts Written Off) /Billed Revenue x 100)			
Governance	Achieve the cost coverage ratio of 1 month annually by 30 June 2023 ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets))	1	0.56:1	01:01
	Maintain the debt coverage ratio of 2:1 against net assets of the municipality by 30 June 2023 (Current Assets / Current Liabilities)	2.1	1:1,53	02:01
	Reduce net debtor days to 300 days by 30 June 2023 (((Gross Debtors - Bad debt Provision)/ Actual Billed Revenue)) × 365)	300	327	300
	To spend 85% of the Capital Budget (including VAT) on capital projects identified in terms of the IDP by 30 June 2023 (Total actual capital project expenditure, including VAT / total capital project budget x 100)	90%	95%	90%
	To spend at least 85% of the Capital Budget (including VAT) on capital projects identified in terms of the IDP by 30 June 2023	85%	68%	90%
Governance	An approved GVR signed by the Municipal Manager for the billing of rates and taxes by 30 June 2023	1	1	Not a target
	To recover debt owed to the Municipality by achieving an 85% collection rate by 30 June 2023 (Receipts / billing x 100)	85%	78,20%	Not a Target
	Perform an annual cost analysis for each trading services for the new budget by 31 March	4	4	1
	100% Elimination of Unauthorized expenditure by 30 June 2023	0%	0%	100%

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Strategic Objectives	Key Performance Indicator	2022/23		2023/24
		Revised Target	Actual	Target
	% Submission of financial and non-financial mSCOA reports on the Go MUNI web based application by the set deadlines provided by National Treasury. (All reports to be uploaded within 10 working days after the month-end)	100%	95,92%	100%
	Council Approval of a practical and implementable Financial Recovery Plan that will assist in reducing trade creditors and liquidity of the municipality by 30 June 2023	1	1	Not a Target
	100% Elimination of Fruitless & wasteful expenditure by 30 June 2023	0%	1%	100%
	75% Reduction of Irregular expenditure by 30 June 2023	25%	24%	75%

Table 143: Financial Services Objectives included in the IDP

3.27.4 Employees: Financial Services

Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	Number				%
Municipal Manager and Senior Managers	1	1	1	0	0.0%
Other Managers	15	16	12	4	25.0%
Professionals	17	17	13	4	23.5%
Technicians & Trade Workers	10	10	3	7	70.0%
Clerks & Administrative Workers	141	141	94	47	33.3%
Community and Personal Workers	23	26	25	1	3.8%
Service and Sales Workers	0	0	0	0	0.0%
Plant & Machine Operators	0	0	0	0	0.0%
Elementary Occupations	26	36	26	10	27.8%
Total	233	247	174	73	29.6%

Table 144: Employees: Financial Services

3.27.5 Financial Performance: Financial Services

Details	2021/22	2022/23
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	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	610,429	648,238	651,552	670,519	3%
Expenditure:					
Employees	110,616	136,284	136,284	113,260	-17%
Repairs and Maintenance	2,728	2,487	2,487	3,091	24%
Other	12,786	18,633	19,663	14,897	-24%
Total Operational Expenditure	126,129	157,404	158,434	131,248	-17%
Net Operational Expenditure	(484,299)	(490,834)	(493,118)	(539,271)	9%

Table 145: Financial Performance: Financial Services

3.27.6 Capital Expenditure

There was no capital expenditure for the period under review.

3.27.7 Capital Expenditure Other

“Other” refers to projects that were budgeted for under Capex, but which were not specifically linked to a service but rather broadly beneficial to the municipality.

Capital projects	2022/23					
	Budget	Adjustment budget	Actual expenditure	Variance from original budget	Variance from adj budget	Total project value
	R'000			%		R'000
Furniture and Office Equipment	3,000	3,000	–	-100%	-100%	
Total	3,000	3,000	–	-100%	-100%	

Table 146: Capital Expenditure: Other

Current Ratio	30 June 2021	30 June 2022	30 June 2023
Current assets	1 796 992	2 054 100	2 102 869
Current liabilities	640 169	1 163 675	1 377 251
Ratio 1:2 (Ideal)	2.81	1,77	1,53

Table 147: Current Ratio

The liquidity ratio reflects the relationship between the current assets less inventory and current liabilities of the municipality.

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Liquidity Ratio	30 June 2021	30 June 2022	30 June 2023
Current assets	1 796 992	2 054 100	2 102 869
Inventory	37 891	74 454	82 694
Current liabilities	640 169	1 163 675	1 377 251
Ratio 1:2 (Ideal)	2,75	1,70	1,47

Table 148: Liquidity Ratio

3.28 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

3.28.1 Introduction to ICT

The ICT Unit provides a comprehensive range of services to the Municipality. Such services include but are not limited to the following:

- 1 Network Services:**
 - Local and wide area network services using wired and wireless technologies.
 - Implementation of advanced network security measures.
 - Network performance monitoring and optimization.
- 2 Email and Collaboration Services:**
 - Secure sending and receiving of emails.
 - Integration of advanced collaboration tools for team communication.
 - Calendar and scheduling functions with seamless integration across devices.
- 3 Information Sharing and Document Management:**
 - Efficient sharing of restricted and public folders based on user permissions.
 - Implementation of document version control and revision history.
 - Integration with cloud-based storage solutions for easy access and backup.
- 4 User Authentication and Access Control:**
 - Enhanced login services for improved PC security and traceability.
 - Implementation of multi-factor authentication for user accounts.
 - Regular security audits and updates to prevent unauthorized access.
- 5 Internet and Network Security:**
 - Provisioning of secure and reliable internet access.
 - Bandwidth management and optimization to ensure efficient network usage.
 - Implementation of robust firewalls and intrusion detection systems.
- 6 File Storage and Backup Services:**
 - Provisioning of secure and scalable file storage solutions.
 - Regular backups and disaster recovery planning for business continuity.

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- Integration with cloud-based storage for off-site backups and easy file access.
- 7 Desktop and Endpoint Services:
- Provisioning of modern desktop computers and thin clients.
 - Configuration and maintenance of endpoint security solutions.
 - Regular software updates and patches for optimal performance.
- 8 User Support and Help Desk Services:
- Dedicated help desk services for prompt assistance with computer tasks.
 - Remote troubleshooting and support for user issues.
 - User training and workshops to enhance computer literacy.
- 9 Hosting and Cloud Services:
- Provisioning of secure and redundant environments for hosting software systems.
 - Integration with cloud-based hosting platforms for scalability and flexibility.
 - Monitoring and management of hosted systems for optimal performance.
- 10 Backup, Archiving, and Business Continuity:
- Implementation of robust backup and archiving solutions.
 - Disaster recovery planning and regular testing of backup systems.
 - Provisioning of secure environments for hardware and network services.
- 11 Geographic Information System (GIS) Services:
- Provisioning of an integrated GIS for community-based technology solutions.
 - Data collection, analysis, and visualization for informed decision-making.
 - Integration with other municipal systems for seamless data sharing.
- 12 Software Maintenance, Development, and Support:
- Development and enhancement of software systems tailored to municipal needs.
 - Regular maintenance and updates to ensure optimal system performance.
 - Centralized support for user issues and interaction with system suppliers/vendors.
- 13 System Installation and Accreditation:
- Evaluation and installation of upgrades and new systems.
 - Accreditation of systems based on industry standards and best practices.
 - Testing and validation of new systems for compatibility and performance.
- 14 Hardware Infrastructure Services:
- Provisioning and management of hardware infrastructure for networks and systems.
 - Regular hardware maintenance, upgrades, and replacements.
 - Monitoring and optimization of hardware resources for optimal performance.

3.28.2 Service Statistics for ICT

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The nature and extent of facilities provided are:

Description	2019/20	2020/21	2021/22	2022/23
Service Requests handled	3 054	4 492	3 450	1460
Average network uptime	99.5	99.6	Not a target	Not a target
Mission-critical production server uptime	99.83	99.93	Not a target	Not a target

Table 149: Service Statistics for ICT

3.28.3 ICT Objectives included in the IDP

Municipal Key Performance Area: Good Governance & Public Participation/Institutional Development and Capacity Building

Strategic Objectives	Key Performance Indicator	2022/23		2023/24
		Revised Target	Actual	Target
Governance	Approved ICT Governance framework by 30 June 2023	1	1	Not a Target
	% Implementation of a municipal Cyber security Strategy by 30 June 2023 as per the Annual Implementation Plan	100%	69,85%	Not a Target

Table 150: ICT Objectives included in the IDP

3.28.4 Employees: ICT

Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	Number				%
Municipal Manager and Senior Managers	1	1	0	1	100.0%
Other Managers	0	2	2	0	0.0%
Professionals	2	4	2	2	50.0%
Technicians & Trade Workers	2	8	3	5	62.5%
Clerks & Administrative Workers	2	5	1	4	80.0%
Community and Personal Workers	0	0	0	0	0.0%
Service and Sales Workers	0	0	0	0	0.0%
Plant & Machine Operators	0	0	0	0	0.0%
Elementary Occupations	0	0	0	0	0.0%

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Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	Number				%
Total	7	20	8	12	60.0%

Table 151: Employees: ICT

(Note) ICT is part of Finance, however the above figures are not included in Finance Employee figures.

3.28.5 Financial Performance: ICT

Details	2021/22	2022/23			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
	R'000				
Total Operational Revenue	–	–	–	–	0%
Expenditure:					
Employees	7,928	10,683	10,683	7,003	-34%
Repairs and Maintenance	204	500	500	442	-12%
Other	2,738	5,404	6,224	6,124	-2%
Total Operational Expenditure	10,869	16,587	17,407	13,569	-22%
Net Operational Expenditure	10,869	16,587	17,407	13,569	-22%

Table 152: Financial Performance: ICT

3.28.6 Comment on the Performance Overall

In the year 2022/23, ICT demonstrated its commitment to service excellence through the following initiatives:

1. By transitioning to in-house telecommunications management and implementing a cutting-edge enterprise VOIP solution, in partnership with a top-tier VOIP service provider, the municipality realized a substantial reduction in its average monthly telephony costs by approximately 70% for the year. From the second year forward, projected savings are expected to reach 90% plus. This strategic overhaul not only optimized the municipality's communication networks but also significantly enhanced its financial health by substantially lowering operational costs. This move demonstrates the municipality's dedication to harnessing innovative technology to achieve operational superiority and maximize cost efficiency.

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2. The municipality has successfully upgraded its Microsoft License from M365 E3 to M365 E5, significantly enhancing its security capabilities and fortifying its defences against the continually evolving landscape of cyber threats. This strategic upgrade ensures access to more advanced security features, offering a robust protection framework to safeguard sensitive data and infrastructure.
3. The municipality upgraded its network infrastructure by replacing a total of 205 switches and wireless network access points, setting a robust foundation for the forthcoming deployment of a Network Access Control (NAC) system. This pivotal enhancement prepares the municipality's environment for enhanced security measures and streamlined network management, positioning it for future technological advancements and improved network security protocols.
4. To significantly boost the efficiency of customer-facing staff and, as a result, improve the overall customer experience, the municipality upgraded the hard disk drives (HDDs) in these users' devices with state-of-the-art solid-state drives (SSDs). This strategic update not only accelerates system performance and responsiveness but also demonstrates the municipality's commitment to leveraging advanced technology for operational excellence and superior service delivery.

Moreover, the municipality made significant advancements in strengthening both corporate governance and the governance of ICT services. A series of meticulously developed policies, frameworks, and strategic plans have been ratified for implementation, including:

- Corporate Governance of Information and Communications Technology Policy and Charter.
- Governance of Information and Communications Technology Framework.
- Information and Communications Technology Management Framework.
- 5-year ICT Strategic plan aligned with the IDP (Integrated Development Plan) that necessitates restructuring and capacity building of the ICT Section.
- Information and Communications Technology Access Management Policy.
- Information and Communications Technology Acceptable Use Policy.
- Information and Communications Technology Backups and Restores Policy.
- Information and Communication Technology Change Management Policy and Change Control Form.
- Information and Communication Technology Change Management Policy and Change Control Form.
- Information and Communication Technology Cybersecurity Strategy.

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- Information and Communication Technology Incident Response Procedure.
- Information and Communications Technology Planning, Process, and Controls.
- Information and Communication Technology Project Management Methodology and Business Case Template.
- Information and Communications Technology Supplier Management Methodology with accompanying draft Master and Service Level Agreement Templates.
- Information and Communication Technology System Development Life-Cycle Methodology.
- Information and Communications Technology User Tools of Trade Policy.
- Information and Communications Technology Work from Home Policy.
- Updated Risk Register to encompass all the above.

In keeping with our comprehensive ICT strategic planning, both an ICT Strategic Plan and a meticulously developed 5-year enabling roadmap have received endorsement for execution. Additionally, to ensure the resilience and uninterrupted operation of our ICT services, a comprehensive ICT Continuity Management Plan and Strategy have been formally approved. This forward-thinking approach guarantees not only the sustainability of our ICT infrastructure but also its adaptability in the face of evolving technological landscapes and potential disruptions.

As the landscape of technology undergoes rapid evolution, our ICT department steadfastly commits to maintaining stride with these advancements through the continuous development of our workforce and the elevation of the services we render. Below is a detailed overview of our strategic objectives and initiatives slated for the forthcoming 2023/24 fiscal year, encapsulating our dedication to embracing innovation, fostering professional growth, and delivering exceptional service quality in an ever-changing technological arena.

3.28.7 Objectives for the 2023/24 Financial Year

Subject to the availability of funds, the targeted goals for the 2023/24 fiscal year are delineated into specific sectional objectives as outlined below:

1. Erect a 55-meter radio mast at the Kimberley Fresh Produce Market, which will serve as the central hub for the municipality's extensive area radio network. In conjunction with this, there will be a comprehensive upgrade of the entire radio network to carrier-grade equipment. This initiative is designed to completely overhaul the municipality's radio network architecture. The primary objectives of these developments are to mitigate radio frequency interference that currently undermines network stability across Kimberley, refine the network's design by integrating redundancy measures, and enhance reliable communication channels while

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also increasing bandwidth. This strategic enhancement is geared towards bolstering the robustness and efficiency of the municipality's communication infrastructure.

2. Enhance the municipality Storage Area Network (SAN) by integrating solid-state technology. This upgrade aims to significantly improve data storage efficiency, access speed, and overall system reliability, marking a pivotal step towards modernizing and optimizing the municipality's data management infrastructure.
3. Deploy a cutting-edge IT Service Management (ITSM) system, aiming to elevate operational efficiency, service excellence, and customer satisfaction. This strategic initiative will harness automation to streamline tasks, standardize procedures, and offer comprehensive insights into IT operations. It is designed to bolster compliance, augment risk management strategies, achieve significant cost savings, and improve the management of changes within the IT landscape. Furthermore, this ITSM implementation seeks to synchronize IT services with overarching business objectives, thereby driving innovation and equipping the organization to navigate the evolving technological terrain effectively.
4. Bolster resilience and operational continuity across key sites by implementing a series of objectives: installing appropriate inverter systems at all network high sites, municipal clinics, and cash points, each complemented by dedicated power circuits to ensure reliable power supply. Additionally, the plan includes outfitting selected sites with the capability to remain operational for up to four hours during power outages, leveraging the longevity of inverter systems combined with lithium batteries, which notably outperform traditional UPS systems with a lifespan of 10-15 years. To safeguard these critical infrastructures against looting and vandalism, a robust security framework comprising fit-for-purpose perimeter defences, advanced alarm and surveillance systems, and integrated armed response services will be established, ensuring the safety and integrity of municipal operations.

3.29 SUPPLY CHAIN MANAGEMENT SERVICES

3.29.1 Priorities and Achievements

To effectively prioritize and achieve improvements in a supply chain, it's essential to focus on key areas that align with organizational goals and objectives. Supply Chain Management (SCM) enhances customer satisfaction by improving order fulfilment, improving delivery time, and providing exceptional service. Increased customer relationship. However, all these priorities are important and therefore the management task of various needs in the supply chain will differ accordingly to impact the relevant supply chain processes on the creation and delivery of consumer value.

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SCM implies optimized performance from all supply chain members across all processes and activities and ultimately the development of consumer-driven performance measures aimed at ensuring the continuous improvement of the supply chain.

3.29.2 Measures to Improve Performance and Achievements

Improving the performance and achievements of a supply chain involves implementing strategies and measures to enhance efficiency, responsiveness, and overall effectiveness. Supply Chain Integrate different functions within the supply chain, such as Demand, Acquisition, Logistics and disposal, risk and performance. To achieve a Supply Chain management that is efficient and efficient it required capacity and competency staff with experience and s getting more difficult by the day. For good results to be achieved in Supply Chain Management, a comprehensive control system is necessary to ensure effective and efficient performance measurement right through the Supply Chain Unit, but care should be exercised not to limit the authority of managers. Tighter cross-functional co-operation can now be the best tool to improve performance and achievements. Key performance indicators for Supply Chain Performance Measurements should be included in all cross-functional Managers Performance Contracts.

There is a great need for our Information Technology function to support SCM with platforms and applications. At this stage, human error is playing a far too big role. To eliminate this kind of risk, the municipality should seriously and urgently look at procuring an electronic system. The electronic system will also assist in achieving real-time reports, which will provide valuable insight and will allow management to improve the critical decision-making process and reduce human error. Currently part of the process is done electronically, and requisitions of orders are generated electronically. Contracts are captured on the system and can be viewed with ease.

3.29.3 Supply Chain Management Objectives included in the IDP

Municipal Key Performance Area: Local Economic Development/Sound Financial Management

Strategic Objectives	Key Performance Indicator	2022/23		2023/24
		Revised Target	Actual	Target
Spatial Transformation Inclusive Growth	To improve the SCM turnaround time to 12 weeks for annual contracts from closing date to date of award by 30 June 2023 (Number of tenders received divided by number of weeks to award)	12 weeks	13,50 weeks	Not a Target

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Strategic Objectives	Key Performance Indicator	2022/23		2023/24
		Revised Target	Actual	Target
	To improve the SCM turnaround time to 6 weeks for once off contracts from closing date to date of award by June 2023 (Number of tenders received divided by number of weeks to award)	6 weeks	9 weeks	Not a Target
Governance	Implementation of Supply Chain Management System by ensuring that successful appeals is not more than 5% of tenders awarded by 30 June 2023	5%	0%	Not a Target

Table 153: Supply Chain Management Objectives included in the IDP

3.29.4 Employees: Supply Chain Management

Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	Number				%
Municipal Manager and Senior Managers	1	1	1	0	0.0%
Other Managers	5	5	1	4	80.0%
Professionals	0	0	0	0	0.0%
Technicians & Trade Workers	0	0	0	0	0.0%
Clerks & Administrative Workers	30	32	28	4	12.5%
Community and Personal Workers	0	0	0	0	0.0%
Service and Sales Workers	0	0	0	0	0.0%
Plant & Machine Operators	0	0	0	0	0.0%
Elementary Occupations	1	1	1	0	0.0%
Total	37	39	31	8	20.5%

Table 154: Employees: Supply Chain Management

(Note: Supply Chain is part of Finance. The above figures are not included in Finance Employee figures).

3.29.5 Financial Performance: Supply Chain Management

Details	2021/22	2022/23			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
	R'000				

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Total Operational Revenue	-	-	-	-	0%
Expenditure:					
Employees	12,652	16,261	16,261	13,009	-20%
Repairs and Maintenance	226	306	306	283	-8%
Other	179	410	410	186	-55%
Total Operational Expenditure	13,057	16,977	16,977	13,478	-21%
Net Operational Expenditure	13,057	16,977	16,977	13,478	-21%

Table 155: Financial Performance: Supply Chain Management

3.29.6 Capital Expenditure

There was no capital expenditure during the period under review.

3.30 FLEET MANAGEMENT SECTION

The Fleet Management Section is the custodian of the municipal vehicle and machinery fleet, which consists of 218 petrol and diesel vehicles (excluding earthmoving machinery, fire engines & other miscellaneous equipment). The core responsibility of the section is to manage and ensure that the vehicle fleet and drivers/operators follow the relevant legislation of the National Road Traffic Act (Act No. 93 of 1996, as amended) and OHSA. (Load testing and inspection of lifting equipment, testing and certification of pressure vessels, working at heights, relevant training, vehicle licensing, COFs, correct driving license codes, etc.). It is also the responsibility of the section to manage traffic fines and municipal motor vehicle accidents.

The responsibility of vehicle fleet replacement exists in this section. Due to the substantial percentage of specialised vehicles and machinery, the Fleet Manager must ensure that the correct technical specifications are stipulated for the application and operation of these units.

Despite the achievements made, there are still major challenges relating to the replacement of the aged fleet due to insufficient capital funding. This situation affects negatively service delivery, as vehicles and machinery are critical service delivery tools.

The allocation of funds for vehicle fleet replacement has drastically decreased, resulting in units being run on what is termed, a Graveyard Policy, that is, operating vehicles until they are dead and past their economic life span. Consequently, inadequate provision for capital replacement leads to truck re-building. Trucks do not last forever, and re-building should be a temporary measure to bridge financial challenges. The older the fleet becomes, the more downtime and the non-availability of spare parts increases.

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A modest amount of R13m was made available for procurement of fleet for vehicle fleet replacement during the 2022/23 financial year. The issue of vehicle fleet replacement must take top priority, amongst others, on the IDP and funding be aligned, as far as reasonably possible, with the vehicle fleet replacement plan. Currently our vehicle needs far outstrip the funds made available for vehicle fleet replacement and ultimately the objective of improving service delivery will remain a pipedream, due to a serious lack of critical service delivery resources. A five-year IDP plan was submitted but it cannot be followed as vehicle replacement budget is not as always requested.

Vehicles purchased for the year 2022/2023 are as follows,

3x 4Ton Drop-side Trucks. R2 596 997.85

1x 8 000l Sewage Tanker. R1 331 000.00

1x Major Pumper (Fire Engine) a deposit of R4 540 374.81 was paid and could not be delivered in time.

The 3x 4Ton-Dropside Trucks as well as the 1x 8 000l sewage Tanker are in service.

Due to the challenges faced by Marce Project, by wrong delivery of pump from America and the port challenges made the timely delivery difficult to achieved.

“Transportation is one of the tools required by civilized man to bring order in chaos. It reaches into every phase and facet of our existence. Viewed from every standpoint, economic, political and military, it is unquestionably the most important industry in the world.” (Gavinato, JL et al 1982)

3.30.1 Municipal Vehicle Fleet

The Sol Plaatje Municipal vehicle fleet consist of a broad spectrum of different types of vehicles & machinery, ranging from light commercial vehicles to very specialised vehicles.

The total fleet complement is 310 units, including fire-fighting vehicles, earth-moving vehicles, tractors, trailers, lawnmowers, and other equipment.

THE AGE PROFILE OF THE VEHICLE FLEET (PETROL & DIESEL, TRACTORS, EARTHMOVING AND FIRE ENGINE UNITS) IS AS FROM:

- 2019 Units 1 –10yrs old = 125
- 2022 Units 1 -10yrs = 135
- 2019 Units older than 10yrs = 94

3.30.2 New Vehicles Procured for 2022/23

INFRA/TSD01/2022 – VEHICLE FLEET REPLACEMENT - PHASE 2

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- 3x 4Ton Drop-Side Trucks for Sanitation Department R 2 596 997.85
- 1 x 8000 Sewage Tanker for Sanitation Department R1 331
- 1x Major Pumper (Fire Engine) for Emergency Department R 9 080 749.00
- Deposit was paid on the Major Pumper for an amount of R 4 540 374.80
- Outstanding balance will be paid on the delivery of the Major Pumper R 4 540 374.80
- The Major Pumper will only be delivered on the 15th of December 2023. Due to the challenges faced by Marce Project, by wrong delivery of pump from America and the port challenges made the timely delivery difficult to achieved.

3.30.3 Capital Expenditure: Fleet Management

The following were capital expenditure for fleet management during the 2022/23 financial year.

Capital projects	2022/23					
	Budget	Adjustment budget	Actual expenditure	Variance from original budget	Variance from adj budget	Total project value
	R'000			%		R'000
Acq-fleet replacement	35,405	11,705	7,364	-37%	-79%	
Total	35,405	11,705	7,364	-37%	-79%	

Table 156: Capital Expenditure: Fleet Management

3.31 MECHANICAL ENGINEERING AND WORKSHOPS

The core function of the Mechanical Engineering Department is to provide an efficient and cost-effective mechanical engineering support service to Sol Plaatje Local Municipality. This includes the corrective and scheduled maintenance of our fleet, Water Purification Plants, Sewage Treatment Plants, water and sewer reticulation systems. Furthermore, the Department are also responsible for the maintenance of the sewer pump stations, pools, machinery and other mechanical-related services. Additionally, the Department is responsible for the fleet management of the Municipality.

3.31.1 Safety

The Department is accountable for certain aspects regarding the safety of our fleet. This includes the maintenance of our fleet to ensure that it is in a roadworthy condition. The former is coupled with repair work that needs to be done to ensure that the vehicles obtain certificates of fitness in order to be licensed as stipulated in the National Road Traffic Act.

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Additionally, the Department is responsible for the maintenance of the upkeep of the Municipal Workshop Complex in Ashburnham. Here, where safety is concerned, we ascribe to the Occupational Health and Safety Act (OHS Act), Act No. 85 of 1993.

Thus, we ensure that pressure vessels and lifting equipment is tested according to the said Act. Also, we ensure that the Mechanical Engineering Department meets the requirements as set out in the Occupational Health and Safety Act (OHS Act), Act No. 85 of 1993. Hereby the Department supports the Deputy Director - Electrical Engineering, who is appointed as GMR 2(1) under the Occupational Health and Safety Act (OHS Act) to ensure compliance to the Act.

3.31.2 Employees: Mechanical Engineering and Workshops

These employees are shared amongst the Electrical, Water Services and Roads and Stormwater Departments.

3.31.3 Financial Performance: Mechanical Engineering and Workshops

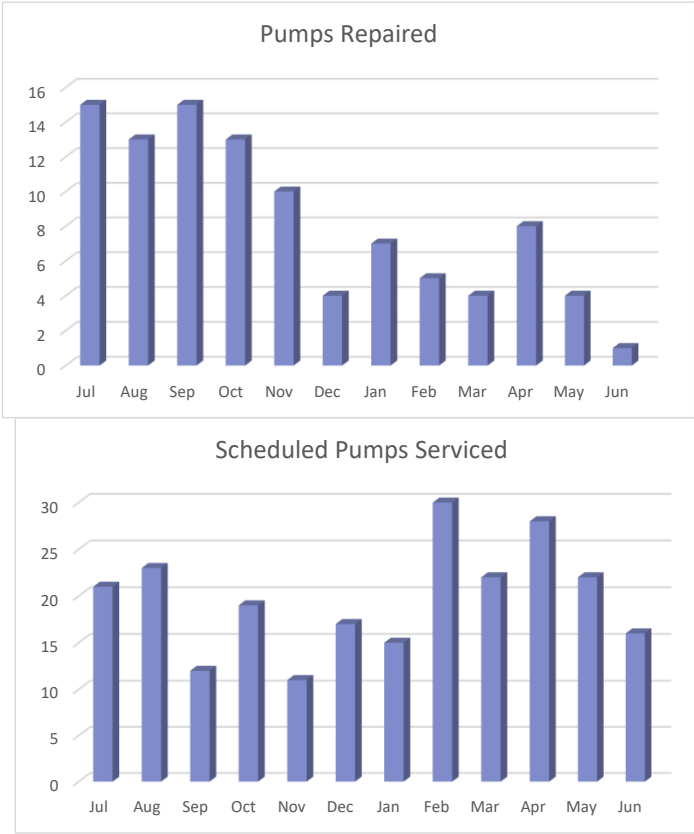
Details	2021/22	2022/23			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
	R'000				
Total Operational Revenue	–	–	–	–	0%
Expenditure:					
Employees	18,408	20,804	20,804	20,243	-3%
Repairs and Maintenance	2,198	2,395	2,545	2,301	-4%
Other	381	581	581	411	-29%
Total Operational Expenditure	20,987	23,780	23,930	22,955	-3%
Net Operational Expenditure	20,987	23,780	23,930	22,955	-3%

Table 157: Financial Performance: Mechanical Engineering and Workshops

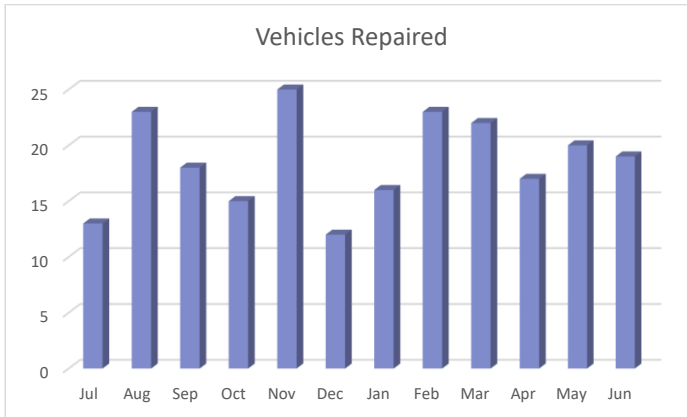
3.31.4 Scheduled and unscheduled maintenance on fleet and pumps

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The following graphs depicts the unscheduled and scheduled maintenance done on our fleet and pumps for the period 2022/23.



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Graph 24: *Unscheduled and Scheduled Maintenance on Fleet and Pumps*

3.31.5 Challenges

As reported earlier, one of the major challenges that the Department faces is the age of our fleet. This challenge affects almost every section within the Municipality and thus jeopardizes service delivery. Another challenge is the vandalizing of our pump stations. The former puts a huge strain on scarce resources and also affects the dignity of the community in general.

3.32 AUDITED ANNUAL PERFORMANCE REPORT

3.32.1 Legislative and Other Mandates

The Constitution of the Republic of South Africa gives credence to the establishment of municipalities for the whole territory of the Republic. In terms of Section 151 (2), the executive and legislative authority of a municipality is vested in its Municipal Council. Section 151 (3) legislates that municipalities have the right to govern on its own initiative, the local government affairs of its community, subject to national and provincial legislation.

The objects of local government are determined in terms of Constitutional Law of the Republic, Section 152 (1) and are:

- (a) to provide a democratic and accountable government for local communities.
- (b) to ensure the provision of services to communities in a sustainable manner.
- (c) to promote social and economic development.

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- (d) to promote a safe and healthy environment; and
- (e) to encourage the involvement of communities and community organisations in matters of local government.

3.32.2 Legislative requirements: Performance Management in Local Government

The Municipal Systems Act (MSA) of 2000 and the Municipal Finance Management Act (MFMA) of 2003, makes provision for the planning, implementation, monitoring and reporting in local government through the development of the IDP as a long-term plan, SDBIP (annual implementation of the IDP) and Budget (as the financial resource to implement the IDP). Subsequently, municipalities must report performance on the implementation of the IDP on a quarterly and annual basis to Council.

In accordance with the provisions of the MFMA, the Mayor must annually approve an SDBIP that consists of Key Performance Indicators (KPIs) as a yard stick for measuring performance, and measurable performance targets, 28 days after the approval of the IDP and Budget. The SDBIP must also be reviewed following an adjustment budget and a review of the first six months of the financial year.

The SDBIP was reviewed in February 2023. Subsequently, an adjustment Budget and adjusted SDBIP were also completed for the 2022/23 Medium Term Revenue and Expenditure Framework (MTREF) as required by Section 28 of the Municipal Finance Management Act (Act 56 of 2003) for the year ending 30 June 2023.

The Adjusted Budget and SDBIP were approved during a Special Council meeting held on the 27th February 2023, resolution C19/02/23. During the SDBIP Adjustment period, some of the KPIs were reviewed, removed and significantly changed as per the recommendations in Annexure 1.

3.32.3 Performance management overview and process

In order to improve on performance planning, implementation, measurement and reporting, the institution implemented the following actions; Departmental operational plans were developed for monitoring and reporting operational programmes; An electronic performance management system is operational within the Municipality.

The same system forms the basis of performance evaluations of the Executive Directors and Municipal Manager. The Municipality endeavoured during the development of the Top Layer (TL) Service Delivery Budget Implementation Plan (SDBIP) as well as with the development of the Departmental SDBIP that the “SMART” principle be adhered to in the setting of indicators and objectives. Emphasis was placed on ensuring that targets were specific and time bound, thus making it measurable. The Top Layer SDBIP and IDP was also reviewed in May of 2022 respectively for the 2022/23 financial period.

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The 2022/23 Medium Term Revenue and Expenditure Framework (MTREF) was approved by Council on the 7th of June 2022, resolution C74/06/22 in accordance with MFMA Section 24 (1). Section 28 of MFMA requires a municipality to revise an approved annual budget through an adjustment, and section 28 (4) requires that only the mayor may table an adjustment budget in the municipal council.

3.32.4 Performance Management and Reporting

The organisational performance is evaluated by means of a municipal scorecard (Top Layer SDBIP) at organisational level and through the Service Delivery Budget Implementation Plan (SDBIP) at Directorate levels. The SDBIP is an annual plan that converts the IDP and budget into measurable criteria on how, where and when the strategies, objectives and normal business process of the municipality is implemented. It also allocates responsibilities to directorates to deliver the services in terms of the IDP and Budget.

MFMA Circular No.13 prescribes that:

- the IDP and budget must be aligned;
- the budget must address the strategic priorities;
- the SDBIP should indicate what the municipality is going to do during next 12 months;
- and the SDBIP should form the basis for measuring the performance against goals set during the budget /IDP processes.

3.32.5 Composition of the APR

The APR is compiled in accordance with Section 46 (1) of the Municipal Systems Act (Act 32 of 2000), which requires municipalities to prepare for each financial year an Annual Performance Report (APR) 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”

This APR is compiled for the period starting 01 July 2022 ending 30 June 2023. The report reflects actual performance of the Municipality as measured against the set Key Performance Indicators (KPIs) and targets in the Service Delivery Budget Implementation Plan (SDBIP) for 2022/23 as aligned to the National Key Performance Areas (KPAs) listed hereafter:

- (1) Basic Service Delivery and Infrastructure Development;
- (2) Local Economic Development;
- (3) Municipal Transformation and Institutional Development;
- (4) Financial Viability and Development; and
- (5) Good Governance and Public Participation.

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The overall assessment of actual performance against targets set for the Key Performance Indicators as documented in the SDBIP is illustrated in terms of the following assessment methodology:

Colour	Category	Explanation
Grey	KPI Not yet measured	KPI with no target for the selected period
Red	KPI Not met	Actual vs. target less than 75%
Orange	KPI Almost met	Actual target between 75 and 100%
Green	KPI Met	Actual vs. target 100%
Olive	KPI well met	Actual vs. target over 100% less than 150%
Navy-Blue	KPI extremely well met	Actual vs. target of more than 150%

A performance comment and corrective measures will be provided on KPIs not met and those that were almost met.

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The following KPIs were removed / significantly reviewed during the adjustment process.

SDBIP Ref	Municipal KPA	Strategic Objective	KPI	REASON FOR REMOVAL/REVIEW OF TL KPI	Unit of Measurement	Baseline	Original Annual Target	Overall Performance as at Mid-year	
								Target	Actual
TL 8	Good Governance and Public Participation	Governance	To comply with all Internal Audit and Auditor General recommendations regarding POPIA in so far as the municipality's ICT estate is concerned by 30 June 2023	KPI was removed and moved to departmental level as the KPI was not measurable	Percentage improved / cleared audit findings	0%	100%	100%	0%
TL 12	Local Economic Development	Spatial Transformation	To successfully implement the PPPFA Regulations to achieve BBBEE and radical economic transformation through local procurement by ensuring at least 40% of the municipality's tenders are awarded to EME's, OSE's and from the businesses in the rural areas within the municipal jurisdiction by 30 June 2023	KPI removed as it is no longer a requirement by regulations	Percentage of tenders and value thereof awarded to EME, OSE, local and from business in the rural areas within the municipal jurisdiction	29%	40%	40%	40%
TL 25	Sound Financial Management	Governance	Conclude the reading cycle and delivery of municipal accounts to all users and ratepayers by no later than 27 of each month to ensure accurate and timely billing of customers for the current financial year	KPI removed from the Top Layer and 3 separate KPIs were created on departmental level. KPI is operational	Monthly billing report % of billed properties vs property register (SG and Deeds)	0	12	6	6

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SDBIP Ref	Municipal KPA	Strategic Objective	KPI	REASON FOR REMOVAL/REVIEW OF TL KPI	Unit of Measurement	Baseline	Original Annual Target	Overall Performance as at Mid-year	
								Target	Actual
TL 37	Good Governance and Public Participation	Governance	To communicate to the public (established residential areas) by issuing monthly newsletters	KPI removed. The municipality is transitioning from paper newsletters to digital. The KPI will be revived in the next financial year (2023/24)	Number of newsletters issued	12	12	6	0%
TL 47	Local Economic Development	Spatial Transformation	Approved business plan for the development of 100 Artisans from the unemployed youth aged between 18 and 35 years as part of developing skilful economies by 30 June 2023	KPI was significantly revised as business plan was approved in previous financial year. Therefore, the KPI was revised to address the implementation of the business plan	Percentage use components output deliveries	100%	100%	0%	0%
TL 48	Local Economic Development	Spatial Transformation	NCIF implementing Innovation Projects in terms of the Science, Technology and Innovation Projects by 30 June 2023	KPI was removed. No Projects to be implemented for the 2022/23 financial year and SPM is only a stakeholder for the Forum	Percentage of Science, Technology and Innovation LED Projects	0%	100%	50%	0%

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3.32.6 Top Lyer KPI's Reviewed for 2022/23 Financial Year

SOL PLAATJE MUNICIPALITY

ANNUAL PERFORMANCE REPORT - 2022-2023 FINANCIAL YEAR

OFFICE OF THE MUNICIPAL MANAGER

Ref	Strategic Objective	KPI Name	KPI reviewed / removed /included at mid-term	Unit of Measurement	Past Year Performance		Overall Performance for 2022/2023					
					Target	Actual	Original Annual Target	Revised Annual Target	Actual	R	Performance Comment	Corrective Measures
TL1	Spatial Transformation	Create 552 FTE's through EPWP initiatives of the SPM by 30 June 2023	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	Number of FTE's created	400	437	552	552	814	G2	N/A	N/A
TL2	Governance	Annual Review of the Integrated Performance Management Policy by 30 June 2023	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	Adopted Integrated Performance Management Policy	1	0	1	1	0	R	Policy and Planning is currently busy with the review of the Integrated Performance Management Policy Framework (IPMPF). Prior to the promulgation of the Staff Regulations, the review of the approved IPMPF was completed	The policies will be completed and tabled to council in the first quarter of the 2023/24 financial year.

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Ref	Strategic Objective	KPI Name	KPI reviewed / removed /included at mid-term	Unit of Measurement	Past Year Performance		Overall Performance for 2022/2023						
					Target	Actual	Original Annual Target	Revised Annual Target	Actual	R	Performance Comment	Corrective Measures	
												with the co-operation of Coghsta, which was an extensive and protracted process. The new promulgated Staff Regulations had a direct impact on provisions of the reviewed policy and it was thus important to ensure that the 2 policies are mutually consistent. These Regulations occasioned the review of the entire Human Resource policies and procedures which is almost completed barring a few matters that will be resolved at the next meeting. The IPMPF addresses organizational performance but it is crucial that the HR PMS Policy is mutually consistent with and supports the IPMPF. The policies must thus be tabled together to ensure consistency.	

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Ref	Strategic Objective	KPI Name	KPI reviewed / removed /included at mid-term	Unit of Measurement	Past Year Performance		Overall Performance for 2022/2023					
					Target	Actual	Original Annual Target	Revised Annual Target	Actual	R	Performance Comment	Corrective Measures
TL3	Governance	Submit quarterly organisational performance reports to the Executive Mayor by the 20th of the month following the end of each Quarter for 2022/23	N/A	Number of reports	4	4	4	4	4	G	N/A	N/A
TL4	Governance	Submit the Final IDP document for adoption to Council by 31 May annually	N/A	Adopted IDP	1	0	1	1	1	G	N/A	N/A
TL5	Governance	Submit the Final SDBIP document to the Executive Mayor for approval by 28 June 2023	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	SDBIP approved by Executive Mayor	1	0	1	1	1	G	N/A	N/A
TL6	Governance	Number of audits conducted as per the Internal Audit Plan by 30 June 2023	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	Number of internal audits conducted	10	22	10	20	18	O	Internal Audit completed 18 audits for the financial period under review. Therefore almost achieving the target of 20 for the financial period under review.	The reason for Internal Audit not achieving the annual target is due to the vacancies within the unit as well as the fact that the unit did not have an CAE for the first quarter of

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Ref	Strategic Objective	KPI Name	KPI reviewed / removed /included at mid-term	Unit of Measurement	Past Year Performance		Overall Performance for 2022/2023						
					Target	Actual	Original Annual Target	Revised Annual Target	Actual	R	Performance Comment	Corrective Measures	
													the financial period. Management need to ensure that the vacancies in the unit is filled as a matter of urgency in order for the capacity of the unit to be improved. Internal audit deadlines need to be monitored more closely from the beginning of the financial year to ensure that the required amount of audits have been completed.
TL7	Governance	Approved ICT Governance framework by 30 June 2023	KPI reviewed at mid term and adjusted accordingly. See annexure1 for reasons to adjust.	Approved ICT Governance Framework	NEW		1	1	1	G	N/A	N/A	

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Ref	Strategic Objective	KPI Name	KPI reviewed / removed /included at mid-term	Unit of Measurement	Past Year Performance		Overall Performance for 2022/2023					
					Target	Actual	Original Annual Target	Revised Annual Target	Actual	R	Performance Comment	Corrective Measures
TL9	Governance	% Implementation of a municipal Cyber security Strategy by 30 June 2023 as per the Annual Implementation Plan	KPI reviewed at mid term and adjusted accordingly. See annexure1 for reasons to adjust.	% Implementation as per the Annual Implementation Plan	NEW		100%	100%	69,85%	R	The purchase order for the switches and wireless access points was issued on the 24 January 2023. Due to stock shortages, the switches were not delivered on time and subsequently affecting the installation process.	The switches were delivered in June, the technicians are undergoing training for installation. The project will be completed in the first quarter of 2023/24 financial year.
CORPORATE SERVICES												
Ref	Strategic Objective	KPI Name	KPI reviewed / removed /included at mid-term	Unit of Measurement	Past Year Performance		Overall Performance for 2022/2023					
					Target	Actual	Original Annual Target	Revised Annual Target	Actual	R	Performance Comment	Corrective Measures
TL30	Governance	Number of skills development programs implemented by 30 June 2023	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	Number of development programs	2	3	2	2	2	G	N/A	N/A

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Ref	Strategic Objective	KPI Name	KPI reviewed / removed /included at mid-term	Unit of Measurement	Past Year Performance		Overall Performance for 2022/2023					
					Target	Actual	Original Annual Target	Revised Annual Target	Actual	R	Performance Comment	Corrective Measures
TL31	Governance	Review the municipal organizational structure annually by 30 June 2023	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	Review of the municipal organizational structure	100%	100%	1	1	0	R	Following the strategic planning session conducted in March 2023, the Municipality resolved to undergo an organisational re-engineering process. The outcomes of this process will have an impact on the municipal structure, thus the review of the structure was halted, pending conclusion of the re-engineering process.	The re-engineering process has commenced, the review of the structure will commence upon conclusion of the Re-engineering process. Engagements continue with the Section heads.
TL32	Governance	Review the Human Resource Management Plan annually by 30 June 2023	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	Review of the Human Resource Management Plan	1	1	1	1	0	G	The HR Management Plan is still being reviewed with all applicable stakeholders.	Upon conclusion of the consultation process, The HR management Plan will be submitted to EMT and to Council for approval
TL33	Governance	Achieve 72% compliance with the EAP plan of the municipality by ensuring representation of the racial profile of the	N/A	% compliance to the EAP	72%	72%	72%	72%	58%	O	Due to financial constraints in the Municipality only critical positions were filled. Hence the Employment Equity Plan could not be implemented to improve the	The municipality has a 5 yr Employment Equity Plan in place. When vacant and funded positions are filled the Employment

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Ref	Strategic Objective	KPI Name	KPI reviewed / removed /included at mid-term	Unit of Measurement	Past Year Performance		Overall Performance for 2022/2023						
					Target	Actual	Original Annual Target	Revised Annual Target	Actual	R	Performance Comment	Corrective Measures	
		local authority on municipal level by 30 June 2023										Employment Equity ratio.	Equity plan is considered.
TL34	Governance	Number of quarterly communications to the Executive Directors of the funded vacant positions	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	Number of communications	1	4	4	4	1	R	Due to the soft lock of advertising vacant and funded positions no correspondence was written to Departments to advise them about positions to be advertised.	The KPI has been removed from the SDBIP for the 2023/24 financial year.	
TL35	Governance	Co-ordinate bi-annual performance assessments of the municipal manager and managers reporting directly to the municipal manager by 30 June 2023	N/A	Number of assessments conducted	2	2	2	2	0	R	Arrangements for annual assessments were made in October 2022 but the actual assessments did not take place as scheduled due to the unavailability of panel members.	Engagements were conducted with the IDP Manager to assist in the composition of the panel members and possible dates for the assessments. The assessments will be conducted in the new financial year.	

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Ref	Strategic Objective	KPI Name	KPI reviewed / removed /included at mid-term	Unit of Measurement	Past Year Performance		Overall Performance for 2022/2023					
					Target	Actual	Original Annual Target	Revised Annual Target	Actual	R	Performance Comment	Corrective Measures
TL36	Governance	To report quarterly on the progress of risk mitigation to the Accounting Officer and Executive Management Team (EMT)	N/A	Quarterly reports on strategic risk register	4	4	4	4	4	G	N/A	N/A
TL38	Governance	To respond to all media enquiries and issue media statement within 24 hours after an occurrence	N/A	Response times after an event has occurred in hours	24	24	24	24	24	G	N/A	N/A
COMMUNITY AND SOCIAL DEVELOPMENT SERVICES												
TL39	Service Provision	To achieve 70% compliance with the National Disaster Management Tool by 30 June 2023	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	% Compliance with the National Disaster Management Tool	70%	59%	70%	70%	73%	G2	N/A	N/A

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Ref	Strategic Objective	KPI Name	KPI reviewed / removed /included at mid-term	Unit of Measurement	Past Year Performance		Overall Performance for 2022/2023					
					Target	Actual	Original Annual Target	Revised Annual Target	Actual	R	Performance Comment	Corrective Measures
FINANCIAL SERVICES												
TL10	Spatial Transformation	To improve the SCM turnaround time to 12 weeks for annual contracts from closing date to date of award by 30 June 2023 (Number of tenders received divided by number of weeks to award)	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	Average time in weeks to award tender	12 weeks	10 weeks	12 weeks	12 weeks	13,50 weeks	R	Target not met.	The municipality is undergoing an organisational re-engineering process, this will improve processes and reduce red tape in the municipality
TL11	Spatial Transformation	To improve the SCM turnaround time to 6 weeks for once off contracts from closing date to date of award by June 2023 (Number of tenders received divided (by number of weeks to award)	KPI reviewed at mid-term and adjusted accordingly. See annexure 1 for reasons to adjust.	Average time in weeks to award tender	6 weeks	6 weeks	6 weeks	6 weeks	9 weeks	R	Target not met.	The municipality is undergoing an organisational re-engineering process, this will improve processes and reduce red tape in the municipality

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Ref	Strategic Objective	KPI Name	KPI reviewed / removed /included at mid-term	Unit of Measurement	Past Year Performance		Overall Performance for 2022/2023					
					Target	Actual	Original Annual Target	Revised Annual Target	Actual	R	Performance Comment	Corrective Measures
TL13	Service Provision	15 000 Indigent households to receive free basic services (water, electricity, sanitation and waste removal according to national guidelines) by 30 June 2023	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	No of indigents as per the Indigent Register	15 000	12 264	15 000	15 000	12 033	0	The municipality has not undergone an indigent verification process for the 2 previous financial years, also exacerbated by covid 19, indigent numbers have declined.	The municipality is currently conducting an indigent verification and registration programme.
TL14	Governance	Improve revenue enhancement by ensuring a collection rate of 85% after debt write off by 30 June 2023 as per the MFMA, Circular 71 (Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance - Bad Debts Written Off) /Billed Revenue x 100)	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	Percentage collection rate after debt write off	85%	68,00%	85%	85%	70%	0	Collection rate not as desired.	Implement Credit Control Policy

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Ref	Strategic Objective	KPI Name	KPI reviewed / removed /included at mid-term	Unit of Measurement	Past Year Performance		Overall Performance for 2022/2023					
					Target	Actual	Original Annual Target	Revised Annual Target	Actual	R	Performance Comment	Corrective Measures
TL15	Governance	To spend 85% of the Capital Budget (including VAT) on capital projects identified in terms of the IDP by 30 June 2023 (Total actual capital project expenditure, including VAT / total capital project budget x 100)	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	Percentage capital spending	85%	79,00%	85%	85%	68%	O	Target almost met. The underperformance is aligned to the slow progress in project implementation.	Weekly meetings will be held with different units. Project managers should provide procurement plans in March to ensure that projects commence on the 1st of July annually.
TL16	Governance	To spend 90% of the Operational Budget annually by 30 June 2023 (Actual Operating Expenditure / Budgeted Operating Expenditure x 100)	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	Percentage operational spending	90%	95,17%	90%	90%	95%	G2	N/A	N/A
TL17	Governance	Maintain the debt coverage ratio of 2:1 against net assets of the municipality by 30 June 2023 (Current Assets / Current Liabilities)	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	Debt coverage ratio	2:1	1:1,9	2:10	2:10	1:1,53	R	Target not met.	The municipality must reduce the debt owed to Eskom and department of Water and Sanitation by recouping debt

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Ref	Strategic Objective	KPI Name	KPI reviewed / removed /included at mid-term	Unit of Measurement	Past Year Performance		Overall Performance for 2022/2023							
					Target	Actual	Original Annual Target	Revised Annual Target	Actual	R	Performance Comment	Corrective Measures		
TL18	Governance	Reduce net debtor days to 300 days by 30 June 2023 ((Gross Debtors - Bad debt Provision)/ Actual Billed Revenue) × 365)	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	Net debtor days	300	356	300	300	327	R	Target not met.	The municipality must apply credit control policy 100% to all debtor groups.		
TL19	Governance	Achieve the cost coverage ratio of 1 month annually by 30 June 2023 ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	Cost coverage ratio	1	1,2	1	1	0,56	R	Target not met.	The municipality must apply credit control policy 100% to all debtor groups. The municipality must reduce expenditure and apply cost containment measures.		

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Ref	Strategic Objective	KPI Name	KPI reviewed / removed /included at mid-term	Unit of Measurement	Past Year Performance		Overall Performance for 2022/2023						
					Target	Actual	Original Annual Target	Revised Annual Target	Actual	R	Performance Comment	Corrective Measures	
		for Bad Debts, Impairment and Loss on Disposal of Assets))											
TL20	Governance	Ensure that the actual spending on employee related costs does not exceed 33% of the total expenditure by 30 June 2023 (Employee Related Costs and Councillor's Remuneration) /Total Operating Expenditure x100)	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	Employee cost as a percentage of total operating cost	33%	39,45%	33%	33%	31,92%	B	N/A	N/A	

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Ref	Strategic Objective	KPI Name	KPI reviewed / removed /included at mid-term	Unit of Measurement	Past Year Performance		Overall Performance for 2022/2023					
					Target	Actual	Original Annual Target	Revised Annual Target	Actual	R	Performance Comment	Corrective Measures
TL21	Governance	Implementation of Supply Chain Management System by ensuring that successful appeals is not more than 5% of tenders awarded by 30 June 2023	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	Percentage successful appeals	5%	2,50%	5%	5%	0%	B	N/A	N/A
TL22	Governance	Submit an Audit Action Plan to the Municipal Manager to address issues raised by the Auditor General within (30) days after the end of the audit annually	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	Audit Action Plan	1	1	1	1	0	R	The audit action plan was adopted by Council on the 26 January 2023 as required by legislation. Due to the requirements of the current KPI (30 days), the actual is recorded zero.	The KPI will be reviewed in the new financial year to state "submission to Council 60 days after the end of the audit"
TL23	Governance	An approved GVR signed by the Municipal Manager for the billing of rates and taxes by 30 June 2023	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	Approved GVR	NEW		1	1	1	G	N/A	N/A

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Ref	Strategic Objective	KPI Name	KPI reviewed / removed /included at mid-term	Unit of Measurement	Past Year Performance		Overall Performance for 2022/2023					
					Target	Actual	Original Annual Target	Revised Annual Target	Actual	R	Performance Comment	Corrective Measures
TL24	Governance	To recover debt owed to the Municipality by achieving an 85% collection rate by 30 June 2023 (Receipts / billing x 100)	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	% of debt collection	NEW		100%	85%	78,20%	O	Target almost met.	To improve on collection through strict control for implementation of Credit Control and Debt Collection policies and procedures
TL26	Governance	Perform an annual cost analysis for each trading services for the new budget by 31 March	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	Cost Analysis Report	NEW		12	4	4	G	N/A	N/A
TL27	Governance	100% Elimination of Unauthorized expenditure by 30 June 2023	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	% of Unauthorized expenditure after condonement against total operational expenditure x100	NEW		0%	0%	0%	G	N/A	N/A

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Ref	Strategic Objective	KPI Name	KPI reviewed / removed /included at mid-term	Unit of Measurement	Past Year Performance		Overall Performance for 2022/2023					
					Target	Actual	Original Annual Target	Revised Annual Target	Actual	R	Performance Comment	Corrective Measures
TL28	Governance	% Submission of financial and non-financial mSCOA reports on the Go MUNI web based application by the set deadlines provided by National Treasury. (All reports to be uploaded within 10 working days after the month-end)	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	% of reports uploaded on the Go Muni application	NEW		100%	100%	95,92%	O	All documents / reports are uploaded onto Go Muni. The bank statements are uploaded but are rejected because of the password protection. NT added a tab for revenue so there are revenue documents and expenditure documents that must be uploaded. We have uploaded most requested documents and reports that we received from the relevant officials. I will send supporting emails as proof that documents are uploaded successfully onto Go Muni.	Budget and Treasury: Sections are working on outstanding documents to upload on Go Muni.
TL29	Governance	Council Approval of a practical and implementable Financial Recovery Plan that will assist in reducing trade creditors and liquidity	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	Approved Financial Recovery Plan	NEW		1	1	1	G	N/A	N/A

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Ref	Strategic Objective	KPI Name	KPI reviewed / removed /included at mid-term	Unit of Measurement	Past Year Performance		Overall Performance for 2022/2023					
					Target	Actual	Original Annual Target	Revised Annual Target	Actual	R	Performance Comment	Corrective Measures
		of the municipality by 30 June 2023										
TL65	Governance	100% Elimination of Fruitless & wasteful expenditure by 30 June 2023	N/A	% of Fruitless and wasteful expenditure after condonement against total operational expenditure x100	NEW		0%	0%	1%	R	MPAC has recommended to council to write-off fruitless and wasteful expenditure incurred as at 30 June 2023. Council has approved the recommendation as such.	Stricter enforcement of council approved unauthorized, irregular, fruitless & wasteful expenditure policy & strategy implementation.
TL69	Governance	75% Reduction of Irregular expenditure by 30 June 2023	N/A	((Prior year + current year - condonement) / (prior year))	NEW		0%	25%	24%	B	N/A	N/A
STRATEGY, ECONOMIC DEVELOPMENT AND PLANNING												
TL40	Spatial Transformation	Ensuring a response time of 11 weeks for building plan submissions received in the current financial	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	Average response time in weeks to process building plans	11 weeks	6.75 weeks	11 weeks	11 weeks	11 weeks	G	N/A	N/A

CHAPTER 3: SERVICE DELIVERY

Ref	Strategic Objective	KPI Name	KPI reviewed / removed /included at mid-term	Unit of Measurement	Past Year Performance		Overall Performance for 2022/2023					
					Target	Actual	Original Annual Target	Revised Annual Target	Actual	R	Performance Comment	Corrective Measures
		year for buildings or architectural buildings greater than 500 m ² annually (Number of plans received divided by number of weeks to process)										
TL41	Spatial Transformation	Ensuring a response time of 11 weeks for building plan submissions received in the current financial year for buildings or architectural buildings less than 500 m ² annually (Number of plans received divided by number of weeks to process)	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	Average time in weeks to process building plans	11 weeks	12 weeks	11 weeks	11 weeks	8 weeks	B	N/A	N/A

CHAPTER 3: SERVICE DELIVERY

Ref	Strategic Objective	KPI Name	KPI reviewed / removed /included at mid-term	Unit of Measurement	Past Year Performance		Overall Performance for 2022/2023					
					Target	Actual	Original Annual Target	Revised Annual Target	Actual	R	Performance Comment	Corrective Measures
TL42	Spatial Transformation	To process 80% category 1 land use applications received until 30 April of the current financial year through MPT (Municipal Planning Tribunal) by 30 June 2023 in terms of the SPLUMA by-law (2015)	N/A	Percentage of Category 1 land use applications processed	80%	78%	80%	80%	89,80%	G2	N/A	N/A
TL43	Spatial Transformation	Number of processed building plans received before 1 July 2022 by the end of the current financial year (30 June 2023)	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	Number of building plans processed	200	209	200	200	200	G	N/A	N/A
TL44	Service Provision	Number of erven planned and surveyed within Sol Plaatje Municipal area by 30 June 2023 as per the project implementation list	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	Number of erven planned and surveyed	512	512	1 400	1 400	1 533	G2	N/A	N/A

CHAPTER 3: SERVICE DELIVERY

Ref	Strategic Objective	KPI Name	KPI reviewed / removed /included at mid-term	Unit of Measurement	Past Year Performance		Overall Performance for 2022/2023					
					Target	Actual	Original Annual Target	Revised Annual Target	Actual	R	Performance Comment	Corrective Measures
TL45	Spatial Transformation	Number of SMME's supported through the implementation of the business incubation developmental program annually	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	Number of SMME's supported	10	581	10	10	13	B	N/A	N/A
TL46	Spatial Transformation	% Implementation of Business Expansion Attraction and Retention (BEAR) program as per the annual approved Implementation Plan by 30 June 2023	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	% Implementation	96%	100%	100%	100%	17%	R	National Treasury did not transfer any funding to continue with the project. Hence there was no significant performance for the 2022/23 financial year. The overall three year programme is at 71%, with annual performance for 22/23 at 17%.	Completion of several work within the prescribed components will resume as soon as funding is available.

CHAPTER 3: SERVICE DELIVERY

Ref	Strategic Objective	KPI Name	KPI reviewed / removed /included at mid-term	Unit of Measurement	Past Year Performance		Overall Performance for 2022/2023					
					Target	Actual	Original Annual Target	Revised Annual Target	Actual	R	Performance Comment	Corrective Measures
TL47	Spatial Transformation	% Implementation of the training programme for the development of 100 Artisans from the unemployed youth aged between 18 and 35 years as part of developing skilful economies by 30 June 2023	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	Percentage Implementation	NEW		100%	100%	0%	R	The programme is a partnership between the municipality and Khosithi training institute. This is a 3year programme to train 100 Artisans from the Sol plaatje municipal area. The municipality 's role is to offer apprenticeship to the learners. The SLA (between Sol plaatje Municipality and Khosithitraining institute) for this programme was signed in June 2023, therefore implementation will only start in the 2023/24 financial year.	A Service Level Agreement was only signed between Khosithi and SPLM in June 2023 for 80 learners apprenticeship. Project will commence in the new financial year (2023/24).

CHAPTER 3: SERVICE DELIVERY

Ref	Strategic Objective	KPI Name	KPI reviewed / removed /included at mid-term	Unit of Measurement	Past Year Performance		Overall Performance for 2022/2023					
					Target	Actual	Original Annual Target	Revised Annual Target	Actual	R	Performance Comment	Corrective Measures
TL49	Spatial Transformation	% Progress on the construction of Craven Street Centre using Pre-owned shipping containers for business development by 30 June 2023	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	Percentage Progress on construction	10%	10%	100%	100%	98%	○	Progress to date: The project is now 98% complete. All containers have been delivered and erected on site. Tiling and plumbing completed. Paving of site completed. Erection of fencing also completed.	Outstanding work: The erection of custom-made roof material for better aesthetics. Special purpose roof material was procured from a service provider and was delivered on site. However, order was rejected and returned due to wrong spec delivered. Currently awaiting delivery of correct spec roof material and installation. Firm indicatives are that order will be delivered by 25 July 2023, with installation set to take 4 days post-delivery

CHAPTER 3: SERVICE DELIVERY

Ref	Strategic Objective	KPI Name	KPI reviewed / removed /included at mid-term	Unit of Measurement	Past Year Performance		Overall Performance for 2022/2023					
					Target	Actual	Original Annual Target	Revised Annual Target	Actual	R	Performance Comment	Corrective Measures
INFRASTRUCTURE AND SERVICES												
TL50	Service Provision	Number of km of residential roads upgraded from gravel to a paved surface within the Sol Plaatje municipal area by 30 June 2023 as per the project plan	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	Number of km paved	3 km	3 km	4 km	4 km	2.47 km	R	The service provider appointed could not supply machinery needed for earthworks as scheduled.	The contract with the service provider has since been terminated. The municipality will seek alternative service providers to hire machinery. Work on the outstanding gravel roads will commence in July 2023 and completed during the 2023 /24 financial year.
TL51	Service Provision	Number of square metres of roads to be resealed within Sol Plaatje Municipal area by 30 June 2023 as per the Project Plan	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	Square metres of roads resealed	86 000 square metres	93 000 square metres	100 000 square metres	100 000 square metres	123 000 square metres	G2	N/A	N/A

CHAPTER 3: SERVICE DELIVERY

Ref	Strategic Objective	KPI Name	KPI reviewed / removed /included at mid-term	Unit of Measurement	Past Year Performance		Overall Performance for 2022/2023					
					Target	Actual	Original Annual Target	Revised Annual Target	Actual	R	Performance Comment	Corrective Measures
TL52	Service Provision	100% Procurement of identified fleet by 30 June 2023 as per the Fleet Replacement Plan	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	% of Identified fleet items delivered (Number of vehicles delivered out of the number of vehicles identified for purchase x 100)	100%	95%	100%	100%	80%	O	The 3 x 4 Ton Crew Cab has been delivered as well as the 8000 litre sewerage tanker which was initially procured in 2021/22. Only the major pumper for Fire Truck Engine is outstanding due to supplier challenges.	Major Pumper for Fire Truck Engine to be delivered in December 2023.
TL53	Service Provision	Number of street lights heads replaced within Sol Plaatje municipal area by 30 June 2023 (Replacing 250 W HPS with 100 W LED)	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	Number of street light heads replaced	NEW		500	500	900	B	N/A	N/A
TL54	Service Provision	Number of street lights heads replaced within Sol Plaatje municipal area by 30 June 2023 (Replacing 125 W HPS with 36 W LED)	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	Number of street light heads replaced	NEW		1 036	1 036	1 107	G2	N/A	N/A

CHAPTER 3: SERVICE DELIVERY

Ref	Strategic Objective	KPI Name	KPI reviewed / removed /included at mid-term	Unit of Measurement	Past Year Performance		Overall Performance for 2022/2023					
					Target	Actual	Original Annual Target	Revised Annual Target	Actual	R	Performance Comment	Corrective Measures
TL55	Service Provision	% Progress on the upgrading of the Carters Glen sub station to deload the Galeshewe sub station (Phase 3) by 30 June 2023	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	Percentage completion as per project progress report	NEW		100%	100%	53%	R	The tender for the project was awarded late, in March 2023 due to non-responsive bids. The project required 6 months for completion, as such the project could not be completed timeously.	Work on the project is underway and expected to be completed in the 2023/24 financial year.
TL56	Service Provision	Number of households in Lerato Park connected to the electricity network by 30 June 2023 (Phase 7)	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	Number of houses connected to electricity network	270	0	550	650	0	R	The project for the electrification of 214 households in Lerato park is still on-going. The reason for target not met was the delay due to the fleet tender that got cancelled. As a result we could not hire machinery/equipment required to complete the project .	The municipality has appointed a PMU manager to revive the project management unit to implement stricter controls for the monitoring and implementation of projects.
TL57	Service Provision	Decrease electricity losses to 16% by 30 June 2023	N/A	% Electricity losses	16%	29,69%	16%	16%	29,38%	R	Due to bypassed prepaid metres, stolen electricity,conventional metres not read properly, interim accounts billing, the lossess have increased.	Contractor appointed for the replacement of Bypassed and faulty metres to assist in decreasing the electricity losses.

CHAPTER 3: SERVICE DELIVERY

Ref	Strategic Objective	KPI Name	KPI reviewed / removed /included at mid-term	Unit of Measurement	Past Year Performance		Overall Performance for 2022/2023					
					Target	Actual	Original Annual Target	Revised Annual Target	Actual	R	Performance Comment	Corrective Measures
TL58	Service Provision	% Completion for the installation of electrical and mechanical components in Lerato Park Sewer pump Station as per the project plan by 30 June 2023	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	Percentage completion as per project plan	100%	16%	100%	100%	28,50%	R	Target not achieved due to contractual Challenges and delayed payment of services providers.	The contractual challenges have been resolved and the contractor is continuing with the project.
TL59	Service Provision	% Progress on the construction phase for the Carters Ridge sewer pump station building with all electrical and mechanical equipment as per the Project Plan by 30 June 2023	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	Percentage progress on construction as per project plan	10%	10%	60%	60%	12%	R	The project came to a halt due to contractual challenges between the municipality and the consultants appointed for the project with regards to the fee structure. This has led to the temporary suspension of the project. The 12% reported refers to the actual work conducted on the project on site, and does not include the 10% stated in the previous financial year which reported on the appointment of a service provider for the project.	The municipality is currently investigating the option to implement and manage the project internally.

CHAPTER 3: SERVICE DELIVERY

Ref	Strategic Objective	KPI Name	KPI reviewed / removed /included at mid-term	Unit of Measurement	Past Year Performance		Overall Performance for 2022/2023					
					Target	Actual	Original Annual Target	Revised Annual Target	Actual	R	Performance Comment	Corrective Measures
TL60	Service Provision	% Completion for the reconstruction work of 320 aged sink toilets in Kagisho, Kutlwanong and Phomolong by 30 June 2023 as per the project plan	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	% Completion as per the project plan	100%	95%	100%	100%	100%	G	Project is at practical completion stage	N/A
TL61	Service Provision	Reduce water losses to 50% by 30 June 2023 (Total purchase less water sales / by total purchases x 100)	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	% Reduction of water losses	50%	64,63%	50%	50%	63,99%	R	Target not achieved.	Implementation of enabling projects and programs of Non-Revenue Water (NRW) and Water Conservation and Water Demand Management (WCWDM).
TL62	Service Provision	% Progress on the construction of the foundations for 2 elevated water tanks by 30 June 2023 as per the project plan	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	% Progress on the construction of the foundations as per the project plan	100%	0%	100%	100%	50%	R	Upon assessment on the work and skills required to complete the project, the municipality resolved to implement the project internally in March of 2023. The foundation for Ritchie has been completed. Due to underground water in the identified location for the Green point water tank foundation, the project	The project will be concluded in the 2023/24 financial year.

CHAPTER 3: SERVICE DELIVERY

Ref	Strategic Objective	KPI Name	KPI reviewed / removed /included at mid-term	Unit of Measurement	Past Year Performance		Overall Performance for 2022/2023							
					Target	Actual	Original Annual Target	Revised Annual Target	Actual	R	Performance Comment	Corrective Measures		
TL63	Service Provision	Achieve 98% compliance on drinking water quality by 30 June 2023 (In accordance to SANS 241:2015 - Blue Drop	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	% Compliance to SANS 241 quality standards	98%	98.80%	98%	98%	86.3%	O	With recognition of operational analysis as part of compliance parametres, overall compliance was not met. Operational parametres are affected per shift and vulnerable to change.	In future, all parametres will be considered in calculating overall compliance of this target.		
TL64	Service Provision	Achieve 70% Compliance on treated waste water effluent quality by 30 June 2023 (In accordance with effluent general standards) - Green Drop	KPI reviewed at mid-term and adjusted accordingly. See annexure1 for reasons to adjust.	% Compliance to the Effluent General Standards	70%	43%	70%	70%	72.1%	G2	N/A	N/A		
TL66	Service Provision	Number of households in Lethabo Park connected to the electricity network by 30 June 2023 (Phase 1)	KPI included in the SDBIP at mid-term. The KPI/ project was not completed in the previous year and omitted in the 2022/23 f/y SDBIP. Refer to annexure 1	Number of houses connected to electricity network	1 166	0	0	1 166	0	R	The project is still ongoing. There were four contractors appointed for this Electrification and scope of work was divided into four. 232 connections were underway by 30 June 2023. The delay in this	Not to install Service connections on unoccupied households because this create an opportunity for theft and vandalism.		

CHAPTER 3: SERVICE DELIVERY

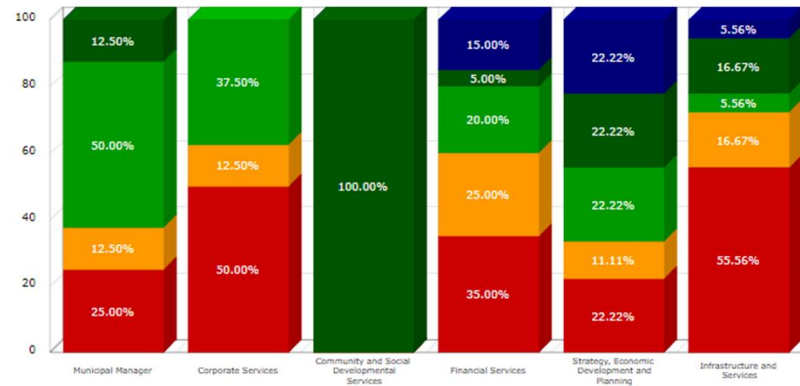
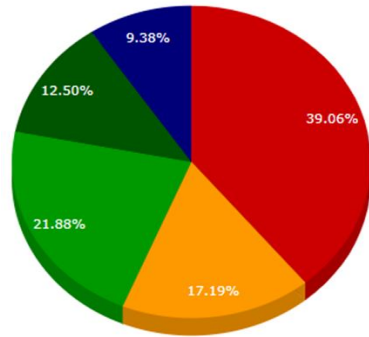
Ref	Strategic Objective	KPI Name	KPI reviewed / removed /included at mid-term	Unit of Measurement	Past Year Performance		Overall Performance for 2022/2023						
					Target	Actual	Original Annual Target	Revised Annual Target	Actual	R	Performance Comment	Corrective Measures	
			for detailed explanation.									project was as results of prepaid meter shortages due to unavailability of semi-conductor material in the country. Theft of Airdac was and still is a major setback for this project to be completed.	
TL67	Service Provision	Number of households in Lerato Park connected to the electricity network by 30 June 2023 (Phase 6)	KPI included in the SDBIP at mid-term. The KPI/ project was not completed in the previous year and omitted in the 2022/23 f/y SDBIP. Refer to annexure 1 for detailed explanation.	Number of houses connected to electricity network	150	0	0	411	0	R	The project is still ongoing, after being ceded to new a contractor on 17 September 2022. No actual connections where achieved by 30 June 2023, although a substantial amount of work has been done . The delay in this project was due to various factors like extremely hard rock encountered while doing excavations of MV Cables as well prepaid meters shortages due to semi-conductor material. Theft of Airdac remains a major concern and threat to this project.	Not to install Service connections on unoccupied households because this create an opportunity for thieves. To ensure that longleaf items get procured timeously to avoid any delays.	

CHAPTER 3: SERVICE DELIVERY

Ref	Strategic Objective	KPI Name	KPI reviewed / removed /included at mid-term	Unit of Measurement	Past Year Performance		Overall Performance for 2022/2023					
					Target	Actual	Original Annual Target	Revised Annual Target	Actual	R	Performance Comment	Corrective Measures
TL68	Service Provision	% Completion of the Homevale Fire Station by 30 June 2023	KPI included in the SDBIP at mid-term. The KPI/ project was not completed in the previous year and omitted in the 2022/23 f/y SDBIP. Refer to annexure 1 for detailed explanation.	% Completion	100%	97%	0%	100%	97%	○	The project is reported at 97% similarly to the percentage actual of 2022. This is due to the vandalism that occurred on the property. The project thus regressed and required the vandalised items to be replaced.	Once all remedial work has been completed, practical completion will be achieved in the 2023/24 financial year.

OVERALL MUNICIPAL PERFORMANCE FOR THE 2022/23 FINANCIAL YEAR

CHAPTER 3: SERVICE DELIVERY



	Sol Plaatje Municipality	Responsible Directorate						
		Executive and Council	Municipal Manager	Corporate Services	Community and Social Developmental Services	Financial Services	Strategy, Economic Development and Planning	Infrastructure and Services
Not Yet Applicable	-	-	-	-	-	-	-	-
Not Met	25 (39.06%)	-	2 (25.00%)	4 (50.00%)	-	7 (35.00%)	2 (22.22%)	10 (55.56%)
Almost Met	11 (17.19%)	-	1 (12.50%)	1 (12.50%)	-	5 (25.00%)	1 (11.11%)	3 (16.67%)
Met	14 (21.88%)	-	4 (50.00%)	3 (37.50%)	-	4 (20.00%)	2 (22.22%)	1 (5.56%)
Well Met	8 (12.50%)	-	1 (12.50%)	-	1 (100.00%)	1 (5.00%)	2 (22.22%)	3 (16.67%)
Extremely Well Met	6 (9.38%)	-	-	-	-	3 (15.00%)	2 (22.22%)	1 (5.56%)
Total:	64	-	8	8	1	20	9	18
	100%	-	12.50%	12.50%	1.56%	31.25%	14.06%	28.13%

CHAPTER 3: SERVICE DELIVERY

3.32.16 Municipal Manager's Quality Certification

Quality Certificate

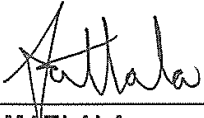
I, **SB Matlala**, the Municipal Manager of Sol Plaatje Municipality, hereby certify that the



Annual Performance Report

For the year ended **30 June 2022** has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

**APPROVED FOR SUBMISSION TO AUDITOR-GENERAL WITH THE
RECOMMENDED ADJUSTMENTS**



SB MATLALA
MUNICIPAL MANAGER

DATE: 22 NOVEMBER 2023

CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

The main purpose of Organisation Development is to provide training and development interventions with the aim to increase the competencies of officials so that services can be rendered effectively.

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

4.1.1 Employee Totals

The table below indicates the number of approved posts according to the approved organogram, posts filled and vacancies as at 30 June 2022:

Description	2020/21	2021/22			
	Employees	Approved Posts	Employees	Vacancies	Vacancies
	No				%
Municipal Manager's Office	23	29	18	11	37.9
Infrastructure and Services					
Executive Director's Office	12	13	12	1	7.7
Water & Sanitation	239	326	161	165	50.6
Electricity Services	196	225	123	102	45.3
SECCU	0	2	0	2	100
Housing	56	77	37	40	51.9
Roads & Storm Water	114	161	51	110	68.3
SEDP					
SEDP	132	179	71	108	60.3
Community Services					
Clinics	21	98	13	85	86.7
Emergency Services	80	140	63	77	55
Environmental Health	18	35	13	22	62.9
Library Services	49	66	50	16	24.2
Motor Vehicle Licensing & Registration	25	48	27	21	43.8
Parks & Recreation	263	319	195	124	38.9
Social Development HIV/Aids	3	3	3	0	0
Traffic Law Enforcement	88	105	87	18	17.1
Waste Management	175	349	113	236	67.6
Corporate Services					

CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

Description	2020/21	2021/22			
	Employees	Approved Posts	Employees	Vacancies	Vacancies
	No				%
Corporate Services	166	220	123	97	44.1
Financial Services					
Finance	217	247	174	73	29.6
ICT	16	20	8	12	60
Supply Chain	34	39	31	8	20.5
Total	1 927	2701	1373	1328	49.17

Table 158: Approved Posts, Employees and Vacancies

Note: These figures exclude the Legislators. Vacancies are calculated against the posts on the approved organogram. Not all the posts on the organogram are budgeted for.

4.1.2 Vacancy Rate

Several attempts have been made to fill vacancies; however, the applicants often do not have the required qualifications. The post is then re-advertised. We currently have a soft lock on appointments.

The table below indicates the vacancy rate as at 30 June 2022:

Category	Total Approved Posts	Vacancies	Vacancies %
	No.		
S54 Municipal Manager	1	1	100
CFO	1	0	0
Other S56 Directors (excluding Finance posts)	4	0	0
Other S57 Managers (Finance posts)	6	1	16.6
Police officers	53	3	5.7
Fire fighters	79	39	49.4
Senior management: Levels 13-15 (excluding Finance posts)	136	71	52.2
Senior management: Levels 13-15 (Finance posts)	26	9	34.6
Highly skilled supervision: Levels 9-12 (excluding Finance posts)	448	236	52.7
Highly skilled supervision: Levels 9-12 (Finance posts)	39	18	46.2
Total	793	378	47.7

Table 159: Vacancy Rate

CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

4.1.3 Staff Turnover Rate

The table below indicates the staff turnover rate for the last two years:

Description	Total Appointments as of beginning of Financial Year	Terminations during the Financial Year	Staff Turnover Rate
	No.		%
2019/20	9	83	922
2020/21	3	47	1566
2021/22	11	70	636
2022/23			

Table 160: Staff Turnover Rate

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

4.2 INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

The primary objective of Human Resource Management is to render an innovative Human Resource service which addresses both skills development and an administrative function as approved in the staff establishment.

4.3 POLICIES

4.3.1 Overview on Workforce Policy Development

Human Resource Section regularly reviews existing policies and procedures in addressing all human resource related matters and any challenges faced by the Municipality. One of our biggest challenges remains the recruitment and retention of skilled technical staff in order to meet the Municipality's objectives as set out in the IDP.

Recruitment includes headhunting technical staff based on the provisions of the approved Human Resource Recruitment and Selection Policy.

4.3.2 Human Resource Policies and Plans

Municipalities fall under the scope of the South African Local Government Association (SALGA). Accordingly, the policy environment for municipalities, including the Sol Plaatje Municipality, is regulated by the South African Local Bargaining Council (SALBC) agreements. Given that municipalities exercise legislative and executive authority in terms of Chapter 7 of the Constitution of the Republic of South Africa (1996, as amended), read in conjunction with the legislative framework on co-operative governance, municipalities adopt policies and procedures to regulate the policy lacuna of the SALBC framework, for instance section 151(3) of the Constitution provides that

CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

“a Municipality has the right to govern on its own initiative, the local affairs of its community, subject to national and provincial legislation...”.

The policy schedule reflects this dialectical interrelationship between policies adopted by the SALBC and the Sol Plaatje Municipality for the applicable period. The local government legislative framework including but not limited to the following legislation regulates other policies:

- Constitution of the Republic of South Africa (Act No. 108 of 1996, as amended)
- Local Government: Municipal Finance Management Act (Act No. 56 of 2003) (referred to hereafter as the MFMA)
- Local Government: Municipal Structures Act (Act No. 117 of 1998)
- Local Government: Municipal Systems Act (Act No. 32 of 2000, as amended)
- Employment Equity Act (Act No. 55 of 1998)
- Basic Condition of Employment Act (Act No. 75 of 1997, as amended)
- Labour Relations Act (Act No 66 of 1995, as amended)
- Occupational Health and Safety Act (Act No. 85 of 1993, as amended)
- Skills Development Act (Act No. 97 of 1998, as amended)

It should be noted that all the Human Resource Policies will have to be revised in order to be aligned with the Municipal Staff Regulations.

The table below shows the Human Resource Policies and Plans that are applicable in the municipality:

Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
Affirmative Action	100%	100%	7 July 2010
Attraction and Retention	100%	100%	Tabled at Committee of Council: Corporate
Code of Conduct for employees	100%	100%	Schedule 1 of Municipal Systems Act
Delegations, Authorisation & Responsibility	100%	100%	Adopted by June 2005
Disciplinary Code and Procedures	100%	100%	SALGBC Agreement: Adopted
Essential Services	100%	100%	Regulated by the Labour Relations Act
Employee Assistance / Wellness	90%	100%	Tabled at Committee of Council: Corporate
Employment Equity	100%	100%	7 July 2010
Exit Management	100%	100%	HR Procedure
Grievance Procedures	100%	100%	SALGBC Agreement
HIV/Aids	100%	100%	Approved 6 June 2018
Human Resource Training and Development	100%	100%	Regulated by Skills Development Act
Information Technology Policies	100%	100%	30 June 2010, reviewed July 2012

CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
Job Evaluation	100%	100%	Approved by Council, 4 November 2014
Leave	100%	100%	SALGBC
Occupational Health and Safety	100%	100%	Regulated by Health and Safety Act
Official Housing	N/A	N/A	Not Applicable
Travelling and Subsistence Allowance Policy	100%	100%	8 December 2009; reviewed 2012
Official transport to attend Funerals	N/A	N/A	Not applicable
Official Working Hours and Overtime	100%	0%	Conditions of Service
Organisational Rights	100%	100%	SALGBC Agreement
Payroll Deductions	100%	100%	HR Procedure
Performance Management and Development	100%	100%	Approved 7 July 2010
Recruitment, Selection and Appointments	100%	100%	Approved 10 December 2020
Remuneration Scales and Allowances	100%	100%	SALGBC Agreement
Resettlement	100%	100%	Housing Procedure
Sexual Harassment	100%	100%	Reviewed 7 July 2010
Skills Development	100%	100%	Regulated by Skills Development Act
Smoking	90%	100%	Tabled at Committee of Council: Corporate
Special Skills	100%	100%	Council resolution
Uniforms and Protective Clothing	100%	100%	HR Procedure
Rewards and Incentive	100%	100%	Approved 6 June 2018
Disability	100%	100%	Approved 6 June 2018
Skills and Retention	100%	100%	Approved 6 June 2018
Ethics	100%	100%	Approved 4 June 2019
Rewards & Incentive	100%	100%	Approved 6 June 2018
Overtime	100%	100%	Approved 4 February 2020
Study	100%	100%	Approved 6 June 2018
Consequence Management	100%	100%	Approved 14 October 2020
Code/Ethics	100%	100%	Approved 4 June 2019
Telecommunications	100%	100%	Approved November 2020
Danger Allowance	100%	100%	Approved April 2021
Pregnancy and Maternity	100%	100%	Reviewed

Table 161: Human Resource Policies and Plans

4.4 INJURIES, SICKNESS AND SUSPENSIONS

Occupational injury is a personal injury, disease or death resulting from an occupational accident. Occupational injury will influence the loss of man hours according to the seriousness of the injury/disease which can be costly to the municipality based on the financial and productivity performance.

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In terms of injury on duty the Municipality is unable to prematurely calculate IOD for any future injuries. The table below indicates the number and cost of Injuries on duty for the 2021/22 financial year:

Type of injury	Injury Leave Taken	Employees injured	Proportion employees using IOD sick leave	Average Injury Leave per employee	Total Estimated Cost
	Days	No.	%	Days	Rand
Required basic medical attention only	0	2	0%	0	0
Required medical attention	257	83	7.51%	3.09	1,690,194.20
Sub Total	257	85	7.51%	3.02	1,690,194.20
Permanent disablement	0	0	0	0	0
Fatal	0	2	0	0	On-going
Total	257	87	7.51%	4.10	1,690,184.20

Table 162: Number and Cost of Injuries on Duty

4.4.1 Sick Leave (excluding injuries on duty)

The number of days sick leave taken by employees has service delivery and cost implications. The monitoring of sick leave identifies certain patterns or trends. Once these patterns are identified, corrective measures can be taken.

A Health and Safety Office is appointed by the municipality to educate all employees on policies as well as to improve safety measures in the workplace. Each Directorate has a Health and Safety Committee which monitors injuries in the said directorate.

Sick leave per employee is not calculated separately, it forms part of the total remuneration package per employee

The table below indicates the number of days and cost of sick leave:

Salary band	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per Employee
	Days	%	No	No	Days
Lower skilled (Levels 1-2)	250	73.6	493	493	0.51
Skilled (Levels 3-5)	4 491	14.3	822	822	5.47
Highly skilled production (levels 6-8)	3 118	12.93	533	533	5.85
Highly skilled supervision (levels 9-12)	2 077	14	74	74	28.07
Senior management (Levels 13-15)	634	69.94	58	58	10.94
MM and S57	3	100	3	3	1
Total	15 456		1 583	1 583	9.76

Table 163: Number of Days and Cost of Sick Leave

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4.4.2 Suspensions & Financial Misconduct

There were no suspension cases or cases of financial misconduct.

There is a tendency by the accused employees to contest their cases in Labour Court as well as Labour Appeal Court.

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

4.5 INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

The Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) Section 68 (1) requires municipalities to develop their human resource capacity to a level that enables them to perform their functions and exercise their powers in an economical, effective, efficient, and accountable way. Annually a training plan is developed to upskill the employees and councillors based on the IDP related training needs and to improve the delivery of services. Monthly feedback, on these training interventions, is reported to the relevant Council Sub-Committee.

Access to funding for training remains a challenge.

4.5.1 Skills Development and Training 2021/22

The table below indicates the number of employees that received training in the year under review:

Category	Trained in post	Learnerships		Skills programmes & other short courses		Other forms of training		Total		
		Actual	Target	Actual	Target	Actual	Target	Actual	Target	
Managers	Female	15	0	0	14	20	1	1	15	21
	Male	22	0	0	18	25	4	1	22	26
Professionals	Female	24	0	0	19	16	5	5	24	21
	Male	33	0	0	13	13	20	9	33	22
Technicians and Trade Workers	Female	17	0	0	17	17	2	0	19	17
	Male	41	0	0	41	43	16	0	57	43
Community and Personal Services Workers	Female	36	0	0	36	30	0	0	36	30
	Male	68	0	0	68	70	0	0	68	70
Clerical and Administrative Workers	Female	121	0	0	121	115	0	0	121	115
	Male	45	0	0	27	35	0	0	27	35
Machine Operators and Drivers	Female	11	0	0	11	19	0	0	11	19
	Male	56	0	0	56	61	0	0	56	61
Labourers	Female	42	0	0	42	50	0	0	42	50
	Male	182	0	0	182	190	0	0	182	190
Sales and Service Workers	Female	42	0	0	42	50	0	0	42	50

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Category	Trained in post	Learnerships		Skills programmes & other short courses		Other forms of training		Total		
		Actual	Target	Actual	Target	Actual	Target	Actual	Target	
	Male	96	0	0	96	110	0	0	96	110
Total		851	0	0	803	864	48	16	851	880

Table 164: Skills Development and Training

4.5.2 Skills Development Expenditure 2022/23

The total budget allocated for skills development and other capacitation programmes was R6 556 000 for all management levels, and the total sum spent for the skills development expenditure is R4 472 000. Councillor development is included.

Category		Employees as at the beginning of the financial year	Learner ships		Skills programmes & other short courses		Other forms of training		Total	
			Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual
R'000										
Managers & Leg	Female	15	0	0	130	78	1 000	65	1 130	143
	Male	22	0	0	55	33			55	33
Professionals	Female	24	0	0	20	0	618	617	638	617
	Male	33	0	0	50	19	597	443	647	462
Technicians and Trade Workers	Female	17	0	0	0	0	2 700	2 658	2 700	2 658
	Male	41	0	0	100	97	496	196	596	293
Clerical and Administrative Workers	Female	36	0	0	10	9	50	26	60	35
	Male	68	0	0	50	32	50	30	100	62
Community and Personal Service Workers	Female	121	0	0	5	4	5	0	10	4
	Male	45	0	0	50	8	50	0	100	4
Machine Operators and Drivers	Female	11	0	0	5	5	5	0	10	8
	Male	56	0	0	60	5	60	0	120	5
Elementary occupations	Female	42	0	0	80	15	80	0	160	15
	Male	182	0	0	30	18	30	0	60	18
Sales and Service Workers	Female	42	0	0	25	20	60	0	85	20
	Male	96	0	0	35	95	50	0	85	95
Total		2 007	0	0	7 05	438	5 851	4 035	6 556	4 472
% of municipal salaries (original budget) allocated for workplace skills plan									1%	

Table 165: Skills Development Expenditure

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This is for the skills year and includes the Financial Interns, Infrastructure, Skills Development (ISDG) Candidates and the councillors. Several of the Infrastructure and Skills Development candidates completed their journey before the end of their contracts and hence this reflects as underspending.

4.5.3 MFMA Competencies

In 2007, the minimum competencies for officials responsible for financial and supply chain management were regulated. Minimum higher education qualifications, work-related experience and core managerial and occupational competencies are among the aspects covered by the regulations.

The minimum competency levels also seek to professionalize the local government sector and to make it a career choice for talented officials and to some extent mitigate some of the root causes of poor financial management and service delivery experienced at Local Government level. It is also required to report to National Treasury on a quarterly basis on the progress of the minimum competency levels.

The table below is the status of applicable personnel as at 30 June 2022:

Position	Highest Educational Qualification	Work Related Experience	Performance Agreement Signed (where required)	Completed Required Unit standards	Requirements met	Compliant (consider budget)
Accounting Officer	√	√	√	X	3	X
CFO Municipality	√	√	√	X	3	X
Senior Manager (S56)	√	√	X	√	3	X
Senior Manager (S56)	√	√	√	X	3	X
Senior Manager (S56)	√	√	√	X	3	X
Senior Manager (S56)	√	√	√	X	3	X
Middle Manager: Finance	√	√	√	X	3	X
Middle Manager: Finance	√	√	√	X	3	X
Head SCM	√	√	√	X	3	X
SCM Manager	X	√	√	X	2	X
SCM Manager	√	√	√	√	4	√

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Position	Highest Educational Qualification	Work Related Experience	Performance Agreement Signed (where required)	Completed Required Unit standards	Requirements met	Compliant (consider budget)
SCM Manager	√	√	√	√	4	√

Table 166: Financial Competency Development

Councillors were capacitated in various areas related to their portfolios and the new councillors underwent Induction and the accredited Integrated Councillor Induction Programme presented by SALGA.

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

4.6 INTRODUCTION TO WORKFORCE EXPENDITURE

In terms of National Treasury's MFMA Circular No. 71 (Uniform financial ratios and norms), the benchmarked norm on Remuneration (Employee Related Costs and Councillors' Remuneration) is between 25% to 40% which is considered acceptable depending on the size and services rendered by the Municipality. The Municipality's target is 33% employee costs ratio against total operating expenditure. Total Remuneration increased by 1.02% from R801 million to R819 million.

As at 30 June 2023, the Total Remuneration was 31.97% of the total operating expenditure, which is within the target of 33%. As per note 29 of the Annual Financial Statements, the total overall overtime expenditure increased by 21% from R46,319 million in 2021/22 to R58,731 million in 2022/23. As indicated in the table below, Total Remuneration as a percentage of total operating expenditure increased by 1.02% from 30.95% in 2021/22 to 31.97% in 2022/23:

Description	2020/21	2021/22	2022/23
	R		
Employee costs actual	726,330,899	770,303,358	786,665,044
Councillor's remuneration	30,259,984	30,736,976	32,224,280
Total Remuneration	756,590,883	801,040,334	818,889,325
Total Operating Expenditure	2,161,845,876	2,587,775,117	2,561,276,436
Employee costs and Councillor's remuneration as % of Operational Expenditure	35.00%	30.95%	31.97%
Year-on-year percentage increase (decrease)	-	-4.04%	1.02%

Table 167: Employee Costs

4.6.2 Employee Expenditure Trends

Councillors are remunerated based on upper limits gazette as promulgated by the Minister for CoGTA. An average increase of 3.80% was approved and implemented with total councillor's benefits amounting to R32,224 million. From

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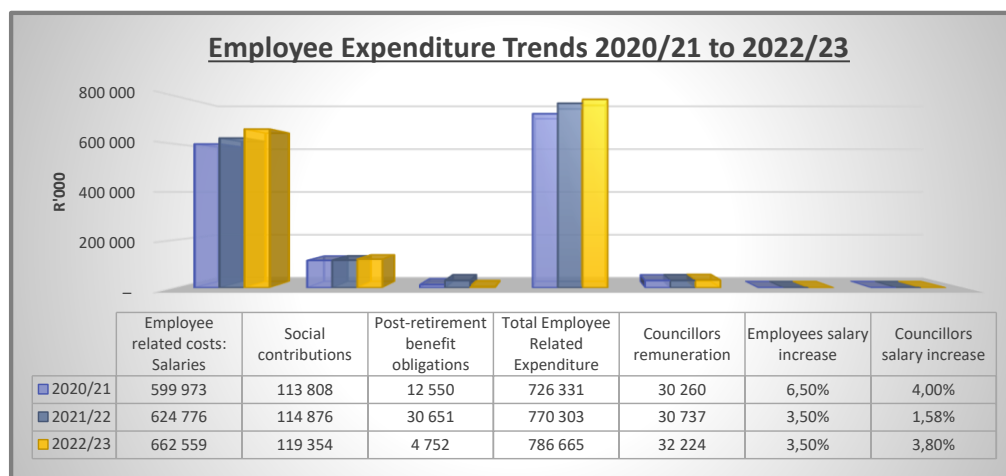
CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

the table below, it can be noted that employee related costs increased by an average of 2.12% from 2021/22 to 2022/23 financial year.

Description	2020/21	2021/22	2022/23	Year-on-year Increase (decrease) (2021/22 to 2022/23)
	R'000			%
Employee-related costs: Salaries	599,973	624,776	662,559	6.05%
Social contributions	113,808	114,876	119,354	3.90%
Post-retirement benefit obligations	12,550	30,651	4,752	-84.50%
Total Employee Related Expenditure	726,331	770,303	786,665	2.12%
Councillors' remuneration	30,260	30,737	32,224	4.84%
Employees salary increase	6.50%	3.50%	4.90%	1.40%
Councillors' salary increases	4.00%	1.58%	3.80%	2.22%

Table 168: Employee Expenditure Trends

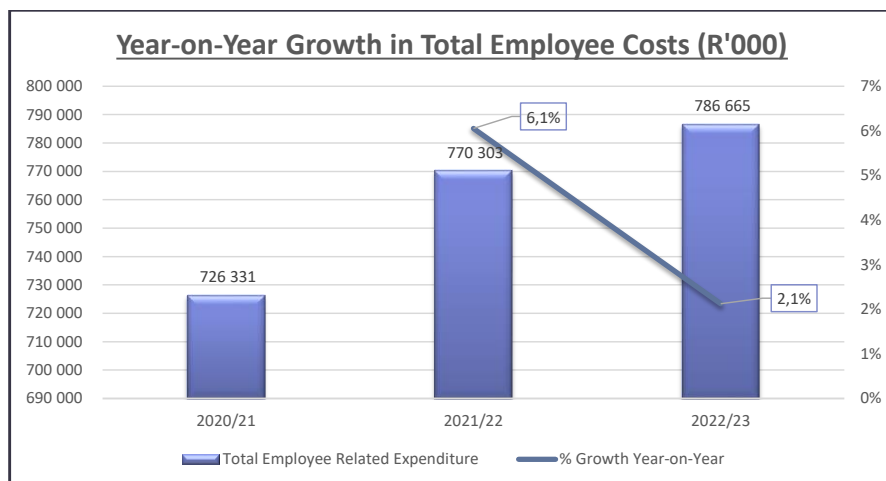
Employee Expenditure Trends 2020/21 to 2022/23



Graph 25: Expenditure Trends

Growth in Total Employee Costs Year on Year

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Graph 26: Growth in Total Employee Costs Year on Year

4.6.3 Employees whose salary levels exceed the grade determined by job evaluation

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Admin Officer	3	T9	C3	Positions were graded below what employees were currently receiving
Admin Officers: Informal Trade	1	T10	C5	
Admin Officers: Personal Assistant	4	T10	C5	
Administrator	1	T8	C1	
Cashier	9	T5	B2	
Clerk	1	T5	C1	
Clerk	3	T5	B2	
Clerk	5	T5	B3	
Clerk: Verifications	4	T5	B2	
Communications Officer	1	T11	D1	
Controller	4	T10	C5	
Controller	2	T11	C5	
Controller: Sanitation	1	T7	C2	
Driver	2	T5	C3	
Driver Messenger	3	T4	B3	
Driver Messenger	1	T4	B1	
Employee Relations Manager	1	T11	D4	
Engineering Technician	1	T11	C5	

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Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Foreman: Sanitation	1	T11	C5	
General Assistants	20	T3	A3	
Handyman	11	T5	B3	
Head Properties	1	T14	D3	
Head: Administration	1	T9	C5	
Internal Investigator	1	T13	D3	
Liaison Officer	1	T9	C3	
Liaison Officer	1	T12	D4	
Peace Officer	1	T9	C4	
Principal Clerk	4	T7	C1	
Project Manager	1	T12	D3	
Project Manager	1	T11	C5	
Risk Officer	1	T11	D1	
SDBIP Officer	1	T11	C5	
Senior Admin Officer	1	T11	D5	
Senior Clerk	2	T6	C1	
Senior Clerk	2	T6	B5	
Senior Clerk	4	T6	B4	
Senior Supply Chain Officer	1	T12	D5	
Senior Supervisor: Cemetery	1	T8	C1	
Switchboard Operators	2	T5	B3	
VIP Protection	1	T6	C1	

Table 169: *Salary Levels Exceed the Grade Determined*

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COMPONENT A: STATEMENT OF FINANCIAL PERFORMANCE

The statement of financial performance provides an overview of the financial performance and focuses on the financial health of the Municipality.

5.1 INTRODUCTION TO FINANCIAL STATEMENTS

5.1.1 Financial Performance of Operational Services

Financial Performance of Operational Services						
Description	2021/22	2022/23			2022/23 Variance	
	Actual	Original Budget	Adjust. Budget	Actual	Original Budget	Adjust. Budget
	(R'000)				%	
Operating Cost						
Water	314 140	322 469	352 072	349 874	8%	-1%
Waste Water (Sanitation)	27 717	27 534	27 534	28 231	3%	3%
Electricity	749 833	915 683	979 283	963 125	5%	-2%
Waste Management	58 513	70 950	70 950	73 110	3%	3%
Housing	21 940	22 768	23 468	20 980	-8%	-11%
Component A: sub-total	1 172 143	1 359 404	1 453 307	1 435 320	6%	-1%
Waste Water (Storm Water Drainage)						
Roads	42 545	45 606	50 445	52 257	15%	4%
Transport	39 833	47 720	47 720	43 260	-9%	-9%
Component B: sub-total	82 378	93 326	98 165	95 517	2%	-3%
Planning	34 380	41 274	42 038	35 899	-13%	-15%
Local Economic Development	5 614	6 599	6 599	6 477	-2%	-2%
Component B: sub-total	39 994	47 872	48 636	42 376	-11%	-13%
Planning (Strategic & Regulatory)	0	0	0	0	0	0
Local Economic Development	0	0	0	0	0	0
Component C: sub-total	0	0	0	0	0	0
Community & Social Services	40 133	43 119	43 819	45 511	6%	4%
Environmental Protection	665	737	737	836	13%	13%
Health	17 367	18 842	22 342	19 082	1%	-15%

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Financial Performance of Operational Services						
Description	2021/22	2022/23			2022/23 Variance	
	Actual	Original Budget	Adjust. Budget	Actual	Original Budget	Adjust. Budget
	(R'000)				%	
Security and Safety	61 175	69 083	69 083	66 445	-4%	-4%
Sport and Recreation	47 702	53 283	53 913	59 539	12%	10%
Corporate Policy Offices and Other	1 126 220	779 461	908 197	796 650	2%	-12%
Component D: sub-total	1 293 261	964 525	1 098 091	988 063	2%	-10%
Total Expenditure	2 587 775	2 465 128	2 698 200	2 561 276	4%	-5%

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

Table 170: Financial Performance of Operational Services

The municipality has used consultancies for various and specialised work during the year. The table below lists all major consultancy work procured by the municipality.

Name of the Firm	Nature of the Service	Amount Paid in Rand
Zaqen Actuaries (Pty) Ltd	Actuarial Valuation - Post-Retirement Benefits	24 150.00
1 Pangaea Expertise & Solutions (Pty) Ltd	Landfill Site Valuation	30 500.00
Grand Total		54 650.00
Total No. of Consultants		2

Table 171: Consultancy Work Procured

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5.1.2 Revenue Collection Performance by Vote and by Source

a) REVENUE COLLECTION PERFORMANCE BY VOTE

Vote Description	2021/22	2022/23			2022/23 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjust. Budget
	R'000				%	
Executive and Council	0	0	0	0	0%	0%
Municipal and General	565 799	470 256	453 970	468 806	0%	3%
Municipal Manager	0	0	0	0		
Corporate Services	6 869	6 873	6 873	5 432	-21%	-21%
Community Services	106 478	101 913	114 253	124 394	22%	9%
Financial Services	610 429	648 238	651 552	670 519	3%	3%
Strategy Economic Development and Planning	17 626	7 945	29 395	6 867	-14%	-77%
Infrastructure Services	1 157 181	1 386 322	1 373 122	1 223 713	-12%	-11%
Total Revenue by Vote	2 464 382	2 621 547	2 629 165	2 499 732	-5%	-5%

Variations are calculated by dividing the difference between the actual and original/adjustments budget by the actual.

Table 172: Revenue Collection Performance by Vote

b) REVENUE COLLECTION PERFORMANCE BY SOURCE

Description	2021/22	2022/23			2022/23 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjust. Budget
	R'000				%	
Property rates	599 898	627 646	610 074	610 991	-2,7%	0,2%
Service Charges - electricity revenue	728 486	919 854	899 854	755 677	-18%	-16%
Service Charges - water revenue	273 280	310 717	305 717	272 860	-12%	-11%
Service Charges - sanitation revenue	83 392	81 700	93 500	90 568	11%	-3,1%
Service Charges - refuse revenue	60 632	60 940	69 080	67 598	11%	-2%
Service Charges – other	0	0	0	0		
Rentals of facilities and equipment	16 755	13 010	25 896	26 000	100%	0%
Interest earned - external investments	3 125	6 000	6 000	8 550	42%	42%
Interest earned - outstanding debtors	131 160	156 500	156 500	199 982	28%	28%
Dividends received	0	0	0	0		
Fines	15 405	27 730	35 730	59 462	114%	66%
Licenses and permits	8 532	6 850	6 850	9 021	32%	32%

CHAPTER 5: FINANCIAL PERFORMANCE

Description	2021/22	2022/23			2022/23 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjust. Budget
	R'000				%	
Agency services	0	0	0	0		
Transfers recognised – operational	236 646	258 117	266 031	264 657	3%	-1%
Other revenue	16 821	18 145	20 745	16 939	-6,6%	-18%
Gains on the disposal of PPE	1 134	0	0	5 891		
Total Revenue (excluding capital transfers and contributions)	2 175 267	2 487 209	2 495 977	2 388 196	-4%	-4%
Capital Grants	123 667	134 338	133 188	108 149	-19,5%	-19%
Public contributions & donations	165 449			3 387		
Total Revenue	2,464,382	2,621,547	2,629,165	2,499,732	-5%	-5%

Table 173: Revenue Collection Performance by Source

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5.1.3 Reconciliation of Budget Summary

Description	2022/23								2021/22			
	Original Budget	Budget Adjustments (i.t.o. MFMA s28)	Final adjustments budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
	R'000						%		R'000			
	1	2	3	4	5	6	7	8	9	10	11	12
Financial Performance												
Property rates	627 646	(17 572)	610 074	610 991		917	100,2%	97,3%				599 898
Service charges	1 373 211	(5 060)	1 368 151	1 186 704		(181 448)	86,7%	86,4%				1 145 790
Investment revenue	6 000	0	6 000	8 550		2 550	142,5%	142,5%				3 125
Transfers recognised - operational	258 117	7 914	266 031	264 657		(1 374)	99,5%	102,5%				236 646
Other own revenue	222 235	23 486	245 721	317 295		71 574	129,1%	142,8%				189 807
Total Revenue (excluding capital transfers and contributions)	2 487 209	8 768	2 495 977	2 388 196		(107 782)	95,7%	96,0%				2 175 267
Employee costs	849 403	567	849 970	786 665		(63 305)	92,6%	92,6%				770 303
Remuneration of councillors	34 547	0	34 547	32 224		(2 323)	93,3%	93,3%				30 737
Debt impairment	297 000	100 000	397 000	378 747		(18 253)	95,4%	127,5%				458 047
Depreciation & asset impairment	81 050	0	81 050	71 830		(9 220)	88,6%	88,6%				74 416
Finance charges	38 960	78 400	117 360	113 955		(3 405)	97,1%	292,5%				72 909
Materials and bulk purchases	918 627	29 645	948 272	937 060		(11 212)	98,8%	102,0%				915 218
Transfers and grants	4 460	-	4 460	2 599		(1 861)	58,3%	58,3%				2 546

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Description	2022/23								2021/22			
	Original Budget	Budget Adjustments (i.t.o. MFMA s28)	Final adjustments budget	Actual Outcome	Unauthorise d expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
	R'000						%		R'000			
	1	2	3	4	5	6	7	8	9	10	11	12
Other expenditure	241 080	24 460	265 540	238 196		(27 344)	89,7%	98,8%				263 598
Total Expenditure	2 465 128	233 072	2 698 200	2 561 276	0	(136 923)	94,9%	103,9%	0	0	0	2 587 775
Surplus/(Deficit)	22 081	(224 304)	(202 222)	(173 081)		29 141	85,6%	-783,8%				(412 509)
Transfers recognised - capital	134 338	(1 150)	133 188	108 149		(25 039)	81,2%	80,5%				123 667
Contributions recognised - capital & contributed assets	0	0	0	3 387		3 387						165 449
Surplus/(Deficit) after capital transfers & contributions	156 419	(225 454)	(69 034)	(61 545)		7 490	89,2%	-39,3%				(123 393)
Share of surplus/ (deficit) of associate		0				0	0	0				0
Surplus/(Deficit) for the year	156 419	(225 454)	(69 034)	(61 545)		7 490	89,2%	-39,3%				(123 393)
Capital expenditure & funds sources												
Capital expenditure	190 043	(1 150)	188 893	126 016		(62 877)	66,7%	66,3%				183 271
Transfers recognised - capital	134 338	(1 150)	133 188	112 818		(20 370)	84,7%	84,0%				114 627
Public contributions & donations	0	0	0	0		0	0	0				0
Borrowing	0	0	0	0		0	0	0				0

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Description	2022/23								2021/22			
	Original Budget	Budget Adjustments (i.t.o. MFMA s28)	Final adjustments budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
	R'000						%		R'000			
	1	2	3	4	5	6	7	8	9	10	11	12
Internally generated funds	55 705	–	55 705	16 856		(38 849)	30,3%	30,3%				17 393
Total sources of capital funds	190 043	(1 150)	188 893	129 675		(59 218)	68,6%	68,2%				132 020
Cash flows												
Net cash from (used) operating	106 800	(69 398)	37 402	92 015		54 614	246,0%	86,2%				308 378
Net cash from (used) investing	(154 327)	(34 566)	(188 893)	(161 042)		27 851	85,3%	104,4%				(143 189)
Net cash from (used) financing	(9 390)	0	(9 390)	(15 687)		(6 297)	167,1%	167,1%				(13 073)
Cash/cash equivalents at the year end	116 006	(103 964)	12 041	106 413		94 371	883,7%	91,7%				191 126

Table 174: Reconciliation of Budget Summary

CHAPTER 5: FINANCIAL PERFORMANCE

5.1.4 Comment on Financial Performance

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The municipality renders trading and rates-related services. Trading services are provided at a cost recovery tariff structure cross-subsidisation and contributions to the rates funded services in line with the budget policy of the municipality. The major revenue source for the municipality is service charges, with sale of electricity being the largest contributor, followed by revenue from rates and taxes.

The major cost drivers for various services range between bulk purchase costs and/or employee costs. Close monitoring of major cost drivers per function are monitored to ensure that no over-expenditure takes place of which management is not aware.

As at year-end the total revenue was R2 3499,732 billion versus an adjusted budget of R2,629,165 billion, resulting in an actual achieved of 95% with a satisfactory variance of minus 5%. This is mainly attributable to an under-performance on service charges Electricity and Water, Fines and Other revenue that did not materialise. Total operational expenditure amounted to R2,561,276 billion versus an adjusted budget of R2,698,200 billion, resulting in an actual of 95%, with a satisfactory variance of minus 5%.

The municipality is facing some major challenges, with poor cash flow position remaining the most critical. The non-availability of cash can have serious repercussions with service delivery being affected the worst. The municipality has implemented cost containment measures and strategies are in place to collect outstanding debt.

5.2 GRANTS

The following grants were gazetted and transferred to the municipality:

5.2.1 Grant Performance

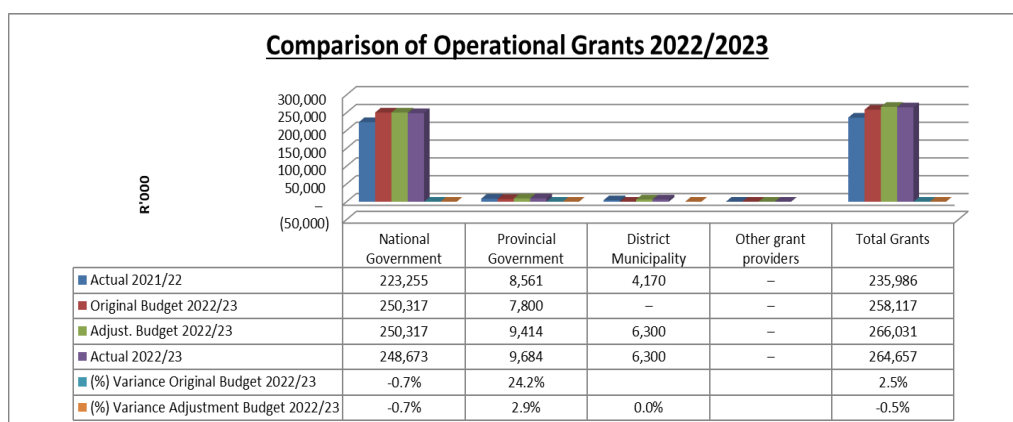
Description	2022/22		2022/23		2022/23 Variance	
	Actual	Budget	Adj. Budget	Actual	Original Budget	Adj. Budget
	R'000				Percentage	
Operating Transfers and Grants						
National Government	245 173	222 840	223 855	223 255	0.2%	-0.3%
Equitable share	212 328	239 158	239 158	239 158	0,0%	0,0%
Financial Management Grant	1 650	1 700	1 700	1 700	0,0%	0,0%
Municipal Systems Improvement	–	–	0	0		
Expanded Public Works	3 362	3 959	3 959	3 959	0,0%	0,0%
Infrastructure Skills Development Grant (ISDG)	4 901	5 500	5 500	3 856	-29,9%	-29,9%

CHAPTER 5: FINANCIAL PERFORMANCE

Description	2022/22		2022/23		2022/23 Variance	
	Actual	Budget	Adj. Budget	Actual	Original Budget	Adj. Budget
	R'000				Percentage	
Municipal Disaster Relief Grant	1 015	–	0	0		0,0%
Provincial Government	8 561	7 800	9 414	9 684	24,2%	2,9%
Library Services	8 300	7 800	8 500	8 500	9,0%	0,0%
Department of Economic Development & Tourism	261	–	914	1 184		29,5%
District Municipality	4 170	–	6 300	6 300		0,0%
Frances Baard District Municipality	4 170	–	6 300	6 300		0,0%
Other grant providers						
Miscellaneous						
Other Donations						
Total Operating Transfers and Grants	235 986	258 117	266 031	264 657	2,5%	-0,5%

Table 175: Grant Performance

The graph below indicates the comparison of operational grants for 2022/23



Graph 27: Operational grants 2022/23

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5.2.2 Conditional Grants Received (excl. IUDG)

Details	2022/23			Variance	
	Original Budget	Adjust. Budget	Actual	Budget	Adjust. Budget
	R'000				
Financial Management Grant (FMG)	1 700	1 700	1 700	0%	0%
Expanded Public Works Programme (EPWP)	3 959	3 959	3 959	0%	0%
Infrastructure Skills Development Grant (ISDG)	5 500	5 500	3 856	-43%	-43%
Neighbourhood Development Partnership Grant (NDPG)	-	-	-	-	-
Integrated National Electrification Programme (INEP)	40 000	20 000	24 400	-64%	18%
Water Services Infrastructure Grant (WSIG)	19 948	19 948	9 359	-113%	-113%
Total	71,107	51,107	43,274	-64%	-18%
<i>This includes Neighbourhood Development Partnership Grant, Public Transport Infrastructure and Systems Grant and any other grant excluding Municipal Infrastructure Grant (MIG) which is dealt with in the main report. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.</i>					

Table 176: Conditional Grants Received

There were no major conditions applied by the donor, other than those prescribed by the grant itself as per the DoRA.

5.2.3 Comment On Operating Transfers and Grants

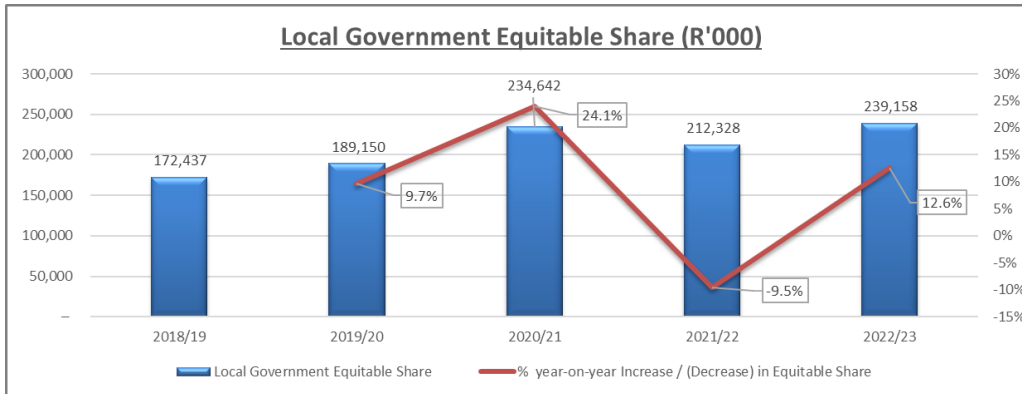
The total operational grants recognised amounted to R264,657 million with an actual achieved of 99.5% versus the adjusted budget of R266,031 million. Operational grants performed very well for the period under review.

The graph below indicates the percentage year-on-year increase/(decrease) in Equitable Share

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Graph 28: Equitable Share

The equitable share increased by 24.1% from R189,150 million (2019/20) to R234,642 million (2020/21), attributable to the additional allocation of R29m for the Covid pandemic availed by National Treasury. There was a substantial decrease in Equitable Share receipts of 9.5% from 2020/21 to 2021/22, as the state of disaster for Covid was abolished and the Equitable Share allocation reverted to a formula prescribed by National Treasury. The Equitable Share allocation increased to R239,158 million (2022/23) from R212,328 million (2021/22). The municipality utilised the Equitable Share *inter alia* to subsidise indigent households, indigent relief expenses like the provision of chemical toilets for informal settlements, installation of prepaid meters for approved indigent households, a portion is designated for Roads for pothole repairs, audit fees for the Auditor-General, EPWP cleaning project, Councillor's remuneration etc.

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INFRASTRUCTURE SKILLS DEVELOPMENT GRANT (ISDG)

a) ISDG Funded Unemployed Graduates Programme

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The Municipality is faced with several challenges with regard to infrastructure management, bulk infrastructure capacity shortage, poor water quality and compromised basic service delivery resulting from the shortage of technical skills. The purpose of the Infrastructure Skills Development Grant (ISDG) Programme is to professionalise interns in areas where there is a lack of manpower and professionalised skills to assist the Municipality to improve on service delivery. The Infrastructure Skills Development Programme is funded under the Infrastructure Skills Development Grant of National Treasury.

Given the infrastructure challenges, the Municipality fully supports this Infrastructure Skills Development Grant Programme - Unemployed Graduate Project. Sol Plaatje Municipality has managed to utilize this project to enhance skills and value has been added in the following areas:

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Contributions in their fields:

All interns have contributed well to their sections in the Municipality. Sol Plaatje Municipality has managed to utilize this project to enhance skills and value has been added in the following areas:

- Project upgrades to the Carter's Ridge Sewerage Pump Station
- Installation of services to sites in the area
- Upgrade of the Gogga Sewer Outfall Line
- GIS external portal for use to community
- Turn-around time of the GIS section has improved
- Updating zoning to correctly bill the community
- Route optimising of waste collection saving on the consulting fees, fuel costs and overtime costs
- Land-use inspectors project increasing the revenue for the municipality
- The installation of bulk link water and sanitation infrastructure for various areas in the area
- Galeshewe Stormwater upgrade
- Operation and Maintenance of Road Administration
- Operation and Maintenance of Wayleave control
- The upgrading of gravel roads in Galeshewe
- The refurbishment of Galeshewe stormwater infrastructure system
- Energy Efficient Demand side management allowing the municipality to monitor own electricity consumption and requirements of the consumers and losses
- Upgrade of the Riverton Sub-station with two new 10MVA 66/3.3kV transformers
- National Solar Water Heating programme providing 6000 Solar Geysers to low income households
- Management of Small-Scale Embedded Generation allowing electricity consumers to install Solar rooftops up to 1MVA for consumers
- Electrification of areas providing electrical infrastructure and electrical supply to the community
- Application for funding and drafting business plans for various municipal projects.

From this list one can see that Sol Plaatje Municipality is serious about skills transfer in enabling it to achieve its strategic goals in the long term. Sol Plaatje has and will attempt to employ these professionalised graduates in vacant posts to comply with the relevant legislation.

This is the second intake of graduates for the Municipality and covers the four disciplines: Civil Engineering, Electrical Engineering, Town Planning and Geomatic Practitioners. During this year four of the fourteen graduates have completed their experiential learning required by their professional bodies and this has meant that they could submit their applications for professionalization. One applied for Civil Technician with the Engineering Council of South Africa;

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two submitted their applications with the South African Council for Planners; and one applied with the South African Geomatics Council to be a Professional GISc Practitioner. Feedback from these professional bodies has been delayed by the COVID-19 pandemic, but we have no doubt we will soon hear good news from them. One candidate from the previous intake still has to professionalise as a Civil Technologist.

Since appointment of the new intake, all interns have been registered under the relevant professional body and have steadily been developed. All interns have individualised personal development plans and receive the required training. They work under the supervision of a qualified supervisor and a registered mentor. The mentors that have been selected for the project include: Sarel Haasbroek (Civil Engineering); Hendrik Jonck (Electrical Engineering) and Herman Booyesen (GIS). We are grateful for their commitment to the programme.

HIGHLIGHTS

- Professionalisation record:
 - Intake 1: 14 graduates appointed and contracted; 13 professionalised graduates; and 100% employment.
 - Intake 2: 17 graduates appointed and contracted; all registered as candidates with the required professional bodies; 5 have submitted (including re-submissions) in past year; one was professionalised and two await outcomes from their professional bodies; seven will submit in the 2022/23 financial year.
- 3 Mentors are still contracted and involved regularly with the graduates.
- Regular monthly reporting and meetings.
- Training plans developed for all interns.
- Civil engineering service providers contracted where secondment is required for a short period.
- National Treasury workshops are attended.
- Financial budget expenditure was fair to good at 89.46%.
- All reporting and the revised business plan were submitted on time.

CHALLENGES

This programme has had its challenges and some of these matters prevented us from reaching our goals, for example:

- Resignations of candidates has resulted in underspending.
- Seconding candidates to receive exposure in design.
- The after effects of COVID have left an apathy with the candidates which has been challenging to manage.

It remains a privilege to be part of this National Treasury project. The graduates have developed well during the past year and have really added much value to their sections. Sol Plaatje Municipality and the city has truly benefited from this programme.

b) The Expanded Public Works Programme Incentive Grant

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The Expanded Public Works Programme (EPWP) is a key government initiative aimed at reducing poverty and unemployment through the creation of job opportunities. The Sol Plaatje Local Municipality (SPLM) has adopted and implemented this strategy across its maintenance and capital programmes, utilizing both in-house teams and contracted service providers.

For the 2022/23 financial year, the Department of Public Works and Infrastructure (DPWI) allocated R 3,959,000.00 to SPLM for EPWP projects. Despite this allocation, the municipality spent over R 15,000,000.00 to ensure the successful continuation and expansion of EPWP initiatives. The additional funds were sourced from the municipality's budget to cover the shortfall and sustain the projects. The municipality's steadfast commitment to the EPWP has led to the successful implementation of various projects, ensuring job creation and skills development within the community. However, the declining incentive grant poses a significant challenge to maintaining the sustainability of these jobs.

The Sol Plaatje Local Municipality has demonstrated a strong commitment to the EPWP, significantly supplementing the allocated funds to ensure the programme's success. Moving forward, it is essential to address funding challenges and develop strategies to sustain the job opportunities created, thereby continuing to combat poverty and unemployment in our community.

During the 2022/23 financial year, SPLM embarked on several EPWP projects, including but not limited to those listed below. These projects are reported on the EPWP Management Information System (MIS).

LIST OF EPWP PROJECTS

The table below indicates the EPWP projects:

No	Project Name	No. of Work Opportunities	No of FTE created
1	Cleaning and Greening	476	610.57
2	Landfill Site	18	26.91
3	Cleaning of Cemeteries	39	14.65
4	War on leaks	28	31.78
5	Upgrading of Gravel Roads	149	64.07
6	Cleaning of Stormwater Canals	15	32.36
7	Cleaning CBD	38	30.87
8	Reconstruction of zinc toilets	30	0.58
9	Riverton and Langleg Resort	10	2.00
Total		802	814

Table 189: List of EPWP Projects

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OVERALL SUMMARY FOR THE YEAR

The EPWP projects are progressing extremely well within the Sol Plaatje Local Municipality.

- Number of projects: 8
- Work Opportunities: 802
- Estimated FTEs created: 814

CHALLENGES AND CONCLUSION

The primary challenge faced during this financial year was the declining EPWP incentive grant, which necessitated significant municipal counter-funding. This reliance on municipal funds raises concerns about the long-term sustainability of the programme, particularly in maintaining job opportunities created through EPWP initiatives

The Sol Plaatje Local Municipality has demonstrated a strong commitment to the EPWP, significantly supplementing the allocated funds to ensure the programme's success. Moving forward, it is essential to address funding challenges and develop strategies to sustain the job opportunities created, thereby continuing to combat poverty and unemployment in our community.

5.2.4 Grants Expenditure from Sources other than DoRA

Details of Donor	Actual Grant		Municipal Contribution	Date Grant Terminates	Date Contribution Terminates	Nature and benefit from the grant received
	2021/22	2022/23	2022/23			
	R'000					
FBDM	7 670	7 670	0	Annual allocation	N/A	The FBDM allocation was utilised for operations and maintenance for Roads and Sanitation and Environmental Health.
Library Services	8 300	8 500	0	Annual allocation	N/A	Grant from Northern Cape Provincial Library Services which was utilised as set out in Chapter 3.
NC Department of Economic Development and Tourism	261	1 184	0	As per annual application & approval	N/A	Funding towards EPWP programme for the cleaning and maintenance of the CBD and surrounding areas in support of job creation.

Table 177: Grant Expenditure from Sources other than DoRA

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5.2.5 Comment on Conditional Grants and Grants Received from Other Sources

c) *The Integrated Urban Development Grant (IUDG)*

The Sol Plaatje Local Municipality (SPLM) has approved a Capital Expenditure Framework (CEF) which provides a consolidated, high-level view of infrastructure investment needs over the long term. This framework considers infrastructure requirements and financing options to ensure financially viable investment decisions that support the Integrated Urban Development Framework (IUDF) objectives in facilitating spatial transformation. This report outlines the financial details and project achievements for the Integrated Urban Development Grant (IUDG) during the 2022/23 financial year.

For the 2022/23 financial year, the Sol Plaatje Local Municipality was allocated R 70,390,000.00 through the IUDG. The funds were fully allocated to various infrastructure projects, and the total expenditure slightly exceeded the allocated budget, amounting to R 70,637,682.71.

CHALLENGES AND RECOMMENDATIONS

While the projects were successfully implemented, there were challenges in managing the budget due to unforeseen costs, leading to an expenditure that slightly exceeded the allocated budget. The main challenge is ensuring the sustainability of these projects and maintaining financial viability

1. **Budget Management:** Implement more rigorous budget management and monitoring processes to prevent overspending.
2. **Contingency Planning:** Develop contingency plans for each project to address potential cost overruns.
3. **Sustainable Financing:** Explore additional financing options, such as public-private partnerships, to support long-term infrastructure projects

The Sol Plaatje Local Municipality has effectively utilized the IUDG to implement significant infrastructure projects during the 2022/23 financial year. Despite the challenges, the municipality remains committed to its long-term infrastructure goals and will continue to strive for financial sustainability in its future projects.

ALLOCATION AND EXPENDITURE

Description	2022/23
Allocation	70,390,000.00
Expenditure	R 70,637,682.71.
Difference	R 247 682.71

Table 178: Allocation and Expenditure

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RELATING BACKLOGS TO MUNICIPAL SPENDING ON SERVICE DELIVERY INFRASTRUCTURE

One of the municipal IDP objectives is that the municipality must concentrate on its core functions to improve efficiency of its service delivery to households who are in dire need of basic services.

LIST OF PROJECTS FOR THE 2022/23 FINANCIAL YEAR:

Project Name
Township Establishment Various Wards
Craven Street Trade Centre
P-Cier Roads
Upgrade Gravel Roads Wards Various
Lerato Park Sewer Upgrade Downstream Infra
Elevated Water Tanks Distribution
Water Pipes Refurb Prog Various Wards

Table 192: List of Projects for 2022/23 Financial Year

WHAT ARE THE RESULTS AND WHO BENEFITS IN 2022/23

The following project deliverables were achieved for financial year 2022/23:

Project Name	Project Deliverables
Township Establishment Various Wards	Facilitated new residential developments, enhancing housing options.
Craven Street Trade Centre	Boosted local economy and created job opportunities.
P-Cier Roads	Improved road infrastructure, reducing travel time and vehicle wear.
Upgrade Gravel Roads Wards Various	Enhanced road safety and accessibility in various wards.
Lerato Park Sewer Upgrade Downstream Infrastructure	Improved sanitation and reduced environmental health risks.
Elevated Water Tanks Distribution	Increased water storage capacity, ensuring reliable water supply.
Water Pipes Refurbishment Programme Various Wards	Enhanced water distribution efficiency and reduced water loss.

Table 193: Projects Deliverables Achieved

d) Water Services Infrastructure Grant (WSIG)

The 2022/23 financial year's allocation was dedicated towards the completion of the Carters Ridge Sewer outfall line, which commenced in the previous financial year 2021/22. Linked to this project is the construction of a new pump station building within the Carters Ridge area. The tender process for this project needs to be fast-tracked to avoid future delays and under-spending .

For the 2022/23 financial year, the Sol Plaatje Local Municipality was allocated a budget of R 14,948,000.00 through the IUDG. However, only R 8,138,228.10 was utilized during this period, resulting in significant under-spending.

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CHALLENGES

The main challenge faced was the under-utilization of allocated funds due to delays in the tender process for the new pump station. To address this, it is crucial to streamline the tendering procedures and enhance project management practices.

RECOMMENDATIONS

Streamline Tender Processes: Expedite the tendering process to ensure timely project commencement and completion.

Improve Project Management: Implement robust project management frameworks to monitor progress and address potential delays promptly.

Capacity Building: Enhance the capacity of municipal staff involved in project implementation and management.

CONCLUSION

While the SPLM made significant progress in infrastructure development, the under-utilization of allocated funds highlights the need for improved project management and expedited tender processes. Addressing these challenges will ensure the efficient use of funds and the timely completion of critical infrastructure projects

e) The Neighbourhood Development Partnership Grant (NDPG)

The Neighbourhood Development Partnership Grant (NDPG) is aimed at supporting municipalities in enhancing infrastructure and service delivery. The following report outlines the utilization of NDPG funds for the 2019/20 and 2020/21 financial years, focusing on the Galeshewe storm water upgrade programme. For the 2019/20 financial year, an amount of R78 million was gazetted under NDPG. However, only 65% of the project was completed by the end of the financial year. Consequently, the remaining funds were rolled over to 2020/21, and the project was successfully completed by the end of February 2021.

The allocated funds were utilized for the continuation and completion of the Galeshewe storm water upgrade programme. Sol Plaatje Municipality is committed to the comprehensive management of its surface water and recognizes the need for improvement in its storm water programme to better respond to multiple natural disasters. The Galeshewe Storm Water Infrastructure project is one of several initiatives launched to address environmental, economic, and social needs, promoting sustainable urban development

CHALLENGES AND FUTURE OUTLOOK

Unfortunately, no allocation was received for the 2022/23 financial year under the NDPG, preventing the continuation of these critical projects. This lack of funding poses significant challenges to the ongoing efforts to enhance storm water infrastructure and manage surface water effectively.

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CONCLUSION

The successful completion of the Galeshewe storm water upgrade programme demonstrates the municipality's commitment to improving infrastructure and service delivery. However, the absence of NDPG funding for 2022/23 highlights the need for alternative funding sources to ensure the continuation of vital infrastructure projects.

5.3 ASSET MANAGEMENT

5.3.1 Introduction to Asset Management

The implementation of GRAP within the public sector requires of entities to perform a review of useful lives as well as to conduct impairment testing on an annual basis.

A direct relationship exists between conditional assessment and the useful life assessment, as the condition of an asset will inform the municipality of its remaining useful life.

This exercise was duly completed and the necessary journals to adjust the RUL (Remaining Useful Lives) of the assets was implemented.

National Treasury indicates that the review of useful life is a check to see if there is any evidence to suggest that the expected life should be changed. This evidence could be internal or external.

These factors will provide evidence of an asset's function and capacity/utilisation from which to form an opinion on the condition of the asset (Conditional assessment).

The DPLG Guidelines for infrastructure management suggests this simple generic five-point grading:

Grade	Description	Detailed description	Indicative RUL
1	Very good	Sound structure well maintained. Only normal maintenance required	71-100% EUL
2	Good	Serves needs but minor deterioration (< 5%). Minor maintenance required	46-70% EUL
3	Fair	Marginal, clearly evident deterioration (10-20%). Significant maintenance required	26-45% EUL
4	Poor	Significant deterioration of structure and/or appearance. Significant impairment of functionality (20-40%). Significant renewal/upgrade required	11-25% EUL
5	Very poor	Unsound, failed needs reconstruction/replacement (> 50% needs replacement)	0-10% EUL

Table 179: Five-Point Grading

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HERITAGE ASSETS

The Municipality has identified the following categories of heritage assets:

- Municipal jewellery
- Other antiques and collections
- Antique paintings
- Areas of land of historic or specific significance
- Monuments

COMMUNITY ASSETS

Community assets are defined as any asset that contributes to the community's well-being. Examples are parks, libraries and fire stations.

5.3.2 Repairs and Maintenance Expenditure 2022/23

Description	Original Budget/t	Adjustment Budget	Actual	Budget variance
	(R)			%
Repairs and Maintenance Expenditure	236 627	266 272	264 698	-0,6%

Table 180: Repairs and Maintenance Expenditure

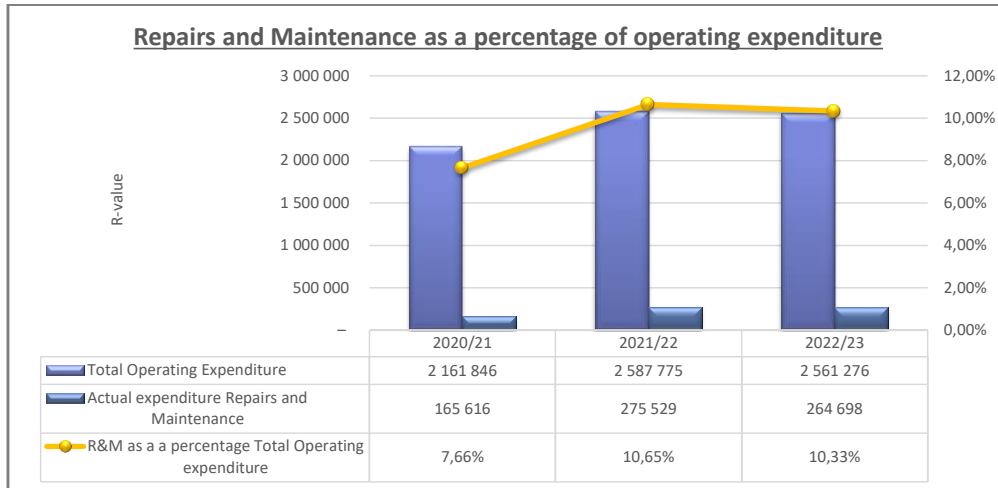
5.3.3 Repairs and Maintenance over the past Three Financial Years

Repairs and Maintenance	2020/21	2021/22	2022/23
	R'000		
Total operating expenditure	2 161 846	2 587 775	2 561 276
Actual expenditure Repairs and Maintenance	165 616	275 529	264 698
Percentage	7,66%	10,65%	10,33%

Table 181: Repairs and Maintenance over the past Three Financial Years

The graph below reflects the repairs and maintenance as a percentage of operating expenditure for the past three financial years

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Graph 29: Repairs and Maintenance as a Percentage of Operating Expenditure

5.3.4 Comment on Repairs and Maintenance 2022/23

For the 2022/23 financial year, 99.4% of the adjusted repairs and maintenance budget was spent, resulting in an underspending of 0.6%. It should be noted that at year-end, certain qualifying repairs and maintenance expenditure is capitalised as soon as the useful life of the asset is extended, and this negatively influences the overall expenditure on the operational repairs and maintenance. Repairs and maintenance spending can be improved but with the lack of adequate maintenance plans, funds are not always spent cost-effectively. This has a negative impact on service delivery and the availability of funds for routine, planned maintenance. There appears to be a high level of crises management which is exacerbated by aging infrastructure. This urgently needs to be addressed to ensure the surety and sustainability of services.

Wastage of material and labour also needs to be addressed to maintain assets and ensure that it operates at optimal levels. It is imperative that assets are maintained at periodic intervals to ensure that the useful life of an asset is maximised. Repairs and maintenance as a percentage of gross operational expenditure was 10.33% for the period under review, which is aligned to the norm of 8%.

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5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

5.4.1 Liquidity Ratio

Liquidity Ratio	30 June 2021	30 June 2022	30 June 2023
	R'000		
Current assets	1,796,992	2,054,100	2,102,869
Inventory	37,891	74,454	82,694
Current liabilities	640,169	1,163,675	1,377,251
Ratio 1:3 (Ideal)	2.75	1.70	1.47

Table 182: Liquidity Ratio

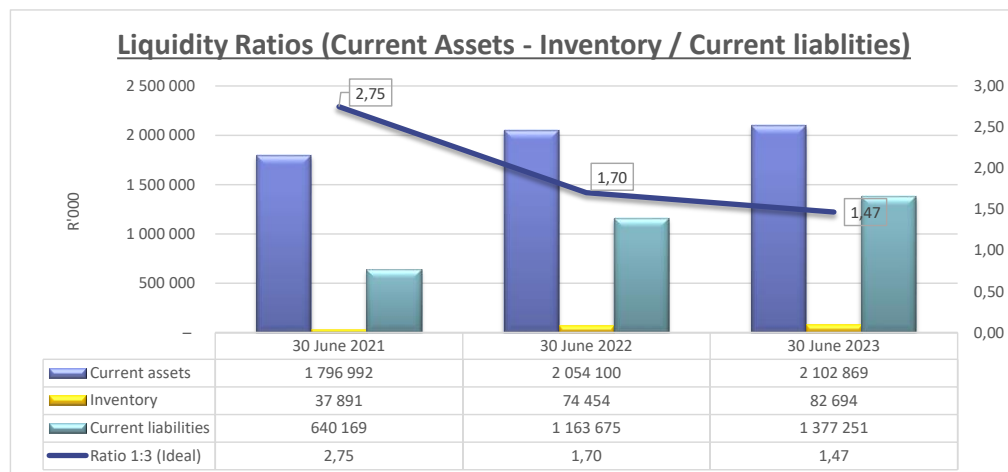
COMMENT ON LIQUIDITY RATIO

The liquidity ratio of the municipality has declined when compared to the previous financial year, from 1:1.70 to 1:1.47, against a National Treasury norm of 1:3, which is a major concern, however distorted by a significant Trade Receivables balance at year-end and exacerbated by the increase in Current Liabilities. This means that each rand of Current Liabilities of the municipality is covered 1.47 times by its current assets. It further indicates that the municipality can meet its short to medium term commitments from a liquidity perspective, but not necessarily from a cash perspective, especially when considering the escalation in debt owed to Eskom and the Water Board, the lower debtor's collection rate and cost coverage ratios below.

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The graph below reflects the liquidity ratios for the past three financial years



Graph 30: Liquidity Ratios

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5.4.2 Cost Coverage Ratio

Cash / Cost Coverage Ratio	30 June 2021	30 June 2022	30 June 2023
	R'000		
Number of months cost coverage	0,23	1,15	0,59
Number of days cost coverage	0 Month	1 Month	1 Month
Cost coverage ratio	7 Days	34 Days	18 Days
Cash and cash equivalents	39 010	191 126	106 413
Unspent Conditional Grants	6 273	1 726	7 233
Total Annual Operational Expenditure	1 689 715	1 978 756	2 031 879
((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets)			

Table 183: Cost Coverage Ratio

COMMENT ON COST COVERAGE RATIO

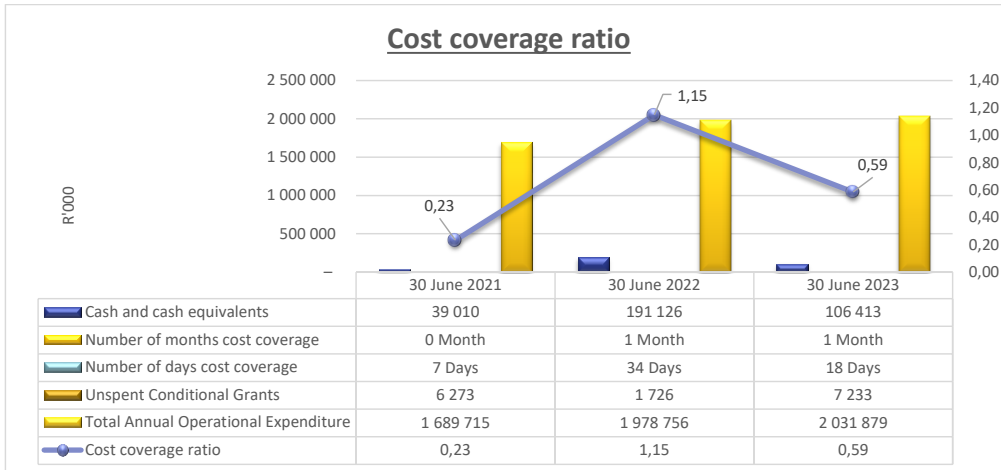
The cost coverage ratio of the municipality has deteriorated from 1.15 (34 days) for the year ended 30 June 2022 to 0.59 (18 days) for the year ended 30 June 2023. The ratio shows the number of months for which the municipality would be able to fund its monthly expenditure should no revenue be received. For the year under review, it means that the municipality has cash reserves available for less than one month. This ratio is very alarming, and serious interventions will have to be put in place to drastically turn the situation around. The main reason for the decline is the decrease in the cash balance as at year-end, increased capital expenditure, repayment of long-term borrowing, low collection rate, high operational expenditure, including excessive expenditure on overtime, EPWP and various other factors.

The graph below reflects the cost coverage ratio for the past three financial years

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Graph 31: Cost Coverage Ratio

5.4.3 Total Outstanding Service Debtors

Total Outstanding Service Debtors	30 June 2021	30 June 2022	30 June 2023
Outstanding debt	1 249 632	1 298 441	1 446 164
Amount billed	1 053 050	1 145 790	1 186 704
Percentage	118,67%	113,32%	121,86%

Table 184: Total Outstanding Service Debtors

COMMENT ON TOTAL OUTSTANDING SERVICE DEBTORS

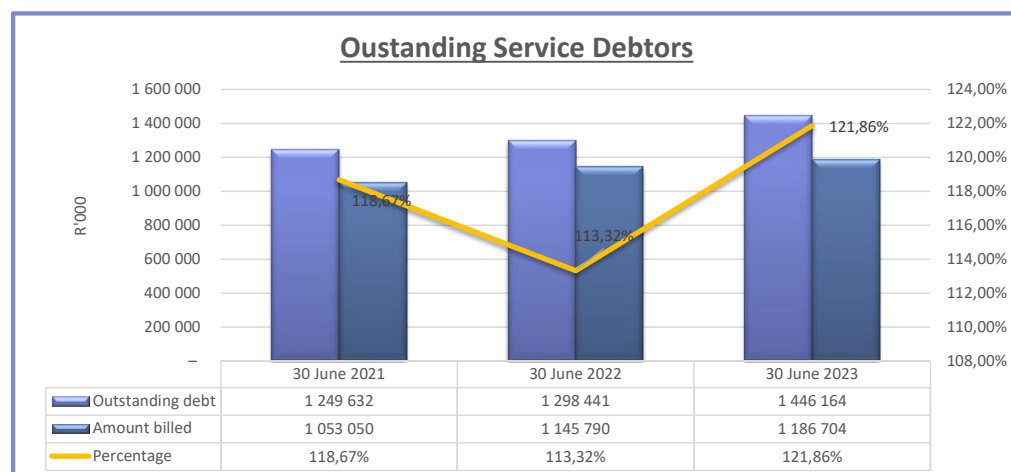
Outstanding service debtors percentage have increased from 113.32% as at 30 June 2022, to 121.86% as at 30 June 2023. This is a worrying trend and debt collection measures need to be put in place to address the increasing outstanding debtors of the municipality. Tough economic conditions and unemployment negatively contributes to the increase in outstanding debtors. It is imperative that the Credit Control and Debt Collection Policy is applied fairly and consistently. This will go a long way in improving on the payment culture across customer groups.

The graph below reflects the outstanding debtors as a percentage of billed revenue for the past three financial years

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Graph 32: Debtors as a Percentage of Billed Revenue

5.4.4 Debt Coverage

Debt Coverage	30 June 2021	30 June 2022	30 June 2023
	R'000		
Total liabilities	1 048 900	1 577 169	1 768 526
Total Own Operating Revenue less grants and public contributions	1 806 067	1 938 620	2 123 539
Ratio	1,72	1,23	1,20

Table 185: Debt Coverage

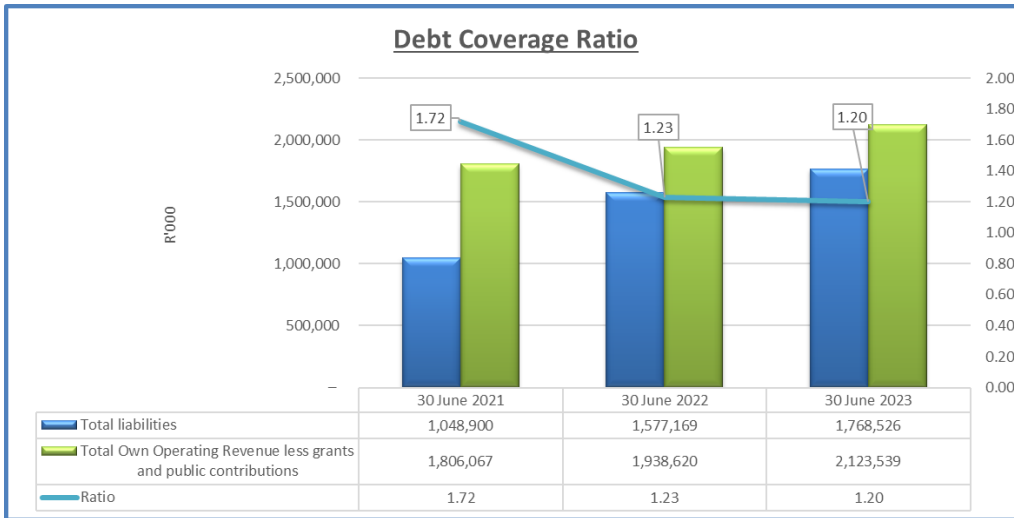
COMMENT ON DEBT COVERAGE

The debt coverage ratio examines the relationship between the municipality's own generated revenue (revenue excluding grants, subsidies and public contributions received) and the total liabilities of the municipality. This ratio has declined from the previous financial year. Mainly because of the increase in total liabilities increased of 12%, whilst the own revenue increased by 10%, based on the year-on-year comparison between 2021/22 to 2022/23.

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The graph below reflects the debt coverage for the past three financial years

Graph 33: Debt Coverage

5.4.5 Creditors System Efficiency

Creditors System Efficiency	30 June 2021	30 June 2022	30 June 2023
	R'000		
Outstanding creditors	416,521	975,616	1,157,047
Total credit purchases	930,596	1,175,170	1,210,391
Percentage	44.76%	83.02%	95.59%

Table 186: Creditors System Efficiency

COMMENT ON CREDITORS SYSTEM EFFICIENCY

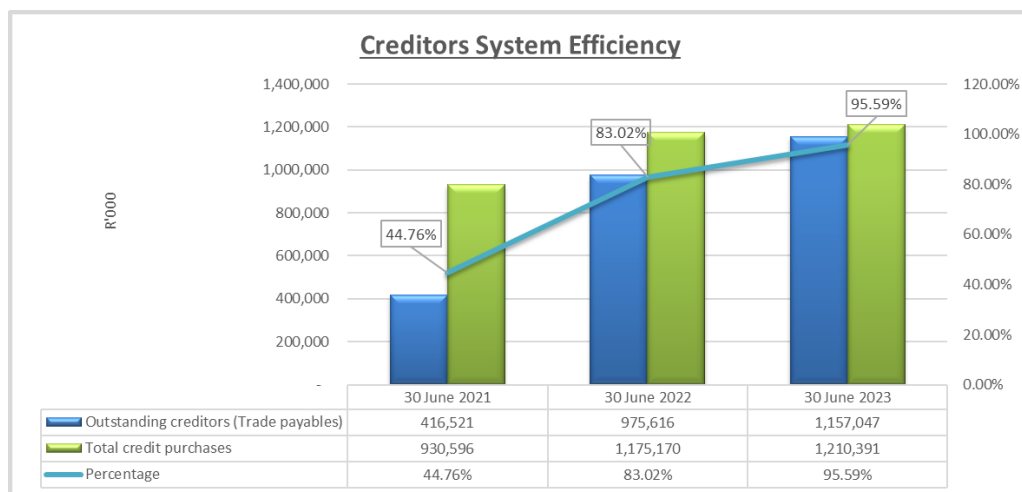
The percentage of outstanding creditors as a percentage of the total credit purchases of the municipality have significantly increased compared to the previous financial year. This is mainly due to the cash flow constraints experienced by the municipality and the high Eskom accounts during the winter months of June, July and August resulting in the significant increase in outstanding creditors as at 30 June 2023. Trade payables increased by 19%.

The graph below reflects the creditors system efficiency for the past three financial years

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Graph 34: Creditors System Efficiency

5.4.6 Capital Charges to Operating Revenue

Capital Charges to Operating Revenue	30 June 2021	30 June 2022	30 June 2023
	R'000		
Total revenue	2,179,055	2,464,382	2,499,732
Interest paid on long term borrowings (AFS Note 33)	23,528	22,326	20,988
Percentage	1.08%	0.91%	0.84%

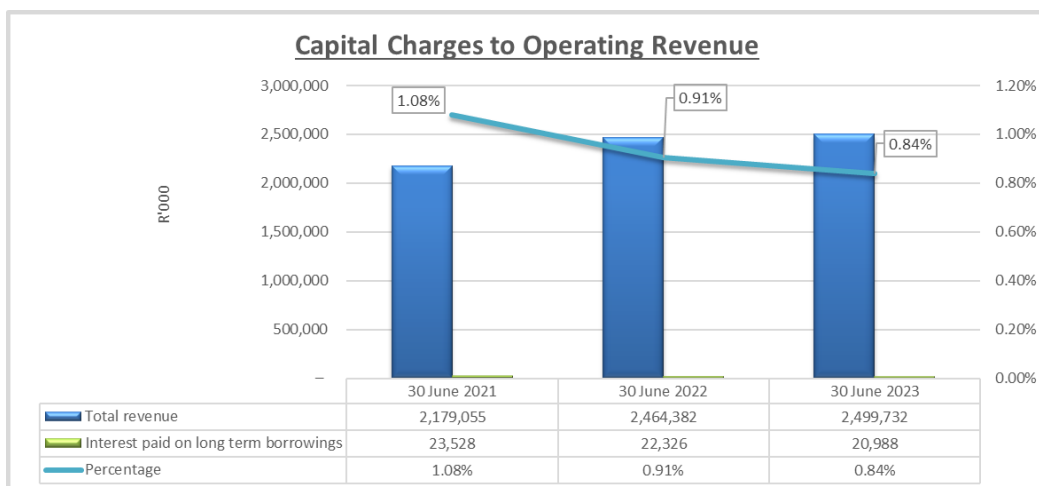
Table 187: Creditors System Efficiency

COMMENT ON CAPITAL CHARGES TO OPERATING REVENUE

The interest paid on long-term borrowing as a percentage of total revenue has decreased from 0,91% (2021/22) to 0.84% (2022/23). The municipality did not incur any long-term borrowing for the period under review.

The graph below reflects the capital charges to operating revenue for the past three financial years

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Graph 35: Capital Charges to Operating Revenue

5.4.7 Employee Costs

Employee costs	30 June 2021	30 June 2022	30 June 2023
	R'000		
Gross Revenue	2,179,055	2,464,382	2,499,732
Gross Expenditure	2,161,846	2,587,775	2,561,276
Employee costs	726,331	770,303	786,665
Employee costs as a % of Gross Revenue	33.33%	31.26%	31.47%
Employee costs as a % of Gross Expenditure	33.60%	29.77%	30.71%

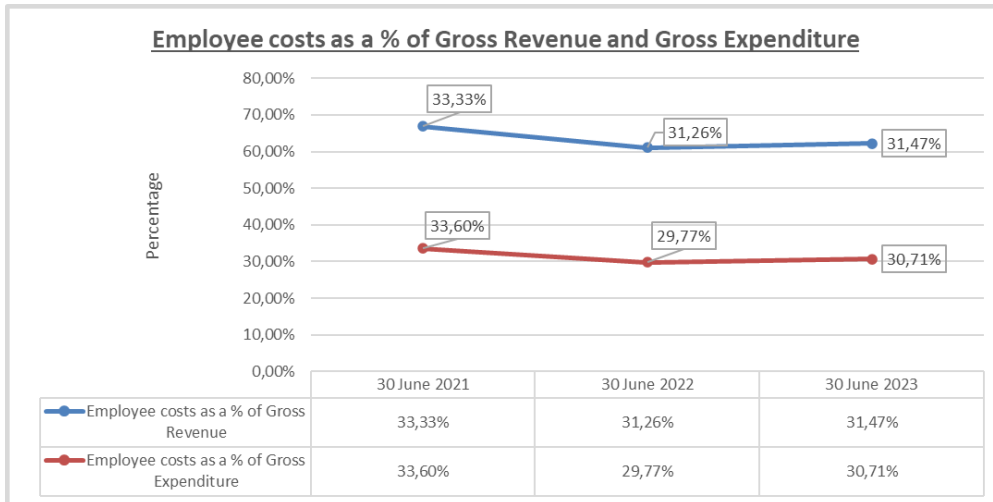
Table 188: Employee Costs

COMMENT ON EMPLOYEE COSTS

Employee cost as a percentage of gross revenue and gross expenditure has increased from the previous financial year.

The graph below reflects the employee costs as a percentage of gross revenue and gross expenditure for the past three financial years

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Graph 36: Employee Costs as a Percentage of Gross Revenue and Expenditure

5.4.8 Repairs and Maintenance

R&M as percentage of Expenditure	30 June 2021	30 June 2022	30 June 2023
	R'000		
Actual expenditure Repairs and Maintenance	165 616	275 529	264 698
Gross Expenditure	2 161 846	2 587 775	2 561 276
Percentage	7,66%	10,65%	10,33%

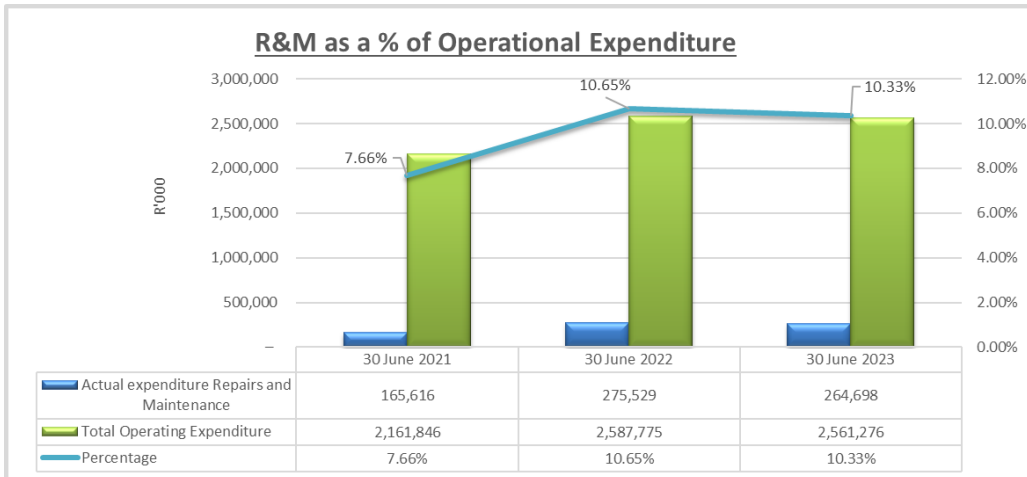
Table 189: Repairs and Maintenance

COMMENT ON REPAIRS AND MAINTENANCE

Repairs and maintenance cost as a percentage of total expenditure has decreased from the previous financial year.

The graph below reflects repairs and maintenance as a percentage of operating expenditure for the past three financial years

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Graph 37: Repairs and Maintenance as a Percentage of Operating Expenditure

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

5.5 Capital Expenditure

Capital expenditure relates mainly to construction projects that will have value lasting over many years. Capital expenditure is funded from conditional capital grants and own internally generated funds. Component B deals with capital spending indicating where the funding comes from and whether Municipalities are able to spend the available funding as planned. The capital spending for the 2022/23 financial year increased substantially from the 2021/22.

This is representative of the most important infrastructure programmes because it comprises of Roads, Water and Sanitation and Electricity projects. Of the projects mentioned, relates to the Lerato Park Sewer and Water projects as well as the Electricity project. The Carters Glen Sewer Pump Station project is also one of the major projects, with substantial funding received from the Water Services Infrastructure Grant (WSIG).

5.5.1 Capital Expenditure – New & Upgrade/Renewal programmes

a) CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME

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Capital Expenditure - New Assets Programme*							
Description	2020/21	2021/22			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2021/22	2022/23	2023/24
	R'000						
Capital expenditure by Asset Class							
Infrastructure – Total	35 223	39 000	42 200	42 200	51 948	69 786	73 075
Infrastructure: Road transport – Total	6 163	13 000	15 200	15 200	15 000	20 000	20 000
Roads Infrastructure	6 163	13 000	15 200	15 200	15 000	20 000	20 000
Storm water Infrastructure - Total	1 963	0	0	0	0	0	0
Storm water Conveyance	1 963	0	0	0	0	0	0
Infrastructure: Electricity – Total	0	1 000	1 000	1 000	6 000	6 000	6 000
LV Networks	0	0	0	0	4 000	0	0
Capital Spares	0	1 000	1 000	1 000	2 000	6 000	6 000
Infrastructure: Water – Total	0	0	0	0	10 000	26 018	28 508
Distribution	0	0	0	0	10 000	26 018	28 508
Infrastructure: Sanitation – Total	27 098	25 000	26 000	26 000	20 948	17 768	18 567
Pump Station	19 291	25 000	21 000	21 000	19 948	17 768	0
Toilet Facilities	7 807	0	5 000	5 000	1 000	0	18 567
Total Capital Expenditure on renewal of existing assets	35 223	39 000	42 200	42 200	51 948	69 786	73 075

Table 190: Capital Expenditure – New Assets Programme

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Capital Expenditure - New Assets Programme*							
Description	2021/22	2022/23			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2023/24	2024/25	2025/26
	R'000						
Capital expenditure by Asset Class							
Infrastructure – Total	40,989	55,090	48,090	36,181	21,480	22,700	25,000
Infrastructure: Road transport – Total	0	0	0	0	0	0	0
Roads Infrastructure	0	0	0	0	0	0	0
Storm water Infrastructure - Total	0	0	0	0	0	0	0
Storm water Conveyance	0	0	0	0	0	0	0
Infrastructure: Electricity – Total	32,255	33,000	26,000	22,708	21,480	22,700	25,000
LV Networks	32,255	33,000	26,000	22,708	21,480	22,700	25,000
Capital Spares	0	0	0	0	0	0	0
Infrastructure: Water – Total	0	1,000	1,000	1,076	0	0	0
Distribution	0	1 000	1 000	1 076	0	0	0
Infrastructure: Sanitation – Total	8,734	21,090	21,090	12,397	8,734	21,090	21,090
Pump Station	8,734	21,090	21,090	12,397	8,734	21,090	21,090
Toilet Facilities	0	0	0	0	0	0	0
Total Capital Expenditure on renewal of new assets	66,118	108,795	96,945	50,768	48,980	54,579	64,717

Table 191: Capital Expenditure – Renewal of New Assets Programme

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b) CAPITAL EXPENDITURE – RENEWAL OF EXISTING ASSETS

Description	Capital Expenditure - New Assets Programme*						
	2020/21	2021/22			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2021/22	2022/23	2023/24
R'000							
Capital expenditure by Asset Class							
Infrastructure – Total	35 223	39 000	42 200	42 200	51 948	69 786	73 075
Infrastructure: Road transport – Total	6 163	13 000	15 200	15 200	15 000	20 000	20 000
Roads Infrastructure	6 163	13 000	15 200	15 200	15 000	20 000	20 000
Storm water Infrastructure - Total	1 963	0	0	0	0	0	0
Storm water Conveyance	1 963	0	0	0	0	0	0
Infrastructure: Electricity – Total	0	1 000	1 000	1 000	6 000	6 000	6 000
LV Networks	0	0	0	0	4 000	0	0
Capital Spares	0	1 000	1 000	1 000	2 000	6 000	6 000
Infrastructure: Water – Total	0	0	0	0	10 000	26 018	28 508
Distribution	0	0	0	0	10 000	26 018	28 508
Infrastructure: Sanitation – Total	27 098	25 000	26 000	26 000	20 948	17 768	18 567
Pump Station	19 291	25 000	21 000	21 000	19 948	17 768	0
Toilet Facilities	7 807	0	5 000	5 000	1 000	0	18 567
Total Capital Expenditure on renewal of existing assets	35 223	39 000	42 200	42 200	51 948	69 786	73 075

Table 192: Capital Expenditure – Renewal of Existing Assets

5.6 SOURCES OF FINANCE

The table below indicates the capital expenditure by funding source for the 2022/23 financial year:

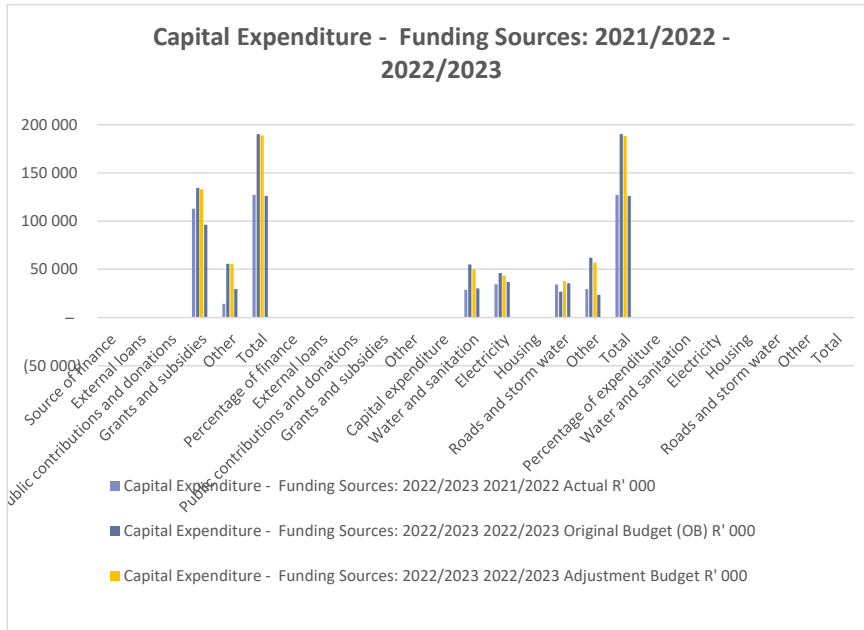
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Details	2021/22	2022/23		2022/23 Variance		
	Audited outcome	Original budget (OB)	Adjustment budget	Actual	Adjustment to OB variance	Actual to OB variance
	R'000				%	
Source of finance						
External loans	0	0	0	0	0.0%	0.0%
Public contributions and donations	0	0	0	0	0.0%	0.0%
Grants and subsidies	112,818	134,338	133,188	96,392	-27.63%	-28.25%
Internally generated funds	14,263	55,705	55,705	29,624	-46.82%	-46.82%
Total	127,081	190,043	188,893	126,016	-33.29%	-33.69%
Percentage of finance						
External loans	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Public contributions and donations	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants and subsidies	88.78%	70.69%	70.51%	76.49%	83.00%	83.84%
Internally generated funds	11.22%	29.31%	29.49%	23.51%	140.65%	138.97%
Capital expenditure						
Water and sanitation	28,838	55,038	50,038	30,180	-39.69%	-45.16%
Electricity	34,548	46,000	43,400	36,862	-15.07%	-19.87%
Housing	0	0	0	0	0.00%	0.00%
Roads and storm water	34,218	27,000	37,700	35,392	-6.12%	31.08%
Other	29,477	62,005	57,155	23,582	-58.74%	-61.97%
Total	127,081	190,043	188,293	126,016	-33.07%	-33.69%
Percentage of expenditure						
Water and sanitation	22.7%	29.0%	26.6%	23.9%	-8.24%	-17.30%
Electricity	27.2%	24.2%	23.0%	29.3%	-4.78%	20.85%
Housing	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Roads and storm water	26.9%	14.2%	20.0%	28.1%	40.93%	97.68%
Other	38.9%	35.4%	26.1%	24.7%	-6.97%	-42.64%

Table 193: Capital Funded by Source

The graph below reflects the capital funded by source for the past three financial years

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Graph 38: Capital Funded by Source

COMMENT ON SOURCES OF FINANCE

The majority of capital is funded by National Government (76%), Other transfers and grants (0%) and internally generated funds (24%). It is evident that the municipality is highly capital grant dependent and is a major contributor to the municipality's ability to fund its capital budget. Cash flow constraints is a major impediment on the municipality's ability to implement an accelerated capital investment from its own funds to ensure that new assets are created, and existing assets are upgraded and renewed as planned. Also, due to the current financial constraints, the municipality cannot supplement the capital budget with external long-term borrowing due to a lack of affordability and its liquidity to maintain the loan.

5.7 CAPITAL SPENDING ON FIVE LARGEST PROJECTS

Projects with the highest capital expenditure in 2022/23.

Capital Projects	2022/23				
	Budget	Adjustment Budget	Actual Expenditure	Original Variance	Adjustment Variance
	R'000			%	
A. Resealing of Roads	15,000,000	15,000,000	14,943,043	0%	0%

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Capital Projects	2022/23				
	Budget	Adjustment Budget	Actual Expenditure	Original Variance	Adjustment Variance
	R'000			%	
B. Upgrading of Gravel Roads	12,000,000	12,000,000	12,931,115	8%	8%
C. Electrification of Lerato Park	33,000,000	13,000,000	12,676,042	-62%	-2%
D. Lerato Park Sewer	21,090,000	21,090,000	12,396,928	-41%	-41%
E. Hv Sub Acq-Cartglen Transf/Galash Subs	7,000,000	11,400,000	10,153,394	45%	-11%
<i>Projects with the highest capital expenditure in 2022/23</i>					

Table 194: Capital Spending on Five Largest Projects

Name of Project – A	Resealing of Roads
Objective of Project	To address the poor condition of the roads in the Sol Plaatje area through maintenance and upgrading projects
Delays	Delays experienced with encountering existing services such as water pipe leakages to be fixed and the response to that is slow
Future Challenges	Availability of funds to continue with the programme
Anticipated citizen benefits	Tarred roads and improved access to areas within the municipality

Name of Project – B	Upgrade Gravel Roads
Objective of Project	To address the poor condition of the roads in the Sol Plaatje area through maintenance and upgrading projects
Delays	Delays experienced with encountering existing services such as water pipe leakages to be fixed and the response to that is slow
Future Challenges	Availability of funds to continue with the programme
Anticipated citizen benefits	Paved roads and improved access to areas within the municipality

Name of Project – C	Electrification Lerato Park
Objective of Project	To ensure the adequate provision, upgrading and maintenance of electricity services infrastructure
Delays	Delays were encountered during implementation of the project. Appointment was late.
Future Challenges	Possible funding challenges to continue with the programme
Anticipated citizen benefits	Access to electricity

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Name of Project – D	Lerato Park Sewer
Objective of Project	To ensure the adequate provision, upgrading and maintenance of link bulk services infrastructure for the greater development of Lerato Park
Delays	Challenges experienced with slow progress by the appointed Contractor
Future Challenges	The Mechanical and Electrical part of the works is behind schedule due to non-responsive tenders received
Anticipated citizen benefits	Access to the sewer infrastructure network

Name of Project – E	Hv Sub Acq-Cartglen Transf/Galash Subs
Objective of Project	To ensure the adequate provision, upgrading and maintenance of electricity services infrastructure
Delays	Delays were encountered during implementation of the project. Appointment was late.
Future Challenges	Possible funding challenges to continue with the programme
Anticipated citizen benefits	Access to electricity

5.8 CAPITAL PROGRAMME BY PROJECT: YEAR 2022/23

Capital Programme by Project: Year 2022/23					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj)	Variance (Act - OB)
	R'000			%	
Water					
Replacement of water meters	1 000	1 000	624	-38%	-38%
Sanitation/Sewerage					
Lerato Park Sewer	22 266	11 096	8 734	-21%	-61%
Carter's Glen Pump Station	25 000	21 000	16 043	-24%	-36%
Reconstruction of zinc toilets	0	5 000	3 437	-31%	0%
Electricity					
Upgrade of Hadison Park Substation	1 500	1 500	1 317	-12%	-12%
Electrification Lerato park	33 000	6 500	5 438	-16%	-84%
Electrification of Golf Course	0	5 400	4 531	-16%	0%
Electrification of Lethabo Park	20 000	19 820	17 398	-12%	-13%
Electrification of Soul City	0	1 280	536	-58%	0%
Prepaid Meter Replacement Programme	1 000	1 000	976	-2%	-2%
Electricity Lerato Park Service Network	12 000	5 000	4 352	-13%	-64%
Roads					

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Capital Programme by Project: Year 2022/23					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj)	Variance (Act - OB)
	R'000			%	
Upgrade Gravel Roads	10 000	10 000	9 998	0%	0%
Resealing of Roads	13 000	11 700	11 256	-4%	-13%
Distribution FB District Grant	0	3 500	3 500	0%	0%
Storm water					
Galeshewe Storm water Projects	20 000	10 470	9 464	-10%	-53%
Economic development					
Planning and surveying plots to be sold	3 000	3 000	2 457	-18%	-18%
European Union Bear Project	0	14 400	13 891	-4%	0%
Craven Street Trade Centre	8 000	5 000	4 348	-13%	-46%
Sports Arts & Culture					
No projects	0	0	0	0%	0%
Environment					
No Capital projects	0	0	0	0%	0%
Health					
No Capital projects	0	0	0	0%	0%
Safety and Security					
No Capital projects	0	0	0	0%	0%
ICT					
Replacement Program: IT Hardware	3 500	3 500	3 857	10%	10%
Parks and Recreation					
No Capital projects	0	0	0	0%	0%
Corporate Services					
Other					
Fleet Replacement Programme	4 000	9 500	2 445	-74%	-39%
Replacement Furniture and Office Equipment	2 000	2 000	184	-91%	-91%
Satellite Fire station	0	3 000	2 295	-23%	0%
Total	179 266	154 666	127 081	-18%	-29%

Table 195: Capital Programme by Project: Year 2022/23

5.9 CAPITAL PROGRAMME BY PROJECT BY WARD 2022/23

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Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj)	Variance (Act - OB)	% Physical Progress	Wards
	R'000			%			
Water							
Distribution - Acq - Wat Meter Replace	2 000	2 000	0	0%	0%		All
Elevated Water Tanks Distribution	1,000	1,000	1,076	8%	8%		All
Water pipes refurb prog various wards	10,000	10,000	8,569	-14%	-14%		All
Sanitation/Sewerage							
Lerato Park Sewer Upgrade Downstream Infra	21,090	21,090	12,397	-41%	-41%		1 & 30
Carter's Glen Pump Station	19,948	14,948	8,138	-59%	-46%		24
Reconstruction of sink toilets Phase 1	1,000	1,000	-	-100%	-100%		All
Electricity							
Hv Sub Acq-Cartglen Transf/Galash Subs	7,000	11,400	10,153	-12%	-12%		
Electrification Lerato park	33 000	26,000	22,708	-13%	-31%		30
Street lights replace 125w mv with 36w l	3,000	4,000	4,000	0%	33%		30
Capital Spares-Acq-Prepaid Meters	2 000	2 000	0	-100%	-100%		All
Roads							
Upgrade Gravel Roads	12 000	12 000	12,931	8%	8%	100%	All
Resealing Of Roads Various Wards	15 000	15 000	14,943	0%	0%	100%	All
P-Cier Rds Road Structure/R31	-	7,700	7,517	-2%	-100%		All
Stormwater							
P-Cier Sw Attenuation/Thlageng	0	3 000	0	-100%	-100%		All
Economic Development							
Township Establishment Various Wards	5 000	5 000	3,296	-34%	-34%		All
European Union Bear Project	0	18,850	0	-100%	-100%		All
Craven Street Trade Centre	8,300	8,300	8,996	8%	8%		All
Sports, Arts & Culture							
No Projects							
Environment							
No Projects							
Health							
No Projects							
Safety and Security							
No Projects							

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Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj)	Variance (Act - OB)	% Physical Progress	Wards
	R'000			%			
ICT							
Computer Equipment Replacement	11,300	11,300	2,943	-74%	-74%		All
Corporate Services							
Other							
Fleet Replacement Programme	35,405	11,705	7,364	-37%	-79%		All
Furniture and Office Equipment	2 000	2 000	984	-51%	-51%		All
TOTAL	190,043	188,293	126,016	-28%	-28%		

Table 196: Capital Programme by Project by Ward 2022/23

5.10 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

5.10.1 Introduction

BACKLOGS TO MUNICIPAL SPENDING ON SERVICE DELIVERY INFRASTRUCTURE

In the past years the main focus of the Municipality was to upgrade its bulk infrastructure capacity and provision of housing to complement basic service delivery needs. The bulk infrastructure priorities were meant to expedite human settlement programmes within the Municipality. The strategic programmes are ongoing and there has been a significant progress to realise these municipal objectives.

The increase in informal areas is still a major challenge for the municipality. And the rate at which the informal settlements grow outpaces the funding availed to eradicate service backlogs. The current municipal backlogs as presented in the IDP are as follows:

SERVICES BACKLOG

Service	Backlog Census 2011	Balance at 30 June 2017	Growth 2011 to 2014
New Houses (subsidised)	7 846	5 296	11 693
New Erven Planned and Surveyed	7 846	2 618	11 693
Houses connected to water	8 743	4 507	10 846
Houses connected to sanitation	9 343	4 076	10 415
Houses connected to electricity	9 127	4 222	12 094
Houses provided with waste removal	9 490	6 190	12 406
Roads Paved all	297km	260km	n/a
Roads resurfaced all	337km	257km	n/a

Source: Municipal IDP Document 2017 -2022

Table 213: Services Backlog

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5.10.2 Service Backlogs as at 30 June 2023

Service backlogs refer to access to services by all formalised areas without considering the development of top-structures for low-cost housing projects and subsidised houses. Formalised areas are installed with a standpipe water meter and should receive a weekly refuse collection accordingly. Where this service is not provided, these will form part of the backlogs that must be planned and eradicated.

Households (HHs)				
Description	*Service level above minimum standard		**Service level below minimum standard	
	No. HHs	% HHs	No. HHs	% HHs
Water	72 609	99.73	197	0.27
Sanitation	72 590	98.88	814	1.1
Electricity	75 826	96.08	2 974	3.92
Waste management	63 014	86.76	9 615	13.24
Housing	69 500	72.09	19 400	27.91

*% HHs are the service above/below minimum standard as a proportion of total households. 'Housing' refers to * formal and ** informal settlements.*

Table 214: Service Backlogs as at 30 June 2023

ELECTRICITY BACKLOGS

The electricity backlog stands at 5 602. The Electrical Department is currently able to electrify on average 1 350 households per financial year. The Electrical Department is capacitated to perform its own designs and thus able to achieve more connections with the allocation it receives.

WATER BACKLOGS

The water backlog currently stands at 223 households. The Water department currently has JoJo tanks and standpipes within informal settlements to meet the minimum access standards. Water standpipes are placed within a 200m radius and where this is not possible JoJo tanks are placed. JoJo tanks are filled on a daily basis by means of hired water tankers. Provision of formal services is the responsibility of COGSTA once informal settlements have been formalised.

SANITATION BACKLOGS

The sanitation backlog currently stands at 814 households. The Sanitation department provides chemical toilets for all informal settlements and currently there is 375 chemical toilets placed within informal settlements. Provision of formal services is the responsibility of COGSTA once informal settlements have been formalised.

ROADS AND STORMWATER BACKLOGS

The backlog for upgrading of gravel roads to paved standard, stands at 199.7km and periodic maintenance is 411.58km. Approximately 5.65km of new stormwater infrastructure is needed for Galeshewe. Upgrading of Tlhageng Dam to a

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concrete structure is also essential to avoid possible damages to properties. R31 Retention Dam also need to be upgraded to avoid possible flooding.

HOUSING BACKLOG

Baseline Backlog 12 000 but broader Backlog 21 850 considering backyard dwellers and those who have given up applying for housing.

IMPLEMENTATION OF BNG HOUSING PROJECTS

The Municipality targeted to construct 500 households with BNG (Breaking New Grounds) houses in the 2020/21 financial year. COGHSTA through its Project Management Unit (PMU) constructed 98 of the 492 houses in Diamond Park, Lerato Park 100, Santa Centre 46 and Jacksonville 139. Therefore, the total number of houses constructed for the financial year would be 383 units.

THE MUNICIPALITY'S RENTAL STOCK

The Municipality has a rental stock of 936 units. The demand for these units is very high due to high demand for the GAP Housing Market. However, sustainability of CRU's maintenance is compromised due to high default in rental payment. Only 30% of the rent is collected from the CRU's. In order to address this challenge, the Municipality is looking at appointing a management company for the leasing and maintenance of the rental stock starting with Lerato Park.

FACILITATING THE IMPLEMENTATION OF THE NATIONAL UPGRADING SUPPORT PROGRAMME

The programme was initiated by the National Department of Human Settlements, and Sol Plaatje Municipality was identified to be one of the participants in the programme. The mandate of the NUSP programme is to support municipalities with formalisation and infrastructure upgrading of informal settlements in their municipal area. Out of twenty-nine informal settlements, seventeen settlements totalling 5 416 sites are currently being formalised, and these are:

Area	Number of Sites	State of Progress
Snake Park	1 660 sites	Electrified with 100% services
Ivory Park	1 174 sites	Electrified 100% services
Diamant Park	892 sites	Electrified 892 Houses with all services
Jacksonville Ext	339 sites	72 Houses formalized and 339 Electrified with services
Kutwanong	48 sites	Formalised and electrified
Colville	130 sites	Formalised phases 1,2 & 3
Santa Centre	139 sites	Formalized 65 services and Construction of Top-Structures underway and ready for electrification

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Area	Number of Sites	State of Progress
Phomolong Ext	269 sites	Electrified without services on all sites
Greenpoint	155 sites	None
Waterloo	365 sites, with new Township-establishment	to be located on demarcated sites No services
Riemvasmaak	260 sites (plus/minus)	Electrified without services
Soul City	112 sites (64 sites Forest View 38 Quarry & 48 sites King Senare)	Electrified without services
Beaconsfield	28 sites	Infills connecting services outstanding
Donkerhoek	111 sites	Formalized Catalytic Project in terms of National Priority, electrification done without services
Ramorwa	98 sites	Formalized and Electrified
Witdam	138 sites	100% Formalized and Electrified
Lerato Park	4 600 sites	Phase I & II Build 491 & 428 respectively, 70 Military Veteran's houses build Three (3) blocks of Flats of which consists of 528 Flats the remainder to be Electrified and Services on going, Catalytic Project in terms of National Priority

Table 197: Housing Sites Progress Status

The NUSP has enabled the municipality to integrate human settlement interventions

5.10.3 Neighbourhood Development Partnership Grant (NDPG) on Service Backlogs

An amount of R78 298 820 was gazetted for the Municipality under the NDPG programme for the 2019/20 financial year. The bulk of the funds were spent to implement the upgrade of Storm Water Infrastructure in Galeshewe Phase 2, Priority 2a Project. The contractor was appointed for phase 2 priority 2b and the contract was terminated in 2020/21 due to poor performance, no actual construction work was done, only site establishment was done. Subsequent to the termination of the contract, National Treasury withdrew funding citing irregular procurement processes. No progress was recorded for 2021/22 due to unavailability of funds. No funding was received for the financial year 2022/23.

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

5.11 CASH FLOW OUTCOMES

The management of cash flow is one of the pivotal tasks of the Finance Department of the municipality. Adequate cash management enables effective decision making and the identification of early warning signs in terms of potential cash flow constraints. It is therefore imperative that cash flow trends be closely monitored, and corrective action be taken timeously when required.

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Sol Plaatje Local Municipality invests in short term call investment and notice deposits, all with maturity dates of less than twelve months.

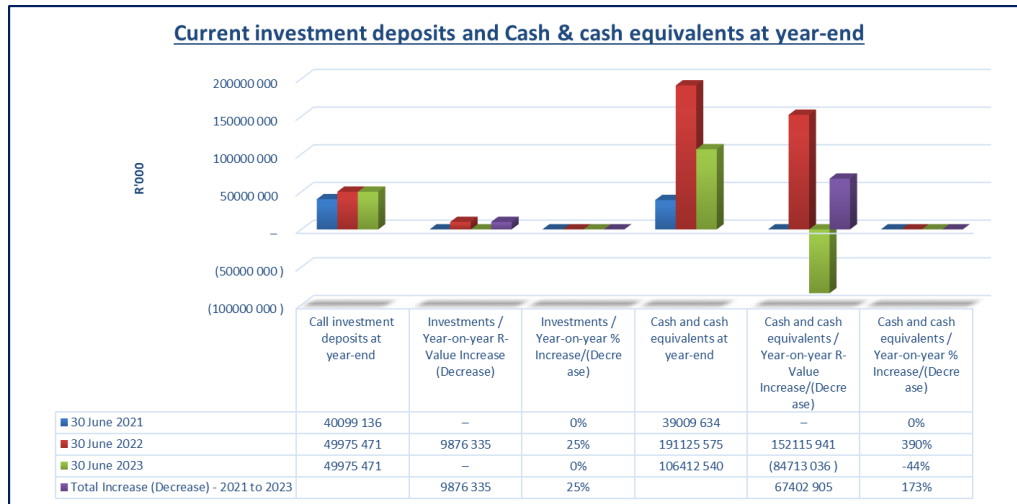
The cash flow status of the municipality is currently being monitored on a daily basis due to the constraints being experienced as depicted in the charts below.

The table below reflects the cost coverage ratio of the municipality for the last three years.

Cash / Cost Coverage Ratio	30 June 2021	30 June 2022	30 June 2023
	R'000		
Number of months cost coverage	0,23	1,15	0,59
Number of days cost coverage	0 Month	1 Month	1 Month
Cost coverage ratio	7 Days	34 Days	18 Days
Cash and cash equivalents	39 010	191 126	106 413
Unspent Conditional Grants	6 273	1 726	7 233
Total Annual Operational Expenditure	1 689 715	1 978 756	2 031 879
((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets)			

Table 198: Cost Coverage Ratio

Bar chart depicting call investment deposits and cash & cash equivalents at year-end



Graph 39: Call Investment Deposits and Cash & Cash Equivalents

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Collection rate	30 June 2021	30 June 2022	30 June 2023
	R'000		
Collection rate	74%	68%	70%
Gross Debtors closing balance	2,515,096	3,035,968	3,451,760
Gross Debtors opening balance	2,429,732	2,515,096	3,035,968
Bad debts written Off	330,209	35,270	119,069
Billed Revenue	1,624,125	1,745,688	1,797,695
<i>(Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance - Bad Debts Written Off)/Billed Revenue x 100</i>			

Table 199: Collection rate for the past 3 financial years

COMMENT ON CASH FLOW OUTCOMES

As indicated in the above charts, the cash flow position of the municipality is under severe pressure. Although the net cash generated from operating activities (after interest), is still positive, there is a declining trend in the cash balance held by the municipality. For the prior period under review, Cash and cash equivalents decreased by R84,713 million from R191,126 million (2021/22) to R106,413 million (2022/23 for the year under review. The collection rate year-on-year is far below the norm of 95%.

Factors that contribute to the declining cash balance, is the weaker debt collection rate, fuelled by the economic climate and high unemployment rate within the municipal area. The municipality has been encouraging consumers who cannot afford to pay, to apply for indigent support from the municipality. Cash is monitored on a daily basis.

The cash flow outcomes at year end are presented in the table below:

Description	2022/23			2021/22	2020/21
	Original Budget	Adjusted Budget	Audited Outcome	Audited Outcome	Audited Outcome
	R'000				
Cash flow from Operating Activities					
Receipts					
Property rates, penalties & collection charges	533 499	520 320	453 721	438 882	370 606
Service charges	1 093 079	1 084 284	949 589	1 017 145	836 621
Other revenue	403 395	483 433	113 372	57 160	62 566
Government - operating	18 959	45 723	264 657	236 646	260 426
Government - capital	134 338	114 338	108 149	123 667	85 390

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Description	2022/23			2021/22	2020/21
	Original Budget	Adjusted Budget	Audited Outcome	Audited Outcome	Audited Outcome
	R'000				
Interest	6 000	6 000	79 997	30 127	116 309
Payments					
Suppliers and employees	(2 039 050)	(2 094 877)	(1 760 969)	(1 519 740)	(1 579 253)
Finance charges	(38 960)	(117 360)	(113 955)	(72 909)	(36 467)
Transfers and Grants	(4 460)	(4 460)	(2 546)	(2 599)	(2 528)
Net Cash from (used) Operating Activities	106 800	37 402	92 015	308 378	113 668
Cash flow from Investing Activities					
Receipts					
Proceeds on disposal of PPE	0	0	0	240	41
Decrease (Increase) in non-current debtors	0	0	0	0	0
Decrease (increase) other non-current receivables	35 716	0	(35 483)	39 842	(38 091)
Decrease (increase) in non-current investments	0	0	0	0	0
Payments					
Capital assets	(190 043)	(188 893)	(125 559)	(183 271)	(132 020)
Net Cash from (used) Investing Activities	(154 327)	(188 893)	(161 042)	(143 189)	(170 071)
Cash flow from Financing Activities					
Receipts					
Short term loans	0	0	0	0	0
Borrowing long term/refinancing	0	0	(3 599)	(2 324)	5 653
Increase (decrease) in consumer deposits	0	0	0	0	0
Payments					
Repayment of borrowing	(9 390)	(9 390)	(12 088)	(10 750)	(9 548)
Net Cash from (used) Financing Activities	(9 390)	(9 390)	(15 687)	(13 073)	(3 894)
Net Increase/(Decrease) in Cash Held	(56 917)	(160 881)	(84 713)	152 116	(60 297)
Cash/cash equivalents at the year begin	172 922	172 922	191 126	39 010	99 307

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Description	2022/23			2021/22	2020/21
	Original Budget	Adjusted Budget	Audited Outcome	Audited Outcome	Audited Outcome
	R'000				
Cash/cash equivalents at the year end	116 006	12 041	106 413	191 126	39 010

Table 200: Cash Flow Outcomes

5.12 BORROWING AND INVESTMENTS

The municipality currently has long term borrowings at the Development Bank of South Africa (DBSA). The municipality applies a conservative approach to borrowing. No additional long-term debt was incurred for the year under review. The balance of these loans amount to R159 863 million as at 30 June 2023.

The table below reflects movement on the loan for the year reported on versus budget.

Description	Original Budget 2022/23	Adjustment budget 2022/23	Actual spent 30 June 2023
	R'000		
External borrowings	148 630	148 630	159 863

Table 201: Movement on Loan

5.12.1 Actual Borrowings: 2020/21 to 2022/23

Instrument	2020/21	2021/22	2022/23
	(R'000)		
Municipality			
Long-Term Loans (annuity/reducing balance)	188 624	175 550	159 863
Municipality Total	188 624	175 550	159 863

Table 202: Actual Borrowings

5.12.2 Municipal Investments

Investment type	Actual 2020/21	Actual 2021/22	Actual 2022/23
	(R'000)		
Municipality			
Securities - National Government			
Listed Corporate Bonds			
Deposits – Current Investments	40 099	49 975	49 975

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Investment type	Actual 2020/21	Actual 2021/22	Actual 2022/23
	(R'000)		
Deposits - Public Investment Commissioners			
Deposits - Corporation for Public Deposits			
Bankers' Acceptance Certificates			
Negotiable Certificates of Deposit – Banks			
Guaranteed Endowment Policies (sinking)			
Repurchase Agreements – Banks			
Municipal Bonds			
Other - Bank including petty cash	(1 090)	141 150	56 437
Total Cash and Cash Equivalents	39 010	191 126	106 413

Table 203: Municipal Investments

5.12.3 Comment on Borrowing and Investments

The investment balance have increased from 2020/21 to 2021/22 and remained constant from 2021/22 to 2022/23. The external borrowing balance is gradually decreasing as interest and capital is redeemed. No additional loan agreements were entered into for the 2022/23 financial year. The repayment terms on all loans are bi-annual instalments payable in December and June of each year.

The Municipality only has long term borrowings at the Development Bank of South Africa (DBSA). The Municipality applies a conservative approach to borrowing. No additional long-term debt was incurred for the year under review, and as at year end, the balance of these loans amount to R159,863 million.

5.13 DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

All Organisations or Persons in receipt of Loans*/Grants* provided by the municipality	Nature of project	Conditions attached to funding	Value 2022/23	Total Amount committed over previous and future years (From 2020/21 to 2025/26)
			R	
SPCA	Stray animal pound	Impounding of stray animals	2 300	13 900
Sol Plaatje Educational Trust	Upkeep of Sol Plaatje Museum	Funds to be used for intended purpose	–	1 070

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All Organisations or Persons in receipt of Loans*/Grants* provided by the municipality	Nature of project	Conditions attached to funding	Value 2022/23	Total Amount committed over previous and future years (From 2020/21 to 2025/26)
			R	
Diamantveld High Wildeklaer Tournament	Sports	Annual event	-	-
Other	On merit	Based on application	169	5 569
Total			2 469	20 539

* Loans/Grants - whether in cash or in kind

Table 204: Declaration of Loans and Grants made by the Municipality

COMPONENT D: OTHER FINANCIAL MATTERS

5.14 SUPPLY CHAIN MANAGEMENT

The table below reflects the remedial action taken by SCM in response to the finding of the Auditor-General's Report.

Findings	Remedial actions
In the audit, was found that the calculation of PPPFA scoring was not correctly calculated and this led to the wrong bidder being awarded the contract.	<ul style="list-style-type: none"> The following segregation of duties mechanism will be implemented: The Evaluation Officer perform a pre-evaluation and sign as a compiler. The Risk Officer verify the calculation and sign as proof of verification. The Contract Supervisor review the scoring and sign as a reviewer. For procurement below R200 000 the Acquisition Manager check the scoring and GM: SCM sign for the awards. For procurement R 200 000: The Bid Evaluation Committee verify and confirm that the calculations were performed correctly as required, and the chairperson will sign as proof that the committee has reviewed and verified mathematical accuracy. The segregation of duties was implemented in the financial year 2022/2023.
During the audit it was noted that long-term contracts were not advertised for thirty days as is required by the SCM regulations 22(i)(b)(i)	<ul style="list-style-type: none"> The SCM Manager determine the advertisement dates before the meetings During the meeting the Bid Specification Committee verifies the advertisement dates and the days in line with the SCM policy.
Instances where three quotations were not obtained	<ul style="list-style-type: none"> The acquisition supervisor must ensure that three quotations are attached to all requisitions. In the case where less than three quotations are received, the SCM applies the MSCMR 17 to appoint the responsive bidder and the report will be compiled to the CFO on monthly basis. This applies to the formal written quotation (web-quotation advertised for 7 days) Instances of one quotation a memo explaining why three quotations were not obtained must be attached. E.g. Accredited agencies and sole provider
The requirements of SCM regulations 32 were not fully understood and implemented	<ul style="list-style-type: none"> The process will be performed in consultation with the Provincial Treasury for advice in order to close all gaps and avoid irregular expenditure. However, there was no procurement of section 32 in the financial year 2022/2023.

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Table 205: Remedial Action Implemented

5.15 GRAP COMPLIANCE

The Municipality has adopted the Generally Recognised Accounting Practices (GRAP) as the accounting reporting framework. As such, the annual financial statements have been prepared in accordance with the Standards of (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board and the Municipal Finance Management Act 2003 (Act Number 56 of 2003). Where there are no approved GRAP standards, principles of accounting in terms of International Accounting Standards (IASs) and International Public Sector Accounting Standards (IPSASs).

In preparing the financial statements for 2022/23 the Municipality complied with all the issued and approved accounting standards. The accrual basis of accounting informed the preparation of the financial statements, and all amounts are disclosed in the South African Currency, the ZAR. The municipality is a going concern business, and it is expected to continue to exist in the foreseeable future.

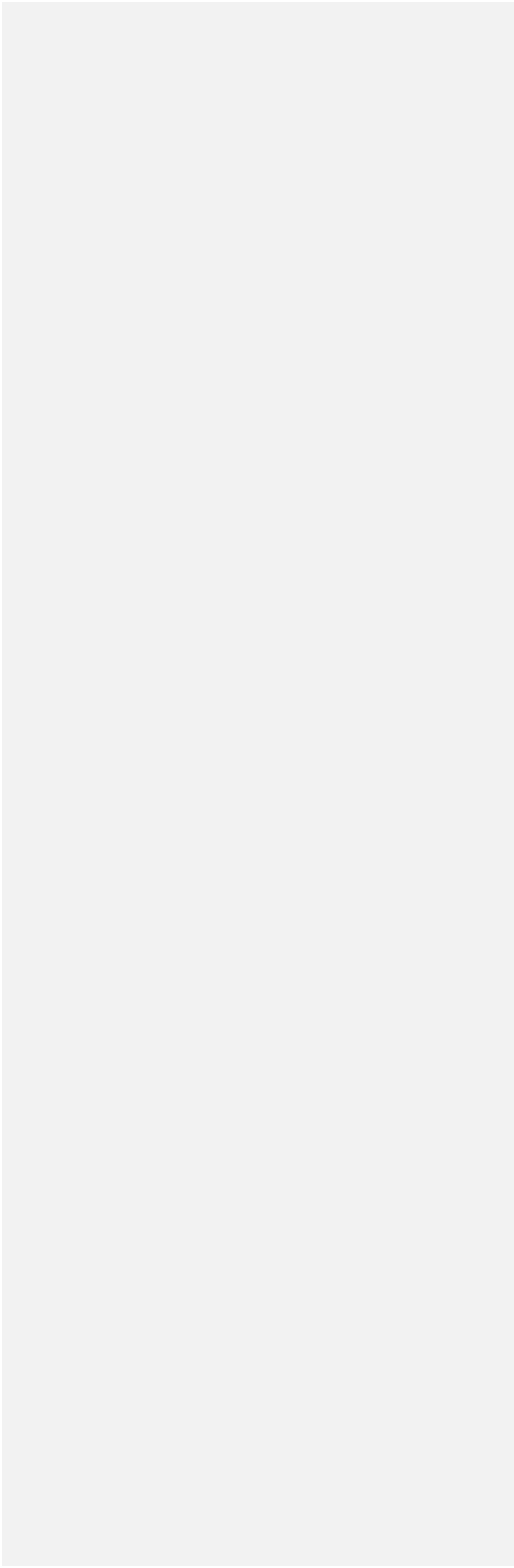
The Municipality also limits its exposure to foreign currency by ensuring that all contracts are expressed in ZAR. However, there is a single three-year contractual obligation in USD which the Municipality has entered with Microsoft.

Assets are disclosed at cost less accumulated depreciation, whilst inventory is carried at the lower of cost or net realisable value.

All financial instruments are recognised at amortised cost. Financial instruments at amortised cost are non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that are quoted in an active market. They are included in current assets except for maturity greater than 12 months which are classified as non-current assets.

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CHAPTER 6: AUDITOR-GENERAL AUDIT FINDINGS



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COMPONENT A: AUDITOR-GENERAL OPINION 2021/22

The following tables provide the details on the audit outcomes for the past two financial years with the corrective steps implemented:

6.1 AUDITOR-GENERAL OPINION 2021/22

6.1.1 Financial performance 2021/22

Auditor-General Report on Financial Performance 2021/22	
Audit Report Status:	Qualified Audit Opinion
Audit Findings	145
Non-Compliance Issues	
Basis for qualified opinion	
Property, Plant and Equipment	
Investment Property	
Inventory	
Service charges	
Trade Receivables from exchange transactions	
Statutory receivables from non-exchange transactions	
Revenue from exchange transactions	
Emphasis of matter paragraphs	
Restatement of corresponding figures	
Material losses - Water	
Material losses - Electricity	

Table 206: AG Report on Financial Performance 2021/22

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COMPONENT B: AUDITOR-GENERAL OPINION 2022/23

6.2 AUDITOR-GENERAL OPINION 2022/23

6.2.1 Financial performance 2022/23

Auditor-General Report on Financial Performance 2022/23	
Audit Report Status:	Qualified Audit Opinion
Audit Findings	
Non-Compliance Issues	
Basis for qualified opinion	
Property, Plant and Equipment	
Investment Property	
Inventory	
Service charges	
Trade Receivables from exchange transactions	
Statutory receivables from non-exchange transactions	
Revenue from exchange transactions	
Emphasis of matter paragraphs	
Restatement of corresponding figures	
Material losses - Water	
Material losses - Electricity	

Table 207: AG Report on Financial Performance 2022/23

Auditor-General Report on Financial Performance 2022/23	
Audit Report Status:	Qualified Audit Opinion
Audit Findings	158
Non-Compliance Issues	
Basis for qualified opinion	
Property, Plant and Equipment	
Service charges	
Trade Receivables from exchange transactions	
Investment	

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Auditor-General Report on Financial Performance 2022/23
Inventory
Loss/ write-down of inventory
Material losses – electricity
Revenue from exchange transactions
Emphasis of matter paragraphs
None

6.2.2 Report of the Auditor-General to the Northern Cape Provincial Legislature and the council on Sol Plaatje Local Municipality

Report on the audit of the financial statements

Qualified opinion

1. I have audited the financial statements of the Sol Plaatje Local Municipality set out on pages XX to XX, which comprise the statement of financial position as at 30 June 2023, statement of financial performance, statement of changes in net assets, cash flow statement and budget vs actual comparative information for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, except for the effects and possible effects of the matters described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of the Sol Plaatje Local Municipality as at 30 June 2023, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 5 of 2022 (Dora).

Basis for qualified opinion

Property, plant and equipment

3. The municipality did not review the useful lives and indicators of impairment of all completed assets included in property, plant equipment and at each reporting date in accordance with

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GRAP 17, *Property, plant and equipment* and GRAP 21, *Impairment of non-cash-generating assets*. I was unable to determine the full extent of the overstatement of completed assets included in infrastructure and understatement of impairment, depreciation and amortisation for the current and prior year as it was impracticable to do so. Additionally, there was an impact on the deficit for the period.

4. I was unable to obtain sufficient appropriate audit evidence that infrastructure had been properly accounted for due to prior year adjustments and transactions affecting infrastructure that could not be supported. I was unable to confirm the infrastructure by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to infrastructure stated at R1 659 154 265 (2021-22: R1 603 907 589) in note 9 and the correction of error of property, plant and equipment in note 39.3 of the financial statements.
5. Not all items that meet the definition of infrastructure assets in accordance with GRAP 17, *Property, plant and equipment* were recognised as required. Consequently, completed assets included in infrastructure was understated by R17 066 209 (2021-22: R17 066 209). In addition, the municipality did not maintain adequate and complete records resulting in infrastructure assets not being recorded in the asset register. I was unable to determine the full extent of the understatement of completed assets included in infrastructure for the current and the prior year, as it was impracticable to do so. There was a resultant impact on the deficit for the period and on the accumulated surplus.
6. During 2022, the municipality did not account for infrastructure assets in accordance with GRAP 17, *Property, plant and equipment*. Completed infrastructure assets were incorrectly included as under construction. Consequently, infrastructure under construction were overstated by R209 060 167 and completed assets included in infrastructure were understated by R209 060 167. I was unable to quantify the misstatement of the depreciation amount as the municipality did not determine useful lives for these completed assets. There was a resultant impact on the deficit for the period and on the accumulated surplus. My opinion on the current year financial statements is modified because of the effect of this matter on the comparability of infrastructure for the current year.

Service charges

7. The municipality did not recognise all sales of water and electricity, as required by GRAP 9, *Revenue from exchange transactions*. Properties were identified for which the sale of water and electricity was not billed and recorded for the current and the prior year. I was unable to determine the full extent of the understatement of the sale of water and electricity included in service charges and service debtors for water and electricity included in trade receivables from exchange transactions and VAT payable, as it was impracticable to do so for the current and prior year. There was a resultant impact on the deficit for the period and on the accumulated surplus.

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8. The municipality did not recognise all sales of water and electricity, as required by GRAP 9, *Revenue from exchange transactions*. As the municipality did not use recent consumption data when calculating interim billing, I was unable to determine the full extent of the understatement of the sale of water and electricity included in service charges and service debtors for water and electricity included in trade receivables from exchange transactions and VAT payable, as it was impracticable to do so for the current and prior year. There was a resultant impact on the deficit for the period and on the accumulated surplus.
9. During 2022, the municipality did not have adequate systems in place to account for service charges relating to the sale of water and electricity included in service charges in accordance with GRAP 9, *Revenue from exchange transactions*. Consequently, the sale of water and electricity included in service charges and VAT payable from exchange transactions was understated by R13 448 851, R15 935 904 and R4 407 699 and service debtors for water and electricity from exchange transactions was overstated by R15 466 179 and R18 326 180.

Trade receivables from exchange transactions

10. I was unable to obtain sufficient appropriate audit evidence for the amounts written off as uncollectable included in note 4.3, as written off without the approval of council. I was unable to confirm the debt write off by alternative means. I was unable to confirm the debt write-off by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to the amounts written off as uncollectable stated at R119 068 844 (2021-22: R35 269 966) in note 4.3 to the financial statements.

Investment property

11. The municipality did not recognise items that met the definition of investment property in accordance with GRAP 16, *Investment property*. Investment property was incorrectly classified as land included in community and inventory land in the current and previous year. Consequently, investment property was understated by R38 867 214 (2022: R38 867 214) land included in community, and inventory land was overstated by R33 657 592 (2022: R33 657 592) and R5 209 622 (2021-22: R5 209 622), respectively.

Inventory

12. The municipality did not recognise items that met the definition of inventory in accordance with GRAP 12, *Inventories*, as inventory land were incorrectly classified as investment property for the current and prior year. I was unable to determine the full extent of the understatement of inventory land and overstatement of investment property for the current and prior year, as it was impracticable to do so.

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Loss/ write-down of inventory

13. The loss of water inventory was not recognised as required by GRAP12, *Inventories*. Debtors accounts were identified for which water service charges were not billed and recorded that resulted in the total units sold as per the municipality's calculations being misstated. I was unable to determine the full extent of the overstatement of the loss/ write-down of inventory, stated at R78 068 584, as it was impracticable to do so. There was a resultant impact on the water inventory consumed included in general expenses and material losses – water stated at R43 312 026 in note 37 and R77 947 877 in note 46.9 to the financial statements.

Material losses – electricity

14. Material losses – electricity was not recognised as required by section 125(2)(d) of the MFMA. Debtors accounts were identified for which electricity service charges were not billed and recorded that resulted in the total units sold as per the municipality's calculation being misstated. I was unable to determine the full extent of the overstatement of material losses – electricity, stated at R197 509 664 in note 46.9 to the financial statements, as it was impracticable to do so.

Revenue from exchange transactions

15. During 2022, I was unable to obtain sufficient appropriate audit evidence regarding the following items as included in the disclosed balance of R1 252 467 123, which had a cumulative effect on revenue from exchange transactions:
 - Other income of R14 516 909
 - Rental of facilities and equipment of R16 755 155

I was unable to confirm revenue from exchange transactions by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to the total revenue. The misstatements are material, remain unresolved in the current year.

Context for opinion

16. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
17. 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.

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18. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Material uncertainty relating to going concern

19. I draw attention to the matter below. My opinion is not modified in respect of this matter.
20. I draw attention to the statement of financial performance included in the financial statements, which indicates that a net loss of R61 544 568 was incurred during the year ended 30 June 2023. As stated in the statement of financial performance, this event or condition, along with other matters as set forth in note 48.5, indicate that a material uncertainty exists that may cast significant doubt on the municipality's ability to continue as a going concern.

Other matters

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

Unaudited disclosure notes

22. In terms of section 125(2)(e) of the MFMA, the particulars of non-compliance with the MFMA should be disclosed in the financial statements. This 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

23. The supplementary information set out on pages XX to XX does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

Responsibilities of the accounting officer for the financial statements

24. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the Standards of GRAP and the requirements of the MFMA and the Dora; and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Responsibilities of the auditor-general for the audit of the financial statements

26. 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.
27. 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

28. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected development priorities presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
29. I selected the following development priorities presented in the annual performance report for the year ended 30 June 2023 for auditing. I selected development priorities that measures the municipality's performance on its primary mandated functions and that is of significant national, community or public interest.

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Development priority	Page numbers	Purpose
Basic services and infrastructure development	XX	To plan for, install, maintain and operate infrastructure, and provide services more efficiently and on a sustainable basis that adequately supports: <ul style="list-style-type: none"> • transformed spatial structure • economic growth objectives • universal access to basic services, differentiated service requirements of households and human settlements and economic activity
Local economic development	XX	To transform the spatial structure of the city towards an equitable, inclusive, efficient and compact form consisting of a series of integrated and well-connected economic corridors, nodes and attractive mixed-use/ mixed-income sustainable human settlements of varying densities

30. I evaluated the reported performance information for the selected development priorities against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the municipality's planning and delivery on its mandate and objectives.
31. I performed procedures to test whether:
- the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives
 - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
 - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
 - the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents

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- the reported performance information is presented in the annual performance report in the prescribed manner
 - there is adequate supporting evidence for the achievements reported and for the measures taken to improve performance.
32. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.
33. I did not identify any material findings on the reported performance information for the local economic development priority.
34. The material findings on the reported performance information for the basic services and infrastructure management priority are as follows:

Basic services and infrastructure development

Various indicators

35. Based on audit evidence, the actual achievements for three indicators did not agree to what was reported. I could not determine the actual achievements, but I estimated them to be materially less. Consequently, one target is likely to not be achieved and two targets are likely to be achieved.

Indicator	Target	Reported achievement
15 000 indigent households to receive free basic services (water, electricity, sanitation and waste removal according to national guidelines) by 30 June 2023	15 000	12 033
Decrease electricity losses to 16% by 30 June 2023	16%	29,38%
Decrease water losses to 50% by 30 June 2023	50%	63,99%

Other matters

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36. I draw attention to the matters below.

Achievement of planned targets

37. The annual performance report includes information on reported achievements against planned targets and provides measures taken to improve performance. This information should be considered in the context of the material findings on the reported performance information.

38. The municipality plays a key role in delivering services to South Africans. The tables that follow provide information on the achievement of planned targets and list the key service delivery indicators that were not achieved as reported in the annual performance report. The measures taken to improve performance are included in the annual performance report on pages XX to XX.

Basic services and infrastructure development

<i>Targets achieved: 33,3%</i>		
<i>Budget spent: 96,82%</i>		
Key service delivery indicator not achieved	Planned target	Reported achievement
15 000 indigent households to receive free basic services (water, electricity, sanitation and waste removal according to national guidelines) by 30 June 2023	15 000	12 033
To upgrade at least 4km access roads to a paved surface in Sol Plaatje area by 30 June 2023	4km	2,47km
Ensure that all identified fleet items to be procured for the year are delivered by 30 June 2023	100%	80%
100% completion for the upgrading of the Carters Glen substation and de-loading of the Galeshewe substation (Phase 3) by 30 June 2023	100%	53%

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Number of households in Lerato Park connected to the electricity network by 30 June 2023 (Phase 7)	650	0
Decrease electricity losses to 16% by 30 June 2023	16%	29%
Complete 100% work for the installation of electrical and mechanical components in Lerato Park sewer pump station by 30 June 2023	100%	28,5%
To complete 60% of the construction phase for the Carters Ridge sewer pump station building with all electrical and mechanical equipment by 30 June 2023	60%	12%
Decrease water losses to 50% by 30 June 2023	50%	64%
To complete the appointment of a service provider for the 100% construction of the foundations for the two elevated water tanks by 30 June 2023	100%	50%
To ensure through effective monitoring that a 98% blue drop status on quality compliance is achieved by 30 June 2023	98%	86%
Number of households in Lethabo Park connected to the electricity network by 30 June 2023 (Phase 1)	1 166	0
To complete the electrification of 1 650 households in Lerato Park by 30 June 2023 (Phases 7 & 8)	411	0
% completion of the Homevale Fire Station by 30 June 2023	100%	97%

Local Economic Development

Targets achieved: 54,6%

Budget spent: 71,96%

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Key service delivery indicator not achieved	Planned target	Reported achievement
To improve the SCM turnaround time to 12 weeks for annual contracts from closing date to date of award by 30 June 2023	12	13.5
To improve the SCM turnaround time to 6 weeks for once off contracts from closing date to date of award by 30 June 2023	6	9
% implementation of business expansion attraction and retention (BEAR) programme as per the annual approved implementation plan by 30 June 2023	100%	17%
% implementation of the training programme for 100 artisans from the unemployment youth aged between 18 and 35 years as part of the developing skilful economies by 30 June 2023	100%	0%

Material misstatements

39. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for basic services and infrastructure development, as well as local economic development. Management subsequently corrected all the misstatements for local economic development and I did not include any material findings in this report. Management did not correct all the misstatements for basic services and infrastructure development and I reported material findings in this regard.

Report on compliance with legislation

40. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the municipality's compliance with legislation.
41. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an

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assurance opinion or conclusion.

42. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the municipality, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
43. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual financial statements and annual report

44. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of current assets and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected, but the uncorrected material misstatements and supporting records that could not be provided resulted in the financial statements receiving a qualified audit opinion.
45. The 2021-22 annual report was not tabled in the municipal council after the end of the financial year, as required by section 127(2) of the MFMA.

Procurement and contract management

46. Some of the goods and services of a transaction value above R200 000 were procured without inviting competitive bids, as required by SCM regulation 19(a). In some instances, deviations were approved by the accounting officer even though it was not impractical to invite competitive bids, in contravention of SCM regulation 36(1). Similar non-compliance was also reported in the prior year. This non-compliance was identified in the procurement processes for the Lerato Park Housing Development Project.
47. The preference point system was not applied for some of the procurement of goods and services as required by section 2(1)(a) of the Preferential Procurement Policy Framework Act.
48. Sufficient appropriate audit evidence could not be obtained that the performance of contractors or providers was monitored on a monthly basis as required by section 116(2) of the MFMA. Similar limitations were also reported in the prior year. This limitation was identified in the procurement processes for the Lerato Park Housing Development Project.
49. Sufficient appropriate audit evidence could not be obtained that contract performance and

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monitoring measures were in place to ensure effective contract management as required by section 116(2)(c)(ii) of the MFMA. This limitation was identified in the procurement processes for the Lerato Park Housing Development Project.

50. Sufficient appropriate audit evidence could not be obtained that some contracts were extended or modified with the approval of a properly delegated official as required by SCM Regulation 5. This limitation was identified in the procurement processes for the Lerato Park Housing Development Project.
51. SCM role players whose associates had a private or business interest in contracts awarded by the municipality participated in the process relating to that contract, in contravention of SCM Regulation 46(2)(f).

Expenditure management

52. Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA.
53. Reasonable steps were not taken to prevent irregular expenditure amounting to R142 657 671 as disclosed in note 45.3 to the annual financial statements, as required by section 62(1)(d) of the MFMA. The majority of the disclosed irregular expenditure was caused by non-compliance with SCM regulations.
54. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R100 574 734 as disclosed in note 45.2 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the disclosed fruitless and wasteful expenditure was caused by interest paid on overdue accounts.

Consequence management

55. Fruitless and wasteful expenditure and some irregular expenditure and incurred by the municipality were not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.

Strategic planning and performance management

56. The integrated development plan was not adopted by the council after the start of its elected term, as required by section 25(1) of the MSA.

Revenue management

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- 57. Accounts charges for municipal service charges were not prepared monthly, as required by section 64(2)(c) of the MFMA.
- 58. An effective system of internal control for revenue was not in place, as required by section 64(2)(f) of the MFMA.

Asset management

- 59. An effective system of internal control for assets was not in place, as required by section 63(2)(c) of the MFMA.

Human resource management

- 60. The municipal manager and senior managers did not sign performance agreements within the prescribed period, as required by section 57(2)(a) of the MSA.

Other information in the annual report

- 61. The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected development priorities presented in the annual performance report that have been specifically reported on in this auditor's report.
- 62. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
- 63. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected development priorities presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
- 64. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is

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corrected this will not be necessary.

Internal control deficiencies

65. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
66. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion, the material findings on the annual performance report and the material findings on compliance with legislation included in this report.
67. Leadership was not able to prevent the misstatements and non-compliance identified from occurring as the financial statements and the support to it was not sufficiently reviewed. There were instances of material non-compliance that were caused by the leadership, which added to the negative audit outcomes.
68. Management did not maintain an effective records management system between the different directorates to support performance reporting.

Material irregularities

69. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit and on the status of material irregularities as previously reported in the auditor's report.

Status of previously reported material irregularities

Municipal accounts not paid within 30 days

70. Eskom invoices received during the period 1 July 2019 to 30 June 2020 for bulk electricity purchases were not always paid within the prescribed 30-day period, in contravention of section 65(2)(e) of the MFMA. The non-compliance resulted in a financial loss in the form of interest of R5 618 616 being levied and paid to the supplier on the outstanding balances.
71. I notified the accounting officer of the material irregularity on 30 August 2022 and invited the accounting officer to make a written submission on the actions taken and that will be taken to address the matter. The accounting officer had not taken any action in response to being notified of the material irregularity.

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72. recommend that the accounting officer should take the following actions to address the material irregularity, which should be implemented within 6 months from date of notification, 1 July 2024, with progress report after 3 months:

Appropriate action should be taken to obtain the relevant approval from council and commence with the implementation of the revenue enhancement plan to address the financial problems of the municipality that are preventing the Municipality from paying Eskom within 30 days, as required by MFMA section 65(2)(e). The financial plan should include realistic timeframes and milestones to be achieved and include as a minimum strategies to:

- (a) Implement the revenue enhancement interventions with the intention to increase the collection of revenue;
- (b) Efficiently manage the available resources of the municipality to optimise and reduce costs;
- (c) Reduce electricity distribution losses; and
- (d) Negotiate a reasonable payment arrangement with Eskom and properly budget for the amounts to be paid.

Material irregularities in progress

73. I identified other material irregularities during the audit and notified the accounting officer of these, as required by material irregularity regulation 3(2). By the date of this auditor's report, the responses of the accounting officer were outstanding. I am in the process of determining the most suitable further action to take. These material irregularities will be included in next year's auditor's report.

Other reports

74. In addition to the investigations relating to material irregularities, I draw attention to the following engagements conducted by various parties which had, or could have, an impact on the matters reported in the municipality's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.
75. The Directorate for Priority Crime Investigation (Hawks) is investigating allegations of fraud, corruption and money laundering relating to the municipality. These proceedings were in progress at the date of this report.

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Auditor-General

Kimberley

30 November 2023



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

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Annexure to the auditor's report

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

Auditor-general's responsibility for the audit

Professional judgement and professional skepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional skepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected development priorities and on the municipality's compliance with selected requirements in key legislation.

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

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

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- 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

I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act 56 of 2003	Section 1 - Paragraph (a), (b) & (d) of the definition: irregular expenditure Section 1 - Definition: service delivery and budget implementation plan Sections 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 29(1), Sections 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii), 32(2)(b), 32(6)(a), Sections 32(7), 53(1)(c)(ii), 54(1)(c), 62(1)(d), 62(1)(f)(i), 62(1)(f)(ii), Sections 62(1)(f)(iii), 63(1)(a), 63(2)(a), 63(2)(c), 64(2)(b), 64(2)(c), 64(2)(e), Sections 64(2)(f), 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), 72(1)(a)(ii), 112(1)(j), Sections 116(2)(b), 116(2)(c)(ii), 117, 122(1), 122(2), 126(1)(a), 126(1)(b), Sections 127(2), 127(5)(a)(i), 127(5)(a)(ii), 129(1), 129(3), 133(1)(a), Sections 133(1)(c)(i), 133(1)(c)(ii), 170, 171(4)(a), 171(4)(b)
MFMA: Municipal Budget and Reporting Regulations, 2009	Regulation 71(1), 71(2), 72
MFMA: Municipal Investment Regulations, 2005	Regulations 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
MFMA: Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations 5(4), 6(8)(a), 6(8)(b), 10(1)

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MFMA: Municipal Supply Chain Management Regulations, 2017	Regulations 5, 12(1)(c), 12(3), 13(b), 13(c), 13(c)(i), 16(a), 17(1)(a), 17(1)(b), Regulations 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a), 27(2)(e), Regulations 28(1)(a)(i), 28(1)(a)(ii), 29(1)(a) and (b), 29(5)(a)(ii), 29(5)(b)(ii), Regulations 32, 36(1), 36(1)(a), 38(1)(c), 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), Regulations 38(1)(g)(ii), 38(1)(g)(iii), 43, 44, 46(2)(e), 46(2)(f)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations 5(2), 5(3), 5(6), 8(4)
Annual Division of Revenue Act	Sections 11(6)(b), 12(5), 16(1); 16(3)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulations 17, 25(7A)
Preferential Procurement Policy Framework Act 5 of 2000	Sections 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulations 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8), 7(1), Regulations 7(2), 7(3), 7(6), 7(8), 8(2), 8(5), 9(1), 10(1), 10(2), 11(1), 11(2)
Legislation	Sections or regulations
Preferential Procurement Regulations, 2022	Regulations 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)
Municipal Systems Act 32 of 2000	Sections 25(1), 26(a), 26(c), 26(h), 26(i), 27(1), 29(1)(b)(ii), 29(2)(a), Sections 29(2)(c), 34(a), 34(b), 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, Sections 43(2), 56(a), 57(2)(a), 57(4B), 57(6)(a), 66(1)(a), 66(1)(b), Sections 67(1)(d), 74(1), 93J(1), 96(b) Parent municipality with ME: Sections 93B(a), 93B(b) Parent municipality with shared control of ME: Sections 93C(a)(iv), 93C(a)(v)
MSA: Municipal Planning and Performance Management Regulations, 2001	Regulations 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 3(5)(a), 7(1), 8, 9(1)(a), 10(a), Regulations 12(1), 15(1)(a)(i), 15(1)(a)(ii)
MSA: Municipal Performance Regulations for Municipal Managers and Managers directly Accountable to Municipal Managers, 2006	Regulations 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3)
MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations 17(2), 36(1)(a)

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6.3 MFMA SECTION 71 RESPONSIBILITIES

The municipality is non-delegated and as such submits the monthly data strings to National Treasury in terms of Municipal Finance Management Act 56 of 2003, Section 71. The monthly budget statement is at the same time submitted to the Executive Mayor. The Municipal Public Accounts Committee are also provided with the monthly budget statement in terms of the Guidelines for the Establishment of MPACs.

The Section 71 monthly budget statement is signed off by the Municipal Manager and submitted within ten working days after the end of each month to the relevant authorities as explained herein. The monthly budget statement with the signed municipal quality certificate and the monthly C-schedules is also uploaded onto the National Treasury Local Government portal.

Signed:
Chief Financial Officer

Dated:

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6.4 AUDIT COMMITTEE REPORT FOR THE YEAR ENDED 30 JUNE 2023

6.4.1 Overview

The Audit Committee (AC) is a formal committee of the Council, and its functions are as per section 166 of the Municipal Finance Management Act (Act No 56 of 2003).

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

6.4.2 Audit Committee Members and Attendance

The Audit Committee consists of the members listed hereunder and meets as often as it deems necessary as per the approved terms of reference.

The members of the audit committee were as follows for the financial period:

- Ms. Lehlohonolo Rapolile (Accounting and auditing field) (*Chairperson*)
- Mr. Letlhogonolo Berends (Law field)
- Mr. Bongani Mathae (Performance Management and Governance Processes field)
- Mr. Giveous Ndou (Accounting and auditing field)
- Ms. Lungelwa Sonqishe (Accounting field)

During the period under review, there were four normal meetings and two special meetings held on the following dates:

- 29 August 2022
- 30 August 2022 (Special AC Meeting)
- 28 November 2022 (Special AC Meeting)
- 30 January 2023
- 24 April 2023
- 07 June 2023

The attendance of meetings by audit committee members is reflected in the table below:

Name of the Member	Position	Date of Appointment/renewal	Number of meetings attended
Mr. Letlhogonolo Berends	AC member	December 2017 / December 2020	6 out of 6
Mr. Bongani Mathae	AC member	December 2017 / December 2020	4 out of 6
Mr. Giveous Ndou	AC member	December 2020	6 out of 6
Ms. Lungelwa Sonqishe	AC member	December 2020	6 out of 6

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Name of the Member	Position	Date of Appointment/renewal	Number of meetings attended
Ms. Lehlohonolo Rapodile	Chairperson	March 2022	4 out of 6

6.4.3 Audit Committee Responsibility

6.4.3 Audit Committee Responsibility

The Audit Committee has fulfilled its responsibilities as stipulated in the Municipal Finance Management Act read in conjunction with Treasury Regulations. The Committee has adopted an appropriate formal charter, which regulates its affairs. It has also discharged its responsibilities in compliance with the approved Audit Charter.

For the financial year ended 30 June 2023, the audit committee reviewed:

- Quarterly financial reports
- The effectiveness of internal controls
- The appropriateness of accounting policies and procedures
- The effectiveness of enterprise risk management system
- Compliance with relevant laws and regulations
- The system of ICT governance
- The Internal Audit (IA) and Audit committee chambers

6.4.4 The Effectiveness of Internal Control

Internal audit, in accordance with the MFMA and the most recent King IV Report on Corporate Governance requirements, provides assurance to the Audit Committee and Management that internal controls require improvement. This is accomplished through the risk management process, as well as the recommendation of corrective actions and suggested improvements to controls and processes.

It was noted that matters which indicated significant deficiencies/deviations in the system of internal control, were reported in the various reports of the Internal Auditors, the Audit Report on the Annual Financial Statements, and the management report of the Auditor General of South Africa. There were a significant number of instances where internal audit issues were not satisfactorily resolved.

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We therefore report that the internal control system of financial reporting for the period under review requires improvement. Management was notified that closer monitoring and resolution of the audit action plan was required. The timely implementation of the audit action plan will help management achieve its strategic goals and attain an improved audit outcome.

6.4.5 Governance and Performance Management

The Audit Committee believes that significant improvement is needed in governance, compliance, risk monitoring, the management of predetermined objectives and the development and implementation of maintenance plans. When compared to previous fiscal years, governance has remained stagnant, which has been exacerbated by instability in top leadership positions.

6.4.6 Risk Management

Concerns on the major risk areas were raised during engagement with Management. An updated risk register, and a comprehensive report on the most significant strategic risks, have been prepared by Management. The current financial position challenges the municipality's ability to mitigate risks. This directly impacts service delivery and sustainability. The following significant risks exist within the Municipality:

HAZARD	RISK	IMPACT
DECLINING ECONOMIC CONDITIONS IMPACTING ON CUSTOMER AFFORDABILITY.	Increased debtors' book and Indigent Register. Declining financial sustainability.	Reduced revenue collection and declining cashflow position.
LAGGED mSCOA IMPLEMENTATION.	Non-compliance of Municipal Business Process Reforms.	Non-compliance with Municipal Business Process Reforms.
SUSTAINABILITY OF REVENUE GENERATION	Sustainability of revenue due to reducing demand for electricity and increased tariffs.	Financial sustainability. Negative impact on service delivery.
REVENUE LOSS DUE TO SIGNIFICANT WATER AND ELECTRICITY LOSSES.	Sustainability/surety of water and electricity supply threatened.	Poor service delivery. Delayed service provision to new developments.
RELIABILITY OF CUSTOMER INFORMATION AND DATA	Incorrect customer information.	Incorrect billing resulting in increased Receivables. Poor collection due to customer disputes.
INADEQUATE (FAILING) WATER AND SANITATION INFRASTRUCTURE	Collapse of service delivery (failure to meet current demand of water supply and sewer conveyance).	Halting of economic and social development projects. Ruined institutional reputation.

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HAZARD	RISK	IMPACT
DETERIORATING RAW WATER QUALITY AND RISING TARIFFS.	Tariff hikes due to high operational costs.	Decrease in affordability affects revenue collection.
OLD AND INADEQUATE ELECTRICITY INFRASTRUCTURE.	Limited capacity of High, Medium, Low voltage and distribution infrastructure in certain areas.	Various substations are at serious risk. Old and aged, 66KV and 11KV switchgear. Draft Master Plan has been completed, but not finalised and implemented.
HUMAN RESOURCE MANAGEMENT	Inadequate capacity, and lack of skilled operational and maintenance staff in Electrical, Water and Sanitation sections.	Low productivity affecting service delivery.
INFORMATION TECHNOLOGY RISK	In-efficient delivery on strategic objectives due to ineffective IT Management and implementation because of non-alignment and no oversight of IT to the IDP Strategic Objectives.	Ineffective IT structure, lack of accountability and oversight. Limited and further declining technical resources to support strategic objectives of the Municipality. Limited key Human Resources. Inadequate succession and retention planning for key personnel. Lack of a dedicated ICT Security Function.
INADEQUATE AND INEFFECTIVE SECURITY MEASURES TO ENABLE ACCESS CONTROL AND PHYSICAL SECURITY.	Loss of infrastructure, property, machinery and equipment due to vandalism, theft and burglary.	Theft of equipment in substations and network infrastructure. Inadequate and Ineffective security measures to protect assets. Substandard security of substations, plant and equipment in general.
AUDIT OUTCOME	Inability to improve audit outcome. Ineffective performance reporting and general non-compliance.	Stagnation of audit opinions, ineffective performance reporting, as well as general non-compliance.

The following challenges/risks remain to be addressed:

- The reliability of reported information.
- The review of performance management system and determining alignment.
- The implementation of performance management principles that will include corrective action for poor performance.
- Retentions and succession planning, as well as filling of critical positions.

CHAPTER 5: FINANCIAL PERFORMANCE

6.4.7 Submission of in-year management and monthly/quarterly reports in terms of the Municipal Finance Management Act and the Treasury Regulations

Management has assured the Committee that the monthly/quarterly in-year management reports were compiled and submitted on time as required by legislation.

Management has report low levels of capital expenditure throughout the financial period due to delays in supply chain management processes and a lack of project management controls implemented which have led to the withdrawal of capital grants and the rejection of roll over requests. The has a detrimental impact of the implementation of project which directly affect service delivery within the municipality.

6.4.8 Municipality's compliance with legal and regulatory provision

Audit Committee notes matters of non-compliance as reported by the Auditor General of South Africa. Management action plan on matters raised will be monitored and regular reporting on progress of implementation will be submitted to the Audit Committee.

6.4.9 Information Technology and other corporate related policies

A proposed revised ICT Organogram has been compiled by management to facilitate the implementation of effective ICT Governance; this structure has however also not been approved. The ineffective ICT organogram, dependency on key personnel, lack of oversight and misalignment of the ICT strategic plan and the IDP, are but some of the ICT risk which have been identified.

After the initial implementation of the mSCOA reforms on the general ledger, an audit was performed to test system compliance. The audit reflected a 35% compliance status, and slow progress has been noted in achieving full compliance.

6.4.10 Evaluation of Financial Statements

The annual financial statements reflect a picture of a significant decline in the financial position and sustainability of Sol Plaatje Municipality; unfortunately, this is an accurate picture of the status within the municipality. The long-term sustainability, cash flow management challenges, as well as increasing accounts payable specifically relating to ESKOM and DWAF, is extremely concerning. These matters, as well as the increase in receivables, poor receivables collection, and the current economic challenges need closer supervision, monitoring, and the strict enforcement of debt recovery policy to be ensured.

CHAPTER 5: FINANCIAL PERFORMANCE

Recurring findings with regards to revenue and asset management has been raised as the most significant risk to ensure that the annual financial statements are free from material misstatements. Material water and electricity losses have been identified; the accuracy of these losses could not be confirmed due to a lack of internal controls relating to revenue management. These matters have a direct impact on service delivery within the municipality.

6.4.11 Internal Audit

We are satisfied that the Internal Audit function is operating efficiently and effectively and that the internal audit plan has addressed the risks pertinent to the municipality during the year under review. An external quality assurance review (QAR) was conducted by the Institute of Internal Auditors (SA) under the banner of the Leadership Academy. This review must be performed every 5 years for Internal Audit to confirm and include in all internal audit reports issued, that their work conforms with the Standards as issued and adopted by the IIASA. Internal Audit has received General Conformance (GC) which is the highest rating issued in terms of QAR.

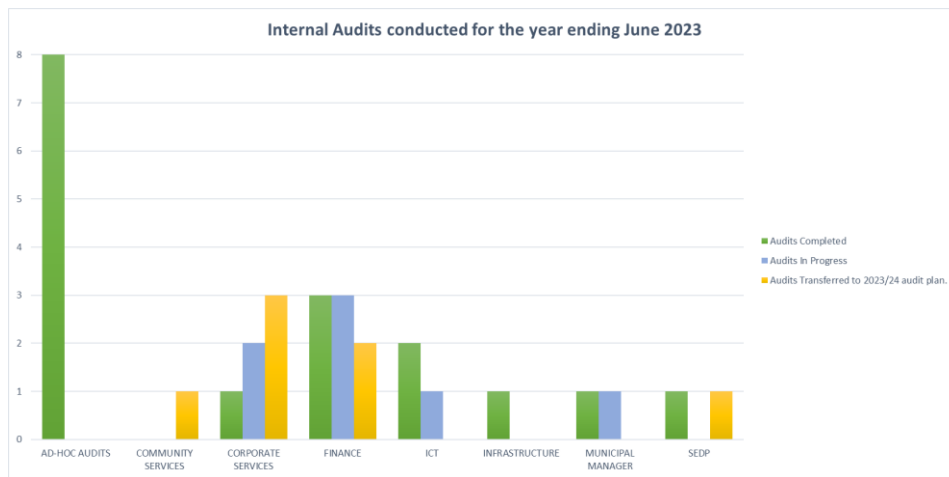
6.4.12 Internal Audit Staff Complement

Name	Position	Qualification	Years of experience
Karin De Klerk	Chief Audit Executive	CA (SA); IAT, ND: Internal Auditing	18 years audit experience
Farouk Feltman	Manager: Assurance Audit	B. Admin Hons (Public Administration); PIA, IAT	23 years auditing experience
Myrtle van Staden	Internal Auditor	ND: Internal Auditing, IAT	10 years auditing experience
Setshaba Mosata	Internal Auditor	ND: Internal Auditing	7 years accounting and auditing experience
Denise Van Rooyen	Manager IT/Systems Audit	BSC: Computer Science	18 years information technology experience

CHAPTER 5: FINANCIAL PERFORMANCE

6.4.13 Progress against Plan

The performance of the Internal Audit for the year ending June 2023 is as follows:



CHAPTER 6: AUDITOR-GENERAL FINDINGS

6.4.13 Auditor General of South Africa

We have met with the Auditor General of South Africa to ensure that there are no unresolved issues, and report that there is none.

6.4.14 Recommendations made by the Audit Committee

The Audit Committee recommends that action plans be implemented to close significant gaps in governance, risk management, internal controls, and reporting on predetermined objectives. We also recommend that to ensure the smooth operation of the municipality, quicker action be taken to close leadership gaps as they arise; considering the challenges associated with the municipality environment.

6.4.15 Conclusion

The Audit Committee has noted the matters and concerns raised by the Auditor General of South Africa and accept that there is still significant improvement required in the accounting and internal control environment at the Municipality. The stagnation in audit opinion by the Municipality has been noted which is attributed to the instability in leadership positions. Council is advised to ensure that vacancies in leadership and key administrative positions are funded and filled.

6.4.16 Appreciation

The Committee expresses its sincere appreciation to the Honourable Executive Mayor, Accounting Officer, Executive management team, Internal Audit and the Auditor General of South Africa.

L Rapodile CA(SA)
Chairperson of the Audit Committee

CHAPTER 6: AUDITOR-GENERAL FINDINGS

6.5 MPAC OVERSIGHT REPORT

ABBREVIATIONS

ABBREVIATIONS

AG	Auditor-General	ERM	Enterprise Risk Management
CAPEX	Capital Expenditure	EXECMAN	Executive Management
CBD	Central Business District	GAMAP	Generally Accepted Municipal Accounting Practice
CBP	Community Based Planning	GDPR	Gross Domestic Product Rate
CDW	Community Development Worker	GRAP	Generally Recognised Accounting Practice
CFO	Chief Financial Officer	HOD	Head of Department
CWP	Capital Works Program	HR	Human Resources
DCAS	Department of Cultural Affairs and Sport	HVVUA	Hex Valley Water Users Association
DCF	District Co-ordinating Forum	ICT	Information and Communication Technology
DEDAT	Department of Economic Development and Tourism	IDP	Integrated Development Plan
DLG	Department of Local Government	IFRS	International Financial Reporting Standards
DoA	Department of Agriculture	IGR	Intergovernmental Relations
DoE	Department of Education	IMFO	Institute for Municipal Finance Officers
DoH	Department of Housing	KPA	Key Performance Area
DoRA	Division of Revenue Act	KPI	Key Performance Indicator
DoRD	Department of Rural Development	LED	Local Economic Development
DPLG	Department of Provincial and Local Government	LG	Local Government
DSD	Department of Social Development	MayCo	Executive Mayoral Committee
DSBD	Department of Small Business Development	MBRR	Municipal Budget and Reporting Regulations
DTI	Department of Trade and Industry	MEC	Member of the Executive Committee
DWAF	Department of Water Affairs and Forestry	MERO	Municipal Economic Review and Outlook
ECD	Early Childhood Development	MFMA	Municipal Finance Management Act (Act No. 56 of 2003)
EE	Employment Equity	MGRO	Municipal Governance Review Outlook
EM	Executive Manager	MIG	Municipal Infrastructure Grant
EPWP	Extended Public Works Programmes	MM	Municipal Manager

ABBREVIATIONS

MMC	Member of Mayoral Committee	SALGA	South African Local Government Association
MPAC	Municipal Public Accounts Committee	SAMDI	South African Management Development Institute
MSA	Municipal Systems Act No. 32 of 2000	SANRAL	South African National Roads Agency Limited
mSCOA	Municipal Standard Chart of Accounts	SAPS	South African Police Services
MTECH	Medium Term Expenditure Committee	SASRIA	South African Special Risks Insurance Association
MTOD	Municipal Transformation and Organisational Development	SCM	Supply Chain Management
NGO	Non-Governmental Organisation	SDBIP	Service Delivery and Budget Implementation Plan
NT	National Treasury	SDF	Spatial Development Framework
OPEX	Operating Expenditure	SEDA	Small Enterprise Development Agency
PMS	Performance Management System	SEFA	Small Enterprise Finance Agency
PPP	Public Private Partnership	SLA	Service Level Agreement
PPPCOM	Provincial Public Participation and Communication Forum	SMME	Small, Medium and Micro Enterprise
PT	Provincial Treasury	TASK	Tuned assessment of skills and knowledge
RBAP	Risk Based Audit Plan	WWTW	Waste Water Treatment Works
RSEP	Regional Socio-Economic Programme		
SAI	Supreme Audit Institute		

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