



**BA-PHALABORWA  
MUNICIPALITY**

# ANNUAL REPORT

## 2024/2025

"The Home of Marula and Wildlife Tourism"



# 24/25

## OUR VISION

“Provision of quality services for community well-being and tourism development”

## OUR MISSION

To provide quality infrastructure and affordable services, promote sustainable economic growth, financial viability, sound administration and accountable governance.

## OUR VALUES

- A high standard of professional ethics
- Effective, economic and efficient use of resources
- Impartial, fair and equitable provision of services
- Responsiveness to community needs
- Public administration must be development-oriented
- Services must be provided impartially, fairly, equitably and without bias Accountability
- Transparency through the accessibility of accurate information
- Good human resource management and career development to maximise human potential



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“Great things in business are never done by one person: they’re done by a team of people.”

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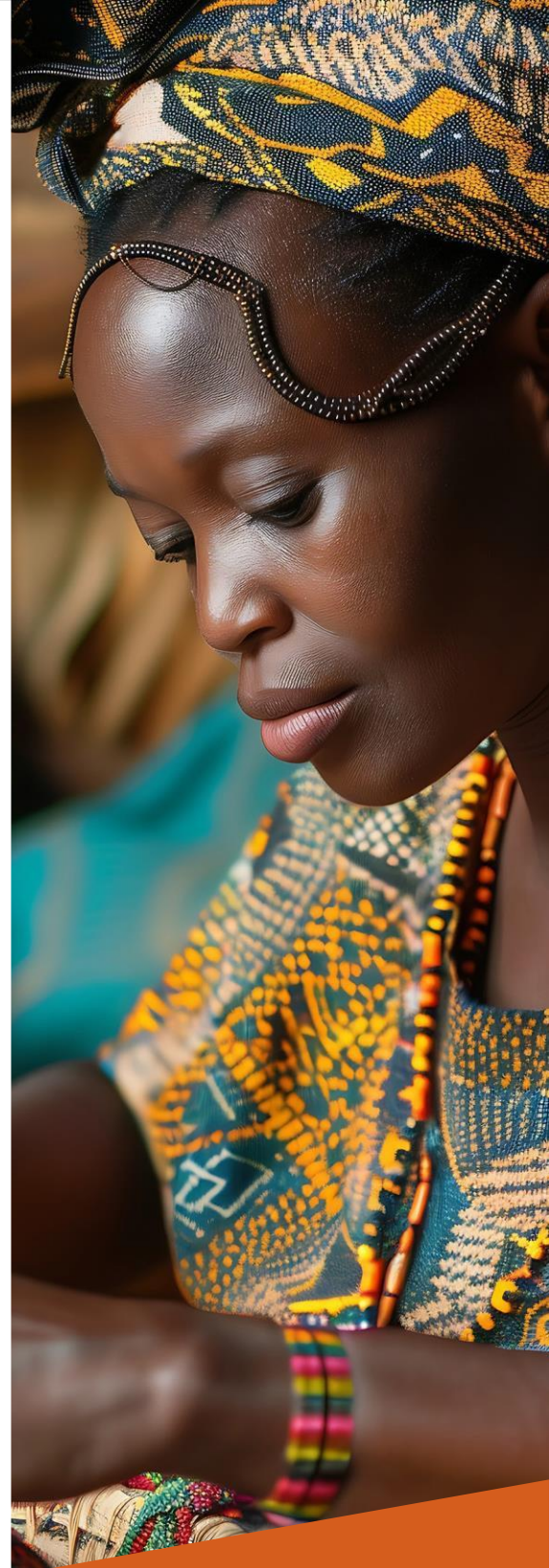
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**BA-PHALABORWA  
MUNICIPALITY**



# CHAPTER 1

## MAYOR'S FOREWORD AND EXECUTIVE SUMMARY



## COMPONENT A: MAYOR'S FOREWORD



I am delighted to present this Annual Report of Ba-Phalaborwa Municipality for the reporting period 2024/25. The Municipality is duty-bound by legislation to prepare an Annual Report for each financial year, and the mayor is to table such a report in the Council and present it to all our communities. It is inspiring and enjoyable to account directly to our people for the mandate they have bestowed on us, as they are longing for a faster pace of delivery.

This report encompasses the achievements recorded during the 2024/25 financial year in pursuit of the objectives and targets as set out in the Integrated Development Plan (IDP) for 2022 – 2027 and Service Delivery and Budget Implementation Plan (SDBIP). We keep on improving our overall performance across all areas despite persistent challenges internally and externally.

The current Council has completed four years of its term in office. Our focus on quality service delivery is not merely a promise; it is a fundamental obligation to the citizens we serve. By fostering political stability, we aim to create a framework within which all residents can thrive, ensuring that resources are allocated efficiently and effectively. The annual report allows us to reflect on the performance achievements that we have made. Further, it allows us to reflect on the performance challenges we have encountered and the corrective measures we have identified and implemented. Our achievement on basic service delivery for 2024/25 includes the provision of 13 750 households in urban areas with weekly refuse removal services.

We have successfully brought the Council closer to the community by arranging a successful budget tabling and holding regular Imbizos. These efforts have facilitated community familiarity with Council operations and fostered a healthy and positive relationship with our citizens.

In the effort to grow our local economy, Ba-Phalaborwa Municipality successfully generated 1222 temporary employment opportunities through CWP (984), EPWP and Capital Projects (238), and 433 SMMEs were supported through Supply Chain Processes.

It must be made clear that our main challenges going forward remain to be the following:

- Roads and Stormwater
- Water and sanitation
- Waste management in rural areas
- Ageing of electricity infrastructure

Ba-Phalaborwa Municipality will continue to inform and encourage community members about the importance of paying rates and taxes, these will enable the Municipality to improve on revenue collection, leading to improved effective and efficient service delivery.

The Municipality attained a Qualified audit opinion during the reviewed year. Our goal for the upcoming year is to attain a clean audit, aiming to enhance service delivery and maximize benefits for the residents of Ba-Phalaborwa Municipality. Additionally, the Municipality remains dedicated to diligently monitoring the implementation of recommendations provided by the Auditor General on audit findings and resolutions made by the Audit Committee.

In my capacity as Mayor, I extend deepest appreciation to the Municipal Manager, every staff member, all Councillors, each ward committee members, residents, and all stakeholders who have worked with us in our collective commitment to better our Municipality and the lives of our residents. Positive and constructive criticisms continue to serve as a crucial element of public participation, and we unreservedly welcome such feedback. Despite the challenges confronting the Municipality, our optimism remains unwavering. We are confident in our ability to effectively manage these challenges and realize the Council's vision of positioning Ba-Phalaborwa as one of the most successful municipalities within our province and on a national scale.

On behalf of the Council of Ba-Phalaborwa Municipality, I present the 2024/25 Annual Report.

  
CLLR MM MALATJI  
MAYOR



## COMPONENT B: EXECUTIVE SUMMARY



### 1. MUNICIPAL MANAGER'S FOREWORD

I have the honour of presenting the 2024/25 Annual Report of Ba-Phalaborwa Local Municipality in compliance with Section 121 of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) and the Municipal Systems Act, 2000 (Act No. 32 of 2000). This report accounts to Council, communities, and stakeholders on the municipality's performance during the financial year under review.

The 2024/25 financial year was characterized by continued efforts to improve service delivery outcomes while operating in a constrained fiscal environment. Despite the prevailing challenges, the municipality recorded notable progress in the implementation of the Integrated Development Plan (IDP) and the Service Delivery and Budget Implementation Plan (SDBIP). Overall performance for the year reflects an achievement rate of 88% against the targets set, demonstrating a commitment to service delivery and institutional stability.

Key areas of performance included Spatial Rationale, Local Economic Development, Municipal Transformation and Institutional Development, and Good Governance and Public Participation. These achievements were supported by ongoing programmes such as EPWP initiatives, which contributed to job creation and local economic stimulation.

### 1.1.1. OVERVIEW OF MUNICIPAL MANAGER

Key Performance Area	2023/24 % Achievement	2024/25 Total Number of Targets	2024/25 Target Achieved	2024/25 Target not Achieved	2024/25 Target not Performed	2024/25 % Achievement
Spatial Rationale	66%	3	3	0	0	100%
Basic Services Delivery	75%	12	9	3	0	75%
Municipal Financial Viability	100%	12	10	2	0	83%
Local Economic Development	100%	5	5	0	0	100%
Municipal Transformation and Institutional Development	100%	9	9	0	0	100%
Good Governance and Public Participation	95%	43	37	5	1	88%
<b>TOTAL</b>	<b>94%</b>	<b>84</b>	<b>73</b>	<b>10</b>	<b>1</b>	<b>88%</b>

Table 1: 2024/25 Municipal Key Performance Areas (KPA's)

### 1.1.2 ACHIEVEMENTS:

The key achievements for the 2024/25 financial year are amongst others the following:

- Infrastructure projects: Completed Installation of the Stormwater Culvert at Tension Pilusa and Benfarm road upgrading of street from gravel to tar Phase 2.
- EPWP Projects and Employment Opportunities: Executed six projects through the Expanded Public Works Program (EPWP), generating employment opportunities.
- Job Creation through Municipal Initiatives (EPWP): Facilitated the creation of 214 jobs through various municipal initiatives under the EPWP framework.

### 1.1.3 CHALLENGES

The key challenges for the 2024/25 financial year are amongst others:

- High Cost of Infrastructure Repairs: Addressing the financial strain associated with the high cost of repairs and maintenance on aging infrastructure.
- Illegal Water Connections: Combating illegal water connections in villages and townships.
- Aging Water Infrastructure: Addressing challenges associated with old water infrastructure leading to poor service delivery.
- Illegal Electricity Connections and Cable Theft: Addressing issues related to illegal electricity connections and cable theft.
- Aging Electricity Infrastructure: Tackling interruptions resulting from the aging electricity infrastructure.
- Increasing Electricity losses: Addressing non-functional meters, bypassed meters and ghost vending

### 1.1.4 CORRECTIVE MEASURES TO IMPROVE PERFORMANCE

#### a) Capital Expenditure (Own Funding):

The implementation of self-funded capital projects faces annual delays or non-implementation, primarily attributed to low revenue collection, significantly impacting service delivery. Acknowledging this challenge, the Municipality is committed to further intensifying the implementation of the credit control policy. This strategic approach aims to address revenue-related issues systematically, ensuring the timely execution of crucial capital projects and, subsequently, enhancing overall service delivery to the community.

#### b) Low Revenue Collection

During the review period, the Municipality encountered challenges in revenue collection, Encompassing households, government, and business customers. In response to this, the Municipality has outlined a comprehensive strategy to address low revenue collection:

- Full Implementation of Credit Control Policy:** Prioritizing the complete implementation of the credit control policy to streamline and enhance the management of outstanding payments.
- Utilization of Debt Collectors:** Continued engagement of debt collectors to support the Municipality in the retrieval of outstanding payments from customers.
- Appointment of Service Provider for Meter Reading and Maintenance:** Initiating the appointment of a service provider specializing in water and electricity meter reading and maintenance to improve accuracy in billing and revenue tracking.



- iv. **Continuous Electricity Meter Audits:** Instituting ongoing audits of electricity meters to ensure accuracy and identify any discrepancies, contributing to improved revenue tracking and collection.

These strategic measures underscore the Municipality's commitment to proactively addressing revenue Collection challenges and enhance its financial sustainability. The multifaceted approach aims to optimize processes and systems for more effective revenue management and sustained service delivery.

#### **1.1.5 ISSUES RAISED IN THE 2024/25 AUDITOR GENERAL'S REPORT:**

The Municipality obtained a Qualified Audit Opinion. The following were findings raised as a basis for the qualification:

1. Provision for Namakgale and Gravelotte Landfill Site Not Appropriately Assessed
2. Payables from exchange transactions – Unallocated deposits

I wish to express my sincere appreciation to the Mayor and Council for their leadership and oversight, senior management and all municipal officials for their dedication and professionalism, and our communities and stakeholders for their continued support and cooperation. The achievements recorded during the year are the result of collective effort and shared commitment to improving the quality of life of our residents.

Going forward, the municipality remains resolute in its commitment to improving delivery service, strengthening financial sustainability, enhancing good governance, and responding effectively to community needs.

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**ST MOKOBI**  
**MUNICIPAL MANAGER**

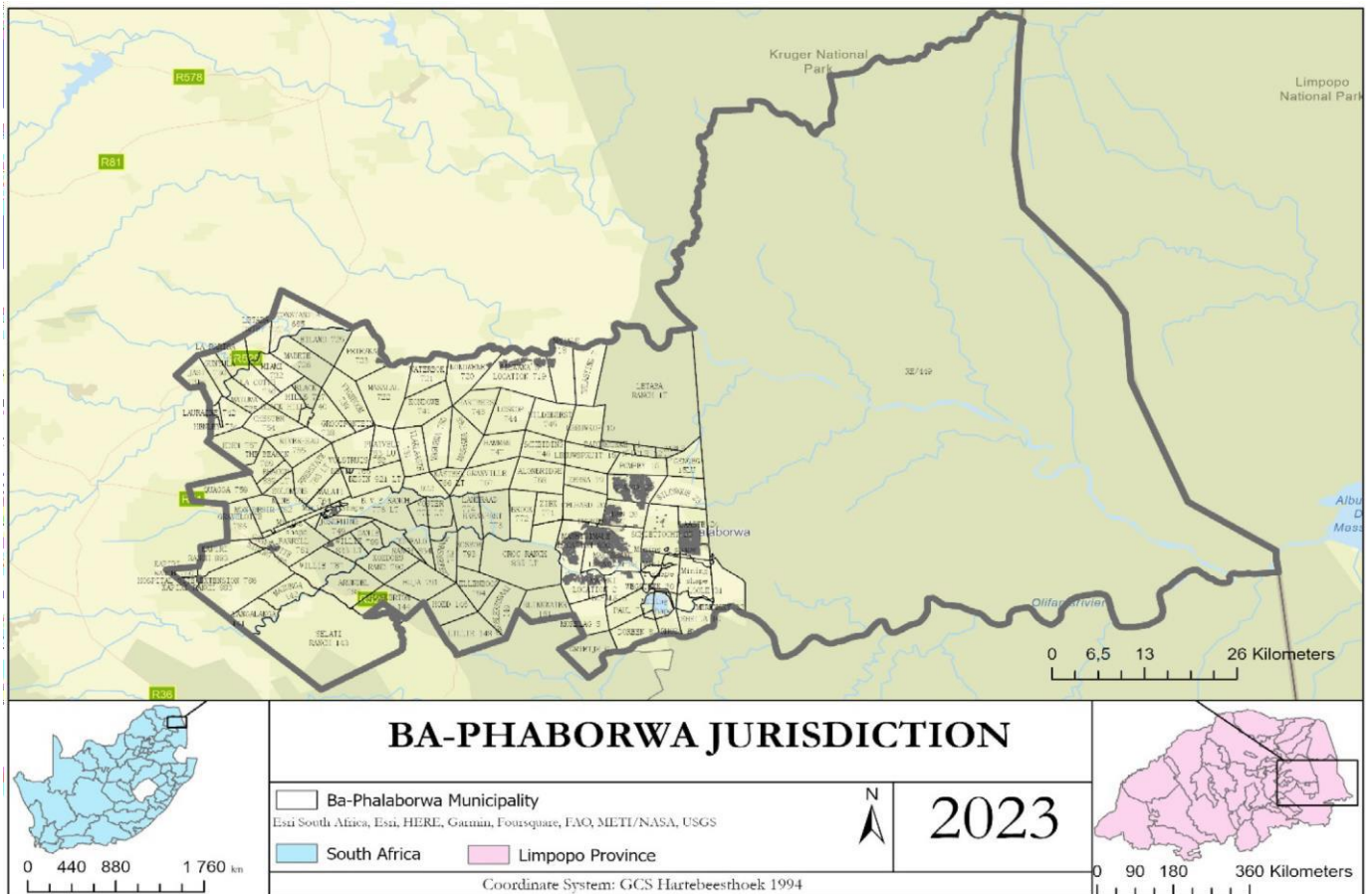
## 1.2 MUNICIPAL FUNCTION, POPULATION AND ENVIRONMENTAL OVERVIEW

### 1.2.1 Municipal Overview

Ba-Phalaborwa Municipality is a Category B municipality established in terms of Section 155 of the Constitution of the Republic of South Africa and strives to achieve the following objects of local government (as enshrined in Section 152 of the Constitution):

- To provide a democratic and accountable government for local communities.
- To ensure the provision of services to communities in a sustainable manner.
- To promote social and economic development;
- To promote a safe and healthy environment; and
- To encourage the involvement of communities and community organizations in matters of local government.

The Municipality is situated in the North-Eastern part of South Africa in the Limpopo Province.



It is one of the five local municipalities in the Mopani District family of municipalities. It has a geographical area of 7461.6 km<sup>2</sup> which constitutes more than 27% of the Mopani District. It serves as a convenient gateway to the Kruger National Park and the Greater Limpopo Trans-Frontier Park through the Mozambique Coast.

Figure 1: Locality Map of Ba-Phalaborwa Local Municipality



## COMPONENT B: EXECUTIVE SUMMARY



### Municipal key objectives for the period 2022-2027 are as follows:

- Promotion of local economy;
- Provision of sustainable integrated infrastructure and services;
- Sustain the environment;
- Improve financial viability;
- Good corporate governance and public participation; and
- Attract, develop, and retain the best human capital.

### 1.2.2. Population Overview

The table below presents a comparison of municipal demographics based on data from the 2001, 2011, and 2022 Censuses conducted by Statistics South Africa (STATS SA). Over the past two decades, Ba-Phalaborwa's demographic landscape has experienced significant changes, reflecting a distinct population trajectory. In 2001, the municipality's population stood at 131,089 residents. Subsequently, there was a substantial growth of 19,539 residents, resulting in a total population of 150,637 by 2011. Building on this momentum, the population experienced further substantial expansion, witnessing an additional increase of 37,966 residents. Consequently, the population reached a robust figure of 188,603 by the year 2022. As the population expanded, there was a proportional rise in the number of households, highlighting the changing residential dynamics within the municipality.

Census 2001		Census 2011		Census 2022	
Population	Households	Population	Households	Population	Households
131 098	33 529	150 637	41 115	188 603	51 651

Table 2: 2001, 2011 & 2022 Municipal Demographics (Source: Statistic SA, 2022)

The population distribution by age and gender in Ba-Phalaborwa is vividly illustrated in the table below, capturing data from the census years 2001, 2011, and 2022. The table encompasses a comprehensive overview of the municipality's demographic structure across various age groups, showcasing the male and female populations within each category. The data reveals intriguing patterns across age brackets, emphasizing shifts in population dynamics over the years. Notably, the age group 20-24 consistently exhibits a higher population count, reflecting potential trends in migration, education, or employment opportunities. This detailed breakdown serves as a valuable resource for understanding the age and gender composition of Ba-Phalaborwa's population, providing a foundation for targeted social policies, infrastructure planning, and community development initiatives tailored to the municipality's evolving demographic needs.

## COMPONENT B: EXECUTIVE SUMMARY

Population Details									
Age	Census 2001			Census 2011			Census 2022		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
0-4	7 516	7 676	15 192	9 721	9 721	19 433	10 878	11 116	21 994
5-9	7 203	7 654	14 857	7 536	7 848	15 384	9 118	9 448	18 566
10-14	7 345	7 490	14 835	7 529	7 219	14 748	9 538	9 837	19 375
15-19	6 852	7 385	14 237	7 118	7 555	14 674	7 499	7 961	15 460
20-24	6 519	7 230	13 749	8 132	7 995	16 127	8 492	8 726	17 218
25-29	5 924	6 390	12 314	6 842	7 371	14 195	7 547	8 703	16 250
30-34	4 735	5 169	9 904	5 392	6 016	11 407	7 198	7 976	15 174
35-39	4 169	4 654	8 823	4 649	5 390	10 039	6 703	7 164	13 867
40-44	3 681	3 865	7 546	3 886	4 395	8 282	5 298	5 907	11 205
45-49	3 419	3 041	6 460	3 103	3 787	6 890	4 815	5 258	10 073
50-54	2 708	2 139	4 847	2 691	2 852	5 542	3 908	4 294	8 202
55-59	1 783	1 212	2 995	2 415	2 252	4 667	3 115	3 697	6 812
60-64	1 167	1 102	2 269	1 660	1 620	3 280	2 343	2 661	5 004
65-69	495	837	1 332	957	1 206	2 163	1 689	2 163	3 852
70-74	420	657	1 077	651	957	1 608	1 074	1 250	2 324
75-79	223	297	520	339	632	972	520	912	1 432
80-84	128	244	372	203	444	647	299	667	960
85+	69	139	208	118	321	439	219	608	829
Total	64 356	67 180	131 536	72 923	77 572	150 529	90 254	98 348	188 603

Table 3: Municipal Population Distribution by Age & Gender (Source: Statistics SA, 2022)

The table below provides a detailed snapshot of the socio-economic landscape in Ba-Phalaborwa Local Municipality, delineating key indicators over the years. These critical socio-economic metrics include the housing backlog as a proportion of current demand, the unemployment rate, the proportion of households with no income, HIV/AIDS prevalence, and the number of illiterate individuals aged 14 and older. The housing backlog, a crucial measure of the municipality's ability to meet the demand for housing, has shown a decrease from 5,979 in 2023/24 to 5,867 in 2024/25. Concurrently, the unemployment rate has remained constant at 37.5% across these years, signalling a persistent challenge in the labour market. The number of people with no income has remained stable at 63,891, while the prevalence of HIV/AIDS has shown a positive decline from 1.9% in 2023/24 to 1.32% in 2024/25. However, the persistently high number of 14,810 illiterate individuals aged 14 and older underscores the need for targeted educational interventions to address literacy challenges.

Socio Economic Status					
Year	Housing Backlog as proportion of current demand	Unemployment rate	Proportion of households with no income	HIV/AIDS prevalence	Illiterate people older than 14 years
2022/23	6 100	37.5%	5 141	1.94%	12 565
2023/24	5 979	37%	63 891 (Not households)	1.94%	14 810
2024/25	5 867	37%	63 891	1.32%	14 810

Table 4: Municipal Socio-Economic Status



## COMPONENT B: EXECUTIVE SUMMARY



The diverse tapestry of neighbourhoods within Ba-Phalaborwa Municipality is captured in the table below, offering a comprehensive overview of settlements categorized into towns, townships, rural settlements, and informal settlements. Each classification provides valuable insights into the demographic fabric and residential dynamics that shape the municipality. Notably, the town of Phalaborwa stands out with 3,389 households and a population of 13,976, showcasing a distinctive urban character. Townships like Namakgale, Lulekani, and Gravelotte contribute significantly to the municipality's vibrancy, each displaying unique household and population figures. Rural settlements such as Selwane, Makhushane, Maseke, Mashishimale, and the combined entity of Majeje (inclusive of Benfarm A, B, C, Humulani & Matikoxikaya) depict the diversity of living environments. Additionally, the presence of informal settlements, exemplified by Kurhula, highlights the need for targeted interventions to address housing challenges. This detailed overview serves as a valuable foundation for understanding the varied landscape of Ba-Phalaborwa, essential for effective urban planning, community development, and resource allocation initiatives tailored to the distinct needs of each neighbourhood.

Overview of neighborhoods within Ba-Phalaborwa Municipality		
Settlements Type	Households	Population
<b>Towns</b>		
Phalaborwa	3389	13976
<b>Townships</b>		
Namakgale	8398	25808
Lulekani	3843	20917
Gravelotte	757	1098
<b>Rural Settlements</b>		
Selwane	2932	12326
Makhushane	3550	6608
Maseke	1985	7830
Mashishimale	3967	7002
Majeje (incl Benfarm A, B, C, Humulani & Matikoxikaya)	5315	29226
<b>Informal Settlements</b>		
Kurhula	544	
<b>Total</b>	<b>34680</b>	<b>150637</b>

Table 5: Overview of Neighbourhoods within Ba-Phalaborwa Municipality

## COMPONENT A: EXECUTIVE SUMMARY

### 1.2.3. Environmental Overview

Ba-Phalaborwa has the highest concentration of mineral deposits in the Mopani District hence mining is the largest economic sector in the Municipality and is also the largest employer. The table below detailing the major natural resources in both the Phalaborwa and Murchison areas provides an essential overview of the economic foundations that underpin the Municipality. The Phalaborwa region is rich in mineral resources, including magnetite, copper, vermiculite, nickel, apatite, zirconium, titanium, and uranium, all of which contribute significantly to the local economy through mining activities. In contrast, the Murchison area is endowed with a diverse range of mineral deposits, such as mineral sand, antimony, gold, zinc, mercury, paving and cladding stones, emeralds, and ilmenite, further enhancing the region's geological and economic potential. Again, these resources contribute substantially to the economic landscape through mining endeavors. The relevance of these natural resources to the community is profound, as they serve as key drivers of economic activities, providing employment opportunities and contributing to the overall economic development of the region. Understanding the nature and distribution of these resources is pivotal for informed decision-making, sustainable resource management, and the development of strategies that align with the community's economic priorities.

Natural Resources		
Major Natural Resource (Phalaborwa Area)	Major Natural Resource (Murchison area)	Relevance to Community
Magnetite	Mineral sand	Economic (mining)
Copper	Antimony	Economic (mining)
Vermiculite	Gold	Economic (mining)
Nickel	Zinc	Economic (mining)
Apatite	Mercury	Economic (mining)
Zirconium	Paving and clad stones	Economic (mining)
Titanium	Emeralds	Economic (mining)
Uranium	Ilmenite	Economic (mining)

Table 6: Natural Resources in the Municipal Area



**“Hard work is an essential element in tracking down and perfecting a strategy or in executing it.”**



# COMPONENT B: EXECUTIVE SUMMARY

## 1.3 SERVICE DELIVERY OVERVIEW

### 1.3.1 Service Provision Overview

Certain segments of rural areas within Ba-Phalaborwa Municipality are currently experiencing irregular water supply. Additionally, the new extensions adjacent to townships and other rural regions constitute 7% of households without proper infrastructure. To address this, the main water purification plant underwent evaluation by the Water Services Authority (Mopani District Municipality) in collaboration with the Water Board (Lepelle Northern Water) for necessary upgrades to meet the increasing water demands. Furthermore, there are several projects planned for implementation by the Water Board in the 2024/25 Financial Year to improve the sustainability of water supply.

Efforts to enhance water supply coverage include ongoing implementation of various water reticulation projects by the District Municipality. In regions lacking infrastructure, the Municipality employs water trucks to provide temporary water supply. While the water quality is gradually improving, as indicated by an increasing Blue Drop score each year, the primary challenge remains the aging infrastructure. Collaborative strategies involving the District Municipality, Water Board, and Local Municipality are actively underway to address water loss and further enhance water quality.

## 1.4 FINANCIAL OVERVIEW

### 1.4.1 2024/25 Financial Overview

The financial landscape of Ba-Phalaborwa Local Municipality for the financial year 2024/25 is presented in the table below, presenting a comprehensive overview of income, grants, expenditure, and operating ratios. Grants contributed significantly to the municipality's financial resources, with a total of R 264,724,397.00. The net total, calculated by deducting expenditure from the subtotal, reached R358,669,117.00. Operating ratios shed light on the distribution of funds, indicating that employee costs constituted 47% of the budget, followed by repairs and maintenance at 4%, and finance charges and depreciation at 26%.

Total Capital Expenditure for the periods 2023/24 – 2024/25		
Details	(R'000)	
	2023/24	2024/25
Original budget	64 766	59 793
Adjustment budget	57 246	54 979
Actual	49 065	43 853

This financial overview is important in providing insights into the municipality's financial performance, budget allocation, and key expenditure areas, ultimately serving as a foundation for informed decision-making and future financial planning.

Financial Overview – 2024/25				
Details	Actual 2023/24 (R'000)	Original Budget 2024/25 (R'000)	Adjustment Budget 2024/25 (R'000)	Actual 2024/25 (R'000)
Income	434 152	510 059	515 554	424 541
Grants	264 724	223 212	222,873	221 595
Sub Total	698 876	733 271	738,427	646 136
Less Expenditure	852 337	814 838	817 762	782 245
Net Total	(153 460)	(81 567)	(79 335)	(136 109)
Operating Ratios				
Detail	% 2024/25			
Employee Cost	179 827			
Repairs & Maintenance	8 915			
Finance Charges & Depreciation	90 904			

Table 7: 2024/25 Municipal Financials

#### 1.4.2. 2023/24 – 2024/25 Total Capital Expenditure

- 2 The table below provides a detailed overview of the Total Capital Expenditure for the years 2023/24 and 2024/25, offering a comprehensive analysis of budget allocations and actual spending. In the initial budget planning for 2023/24, the municipality earmarked R64 766 000.00 for capital expenditure, with an adjustment budget of R57 246 000.00. However, the actual expenditure for 2023/24 FY amounted to R49 065 000.00. The subsequent year, 2024/25, witnessed a substantial increase in both the original and adjustment budgets, reaching R59 793 000.00 and R54 979 000.00 respectively. This significant increase in budget allocation underscores the municipality's commitment to capital projects and development initiatives. The actual capital expenditure for the year 2024/25 surpassed the budget, totalling R43 853 000.00. This detailed financial breakdown serves as a crucial tool for assessing the alignment between budgetary plans and actual financial expenditures, facilitating transparency and informed decision-making in the space of capital investment.

Total Capital Expenditure for the periods 2023/24 – 2024/25		
Details	(R'000)	
	2023/24	2024/25
Original budget	64 766	59 793
Adjustment budget	57 246	54 979
Actual	49 065	43 853

Table 8: Total Capital Expenditure for the periods 2023/24-2024/25

#### 2.4.2. Provision of Essential Services

The table below presents a detailed insight into the provision of essential services to households in Ba-Phalaborwa Municipality during the periods 2023/2024 and 2024/2025 financial years. Focusing on critical services such as water and electricity, the data provides a breakdown of the number of households that received these services and the total number of households with access to basic services. In 2023/2024, 43 838 households had access to water services. In terms of electricity, 3931 households in the municipal licensed area were serviced during this period. Moving to the subsequent year, 2024/25, the trend continued with the same number of households, 43 838, receiving water services, maintaining universal access. However, validation through meter audits confirmed a noteworthy decrease in households receiving electricity, dropping to 3060, within the municipal licensed area. These figures provide a comprehensive overview of the municipality's efforts in delivering essential services to its residents, shedding light on both achievements and areas for potential improvement in the provision of basic services.

Provision of Essential Services for the periods 2023/24 – 2024/25						
Services	Households received services (2023/2024)	Total No of Households have access to basic services	Comment	Households received services (2024/2025)	Total No of Households have access to basic services	Comment
Water connected to yard	43 838	43 838	None	43 838	43 838	None
Electricity	3060	3 060	None	3559	3559	None
(Municipal licensed area)	3 931	3060	3 060	3 931	3060	3 060

Table 9: Provision of Essential Services for the periods 2023/24 - 2024/25



## COMPONENT B: EXECUTIVE SUMMARY



### 2.4.3. Comments on Capital Expenditure

- a) Water and Sanitation: Ba-Phalaborwa Municipality is a Water Services Provider, and Mopani District Municipality is the Water Services Authority, therefore, the budget for Capital Expenditure for water and sanitation infrastructure is the responsibility of Mopani District Municipality as per the Services Level Agreement.  
Electricity: Capital Expenditure on electricity projects was at 100%. Roads: Capital
- b) expenditure on road projects was at 100%.
- c) Municipal Infrastructure Grant (MIG): The total MIG allocation received for the financial year was fully
- d) spent.

The municipality's key challenges are its unfunded budget, as assessed by the Provincial Treasury, and its old infrastructure for electricity, water, and sewerage. To address this challenge, the municipality has formulated a budget-funding plan, duly approved by the Council. Additionally, a Financial Recovery Plan and a Revenue Enhancement Strategy exist to further fortify fiscal stability.

Furthermore, the Municipality consistently allocates increased funds for the annual upkeep of electricity infrastructure within the town. Moreover, ongoing collaboration with the Mopani District Municipality is maintained, focusing on the refurbishment of aging water and sewerage infrastructure, aligning with their designated responsibilities.

## 2.5 ORGANISATIONAL DEVELOPMENT OVERVIEW

Section 66 of the Local Government: Municipal Systems Act, 32 of 2000 makes provision for staff establishment. The staff establishment must be in line with the powers and functions of the municipality and must make provisions for job descriptions for each position. Ba-Phalaborwa Municipality approved its Organizational Structure, and the structure is aligned with the IDP and the powers and functions to be conducted by the municipality. The organogram provides for a staff complement of 706 with 454 of the positions filled, 252 positions vacant, and, 37 Councillors. (Refer to the attached Annexure 2: Organisational Structure)

## 2.6 AUDITOR GENERAL REPORT

The legislation mandates that after each financial year, the Municipality is obligated to compile an Annual Performance Report (APR) and Annual Financial Statements (AFS) for submission to the Auditor General of South Africa for auditing. Both the Annual Performance Report and the Annual Financial Statements were submitted to the Auditor General for audit on 31 August 2025. The Auditor General has concluded the review of Annual Financial Statements and the Annual Performance Report. The municipality received Qualified Audit Opinion.

## 1.7. STATUTORY ANNUAL REPORTING PROCESS

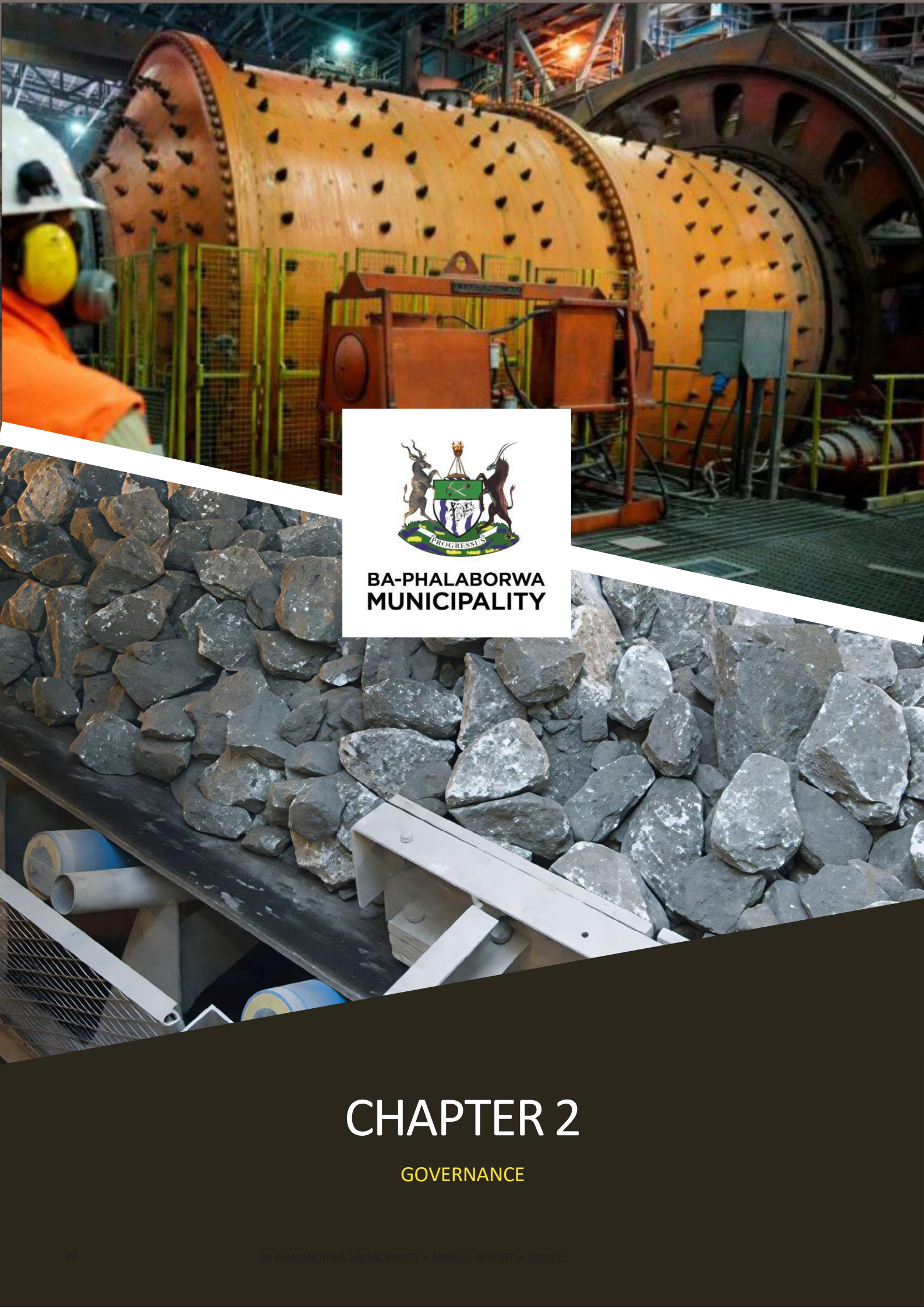
The table below details the Statutory Annual Reporting Process indicating key activities and corresponding timeframes that the Municipality follows to fulfil its reporting obligations.

No.	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period.	July
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalize 4th quarter Report for previous financial year	
4	Submit draft Annual Report to Internal Audit and Auditor-General	
5	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General.	
6	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	August
7	Auditor General assesses draft Annual Report including consolidated Annual Financial Statements and Performance data	
8	Municipalities receive and start to address the Auditor General's comments	January
9	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	
10	Audited Annual Report is made public, and representation is invited	
11	Oversight Committee assesses Annual Report	
12	Council adopts Oversight report	March
13	Oversight report is made public	
14	Oversight report is submitted to relevant provincial councils	

Table 10: Statutory Annual Reporting Process







**BA-PHALABORWA  
MUNICIPALITY**

# CHAPTER 2

## GOVERNANCE

# COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

## 2.1. POLITICAL GOVERNANCE

The Local Government: Municipal Structures Act 117 of 1998, provides that a municipality must have a political and administrative component, and as such, Ba-Phalaborwa Municipality has an established political and administrative component. The political component comprises of the Mayor, Speaker, Chief Whip, and Councillors. Politically, the Mayor is the head of the municipality. In managing the affairs of the municipality, the Mayor delegated some of the responsibilities to Members of the Executive Committee (EXCO) who lead different portfolio committees. The Heads of the Portfolio committee account to the Mayor on the affairs of their respective directorates during the Executive Committee meetings, wherein, monthly reports of directorates are discussed. The Executive Committee conducts oversight on the reports from Portfolio committees and subsequently recommends them for approval by the Council. The table below presents the political structure of the Municipality:

POLITICAL STRUCTURE		
STRUCTURE	NAME OF PUBLIC REPRESENTATIVE	FUNCTION
MAYOR	Cllr MM Malatji	<ul style="list-style-type: none"> <li>Presiding at meetings of the executive committee; and</li> <li>Performs the duties, including ceremonial functions, and exercises the powers delegated to by the Council</li> </ul>
SPEAKER	Cllr N O Mabunda	The Speaker of Council – <ul style="list-style-type: none"> <li>Presides at meetings of Council;</li> <li>Performs the duties and exercises the powers delegated to the Speaker in terms of Section 59 of the Municipal Systems Act;</li> <li>Must ensure that the Council meet at least quarterly;</li> <li>Must maintain order during meetings;</li> <li>Must ensure compliance in the Council and Council committees with the Code of Conduct set out in Schedule 1 of the Municipal Systems Act; and</li> <li>Must ensure that Council meetings are conducted in accordance with the rules and orders of the Council.</li> </ul>
CHIEF WHIP	Cllr D Rapatsa	<ul style="list-style-type: none"> <li>Responsible for political management of Council meetings and committee meetings. Maintains party relations and ensure that political decision-making takes place timeously and diligently.</li> </ul>
Member of Exco	Cllr V Rapatsa	<ul style="list-style-type: none"> <li>Conduct oversight on reports from various directorates and recommend their decisions during the Executive Committee Meeting, presided over by the Mayor.</li> <li>The Executive Committee, in turn, exercises oversight on the reports of Portfolio Committees and puts forth recommendations to the Council, which makes decisions through Council Resolutions.</li> </ul>
Member of Exco	Cllr R Makasela	<ul style="list-style-type: none"> <li>Conduct oversight on reports from various directorates and recommend their decisions during the Executive Committee Meeting, presided over by the Mayor.</li> <li>The Executive Committee, in turn, exercises oversight on the reports of Portfolio Committees and puts forth recommendations to the Council, which makes decisions through Council Resolutions.</li> </ul>
Member of Exco	Cllr T Nkuna	<ul style="list-style-type: none"> <li>Conduct oversight on reports from various directorates and recommend their decisions during the Executive Committee Meeting, presided over by the Mayor.</li> <li>The Executive Committee, in turn, exercises oversight on the reports of Portfolio Committees and puts forth recommendations to the Council, which makes decisions through Council Resolutions.</li> </ul>
Member of Exco	Cllr P Mashumu	<ul style="list-style-type: none"> <li>Conduct oversight on reports from various directorates and recommend their decisions during the Executive Committee Meeting, presided over by the Mayor.</li> <li>The Executive Committee, in turn, exercises oversight on the reports of Portfolio Committees and puts forth recommendations to the Council, which makes decisions through Council Resolutions.</li> </ul>
Member of Exco	Cllr SR De Beer	<ul style="list-style-type: none"> <li>Conduct oversight on reports from various directorates and recommend their decisions during the Executive Committee Meeting, presided over by the Mayor.</li> <li>The Executive Committee, in turn, exercises oversight on the reports of Portfolio Committees and puts forth recommendations to the Council, which makes decisions through Council Resolutions.</li> </ul>
Member of Exco	Cllr P Mailula	<ul style="list-style-type: none"> <li>Conduct oversight on reports from various directorates and recommend their decisions during the Executive Committee Meeting, presided over by the Mayor.</li> <li>The Executive Committee, in turn, exercises oversight on the reports of Portfolio Committees and puts forth recommendations to the Council, which makes decisions through Council Resolutions.</li> </ul>
Councillors	Ba-Phalaborwa Municipality has 37 Councillors of which 19 are Ward Councillors and 18 are Proportional Councillors.	

Table 11: Political Structure



## COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE



### 2.1.1. Political Decision Making

The 2024/25 Corporate Calendar, developed by the Municipality and approved by the Council, serves as a guiding framework for all municipal activities, including Portfolio Committee, EXCO, and Council meetings. Portfolio Committees led by EXCO members, conduct oversight on reports from various directorates and recommend their decisions during the Executive Committee Meeting, presided over by the Mayor. The Executive Committee, in turn, exercises oversight on the reports of Portfolio Committees and puts forth recommendations to the Council, which makes decisions through Council Resolutions. These resolutions represent decisions made by elected officials/politicians for subsequent implementation by the administration.

- During the 2024/25 financial year 656 Council resolutions were taken, and 656 resolutions were implemented, constituting 100%.
- 7 Ordinary and 14 Special Council meetings were held during the 2024/25 financial year.
- 7 Ordinary and 14 Special Executive Committee meetings were held during the 2024/25 financial year.

### 2.2. ADMINISTRATIVE GOVERNANCE

The administrative structure of the Municipality consists of six directorates: The Office of the Municipal Manager, Budget and Treasury Office, Planning and Development, Community and Social Services, Technical Services, and Corporate Services. The Municipal Manager has approved delegations of powers, distributing responsibilities among Senior Managers. The Chief Financial Officer is delegated Financial Matters, and Administration and Human Resources are overseen by the Senior Manager: Corporate Services, Planning, and Development issues are under the purview of the Senior Manager: Planning & Development, and Service Delivery matters are handled by the Senior Manager: Technical Services and Community and Social Services. The Municipal Manager, as the administrative head, manages day-to-day operations, while Senior Managers, reporting to the Municipal Manager, are accountable for their respective departments, presenting monthly reports during senior management meetings. The recommendations from senior management are then communicated to the corresponding Portfolio Committees by the responsible Senior Managers, facilitating oversight and ownership by committee chairpersons and members.

# COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

TOP ADMINISTRATIVE STRUCTURE		
STRUCTURE	NAME OF PUBLIC OFFICIAL	FUNCTION
Municipal Manager	Dr Pilusa KKL	<ul style="list-style-type: none"> <li>The head of administration and the Accounting Officer for Ba-Phalaborwa Municipality. Provides guidance and advice on compliance financial and all legislation to the political structures, political office bearers and officials.</li> <li>Manage special programmes in relation to youth and gender;</li> </ul>
Senior Manager Corporate Services	Ms Selapyane JB	<ul style="list-style-type: none"> <li>Renders Human Resource Management Services by Skills Development and Training Services.</li> <li>Manage communication and information services to the municipality particularly and support services. IT utilization</li> <li>Provides secretarial services to the Council, the Executive Committee, Section 80 committee, section 79 committees.</li> <li>Provides legal advisory services with regard to policies, by-laws and labour relations as well as interpretation of legislation; and</li> <li>Provides administrative support to the department by rendering support to satellite offices and rendering messenger services and ancillary services</li> </ul>
Senior Manager Community and Social Services	Mr Hlongwane TW	<ul style="list-style-type: none"> <li>Manages the parks and cemeteries;</li> <li>Manages the waste management;</li> <li>Attends to environmental management;</li> <li>Manages the library services;</li> <li>Lead and direct strategic objectives of the municipality in relation to health;</li> <li>Regulate and manage traffic, enforce by-laws and educate the public on road safety; and</li> <li>Oversee the management of licensing section and testing station.</li> </ul>
Senior Manager Technical Services	Ms Mphachoe ME	<ul style="list-style-type: none"> <li>Manages engineering services by designing civil engineering structures and rendering mechanical and electrical engineering services;</li> <li>Render project management services by administering contracts for all civil projects and amongst others managing local capacity building; and infrastructure</li> <li>Renders building control services by administering building plans, conducting inspections and doing minor maintenance on council buildings building</li> </ul>
Senior Manager Planning and Development	Ms Mogano MJ	<ul style="list-style-type: none"> <li>Renders spatial planning for land development;</li> <li>Manages land use on behalf of the municipality;</li> <li>Formulates, implements and maintains comprehensive local economic development plans;</li> <li>Promotes tourism, agriculture and alleviation of poverty;</li> <li>Promotes trade and industry;</li> <li>Manages the valuation roll of the municipality;</li> <li>Formulates and implementation of integrated development strategy planning;</li> <li>Manages the municipality's performance management system; and</li> <li>Approves rezoning application in respect of land within the area.</li> </ul>
Chief Financial Officer	Mr Nzimande AT	<ul style="list-style-type: none"> <li>Administratively in charge of the budget of the municipality and treasury office;</li> <li>Assist the Municipal Manager in the administration of the municipality's bank accounts and the preparation and implementation of the municipality's budget;</li> <li>Renders fleet management;</li> <li>Manages the revenue collection of the municipality; and</li> <li>Renders supply chain management.</li> </ul>

Table 12: Top Administrative Structure



# COMPONENT B: INTERGOVERNMENTAL RELATIONS

## 2 OVERVIEW OF INTERGOVERNMENTAL RELATIONS

The Municipality, operating as the third tier of government, collaborates closely with other government spheres and their affiliated entities. In the provision of services, the municipality works in coordination with various government institutions. Specifically, for water provision, the Mopani District Municipality lends assistance to the local municipality as the Water Services Authority (WSA). Provincial departments also contribute their support. The Municipal Manager oversees all financial matters, and the municipality has sanctioned delegations of powers, entrusting senior managers with specific responsibilities. The Department of Cooperative Governance, Human Settlements, and Traditional Affairs aids the municipality in allocating RDP houses based on housing needs submitted. Additionally, the Treasury provides support in managing the municipality's financial affairs.

### 2.2.1 Intergovernmental Forums

The following are intergovernmental relations forums that Ba-Phalaborwa Municipality participates in:

#### 2.2.2 District IGR

Governed by Section 88 of the Local Government: Structures Act 117 of 1998, this forum emphasizes the need for collaboration between district and local municipalities. As outlined in the act:

- a. A district municipality and local municipalities within the area of that district municipality must cooperate by assisting and supporting each other.
- b. A district municipality on request by a local municipality within its area may provide financial, technical, and administrative
- c. support services to that local municipality to the extent that the district can provide those support services;
- d. A local municipality may provide financial, technical, or administrative support services to another local municipality within the area of the same district municipality to the extent that it can provide those support services if the district municipality or that local municipality so requests.

To adhere to these principles, Mopani District Municipality convenes quarterly IGR meetings attended by all Senior Managers. These sessions address a range of issues related to administration and compliance with legislative frameworks. For the year under review the municipality managed to attend 4 meetings convened quarterly by the District.

### 2.2.3 Speakers Forum

To ensure effective oversight in the three spheres of government, the speakers forum was established. The Speaker of the Limpopo Legislature convenes the Provincial Speaker's Forum to facilitate common understanding towards the speaker's role in the processes of enacting by-laws, review of legislation, and other related policies.

The Forum seeks to make a meaningful contribution towards a government that is democratic, accountable, and always of service to its people while ensuring that there's improved institutional support to Municipal Councils. The forum is composed of all speakers of municipalities in Limpopo including other stakeholders such as the South African Local Government Association (SALGA), Commission for Gender Equality (CGE), Independent Electoral Commission (IEC), and South African Human Rights Commission (SAHRC). Therefore, regular attendance to this forum has been supported consistently.

### 2.2.4 Municipal Managers Forum

The Municipal Managers' Forum was created to provide a platform to discuss common issues, share learning, and resolve challenges within Local Government to propel local government towards a sustainable future. The SALGA-initiated Municipal Managers' Forum (MMF) remained a democratic platform to spearhead continuous improvement within Local Government. Since its establishment in 2011, the Forum has become an invaluable peer-learning vehicle that stimulates robust discussion and debate about important local government issues and creates opportunities for Municipal Managers to interact and engage collectively with key stakeholders.

Regular engagement between the South African Local Government Association (SALGA) and municipal administrative executives nationwide was essential. These interactions facilitated peer learning by promoting knowledge sharing, innovative thinking, and the exchange of best practices from both the public and private sectors.



### 2.4. OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

The Municipality accounts to the public through various mechanisms as adopted by the Council. On a quarterly basis, the municipality conducts feedback sessions with community members through Mayoral Imbizos. Furthermore, Ward Councillors account to their respective constituencies through monthly ward committee meetings. On a quarterly basis, the Municipality holds Council Meetings wherein, reports and affairs of the municipality are discussed, and public members are invited to be part of the planned council meetings.

The Municipality also utilizes its website to publish reports, documents, etc. (As per the provision of Section 75 of the MFMA). During the probing of the Annual Report, the MPAC conducts public hearings and in these hearings members of the community are invited to observe the proceedings.

The Municipality had an adopted process plan that guides all activities in terms of the preparation of the IDP, Budget, and Performance Management System (PMS). In line with the approved process plan by the Council, the Municipality conducts its quarterly Mayoral Imbizos, wherein progress in terms of the implementation of the approved IDP, Budget, and PMS is given to the community while simultaneously conducting consultations with community members on the development and review of the IDP, Budget, and PMS for the next financial year.

Throughout the financial year, feedback sessions are conducted on a quarterly basis to account to the community on the progress made and further planning for the next financial year as the processes run simultaneously.

The municipality's internal boundaries have 19 wards. Central to public participation is the Ward Councillor and Ward Committee. Ward Committee's term of office runs concurrently with the term of Council. All ward committees are effective and submit monthly reports to the Office of the Speaker.



## COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION



### 2.5. PUBLIC MEETINGS

#### 2.5.1. Communication, Participation and Forums

The Municipality has established a unit that deals with communication; the unit is also responsible for marketing the institution and communicating all activities of the municipality.

The municipality accounts to the public through various mechanisms as adopted by the council. On a quarterly basis, the municipality conducts feedback sessions with community members through Mayoral imbizo. The 2024-25 IDP/Budget & PMS Implementation reports were presented to community members during a Mayoral Imbizo in the first to third quarter for community inputs and comments. Community inputs on the Implementation report are compiled for noting by the council. Newspaper Notices were publicized to encourage community participation during Imbizos and IDP/Budget Public Participation and input reports were compiled for noting by the council. Furthermore, ward Councillors account to their respective constituencies through monthly ward committee meetings and some councillors also account to the community quarterly through ward feedback meetings. On a quarterly basis, the Municipality holds council meetings wherein reports and affairs of the Municipality are discussed, and public members are invited to these council meetings.

The Municipality also utilizes its website to publish reports documents etc. (As per the provision of section 75 of the MFMA). During the probing of the annual report MPAC conducts public hearings and in these hearings members of the community are invited to observe the proceedings. A public hearing on the 2023/24 Annual Report by MPAC was done physically on 20 March 2025 at the Municipal Sports Hall. The oversight report on the draft annual report was presented to the council.

Furthermore, the Municipality puts complaints registers in strategic positions for members of the community and staff members to include their compliments and complaints. The Municipality further employs local Radio stations and newspapers to communicate with our communities. In the fourth quarter, the Municipality coordinated, an IDP/Budget/Tariff Book Public Participation, which was conducted through the Ward Stakeholder engagement method in April 2025. Copies of the draft documents were made available on the municipal website, Traditional Authorities and Libraries.

##### 2.5.1.1. Ward Committees

Ward Committees officially launched in May 2022 after Local government elections. All 19 committees are functional, hold their monthly ward committee meetings, and submit their reports to the Speakers Office for consolidation and noting by Council.

## COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

The key purpose of ward committees and major issues that the ward committee has dealt with during the year are highlighted as follows:

- a) They serve as an official's specialized participatory structure within the Municipality area of jurisdiction;
- b) They assist the ward councillor in identifying conditions, challenges, and needs of the residents within the ward;
- c) They disseminate information in the ward concerning municipal affairs;
- d) They receive queries and complaints from residents in the ward concerning municipal; service delivery;
- e) communicate such queries and complaints to the municipality and advise the community on the municipality's responses.
- f) They interact with other forums and organizations on matters and policies affecting the ward; and
- g) They also serve as a mobilizing agent for community actions.

### 2.5.1.2. IDP Participation and Alignment

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 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 12 Outcomes	Yes

Table 13: IDP Participation & Alignment Criteria

### 2.5.1.3. Community Engagement Events

The table below provides a detailed account of various community engagement events, focusing on Mayoral Imbizos and the 2024/25 Integrated Development Plan (IDP)/Budget Public Participation (PP) sessions. These gatherings serve as crucial platforms for interaction between municipal representatives, councillors, administrators, and community members. The table includes information on the nature and purpose of the meetings, dates, the number of participating municipal councillors and administrators, and the attendance of community members. Moreover, it outlines the issues raised by the community during these events, indicating whether these concerns were addressed. Additionally, the dates and methods of providing feedback to the community are specified. This comprehensive overview offers insights into the municipality's commitment to engaging with residents, addressing their concerns, and fostering transparent communication in the spirit of participatory governance.





# COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

Table 14: Community Engagement Events

Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issues raised by community	Issue addressed (Yes/No)	Dates and manner of feedback given to community
Mayoral Imbizo	16/08/2024	21	17	401	<ul style="list-style-type: none"> <li>• There is a need for additional busses to imbizo.</li> <li>• No report back for issues raised in previous Imbizos.</li> <li>• Municipality to invite MDM to the Imbizo for to enable them report their water related issues</li> <li>• Allocation of stands by tribal authority create illegal connection of water, which affect supply of water.</li> <li>• Want to check if Lulekani Road project is tar or paving?</li> <li>• Why request tar road but provided paving.</li> <li>• There is water challenge in Lulekani.</li> <li>• Mayor is interfering of BCF matters.</li> <li>• Need an update on un-finished water steel pipe from Lulekani to Majeje.</li> <li>• Will water project on D4D road will ever have water?</li> <li>• Mayor to intervene on water challenge matters with Mopani.</li> <li>• Only ANC members are employed in the Municipality.</li> <li>• He once requested municipality to have skills development section – even now nothing has happened.</li> <li>• Need for culverts next to Mabobo accommodation.</li> <li>• Her house is falling apart due to the slap or foundation problem. Need an assistance.</li> <li>• Daughter picked a yes during EPWP employment but never benefit-ed (since promised for light duty)</li> </ul>	Yes  Yes  Yes  No  Yes  Yes  Yes  Yes  No  No  Yes  Yes	08 to 12/04/2024 Public Participation

Response	Percentage
Yes	78%
No	22%

Response	Percentage
Yes	78%
No	22%



## COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issues raised by community	Issue addressed (Yes/No)	Dates and manner of feedback given to community
Mayoral Imbizo	16/08/2024	21	17	401	<ul style="list-style-type: none"> <li>Youth are not benefiting on RFQ in the municipality.</li> <li>Why Mayor interferes in tribal issues.</li> <li>Identified issues are not implemented.</li> <li>EPWP working without PPE.</li> <li>Appreciated the road construction in Lulekani.</li> <li>Need for upgrading of bridge next to ZCC in Lulekani.</li> <li>Need an Apollo light on the road to the Lulekani Cemeteries.</li> <li>Need clean purified water, no longer Borehole one.</li> <li>Need for provision of water like any other old sick pensioner in the ward.</li> <li>Ward Committees are not doing their responsibilities which led to failure by ward councillor.</li> <li>There are ward committees who are benefiting from tenders.</li> <li>There is a water challenge in Lulekani – Municipality to check with Lepelle on how they may assist.</li> <li>Made follow-ups on unfinished projects.</li> <li>Want to check where Gravelote falls.</li> <li>Need a date for official opening of the newly constructed bridge.</li> <li>Municipality to come up with a strategy to assist deaf people as they are not hearing what loud-hailers are saying.</li> <li>Why in Phalaborwa deaf people they are not considered on EPWP like in Polokwane Municipality.</li> </ul>	No  No  Yes  Yes  Yes  Yes  Yes  No  No Yes  Yes	08 to 12/04/2024 Public Participation

## COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION



Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issues raised by community	Issue addressed (Yes/No)	Dates and manner of feedback given to community
Mayoral Imbizo	15/11/2024	20	18	384	<ul style="list-style-type: none"> <li>There are bridges needed in Wards 02 and 09.</li> <li>There are poles delivered for electricity in Ward 09, but there is no electricity, and nothing is promising because nothing is happening.</li> <li>Why don't you attend the plea for electricity by the people.</li> <li>Sammuel Mohane has the problem of eyes since 2021 but there is no progress in attending the challenge. Why is the hospital and the municipality fail him?</li> <li>Hectorville should be considered for water.</li> <li>The illegal connection of water is rife.</li> <li>Culvert Bridge is needed.</li> <li>Boreholes and electricity are needed.</li> <li>Pine-lines have been abandoned by the department of Public Works.</li> <li>There is a need for a clinic in Gravelote.</li> <li>They need a tared road from Selwane to Iland. They need their own Police Station.</li> </ul>	No Yes  No No  No No Yes No	24/02/2025 Mayoral Imbizo Address



## COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issues raised by community	Issue addressed (Yes/No)	Dates and manner of feedback given to community
Mayoral Imbizo	24/02/2025	16	20	323	<ul style="list-style-type: none"> <li>How long should the municipal take to attend the potholes in the roads?</li> <li>The trucks that deliver water to the communities do not provide enough, where is infrastructure development that should be provided by the municipality.</li> <li>He has a one room house and needs an RDP house, since they promised him. Where is the RDP house for him?</li> <li>Boelang does not have Apololights, High School Children walk long distance to school in a bushy route and very remote. The roads are not graded. There is no board (Road sign) to show where Boelang is. The primary school in Boelang must support the learners with books.</li> <li>Need RDP house. No electricity and the contract appointed to deal with the project gives excuses, Water project passed her place without considering her.</li> <li>Need an RDP House.</li> <li>The road is very bad. It is correct for people to fill in forms when applying for RDP houses? When an inquiry is made about the availability of the RDP houses, they are told that is the responsibility of COGHSTA, is it correct and what role does the municipality play?</li> <li>Electric wire has fallen in Ward 8, when is it going to be fixed? Why does the grader become available when there is a funeral? Why is the Mayoral Imbizo organized during the week?</li> </ul>	No  Yes  No No  No No  Yes No  No Yes        No	07 to 14/04/2025 Public Participation

Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issues raised by community	Issue addressed (Yes/No)	Dates and manner of feedback given to community
Mayoral Imbizo	24/02/2025	16	20	323	<ul style="list-style-type: none"> <li>Sammuel Mohane has the problem of eyes since 2021but there is no progress in attending the challenge. Why is the hospital and the municipality fail him?</li> <li>Has the General Worker at the municipality has powers to employ people?</li> <li>There is a clinic in Ward 8 but the elderly people do not receive proper treatment. They are abandoned by nurses and sometimes they do not get proper services.</li> <li>There is no water in Ward 8 and the trucks hired by the municipality do no supply water. How do they employ people in the municipality?</li> <li>They need a tared road from Selwane to Iland. They need their own Police Station. The nearby High School does not have a roof. Why does the Mayor intervene in the BCF matters?</li> </ul>	<p>Yes</p> <p>Yes</p> <p>Yes</p> <p>No</p>	07 to 14/04/2025 Public

Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issues raised by community	Issue addressed (Yes/No)	Dates and manner of feedback given to community
2024/25 IDP/Budget PP	07/04/2025	14	17	42	<ul style="list-style-type: none"> <li>There are bridges needed in Wards 02 and 09.</li> </ul>	No	15/08/2025 Mayoral Imbizo address
					<ul style="list-style-type: none"> <li>There are poles delivered for electricity in Ward 09, but there is no electricity, and nothing is promising because nothing is happening.</li> </ul>	No	
					<ul style="list-style-type: none"> <li>Why don't you attend the plea for electricity by the people.</li> </ul>	Yes	
					<ul style="list-style-type: none"> <li>Load reduction disturbs normal life of people, and it is worse to learners and students in the community</li> </ul>	Yes	



## COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issues raised by community	Issue addressed (Yes/No)	Dates and manner of feedback given to community
2024/25 IDP/Budget PP	07/04/2025	14	17	42	<ul style="list-style-type: none"> <li>Borehole booster pumps have been stolen and water supply has been blocked.</li> <li>There is a need for culverts and electricity in Ward 10.</li> <li>Hectorville should be considered for water.</li> <li>The illegal connection of water is rife.</li> <li>Culvert Bridge is needed.</li> <li>Boreholes and electricity are needed.</li> <li>Pine-lines have been abandoned by the department of Public Works.</li> </ul>	Yes  No  Yes  Yes  No  Yes  Yes	15/08/2025 Mayoral Imbizo address

Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issues raised by community	Issue addressed (Yes/No)	Dates and manner of feedback given to community
2024/25 IDP/Budget PP	08/04/2025	15	21	34	<ul style="list-style-type: none"> <li>Ward 07 demands a Sport Complex</li> <li>There is no Old Age Home.</li> <li>Ward 1 and Ward 5 need Mobile Clinics meanwhile they are next to each other, and they should be combined to have one Mobile Clinic.</li> <li>The need Water Reservoir in Wards 5 and 9 because of serious shortage of Water.</li> <li>Is the proposed electric substation for coal or solar?</li> <li>The contractor paving the road from Honeyville to the graveyard has not made provision for De Tour</li> <li>The Namakgale Sport Complex is not complete, but the contractor is not taken to task by the Municipality to complete the project, why?</li> <li>Old Age Home space should be requested in consultation with the</li> </ul>	No  No  Yes   No  No  Yes   Yes  Yes	15/08/2025 Mayoral Imbizo address

## COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issues raised by community	Issue addressed (Yes/No)	Dates and manner of feedback given to community
2024/25 IDP/Budget PP	08/04/2025	15	21	34	<ul style="list-style-type: none"> <li>Social Development and the Municipality.</li> <li>Promises should be fulfilled by talking but by Actions.</li> <li>There is budget for the roads in the IDP plan and is appreciated.</li> </ul>	Yes	15/08/2025 Mayoral Imbizo address

Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issues raised by community	Issue addressed (Yes/No)	Dates and manner of feedback given to community
2024/25 IDP/Budget PP	10/04/2025	09	15	146	<ul style="list-style-type: none"> <li>There is a need for 2 culverts from Mandela Village to Mshongoville in Ward 6.</li> <li>There is a need for speed humps on the road from Namakgale Complex to Big 5. There are Avanza Taxis that use the road regularly and on a high speed.</li> <li>There is a water leakage that cover Chilly-boys' pavement. The water has been there for a long time.</li> <li>There is no road sign which indicate where Namakgale is from the R71 Road.</li> </ul> <ol style="list-style-type: none"> <li>Maintenance of Sewage and structures is not monitored.</li> <li>The amount for rehabilitation of streets for the whole of Ba-Phalaborwa is not enough. The budget needs to be increased.</li> <li>The problem of drug abuse is not mentioned in the budget. The municipality should build the rehabilitation Centre to cater for the youth, specifically for those who are drug addicts, therefore, it must be budgeted.</li> </ol>	No  No  No  Yes  No  No	15/08/2025 Mayoral Imbizo address

## COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issues raised by community	Issue addressed (Yes/No)	Dates and manner of feedback given to community
2024/25 IDP/Budget PP	10/04/2025	09	15	146	<ul style="list-style-type: none"> <li>Proposal to organize formal meetings for the marginalized, the working class and the elite so that they can share information about the development of the communities in Ba-Phalaborwa.</li> <li>He raised a concern on how IDP/Budget Public Participation Meetings are called. He suggest-ed that people should be given enough time before the meeting, he claims that he heard about the meeting last night at 7pm.</li> </ul> <ol style="list-style-type: none"> <li>For the municipality the budget for both the reservoir and the bore-holes is a contradiction. He suggested that only the reservoir should be constructed.</li> <li>The municipality bud-get R37m for furniture and this is a fruitless expenditure.</li> <li>The municipality does not monitor the construction of pavements of the roads. At Lulekani, the pavements under construction do not have off ramps for the public transport to use.</li> <li>The amount of R2m for the Rehabilitation of the whole Ba-Phalaborwa roads and streets is not enough.</li> <li>There is a request that the municipality should construct storm bridges along the road from the Lulekani entrance to the taxi rank to avoid damaging the road with water illegal connections.</li> </ol>	<p>No</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>No</p> <p>No</p> <p>No</p> <p>No</p> <p>No</p>	15/08/2025 Mayoral Imbizo address



## COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issues raised by community	Issue addressed (Yes/No)	Dates and manner of feedback given to community
2024/25 IDP/Budget PP	10/04/2025	09	15	146	1. There is a serious threat to the occupants of the houses at the township in Lulekani. All those who owe water may loose their houses to Lepelle Water Board. His family owes more than R100k. This is a debt left by his parents. There is no one working in the family to pay off the debt.	No	15/08/2025 Mayoral Imbizo address
					2. He also requested an RDP house long time ago but there is no re-sponse to the matter.	No	
					1. Accepts that the culvert has been erected but they also need pavement to the graveyard	Yes	
					2. There is a big stream which crosses to Pastor Zitha’s church and it needs a culvert.	No	
					3. The road from Matiko= Xikaya to Humulani needs a pavement.	Yes	
					4. Apollo Lights or Street Lights are needed especially at places of entertainment because there are many cases of assault that are report-ed weekly.		
					1. Proposed that instead of budgeting R2m for the rehabilitation of streets, the municipality must budget R30m.	No No	
					2. The second proposal is that let the municipality attend the streets in the township because they are not tired, paved and not graded as well.	No	
					3. Dutch Church Street has a very big pothole which was there for a long time. It seems the place is waterlogged, therefore, there is a need for a culvert.	No	
					4. There is a need for a culvert in ward 16 just next to the borehole.	Yes No Yes	

## COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issues raised by community	Issue addressed (Yes/No)	Dates and manner of feedback given to community
2024/25 IDP/Budget PP	10/04/2025	09	15	146	<p>1. Apollo Lights are needed to combat crime.</p> <p>2. Those who applied for indigents benefits do not get feedback, how are they supposed to get the feedback?</p> <p>3. My concern is the park at RDP. 4. The site of Baloyi people drop papers, dirty objects. When it is windy, the garbage is scattered and pollute the neighbors compounds. During rainy seasons, the place becomes stinky</p> <p>5. Another issue is that the last street at RDP is seriously damaged.</p> <p>1. The road to Biko is used regularly by all types of vehicles. To save lives, speed humps were erected but were removed by people.</p> <p>2. There is a request to pave the road to the graveyard.</p> <p>3. There is also a request for a small bridge to the side of the mountain in Ward 15</p> <p>1. School Children pass a big stream on a gravel route from Kurhula to Ninankhulu Primary School. Therefore, there is a request for pavement and culvert.</p> <p>2. Our mines (PMC &amp; Foskor) offer contracts to big companies which employ foreigners instead of the residents or citizens of Ba-Phalaborwa or South Africa.</p>	<p>Yes</p> <p>No</p> <p>No</p> <p>No</p> <p>No</p>	15/08/2025 Mayoral Imbizo address

## COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issues raised by community	Issue addressed (Yes/No)	Dates and manner of feedback given to community
2024/25 IDP/Budget PP	11/04/2025	06	10	56	<p>The following comments were made:</p> <ol style="list-style-type: none"> <li>1. Sewage and Pollution Case still to be resolved</li> <li>2. Electricity Reticulation system not yet resolved.</li> <li>3. Presentation to attempt to save electricity and the state of town need to be resolved.</li> <li>4. They all lack in the budget</li> </ol> <p>Comments:</p> <ol style="list-style-type: none"> <li>5. The budget is not in details.</li> <li>6. Concerned about the Mayor's absence.</li> <li>7. Special Public Participation meeting for Wards 11 &amp; 12 should be arranged to come and discuss about the state of town (Cllr. De Beer was tasked to arrange the meeting).</li> </ol> <ol style="list-style-type: none"> <li>1. The municipality budgeted R35m for water tanks to supply water to the communities. Why don't they buy trucks to reduce the high costs?</li> </ol> <ol style="list-style-type: none"> <li>1. There is a shortage of water because of illegal connections which result to low pressure in Ward 17 at Mukhuwanana, Nyakelang and Mohale.</li> <li>2. At Nyakelang 2 bore-hole needed.</li> <li>3. Mukhuwanana has 2 boreholes, one uses a diesel generator and it does not have power and the other one is also weak and they need help.</li> <li>4. All illegal connections must be removed in order to access water from Nandoni Dam.</li> <li>5. All boreholes must be repaired to avoid illegal connections</li> </ol>	<p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>No</p> <p>No</p> <p>Yes</p> <p>No</p> <p>No</p> <p>No</p> <p>No</p>	15/08/2025 Mayoral Imbizo address



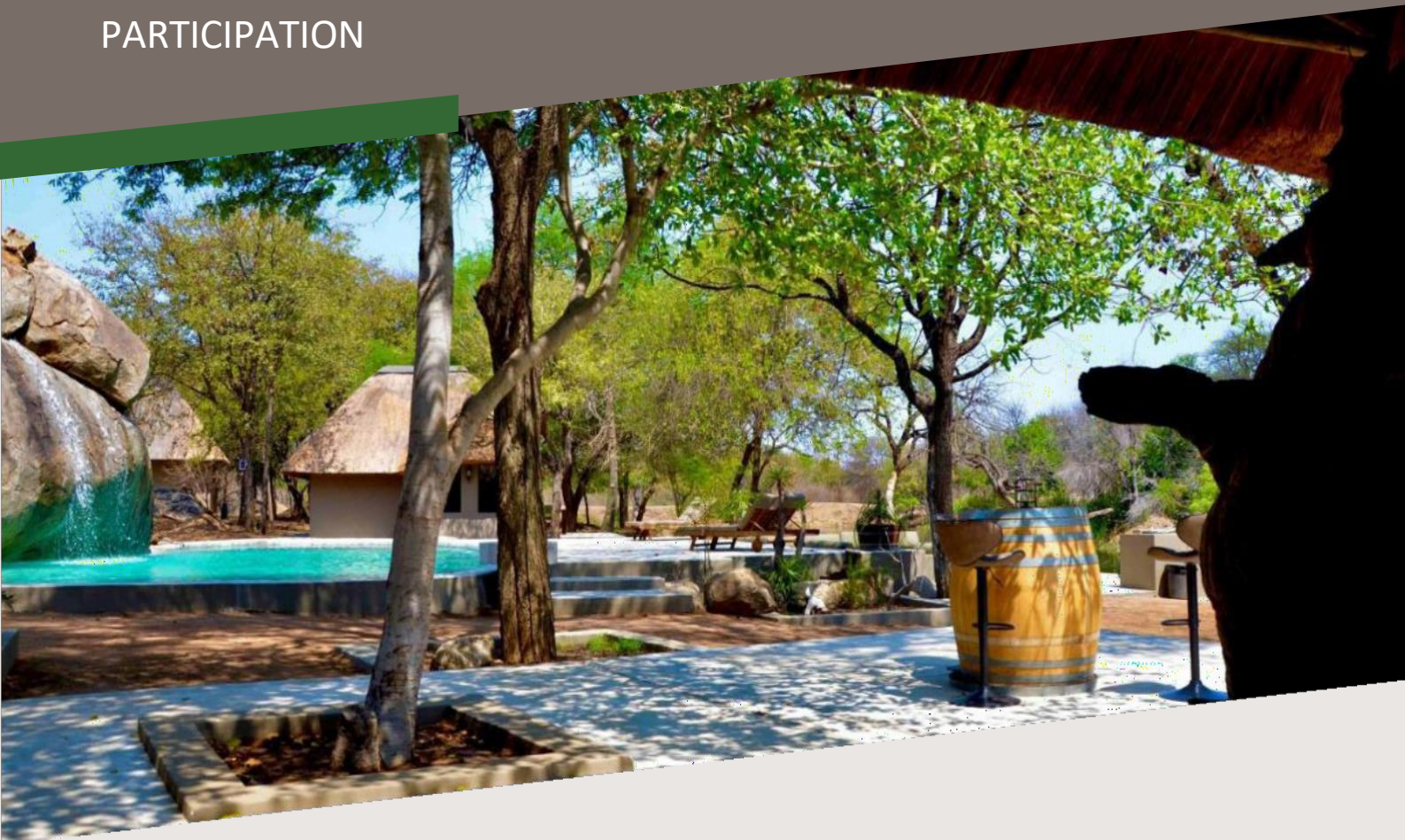
## COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issues raised by community	Issue addressed (Yes/No)	Dates and manner of feedback given to community
2024/25 IDP/Budget PP	11/04/2025	06	10	56	6. All New Stands bore-holes must be repaired because they are no longer in good condition after 5 years of service.	Yes	15/08/2025 Mayoral Imbizo address
					1. The pavement has been started by digging the road but the contractor has disappeared without doing the landscaping.	Yes	
					2. During the grading and digging, some water pipes were cut and they must be repaired as matter of urgency to avoid further illegal connections.	Yes	
					3. During the pavement project at Honeyville, some water pipes were cut from Denoko to Sib-era next to Chimoya.	Yes	
					4. Propose that the road in Honeyville that goes to the graveyard should be paved.	Yes	
					5. During rainy seasons, people cannot move around and go out of their compounds because of mud and waterlog. Motorists can also not drive out of their homes because of the state of the road.	Yes	
					6. Because people started to steal the sand and some sell it illegally, we suggest that the contractor use the sand to stamp the road with it for upgrading.	Yes	
					7. I attend all Mayoral Imbizos and in one of them, we were promised that the municipality will provide or employ Law Enforcement Officers to assist in implementing the By-Laws.	Yes	
					8. We have not seen one because people connect many pipes from the main pipe illegally.	No	

## COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issues raised by community	Issue addressed (Yes/ No)	Dates and manner of feedback given to community
2024/25 IDP/Budget PP	11/04/2025	06	10	56	<p>9. We request the distribution of toilets to the entire community.</p> <p>10. When it is raining, people struggle to move around because of poor construction of the roads, therefore, we request the construction of proper road from Limowu to Lethabaneng.</p> <p>11. The road to the graveyard should be paved or reconstructed. Because the contractor is still available, busy with the project, he may be asked to use the sand available next to the project to improve the road.</p> <p>12. Are the boreholes permanent supplier of water to the Ba-Pahalaborwa communities? If the boreholes are main suppliers of water, don't they get dry?</p> <p>13. Since the R35m budget for boreholes is increasing yearly, does it mean the municipality will never supply bulk water to the communities?</p> <p>14. In 2024, 31st of November, the District mayor was engaged on the matter of water shortage in Ba-Phalaborwa. He promised to come, but up to now, he has not showed up.</p> <p>Inputs:-</p> <p>15. There should be a reduction of budget for the boreholes. The budget for the water tanks should be reduced by R20m.</p> <p>16. There is a problem of the fallen Jojo in Block C, but the borehole is functioning. The challenge is that there is no water. The matter was reported long ago but there is no response to the matter. Mopani district must come and attend the matter.</p> <p>17. He needs an RDP house</p>	<p>Yes</p> <p>Yes</p> <p>No</p> <p>No</p>	15/08/2025 Mayoral Imbizo address

## COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION



### 2.5.1.4. IDP Representation Forums

The table presented below presents key details from the IDP Representative (REP) Forums, held during various phases of the IDP process. These forums play a vital role in the consultative process, fostering collaboration between municipal councillors, administrators, and engaged community members. The Preparatory, Strategies and Project, and Approval Phases are carefully documented, highlighting the participation of councillors, administrators, and the community. These forums serve as platforms for both consultation and the presentation of essential project-related information. Moreover, the table outlines the number of attendees in each category and the subsequent dates and methods employed to provide feedback to the community. This comprehensive overview underscores the municipality's commitment to inclusive governance and transparent decision-making processes.

Events	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Dates and manner of feedback given to community
IDP Rep Forum (Preparatory, Phase)	19 July 2024	7	8	32	Meeting serves as consultative meeting and also presentation of the Preparatory Phase
IDP Rep Forum (Analysis, Phase)	22 November 2024	11	10	54	Meeting serves as consultative meeting and also presentation of the Analysis Phase
IDP Rep Forum (Strategies and Project)	14 March 2025	17	19	58	Meeting serves as consultative meeting and also presentation of the Project Phase
IDP Rep Forum (Approval Phase)	21 May 2025	10	15	75	Meeting serves as report back of the public participation meetings held on the draft IDP and Budget

Table 15: IDP Representation Forums



### 2.6 RISK MANAGEMENT

Risk management constitutes a fundamental responsibility of Management, as outlined in section 62 of the Municipal Finance Management Act 56 of 2003 (MFMA), and is an integral aspect of a municipality's internal processes. This systematic approach involves the continuous identification, evaluation, and mitigation of risks to prevent adverse impacts on the municipality's service delivery capacity. The main priorities within this framework include the implementation of the risk management policy and strategy to manage identified risks effectively. The municipality serves as the secretariat for the Risk Management Committee to facilitate these efforts.

#### 2.6.1 Risk Management achievements

In fostering good governance and ensuring a standardized approach to handling Risk Management functions within the institution, the municipality has formulated the following key governing documents:

- a) Risk Management Policy Risk
- b) Management Strategy Risk
- c) Management Charter

At the same time, the Risk Management Unit carried out thorough risk assessments across all departments. This proactive approach aimed to identify potential risks that could hinder the institution from achieving its objectives. Based on the findings, the unit developed effective mitigation strategies to manage and address these risks.

#### 2.6.2. Risk Register

The table below is a representation of the top 10 risks identified by the Municipality. The implementation of risk mitigation measures at the end of the 2024/25 financial year is as follows:

- a) Strategic Risks Register (78% implemented and 22% not implemented) Fraud Risks
- b) Register (91% implemented and 9% not implemented)
- c) Information Technology Risk Register (86% implemented and 14% not implemented) MSCOA Risk
- d) Register (89% implemented and 11% not implemented)
- e) Operational Risk Register for the departments.
  - Budget and Treasury Office, 86% were implemented and 14% were not implemented.
  - In the Corporate Service Department, 67% were successfully implemented, while 33% remained unimplemented. In the Community Service Department, 67% were successfully implemented while 33% remained unimplemented.
  - In the Municipal Managers Office, 89% were successfully implemented while 11% remained unimplemented.
  - In the Technical Service Department, 84% were successfully implemented while 16% remained unimplemented. In the Planning and Development Department, 56% were successfully implemented while 44% remained unimplemented.



# COMPONENT D: CORPORATE GOVERNANCE

Table 16: Risk Register - Top Ten Risks

No	Focus Area	Risk Name	Root Cause of the Risk	Inherent Risk	Current Controls	Residual Risk	Mitigations	Action Owner	Time Scale	Progress by 30 June 2025
1.	Planning and Human Settlements	Land invasion and illegal land use.	1. Illegal invasion of land for different purposes. 2. Lack of awareness to the community. 3. Lack of enforcement of bylaws. 4. Lack of land use inspector.	25	1. Issuing notices and court interdicts to the illegal occupants through legal section. 2. Illegal land use joint operations. 3. Issuing notices to illegal- pants through day to day site inspections.	25	1. Identify and make available municipal land for different use.	Manager: Planning and Human Settlements	Monthly	No new land was made available for use. Processes initiated to make Extension 9 available for use.
							2. Developing of open space and parks	Manager: Parks	30 June 2025	No parks were developed.
							3. Awareness campaigns to community (All Communications channels, social media etc).	Manager: Planning and Human Settlements	Quarterly	Seven awareness campaign on illegal land use operations were held.
							4. Enforcement of bylaws. (Issuing land use notices and fines).	Manager: Planning and Human Settlements	Monthly	Illegal land use notices are issued on a monthly basis.
							5. Enforcement of the court interdicts on land use.	Manager Legal	Quarterly	Interdicts are obtained to enforce compliance with the law.
2.	Economic Development	Poor economic development in the Municipal area.	1. High unemployment rate.	25	1. Issuing notices and court interdicts to the illegal occupants through legal section. 2. Illegal land use joint operations. 3. Issuing of notices to illegal occupants through day to day site inspections.	25	1. Implementation plan for the LED Strategy.	Manager: Planning and Human Settlements	Monthly	No new land was made available for use. Processes are being initiated to make Extension 9 available for use.
							2. Develop the Tourism Plan/ Strategy.	Manager: Economic Development	31 March 2025	A service provider has been appointed to develop the document.
							3. Registration and regulation of formal and informal business.	Manager: Economic Development	Quarterly	Registration and regulation of business is ongoing.
							4. Develop the investment strategy.	Manager: Economic Development		Not Implemented.

## COMPONENT D: CORPORATE GOVERNANCE

No	Focus Area	Risk Name	Root Cause of the Risk	Inherent Risk	Current Controls	Residual Risk	Mitigations	Action Owner	Time Scale	Progress by 30 June 2025
3.	Parks and Cemeteries	Inadequate maintenance of parks.	1. Lack of fence (Access Control) 2. Poor cleaning and maintenance of facilities. 3. Lack of water at the cemeteries. 4. Ageing of staff	25	1. Minimal maintenance is done.	25	1. Installation of fence	Manager Parks/Civil Engineering	30 June 2025	Wooden poles barriers installed in one park to restrict vehicles to the park. No fence was installed.
							2. Repair of pipes to supply water.	Manager Water	Ongoing	The water to the cemetery was not restored.

4.	Traffic Section	Non-payment of traffic fines	1. Reluctance by offenders to pay. 2. Lack of traffic pound.	25	1. Warrants of arrest issued.	25	1. Reminders issued for outstanding fines.	Manager: Traffic and Licensing	Monthly	Reminders are being issued for outstanding fines.
							2. Warrants of arrests executed.	Manager: Traffic and Licensing	Monthly	No warrants were executed. The department of Justice no longer accepts revenue for traffic summons.

5.	Planning and Human Settlements/ Economic Development	Illegal street hawkers	1. Bylaw not gazetted	25	1. Informal traders are registering.	25	1. By-laws should be gazetted on Street Hawkers.	Senior Manager: Corporate Services	30 June 2025	Awaiting Gazette of the Informal Trading By-Laws
							2. Enforcement of by-laws	Senior Manager: Community Services	Quarterly	By-laws are being enforced
							3. Establish of an enforcement committee between Community Services, LED, Building, Town Planning etc. to deal with bylaws transgressions	Senior Manager: Community Service.	30 December 2024	Committee not yet established. Peace Officers appointed.
							4. Identification and allocation of Trading space.	Manager: Town Planning	Quarterly	To be identified after the completion of the Land Audit
							5. Issue of permits for street hawkers.	Manager: Economic Development.	Quarterly	Permits are being issued to street hawkers.



## COMPONENT D: CORPORATE GOVERNANCE

No	Focus Area	Risk Name	Root Cause of the Risk	Inherent Risk	Current Controls	Residual Risk	Mitigations	Action Owner	Time Scale	Progress by 30 June 2025
6.	Strategic Risk	Inadequate Performance Management System	1. PMS not cascaded to lower levels (only Senior Managers are assessed) 2. Insufficient post for PMS Officers	25	1. 01X PMS Officer appointed. 2. Performance Agreements for section 56 and 57 employees done and they are assessed.	22	1. Cascading of individual performance management of all employees.	SM: Corporate Services	30 June 2025	Employees on level 2 – 5 have signed the performance agreements.
							2. Capacitating and resourcing the PMS Office.	SM: Corporate Services	30 June 2025	No additional resource were provided to the office.
							3. Awareness campaigns to community (All Communication's channel, Social Media etc).	Manager: Planning and Human Settlements	Quarterly	Seven awareness campaign on illegal land use operations were held.
7.	Strategic Risk	Negative audit outcome (Qualified Audit Opinion)	1. Failure to submit the supporting documents to AG. 2. None adherence to the AFS process plan. 3. Poor implementation of the AG and Internal Audit Action plans. 4. Reporting and POE on the APR not in line with the KPI. 5. None compliance to regulatory (SCM) prescripts processes. 6. Inaccurate assets register due to land issues (not reconciling with the deeds office). 7. None compliance to Grab standards and MSCOA. 8. Inadequate review of the AFS.	25	1. Standard Operating procedure (Revenue & Expenditure) 2. Monthly Audit Steering Committee Meetings. (Exco/ Management) 3. AG Action plan developed and to address the findings from the auditor general. 4. Review of AFS by Internal Auditors and stakeholders.	22	1. Conduct land Audit	SM: Planning and Development	31 December 2024	The audit was not conducted.
							2. Continuous and timely implementation of the AGSA Action Plan (to address findings raised by the AG).	All Senior Managers	Monthly	Implementation is at 75%.
							3. Adherence to the AFS process plan	Chief Financial Officer	Quarterly	Process plan is followed
							4. Adherence to Grab Standard and MSCOA	Chief Financial Officer	Monthly	The municipality is adhering to the Grab Standards and MSCOA
							5. Adequate review of the APR and all supporting documents.	SM: Planning and Development	Quarterly	DPD has communicated all outstanding issues with relevant departments. Awaiting submission for final review and consolidation
							6. Adequate and timely review of the AFS and supporting documents by all stakeholders/ external parties.	Chief Financial Officer	Quarterly	The draft AFS were submitted to all stakeholders for reviews and inputs.

## COMPONENT D: CORPORATE GOVERNANCE

No	Focus Area	Risk Name	Root Cause of the Risk	Inherent Risk	Current Controls	Residual Risk	Mitigations	Action Owner	Time Scale	Progress by 30 June 2025
8.	Strategic Risk	Inadequate revenue collection.	1. Culture of non-payments by residents (mostly in the townships) 2. Inadequate implementation of revenue enhancement strategy 3. Intergovernmental debt (Departmental debts). 4. Insufficient Revenue streams	25	1. Imbizo's/ Awareness conducted to the community. 2. Credit Control & Debt Collection Policy. 3. Financial recovery plan & Revenue enhancement Strategy in place. 4. Debt collectors appointed in townships and debt book handed over. 5. Data cleansing. 6. Indigent register maintained annually. 7. Land identified (Ext) for new township establishment	20	1. Implementation of the financial recovery and revenue enhancement strategy led by the CFO	Chief Financial Officer	Quarterly	The Financial Recovery Plan was reviewed. The Financial Recover Plan and Revenue Enhancement Strategy are implemented.
							2. Engage Government Departments who are in arrears for payment arrangements.	Chief Financial Officer	Monthly	Attending quarterly debt forum meetings and follow-ups are made with the departments in arrears.
							3. Monthly reporting on the implementation of the Revenue Enhancement Strategy and the Financial Recovery Plan.	Chief Financial Officer	Monthly	Monthly progress on the revenue enhancement is reported.
							4. Quarterly reports on the performance of the debt collectors (to improve revenue collection).	Chief Financial Officer	Quarterly	Revenue Collected by the debt collectors is monitored and reported to Council
							5. All departments to identify and implement new revenue streams/ source within their area of responsibility.	All Senior Managers	Quarterly	DPD has communicated all outstanding issues with relevant departments. Awaiting submission for final review and consolidation
							6. Adequate and timely review of the AFS and supporting documents by all stakeholders/ external parties.	Chief Financial Officer	Quarterly	No new revenue streams were implemented.

## COMPONENT D: CORPORATE GOVERNANCE



No	Focus Area	Risk Name	Root Cause of the Risk	Inherent Risk	Current Controls	Residual Risk	Mitigations	Action Owner	Time Scale	Progress by 30 June 2025
9.	Water	Inadequate maintenance of water reticulation and sewage system.	1. Aged infrastructure 2. Insufficient manpower "employees". 3. Lack of working materials. 4. Lack of maintenance.	25		20	Sewer blockages.			
							2. Liaise with Mopani District regarding challenges experienced in the water section.	Manager: Water	Monthly	Continuous engagement is done with MDM regarding water issues.
							3. Filling of vacant posts.	Manager: Human Resource	31 June 2025	Critical vacant posts were advertised.

No	Focus Area	Risk Name	Root Cause of the Risk	Inherent Risk	Current Controls	Residual Risk	Mitigations	Action Owner	Time Scale	Progress by 30 June 2025
10.	Human Resource	Delays in filling vacant positions	1. Limited appointments made on advertised positions. 2. Unfunded budget	25	1. Sections are submitting lists of posts that need to be advertised. 2. Officials appointed to act in higher positions. 3. Use of Interns, Learnership and EPWP.	20	1. Officials appointed to act on critical vacant higher position.	Manager: Human Resource	Ongoing	Critical vacant posts were advertised and appointed. The process is ongoing.
							2. Prioritize and fast track the filling of vacant positions	Manager: Human Resource	Ongoing	The Recruitment Plan in place assist on filling of critical positions.



**2.6.2.1. Comparative Summary of the Municipality's Risk Registers for the Period 2023/24 and 2024/25** Presented in the following table is a comparative summary of the Municipality's risk registers, revealing the number of identified risks across different categories for the financial years 2023/24 and 2024/25. This overview provides a brief analysis of the dynamic landscape of strategic, fraud, operational, project, MSCOA, and information technology risks. The numerical representation illustrates shifts and variations in the identified risks within each category over the specified years. This comparative assessment offers valuable insights into the municipality's risk management framework, aiding stakeholders in comprehending the evolving risk landscape and the strategic efforts employed to address potential challenges.

No.	Description	2023/24	2024/25
1.	Strategic Risk	8	9
2.	Fraud Risk Register	8	9
3.	Operational Risk Register	40	43
4.	Project Risk Register	5	4
5.	MSCOA Risk Register	5	5
6.	Information Technology Risk Register	4	13

*Table 17: Comparative Summary of the Municipality's Risk Registers (2023/24 & 2024/25)*

## 2.7 ANTI-CORRUPTION AND FRAUD

### 2.7.1 Main Objective

The main objective is to execute the Anti-Fraud and Corruption Strategy to establish effective measures aimed at preventing and mitigating instances of fraud and corruption and to further conduct educational outreach programs targeting both employees and the public to enhance awareness about fraud and corruption. The primary goal is to implement the Anti-Fraud and Corruption Strategy by establishing effective measures to prevent and mitigate fraud and corruption. Additionally, the strategy includes educational outreach programs for employees and the public to raise awareness and promote ethical conduct.

### 2.7.2 Anti-Corruption and Fraud Achievements

In a commitment to upholding good governance and fostering an unwavering dedication to combat fraud and corruption, the Risk Management Unit has crafted essential governance documents. The following documents pertaining to fraud and corruption have been formulated:

- a) Anti-Fraud and Corruption Strategy Fraud
- b) Prevention Plan
- c) Investigation Policy
- d) Donation Policy
- e) Whistleblowing Policy
- f) Access Control Policy Loss
- g) Control Policy

### 2.7.3. Risk Assessment

Comprehensive Risk Assessments were undertaken to pinpoint areas susceptible to fraud and corruption. A Fraud Risk Register, inclusive of mitigations to address identified risks, was developed to effectively manage potential threats. Furthermore, brochures addressing fraud and corruption were disseminated among both employees and the public. Rigorous vetting procedures are a standard practice for shortlisted candidates before their appointment, and officials occupying strategic positions are required to complete the Security Clearance Form, which is subsequently submitted to the State Security Agency for further processing.

## COMPONENT D: CORPORATE GOVERNANCE



### 2.8 INTERNAL AUDIT

The primary purpose of the Ba-Phalaborwa Internal Audit function is to strengthen Ba-Phalaborwa Municipality's ability to create, protect, and sustain value by providing the Council, Audit Committee, and management with independent, risk-based, and objective assurance, advice, insight, and foresight. It does this by enhancing the Ba-Phalaborwa Municipality's:

- Successful achievement of its objectives.
- Governance, risk management, and control processes.
- Decision-making and oversight.
- Reputation and credibility with its stakeholders.
- Ability to serve the public interest.

#### 2.8.1 Main Objectives

The following were the main objectives for the Internal Audit Activity for the 2024/2025 financial year:

- a) Development, approval, and implementation of the Annual Internal Audit Plan that is risk-based, aimed at adding value to the Municipality's objectives, and aligned to the Municipality's risk registers.
- b) To ensure that the Internal Audit Activity is independent in providing its services to the Municipality by complying with the approved internal audit Charter which is consistent with the Global Internal Audit Standards (GIAS) and Section 165 of the Municipal Finance Management Act.
- c) To conduct an internal Audit work in accordance with the approved Quality Assurance and Improvement Program, Internal Audit Methodology and Global Internal Audit Standards.
- d) Implementation of Combined Assurance in the Municipality
- e) To provide support to the Audit Committee and Audit Steering Committees to ensure improved audit opinion

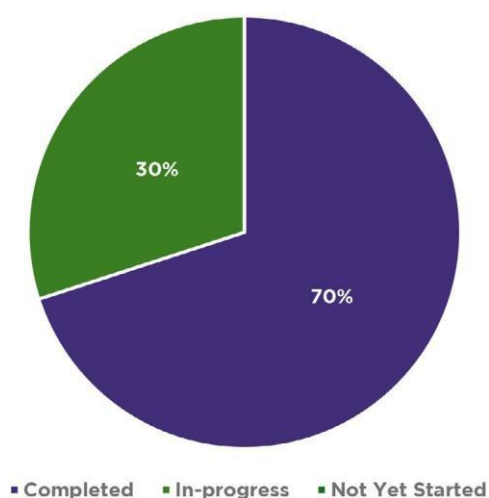
#### 2.8.2. Internal Audit Achievements

- a) The Internal Audit Unit developed the risk-based Annual Audit Plan, and the Audit Committee approved it on the 04th June 2024 and Council adopted it on the 27th June 2024. The Internal Audit Plan had 42 projects for the year, which all were completed. The Internal Audit Charter was developed and approved by the Audit Committee on the 04th June 2024 and Council adopted it on the 27th of June 2024. The Internal Audit Charter was implemented, and the Chief Audit Executive confirmed that the Internal Audit Activity was independent in the year under review. The independence of the Internal Audit Activity was confirmed by the Audit Committee through an assessment. Ba-Phalaborwa Municipality Internal Audit staff are affiliated members of the Institute of Internal Auditors. The Internal Audit Activity conducts its audits in terms of the Institute of Internal Auditors.
- c)

## COMPONENT D: CORPORATE GOVERNANCE

- d) Ba-Phalaborwa Municipality Internal Audit Generally Conforms with the Institute of Internal Auditors Standards as reviewed by an independent Quality Reviewer through the report issued on September 2023. The next external assurance is due in September 2027.
- e) The Combined Assurance Framework and Terms Of Reference for the Combined Assurance Committee were developed and approved by the Audit Committee on the 04th June 2024 and Council adopted it on the 27th of June 2024 for 2024/2025 implementation.
- f) The EXCO Audit Steering Committee and Management Audit Steering Committee meetings were held throughout the financial year to address issues raised by the Auditor General, Internal Audit, and Audit Committee. Internal Audit supported the steering committees as the coordinator of the meetings.
- g) The Municipality developed the Audit Action Plan that was audited by Internal Audit every quarter and the Audit Committee provided oversight on it. The Action Plan was at 70% at the time of submission to AGSA for Audit.

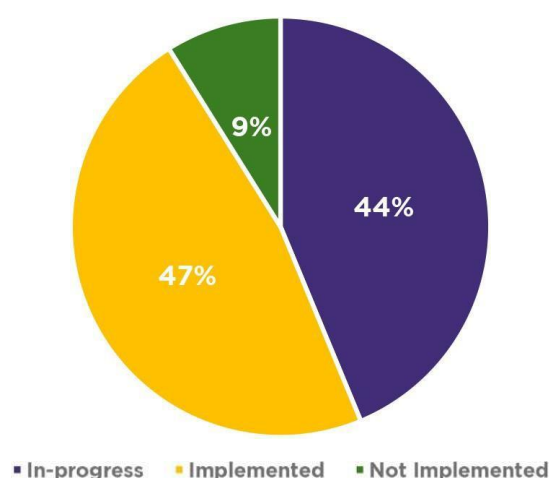
**Progress on Audit Action 31  
August 2025**



*Figure 2: Progress on Audit Action Plan – 31  
August 2025*

- h) Action Plan was developed to monitor progress on implementation of Internal Audit recommendations. The Municipality was at 47% implementation by year-end, and it reflects a decline as compared to the previous financial year. The Accounting Officer has put mechanisms in place to address 63% not resolved findings.

**Progress on Report on Internal Audit  
Institutional Follow-up Implementation 30 June  
2025**

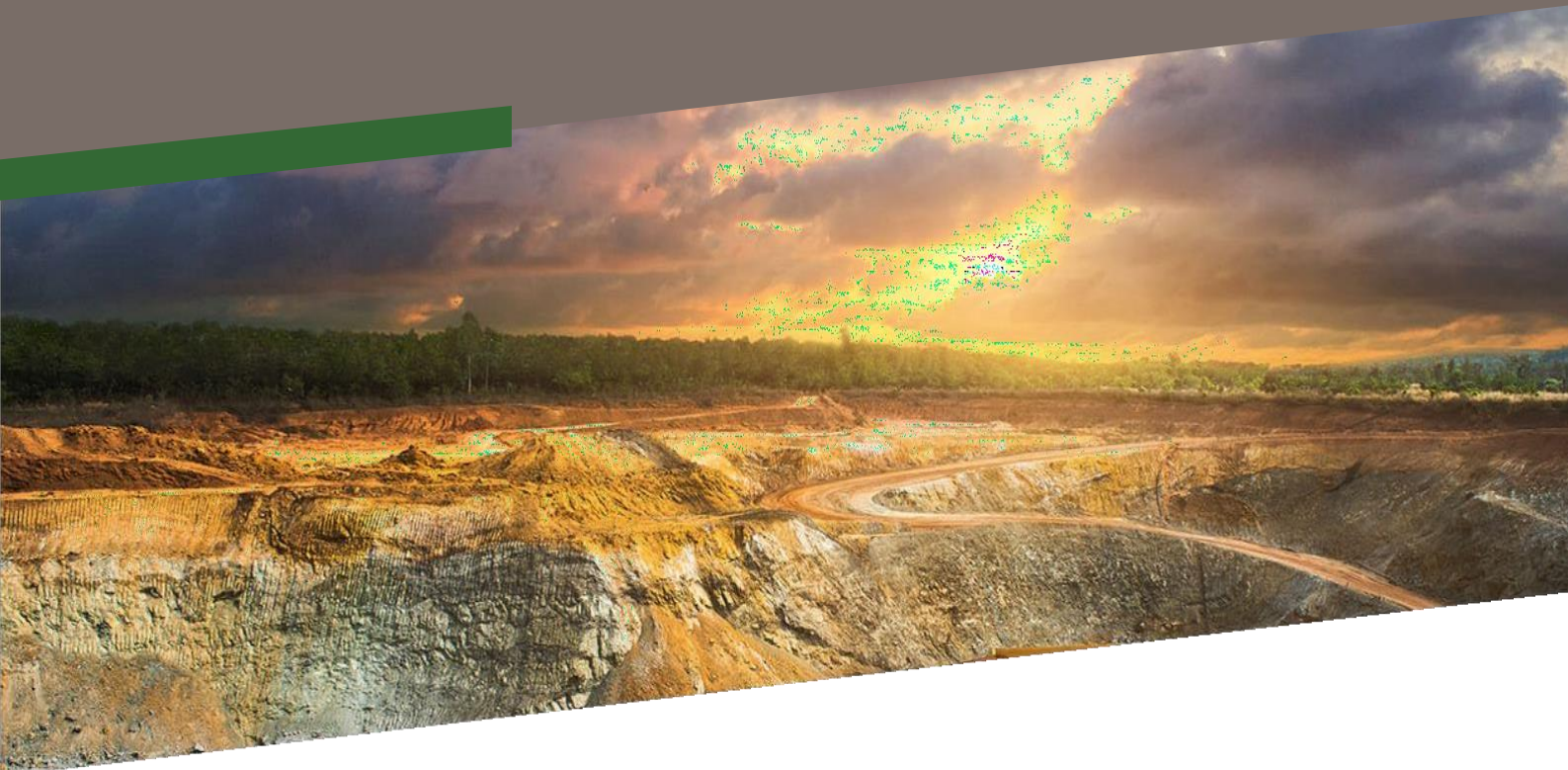


*Figure 3: Progress on Institutional  
Implementation of IA Recommendations 30 June  
2025*

- i) The Internal Audit Activity was able to support the Audit Committee in the year under review. The Internal Audit Activity was the Secretariat for the Audit Committee. The Audit Committee held 13 Audit Committee meetings in the 2024/2025 financial year, 335 recommendations were raised of which 319 were implemented, 7 were not implemented and 9 were not yet due.



## COMPONENT D: CORPORATE GOVERNANCE



AC No.	Date of AC	Total Resolutions	Completed	Not Implemented	Not Yet Due
1	29 July 2024	42	41	0	1
2	26 August 2024	8	8	0	0
3	21 October 2024	14	9	0	5
4	31 October 2024	61	61	0	0
5	29 November 2024	8	8	0	0
6	06 January 2025	6	6	0	0
7	24 January 2025	14	14	0	0
8	29 January 2025	3	3	0	0
9	26 February 2025	5	4	0	1
10	26 March 2025	56	54	0	2
11	21 May 2025	28	25	3	0
12	30 May 2025	65	61	4	0
13	20 June 2025	25	25	0	0
<b>Total</b>		<b>335</b>	<b>319</b>	<b>7</b>	<b>9</b>

Table 18: Audit Committee Sitzings & Resolutions 2024/2025

## 2.9 SUPPLY CHAIN MANAGEMENT

### 2.9.1 Overview of Supply Chain Management

According to Section 217 of the Constitution of the Republic of South Africa, any procurement activities undertaken by an organ of the State for goods and services must adhere to a system that is characterized by fairness, equity, transparency, competitiveness, and cost-effectiveness. In alignment with these constitutional principles and the Preferential Procurement Legislation, the Municipality has formulated its Supply Chain Management (SCM) Policy. This policy is designed to operationalize the principles while also aligning with the provisions of the Local Government: Municipal Finance Management Act (MFMA) and its associated Regulations. To enhance controls and counteract fraud and corruption in procurement processes, the SCM policy has undergone recent analysis and has been duly reviewed and approved by Council. This reaffirms the Municipality's commitment to upholding ethical standards and promoting accountability in its procurement.

## 2.9.2. Supply Chain Management Unit

Chapter 11 of the MFMA compels municipalities to establish Supply Chain Management Units and implement the SCM Policy, which gives effect to all SCM functional areas. The Supply Chain Management Unit has been established and operates under the direct supervision of the Chief Financial Officer.

## 2.9.3 Bid Committees

The Bid Committees (Bid Specification, Bid Evaluation, and Bid Adjudication Committees) have been established. Advertised tenders are being evaluated, adjudicated, and awarded in terms of the Supply Chain Management Policy. Each Committee consists of a practitioner from Supply Chain Management and officials from key Directorates in the Municipality. The Accounting Officer is responsible for the appointment of bid committees in terms of s117 of the MFMA. Bid committees are appointed once a year and reviewed accordingly by the Accounting Officer. Although the chain of work of these Committees is intertwined, they operate separately from each other. Members of Bid are required to sign the Oath of Secrecy and to Declaration of Interests. This is to ensure a transparent and fair supply chain process.

## 2.10. BY-LAWS

The table below offers a concise overview of the status of newly developed or reviewed by-laws within the Municipality, focusing on the aspects of public participation and gazetting. This information serves as an important aspect of the Municipality's commitment to transparent and inclusive governance practices, shedding light on the engagement processes with the community and the formalization of these regulatory measures through gazetting.

Newly Developed /Reviewed	Public Participation conducted prior to adoption of By-Laws (Yes/no)	By-Laws gazette (yes/no)	Date of Publication
Credit Control and Debt Collection – Reviewed	Yes	Yes	5 July 2024
Electricity Supply – Reviewed	Yes	Yes	5 July 2024
Indigent Subsidy – Reviewed	Yes	Yes	5 July 2024
Property Rates – Reviewed	Yes	Yes	5 July 2024
Tariff By laws – Reviewed	Yes	Yes	5 July 2024

Table 19: By-Laws Developed/Reviewed

## 2.11 WEBSITES

### 2.11.1 Municipal Website Content and Access

The Municipal Website serves as an interactive platform for engaging with the community and the public. As a Municipality, strict adherence to Government regulations and legislation, including Section 75 of the MFMA and the 8 Batho Pele Principles, is paramount. Notably, the Municipality has established the website with two domain addresses, [www.Ba-Phalaborwa.gov.za](http://www.Ba-Phalaborwa.gov.za) /and [www.Phalaborwa.gov.za](http://www.Phalaborwa.gov.za) both redirecting to the same URL, our Home Page. In alignment with principles such as Access to Information, Openness, and Transparency embedded in the Batho Pele Principles, the Municipality is committed to compliance. This commitment facilitates community and public access to information, encompassing details about municipal leadership, compliance matters, and other relevant subjects. The ICT Division diligently ensures the continuous availability of information on the website, reinforcing the Municipality's dedication to transparency and accessibility.

The table below provides a comprehensive overview of the content and currency of material available on the municipal website, emphasizing the publication status and specific dates of various documents. This informative table covers essential materials such as current annual and adjustment budgets, budget-related policies, previous annual reports, and upcoming annual reports. Additionally, it outlines the availability of performance agreements, service delivery agreements, long-term borrowing contracts, and various other critical documents. The corresponding publishing dates further highlight the currency of the information, ensuring that stakeholders can access up-to-date and relevant materials on the municipality's website.

## COMPONENT D: CORPORATE GOVERNANCE



Municipal Website: Content and Currency of Material		
Documents published on the municipality's /entity's website	Yes/No	Publishing date
Current annual and adjustment budgets and all budget related documents	Yes	11 June 2025
All current budget related policies	Yes	11 June 2025
The previous annual report	Yes	07 February 2025
The annual report published / to be published	Yes	07 February 2025
All current performance agreements required in terms of section 57 (1) (b) of the MSA and resulting score cards	Yes	05 August 2024
All long-term borrowing contracts	No	None
All supply chain management contracts above a prescribed value (give value) for	No	None
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	No	None
Contracts agreed in (2024/25) to which subsection (1) of section 33 apply, subject to subsection (3) of that section	No	None
PPP agreements referred to in section 120 made in (2024/25)	No	None
All quarterly reports tabled in the council in terms of section 52 (d) during (2024/25)	Yes	1 <sup>st</sup> Quarter – 19 Nov 2024 2 <sup>nd</sup> Quarter – 26 Mar 2025 3 <sup>rd</sup> Quarter – 14 May 2025 4 <sup>th</sup> Quarter – 16 Sept 2025

Table 20: Municipal Website Content & Access

### 2.12. PUBLIC SATISFACTION ON MUNICIPAL SERVICES

The following table outlines the community satisfaction ratings over the years, utilizing a comprehensive rating scale to gauge the sentiments of residents. The scale includes categories of "Satisfied" and "Dissatisfied," with corresponding percentage values for each year – 2022, 2023, and 2024. These ratings serve as an important indicator of the community's perspectives on various municipal aspects, providing valuable insights into the level of contentment or discontent among residents. The data presented offers a concise and easily interpretable record of the evolving satisfaction trends, allowing for a nuanced understanding of the community's sentiments over the specified time frame.

RATING SCALE	2022	2023	2024
Satisfied	48%	46%	53%
Dissatisfied	52%	54%	47%

Table 21: Community Satisfaction Ratings





# CHAPTER 3

SERVICE DELIVERY PERFORMANCE  
(PERFORMANCE REPORT PART I)

## COMPONENT A: BASIC SERVICES



### 3.1 WATER PROVISION

#### 3.1.1 Overview of Water Services Provision

Ba-Phalaborwa Local Municipality functions as the designated Water Service Provider within its jurisdiction. The municipality assumes the crucial role of overseeing infrastructure repairs and maintenance throughout Ba-Phalaborwa. Mopani District Municipality as the water service authority plays a pivotal role, while bulk water supply to reservoirs is facilitated by Lepelle Northern Water Board. This collaborative structure ensures the effective provision and management of water services within the region.

The table below provides a comprehensive overview of household water services, categorized into various levels of accessibility for the fiscal years 2022/23 through 2023/24. The report details the actual numbers of households receiving water services at different levels, such as piped water inside dwellings, piped water inside yards, public tap usage, and other water supply options within specified distances. Additionally, it presents the percentage of households at or above the minimum service level and those below the minimum service level. The data serves as a valuable resource for evaluating the municipality's progress in delivering essential water services to its residents and meeting predefined service level standards.

HOUSEHOLDS			
Description	2022/23	2023/24	2024/25
	Actual No.	Actual No.	
Water; (above min level) Piped water inside dwelling.	12251	12251	12251
Piped water inside yard (but not dwelling)	17216	17216	17216
Using public tap (standpipes) Other water supply (within 200m)	3803	3803	3803
Minimum service level and above sub-total			
	33270	33270	33270
Minimum service level and above percentage	80%	80%	80%
	413	413	413
Water; (below min level)			
Using public tap (more than 200m from dwelling) Other water supply (more than 200m from dwelling) No water supply			
	235	235	235
	2022/23	2023/24	2023/24
Below minimum service level sub-total	7845	7845	7845
Below minimum service level percentage	19.1%	19.1%	19.1%
Total number of households*	41115	41115	41115

Table 22: Overview of Household Water Services

## COMPONENT A: BASIC SERVICES

### 3.1.2. Water Service Delivery Challenges: Households Below Minimum Service Level

The table below provides a focused examination of households in formal settlements that fall below the minimum service level for water provision in each financial year from 2022/23 to 2024/25. It outlines the actual number of households facing challenges in accessing adequate water services and calculates the proportion of households falling below the minimum service level. The data presented in this table offers valuable insights into specific areas where water service delivery may require targeted interventions or improvements to meet the municipality's service level goals. This analysis is crucial for informed decision-making and strategic planning aimed at enhancing water accessibility for all residents.

Households – water service delivery levels below the minimum Households			
Description	2022/23	2023/24	2024/25
	Actual No.	Actual No.	Actual No.
<b>Formal Settlements</b>			
Total households	41115	43 838	43 838
Households below minimum service level Proportion of households below minimum service level	7845	7845	7845

Table 23: Households in Formal Settlements that fall below the Minimum Service Level for Water Provision

### 3.1.3. Water Service Policy Objectives: Service Objectives and Indicators

The table below outlines the water service policy objectives extracted from the IDP and presents key service indicators to assess the municipality's performance in achieving these objectives. The service objectives include the provision of minimum water supply to households, and the table details the targets set for the years 2022/23 through 2024/25. Additionally, it provides actual performance data for the specified periods, offering a comprehensive overview of the municipality's progress in meeting its water service policy goals. The service indicators, along with outlined targets and actual results, contribute to the evaluation of the municipality's commitment to improving water service delivery as articulated in its IDP.

Water service policy objectives taken from IDP.									
Service Objectives	Outline service targets	2022/23 Target			2023/24 Target			2024/25 Target	
Service indicators (i)		*Current Year (ix)	*Following year (x)		*Current Year (ix)	*Following year (x)		*Current Year (ix)	*Following year (x)
<b>Service objectives</b>									
HH without minimum water supply	Additional households provided with minimum water supply during the year (No. of HH) without supply at year end)	1750	MDM	MDM	MDM	MDM	MDM	MDM	MDM

Table 24: Water Service Policy Objectives & Indicators



## COMPONENT A: BASIC SERVICES



### 3.1.4. Employees in Water Services: Workforce Distribution and Vacancies

This table provides an insightful breakdown of the workforce in the Water Services department categorized by job levels for the financial years 2023/24 and 2024/25. The data includes the number of employees, current vacancies, and the equivalent number of full-time positions for each job level. The percentage of vacancies in relation to the total posts for each job level is also highlighted, offering a comprehensive view of staffing distribution within the department. The information is presented as of June 30 for both years, ensuring accuracy and relevance to the annual reporting period. The data contributes to the overall assessment of human resource management within the Water Services department, aiding in the evaluation of staffing efficiency and the municipality's commitment to maintaining a skilled and appropriately staffed workforce in this critical area.

Employees: Water Services					
Job Level	2023/2024	2024/25			
	Employees No.	Post No.	Employees No.	Vacancies fulltime equivalence) No.	Vacancies (as a % of total posts) %
0-3	1	1	0	1	100%
4-6	4	9	3	6	66%
7-9	12	23	15	8	35%
10-12	12	23	10	13	56%
13-14	15	52	21	31	59%
<b>Total</b>	<b>44</b>	<b>107</b>	<b>49</b>	<b>59</b>	<b>55%</b>
Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. senior management) then dividing that total to give the number of posts equivalent to the accumulated days.					

Table 25: Employees in Water Services: Workforce Distribution & Vacancies

### 3.1.5. 2024/25 Financial Performance: Water Services

The following table outlines the financial performance of the Water Services department for the financial years 2022/23 through 2024/25. The data includes actual figures for total operational revenue (excluding tariffs), as well as detailed breakdowns of expenditure in various categories such as employees, repairs and maintenance, and other operational costs. The table also provides insights into the original and adjusted budget allocations for the corresponding financial year, allowing for a comprehensive analysis of financial variances. The net operational (service) expenditure is a crucial metric to assess the department's financial health, and the table facilitates a clear understanding of how actual performance compares to the budgeted figures. The information presented is fundamental for stakeholders, enabling them to make informed decisions and evaluate the efficiency of financial management within the Water Services department.

Financial performance 2024/25: Water Services						
R'000						
Details	2022/23	2023/24	2024/25			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total operational revenue (excluding tariffs)	221 709	16 012			181 542	
Expenditure						
Employees	27 805	11 838			14,089	
Repairs and Maintenance	12 010	601			3,099	
Other	48 912	703			4,842	
Total Operational Expenditure	88 727	3 020			22 030	
Net Operational (service) expenditure	132 982	(12991)			159 512	
Net expenditure to be consistent with summary in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual						

Table 26: 2024/25 Financial Performance - Water Services

## 3.2 WASTEWATER (SANITATION) PROVISION

### 3.2.1 Overview of Sanitation Provision

The Mopani District Municipality, serving as the water authority, is responsible for the implementation of sanitation projects. However, during the 2024/2025 financial year, no sanitation projects were carried out by the District Municipality. The primary challenge arises from the aging infrastructure of sewer main lines and reticulation. The current sewer network faces limitations in accommodating the increasing demand from households, posing a significant hurdle to effective sanitation project execution.

### 3.2.2 Staffing Composition: Sanitation Services

The table below provides an overview of the staffing composition in the Sanitation Services department for the years 2023/24 and 2024/25. It details the number of employees at different job levels, the corresponding posts, and the current staffing situation, including vacancies expressed as full-time equivalents and as a percentage of total posts. This analysis is crucial for understanding the human resource dynamics within the Sanitation Services department, aiding in workforce management and planning.

Employees: Sanitation Services (Included under Water Services)					
Job Level	2023/2024	2024/25			
	Employees No.	Posts	Employees No.	Vacancies (fulltime equivalent)	Vacancies (as a % of total posts) %
0-3	0	1	0	1	100%
4-6	1	9	3	6	67%
7-9	6	23	15	8	35%
10-12	0	23	10	13	56%
13-15	4	52	21	31	59%
Total	11	107	49	59	55%
Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days					

Table 27: Staffing Composition - Sanitation Services

## COMPONENT A: BASIC SERVICES



### 3.2.3. 2024/25 Financial Performance: Sanitation Services

The financial performance of the Sanitation Services department for the 2024/25 financial year is presented in the table below. It outlines the actual figures for the previous years (2022/23, 2023/24, and 2024/25), the original and adjustment budgets for 2024/25, and the actual performance against the budget. The analysis includes total operational revenue (excluding tariffs) and the corresponding operational expenditure, categorized into employees, repairs and maintenance, and other expenses. The variance to the budget is also indicated, providing valuable insights into the financial management of the Sanitation Services department.

Financial performance 2024/25: Water Services						
R'000						
Details	2022/23	2023/24	2024/25			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total operational revenue (excluding tariffs)	221 709	16 012	0	0	0	0
Expenditure						
Employees	27 805	11 838	4 732	4 732	2 210	2 521
Repairs and Maintenance	12 010	601	1 894	1 894	1 918	(24)
Other	48 912	703	256	256	211	45
Total Operational Expenditure	88 727	3 020	6 882	4 339	4 339	2 543
Net Operational (service) expenditure	132 982	(12991)	(6 882)	(4 339)	(4 339)	(2 543)
Net expenditure to be consistent with summary in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual						

Table 28: Financial Performance - Sanitation Services

### 3.2.4. 2024/25 Capital Expenditure for Sanitation Services

The following table provides an overview of the capital expenditure for Sanitation Services in the 2024/25 financial year. It includes the budgeted amounts, any adjustments made to the budget, the actual expenditure incurred, the variance from the original budget, and the total project value. The capital projects are funded and budgeted for by Mopani District Municipality. The table serves as a snapshot of the financial allocations and expenditures related to sanitation infrastructure development within the municipality, offering insights into the implementation and financial management of sanitation capital projects.



Capital Expenditure 2024/25 Sanitation Services					
R'000					
Capital Projects	2024/25				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total project value
Total All	N/A	N/A	N/A	N/A	N/A
Project A	N/A	N/A	N/A	N/A	N/A
The projects are budgeted for by Mopani District Municipality.					

Table 29: Capital Expenditure - Sanitation Services

## 3.3 ELECTRICITY

### 3.3.1 Overview of Electrical Provision

Ba-Phalaborwa Municipality is responsible for the distribution of electricity within Phalaborwa town. However, for the remainder of the municipal area, the distribution falls under the licensing jurisdiction of Eskom, with a small section falling within the purview of Greater Tzaneen Municipality. This delineation of responsibilities ensures that electricity services are efficiently managed and delivered across the municipality, with Ba-Phalaborwa Municipality overseeing the specific needs of Phalaborwa town, while Eskom and Greater Tzaneen Municipality handle electricity distribution in their designated areas. This division of roles aims to optimize electricity provision and maintain effective service delivery throughout the municipality.

### 3.3.2 Electricity Service Delivery Levels

The table below presents an overview of electricity service delivery levels within Ba-Phalaborwa Municipality across different financial years. The focus is on households that meet or exceed the minimum service level requirements, particularly concerning access to electricity. The data reflects the actual number of households receiving electricity services, differentiating between those connected through traditional means and those utilizing prepaid electricity services. This information is crucial for assessing the municipality's progress in ensuring that a significant percentage of households have access to reliable and efficient electricity services, contributing to improved living standards and community welfare.

Electricity Service Delivery Levels Households			
Description	2022/23	2023/24	2024/25
	Actual No.	Actual No.	Actual No.
Energy: (above minimum level) Electricity (at least min. service level) Electricity – prepaid (min. service level)	45955 45955	50468 50468	50468 50468
Minimum service level and above sub- total Minimum service level and above percentage			

Table 30: Electricity Service Delivery Levels

## COMPONENT A: BASIC SERVICES



### 3.3.3. Employee Distribution: Electricity Services

The table below provides an overview of the employee distribution within the Electricity Services department of Ba-Phalaborwa Municipality. It details the number of employees at different job levels, highlighting both the actual workforce and the existing vacancies. The data is presented for two consecutive financial years, 2022/23 and 2024/25, with a focus on job levels ranging from 0-3 to 13-14. The inclusion of full-time equivalents and the percentage of vacancies in relation to the total posts offers insights into the staffing status within the Electricity Services department. This information is vital for assessing the workforce's capacity and ensuring adequate human resources to meet the demands of delivering electricity services to the community.

Employees: Sanitation Services (Included under Water Services)					
Job Level	2023/2024	2024/25			
	Employees No.	Posts	Employees No.	Vacancies (fulltime equivalent)	Vacancies (as a % of total posts) %
0-3	1	2	1	1	50%
4-6	5	5	4	1	20%
7-10	11	14	9	5	35%
11-12	9	16	10	6	37%
13-14	13	22	19	3	14%
<b>Total</b>	<b>39</b>	<b>59</b>	<b>54</b>	<b>16</b>	<b>27%</b>
Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. senior management) then dividing that total to give the number of posts equivalent to the accumulated days.=					

Table 31: Employee Distribution

### 3.3.4. 2024/25 Financial Performance: Electricity Services

The following table outlines the financial performance of Municipality's Electricity Services for the 2024/25 financial year. It provides a detailed breakdown of both operational revenue and expenditure, offering insights into the municipality's financial management in the electricity department. The actual figures are compared to the original and adjusted budget allocations, highlighting variances, and providing a comprehensive view of financial performance. Key components such as employee costs, repairs and maintenance, and other operational expenditures are presented to facilitate a thorough analysis of the financial health and efficiency of the Electricity Services division. The overall performance is deemed satisfactory. However, the existing challenge persists in the form of aging electricity infrastructure. The municipality has submitted a funding application for the Energy Master Plan, and the approval processes are currently in progress.

Financial performance 2024/25: Water Services						
R'000						
Details	2022/23	2023/24	2024/25			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total operational revenue (excluding tariffs)	132 175	122 845	209 912	207 986	138 340	(69 646)
Expenditure						
Employees	13 511	12 132	16 548	16 548	13 083	(3 465)
Repairs and Maintenance	24 888	6 634	5 000	8 444	5 254	(3 190)
Other	109 719	147 331	176 412	173 869	177 919	4 050
Total Operational Expenditure	148 120	166 097	197 960	198 860	240 086	41 226
Net Operational (service) expenditure	15 945	(43 252)	11 952	9 000	(101 746)	(92 746)

Variances are calculated by dividing the difference between the actual and original budget by the actual.

Table 32: Financial Performance - Electrical Services

### 3.3.5. 2024/25 Capital Expenditure – Electricity Services

The table below presents a summary of Capital Expenditure for the 2024/25 financial year in the Electricity Services division. It includes details of the actual expenditure, budget, and adjustment budget for various capital projects. The “Total All” category encompasses the comprehensive actual expenditure, original budget, adjustment budget, and variance from the original budget for the specified projects. The total project value signifies the estimated cost approved by Council, considering both past and future expenditures where applicable. This information provides insights into the financial aspects of the electricity infrastructure projects undertaken during the reporting period.

Capital Expenditure 2024/25: Electricity Services						
R'000						
Capital Projects	2023/24	2024/25				
	Actual Expenditure	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total project value
Total All	15 792 642	8 014	3 200	2 733	(467)	33 079

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.)

Table 33: Capital Expenditure - Electricity Services

## 3.4 WASTE MANAGEMENT: REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING

### 3.4.1 Waste Management Overview

Waste management stands as a pivotal element driving sustainable development. The municipality is presently engaged in the collection of refuse from residential units in urban areas, townships, businesses, schools, industrial zones, and certain parts of the rural areas, specifically Mashishimale R1, R2, R3, and select areas of Makhushane, as part of an ongoing pilot project.

At present, the municipality operates with a licensed landfill site in Phalaborwa, valid until August 2028. Additionally, there is an approved license for the development of a new landfill site. The new landfill site is in the engineering design stage. The municipality has an Integrated Waste Management Plan which was reviewed in 2025, and it was adopted by council and endorsed by the MEC for LEDET.

Key challenges faced include the need for fleet enhancement in waste management, the establishment of a new landfill site, expansion of waste collection to encompass all rural areas, addressing issues of illegal dumping.



## COMPONENT A: BASIC SERVICES



### 3.4.1.1. Sanitation Service Delivery Levels

In tracking the progress and outcomes of our sanitation service delivery, it is imperative to assess the levels of access to proper sanitation facilities among households within Ba-Phalaborwa Municipality. The data presented in the following table reflects the sanitation status for the years 2022/23 through 2024/25, categorizing households based on different sanitation provisions. The aim is to ensure a comprehensive understanding of the municipality's achievements and challenges in meeting the sanitation needs of our residents.

The figures presented encompass both minimum service level and above as well as below minimum service level categories, providing a detailed overview of our sanitation service delivery landscape. This analysis is crucial in guiding future initiatives and strategies to further enhance sanitation infrastructure, thereby contributing to the overall well-being and quality of life for our community.

Sanitation Service Delivery Levels Households			
Description	2022/23 Actual No.	2023/24	2024/25
<b>Sanitation/sewerage; (above minimum level)</b>			
Flush toilet (connected to sewerage)	14 070	25 2223	25 2223
Flush toilet (with septic tank)	1 090		
Chemical toilet	208	860	860
Pit toilet (ventilated)	10 368	21 935	21 935
Other toilet provisions (above min. service level)	9 756	650	650
<b>Minimum service level and above sub-total</b>	<b>35 492</b>		<b>35 492</b>
<b>Minimum service level and above percentage</b>	<b>86%</b>		<b>86%</b>
<b>Sanitation/sewerage; (below minimum level)</b>			
Bucket toilet	80	850	850
Other toilet provisions (below minimum service level)	5 623	2 178	2 178
No toilet provisions.			
	10 290	3 028	3 028
<b>Below Minimum service level sub-total Below</b>	<b>13.6%</b>		<b>13.6%</b>
<b>Minimum service level percentage</b>			
<b>Total Households</b>	<b>41 115</b>		<b>41 115</b>
<b>*Total number of households including informal settlements</b>			

Table 34: Sanitation Delivery Levels

## 3.4.1.2. Solid Waste Service Delivery Levels

An integral aspect of municipal service provision is the effective management of solid waste. The table below presents an overview of solid waste service delivery levels for households within Ba-Phalaborwa Municipality across the years 2022/23 through 2024/25. It delineates the actual numbers of households based on their solid waste removal practices, categorizing them into minimum service level and above, as well as below minimum service level. The figures encompass households where solid waste is removed at least once a week, meeting the minimum service level requirement, and those where the removal frequency falls below the stipulated minimum. By evaluating these levels, we gain insights into the municipality's achievements and areas requiring attention in solid waste management. This analysis forms a crucial foundation for refining strategies and initiatives aimed at ensuring an efficient and environmentally responsible solid waste management system, ultimately contributing to the overall well-being and sustainability of our community.

Solid waste service delivery levels Households			
Description	2022/23	2023/24	2024/25
	Actual No.		
<b>Solid waste removal: (minimum level)</b>			
Removed at least once a week			
Minimum service level and above sub-total	20 323	23 056	23 056
Minimum service level and above percentage	49%	43%	43%
<b>Solid waste removal: (below minimum level)</b>			
	21 443	28 593	28 593
Removed less frequently than once a week.			
Using communal refuse dump			
Using own refuse dump			
Other rubbish disposal			
No rubbish disposal	21 443	28 593	28 593
Below Minimum service level sub-total Below Minimum service level percentage	52%	56%	56%
Total Households	41 115	51 651	51 651

Table 35: Waste Delivery Levels

## 3.4.1.3. Employees in Waste Disposal and Other Services

The following provides a comprehensive overview of the workforce structure within the Waste Disposal and Other Services sector for Ba-Phalaborwa Municipality over the years 2022/23 through 2024/25. The data determines the number of employees at different job levels, the corresponding posts, vacancies (both in terms of actual numbers and full-time equivalents), and the percentage of vacancies in relation to total posts. The breakdown by job level allows for a nuanced understanding of staffing distribution, while the vacancy data provides insights into workforce dynamics and potential areas for strategic recruitment. It is important to note that posts must be established and funded in the approved budget or adjustments budget. This analysis is instrumental in shaping human resource strategies, ensuring optimal staffing levels, and maintaining efficient service delivery within the Waste Disposal and Other Services sector of the municipality.

## COMPONENT A: BASIC SERVICES



Employees: Waste Disposal and Other Services						
Job Level	2023/2024	2024/25				
	Employees No.	Employees No.	Posts	Employees No.	Vacancies (full-time equivalent)	Vacancies (as a % of total posts) %
0 – 3	0	0	1	0	1	100%
4 – 6	4	4	5	3	2	40%
7 – 9	1	0	1	0	1	100%
10 – 12	3	5	10	5	5	50%
13 – 14	38	40	73	38	35	47%
<b>TOTAL</b>	<b>46</b>	<b>49</b>	<b>90</b>	<b>46</b>	<b>44</b>	<b>48%</b>
Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total to give the number of posts equivalent to the accumulated days.						

Table 36: Employees in Waste Disposal & Other Services

### 3.4.1.4. Overall Performance of Waste Management Services

The Waste Management Service has significantly enhanced access to refuse removal services, extending coverage to approximately 3,213 households in Makhushane. To further expand waste collection to all rural areas, the municipality requires five new waste compactors and two skip bin loaders.

Noteworthy achievements include obtaining a closure and rehabilitation license for the existing landfill site in Phalaborwa, along with approval for establishing a new landfill site. Closure and rehabilitation licenses have also been secured for the Namakgale landfill site. Regular compulsory quarterly reports on landfill operations are submitted to both the Department of Forestry, Fisheries and the Environment (DFFE) and the South African Waste Information Centre (SAWIC).

Challenges such as illegal dumping persist due to disparities in waste collection, insufficient equipment and fleet, absence of waste transfer stations, and limited capacity to enforce by-laws. Collaborative efforts with stakeholders, including the Bollanoto Secondary Cooperative, mining community, Department of Limpopo Economic Development, Environment and Tourism, Department of Forestry, Fisheries and the Environment, Thinavhuyo Recycling, Zenompillo Recycling and the Institute of Waste Management in South Africa, aim to address illegal dumping by enhancing resource capacity for a sustainable environment.



Recycling initiatives are underway to reduce the volume of waste directed to the landfill site. The establishment of a new landfill site is progressing, with identified land, preliminary designs, and conducted geotechnical and geohydrological reports. The perimeter fence is nearing completion, and alternative funding mechanisms will be explored to proceed with the project after the expiration of the Phalaborwa landfill site license by the end of August 2028.

## 3.5 HOUSING

### 3.5.1 Housing Overview

Ba-Phalaborwa Municipality does not possess the mandate as a housing authority; rather, the housing function falls within the purview of the Provincial Department of Cooperative Governance, Human Settlements, and Traditional Affairs (CoGHSTA). While not directly responsible for housing, Ba-Phalaborwa Municipality actively collaborates with CoGHSTA to facilitate the provision of housing, promoting the establishment of sustainable human settlements within its jurisdiction.

The municipality's role primarily involves assisting CoGHSTA in the coordination and facilitation of housing initiatives. This collaborative effort is crucial for addressing housing challenges and ensuring the development of viable and sustainable human settlements. Ba-Phalaborwa Municipality relies on housing allocations from CoGHSTA, the designated housing authority, to initiate, plan, and execute programs and projects aimed at alleviating housing backlogs within the municipal area.

For the 2024/25 financial year, CoGHSTA has allocated 114 houses to Ba-Phalaborwa Municipality, underscoring the ongoing partnership and commitment to addressing housing needs within the community. This allocation serves as the foundation for implementing targeted programs that contribute to the realization of dignified housing and improved living conditions for residents.

### 3.5.2 Employees in Housing Services

The table below offers a comprehensive overview of the staffing structure within the Housing Services sector of Ba-Phalaborwa Municipality over the years 2023/24 through 2024/25. It provides a breakdown by job level, detailing the number of employees, corresponding posts, and any existing vacancies. Additionally, the table includes the full-time equivalents of vacancies and the percentage of vacancies in relation to the total posts. The focus is on job levels 0-3, 4-6, and 7-9, encompassing employees engaged in housing services within the municipality. The figures presented are as of 30 June each year. It is crucial to note that posts must be established and funded in the approved budget or adjustment budget. This analysis aids in understanding the workforce dynamics within the Housing Services sector, identifying staffing strengths and areas that may require strategic recruitment efforts. It serves as a valuable tool for human resource planning and optimization to ensure effective service delivery in the realm of housing within the municipality.

Employees: Housing services						
Job Level	2022/2023	2023/24	2024/25			
	Employees No.	Employees No.	Posts	Employees No.	Vacancies (full-time equivalent)	Vacancies (as a % of total posts) %
0-3	0	0	1	1	0	0%
4-6	2	2	8	5	3	38%
7-9	2	2	6	2	4	66%
<b>Total</b>	<b>4</b>	<b>4</b>	<b>15</b>	<b>8</b>	<b>7</b>	<b>46%</b>
Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. senior management) then dividing that total to give the number of posts equivalent to the accumulated days.						

Table 37: Employees in Housing Services

## COMPONENT A: BASIC SERVICES



### 3.5.3. Overall Housing Service Performance

As the municipality does not hold the role of a housing authority, there were no human settlement projects undertaken by the municipality in the 2024/25 financial year. Instead, CoGHSTA allocated 114 houses.

## 3.6. FREE BASIC SERVICES

The municipality follows an approved indigent policy that outlines the guidelines for household registration. Indigent registration is conducted annually, with continuous assessments to review and verify any changes in household income. The policy defines specific qualification criteria, and the registration process is overseen by ward councillors across all 19 wards to ensure fair and efficient implementation.

Qualified indigents are systematically entered into the municipal financial management system for monthly benefits allocations. However, challenges arise when the consumption of indigents surpasses allocated service levels due to the absence of a system to disconnect services upon exhaustion of free basic service levels. Additionally, there is a notable issue with consumers failing to collect their municipal-paid (free) electricity tokens from Eskom, resulting in avoidable wasteful expenditures.

### 3.6.1. Free Basic Services for Low-Income Households

The table below presents data for the years 2022/23 through 2024/25, focusing on households earning less than R1,100 per month. The categories covered include free basic water, free basic sanitation, free basic electricity, and free basic refuse services. The figures highlight both the total number of households and the percentage of households with access to each respective service. This analysis is integral for assessing the municipality's commitment to ensuring that essential services are accessible to low-income households, contributing to improved living standards within the community.

Free basic services to low-income households										
	Number of households									
	Total	Households' earnings less than R1.100 per month								
		Free basic Water		Free basic Sanitation		Free basic Electricity		Free basic Refuse		
		Total	Access	%	Access	%	Access	%	Access	%
2022/23		907	384	42%	301	33%	419	22%	334	37%
2023/24		1084	234	22%	183	17%	1008	93%	198	18%
2024/25		1384	411	30%	411	30%	926	67%	426	31%

Table 38: Free Basic Services to Low-Income Households



## 3.6.2. Financial Performance: Cost of Free Basic Services Delivered

The table provides an overview of the financial performance related to the cost incurred by the municipality for the delivery of free basic services during the 2024/25 financial year. The services considered include water, wastewater (sanitation), electricity, and waste management (solid waste). The data presents the actual expenditure for the specified services in the years 2022/23 through 2024/25, the budget allocated for the 2024/25 financial year, any adjustments made to the budget, and the actual expenses incurred. The variance to the budget is also highlighted, offering insights into the financial efficacy of providing free basic services. This analysis is instrumental for assessing the financial sustainability of the municipality in delivering essential services to the community and ensures effective budgetary management in alignment with service delivery objectives.

Financial performance 2024/25: Cost to municipality of free basic services delivered						
R`000						
Details	2022/23	2023/24	2024/25			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Water	N/A	N/A	N/A	N/A	N/A	N/A
Wastewater (sanitation)	N/A	N/A	N/A	N/A	N/A	N/A
Electricity	1 220 480	1 486 798	1 084 850	1 084 850	992 715	92 135
Waste Management (solid waste)	435 511	1 089 970	1 192 425	1 192 425	1 096 723	95 702
Total	1 655 991	2 576 768	2 277 275	2 277 275	2 089 438	187 837

Table 39: Financial Performance - Cost of Free Basic Services Delivered



Leadership and learning  
are indispensable to each  
other.



# COMPONENT B: ROAD TRANSPORT



## 3.7. ROADS

### 3.7.1. Overview of Road Transport

The municipal road infrastructure spans a total of 802.1 kilometers, encompassing various roads and stormwater drainage systems. However, there exists a considerable backlog, estimating a total of 559.1 kilometers that require attention and improvement. Notably, the municipality currently operates with an outdated Road Master Plan, necessitating a thorough review to align with current needs and challenges in road management. Unfortunately, the implementation of the revised Road Master Plan is impeded by financial constraints faced by the municipality. These constraints hinder the timely execution of necessary upgrades and maintenance, thereby posing challenges in optimizing the road network to meet the growing demands of the community. Addressing this issue is crucial for ensuring the safety, efficiency, and sustainability of the road infrastructure in the municipality.

#### 3.7.1.1. Gravel Road Infrastructure

The table below offers an insightful overview of the gravel road infrastructure within the municipality, spanning the years 2022/23 through 2024/25. Key metrics include the total length of gravel roads, the construction of new gravel roads, the conversion of gravel roads to tar, and the extent of gravel roads graded and maintained. In each respective year, the municipality has made efforts to manage and enhance its gravel road network. The data showcases the kilometers of gravel roads present, the incremental construction of new roads, the progress in upgrading gravel roads to tar, and the substantial efforts dedicated to grading and maintaining existing gravel roads. This analysis is vital for evaluating the municipality's commitment to maintaining a functional and accessible gravel road network, which is integral for the mobility and connectivity of the community.

Gravel road infrastructure				
Kilometers				
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained
2022/23	533.5km	N/A	0km	311.85km
2023/24	529.7km	N/A	3.8km	702.9km
2024/25	529.7km	N/A	0km	388.3km

Table 40: Gravel Road Infrastructure

## 3.7.1.2. Asphalted Road Infrastructure

The table below provides a comprehensive overview of the asphalted road infrastructure within the municipality, spanning the years 2022/23 through 2024/25. It details key metrics such as the total length of asphalted roads, the construction of new asphalted roads, the re-asphalting of existing roads, the re-sheeting of existing asphalt roads, and the maintenance efforts dedicated to the asphalt road network. Throughout each financial year, the municipality has undertaken initiatives to manage and enhance its asphalted road network. The data presented reflects the total length of asphalted roads, the addition of new roads, and the strategic efforts in re-asphalting and re-sheeting existing asphalt roads. Additionally, the maintenance activities contribute to the overall sustainability and longevity of the asphalted road infrastructure. This analysis serves as a valuable tool for assessing the municipality's commitment to maintaining a reliable and efficient network of asphalted roads, thereby facilitating smooth and safe transportation for the benefit of the community.

Asphalted Road Infrastructure					
	Total Asphalted roads	New asphalt roads	Existing asphalt roads re-asphalted	Existing asphalt roads re-sheeted	Asphalt roads maintained
2022/23	258.2	6.83	4.67km	N/A	N/A
2023/24	254.4	3.8	N/A	N/A	5817.18m <sup>2</sup>
2024/25	254.4	0	N/A	N/A	5663.55m <sup>2</sup>

Table 41: Asphalted Road Infrastructure

## 3.7.1.3. Cost of Road Construction/Maintenance

This table delves into the financial aspects of construction and maintenance within the municipality, specifically focusing on gravel and tar roads. The provided data spans the financial years 2022/23 through 2024/25, showcasing the cost per kilometer for new gravel and tar roads, maintenance expenses, and the re-working costs for tar roads. The cost analysis presents a per-kilometer breakdown for new construction and maintenance activities for both gravel and tar roads. Notably, the figures shed light on the financial investments made in constructing new roads, maintaining existing ones, and re-working tar roads for each respective year. Understanding the financial dynamics of road construction and maintenance is essential for evaluating the municipality's allocation of resources to ensure the longevity, quality, and sustainability of its road infrastructure.

Cost of construction/maintenance						
R' 000						
	Gravel			Tar		
Financial Years	New	Gravel-Tar	Maintained	New	Re-worked	Maintained
2022/23	R2M/km	R10.m	N/A	R10m	N/A	N/A
2023/24	R2M/km	R10.m	N/A	R10m	N/A	N/A
2024/25	R2M/km	R10.m	N/A	R10m	N/A	N/A

Table 42: Cost of Road/ Maintenance

## 3.7.1.4. Employees in Roads Services

The following table provides a comprehensive overview of the workforce within the municipality's Roads Services division for the financial years 2022/23 to 2024/25. It categorizes employees across various job levels, from levels 0-3 to 13-14, detailing the number of filled positions, total posts, and vacancies measured in full-time equivalents. This data offers valuable insights into workforce composition, highlighting employee distribution, vacancy levels, and the percentage of unfilled positions relative to total posts.

The information is critical for human resource planning, as it identifies staffing trends and areas that may require attention for optimization. Understanding workforce dynamics within Roads Services is essential

## COMPONENT B: ROAD TRANSPORT



for ensuring efficient service delivery, infrastructure maintenance, and road management. This analysis supports strategic decision-making by aligning human resources with the municipality's operational needs and long-term road services objectives.

Employees: Waste Disposal and Other Services						
Job Level	2022/23	2023/2024	2024/25			
	Employees No.	Employees No.	Posts	Employees No.	Vacancies (full-time equivalent)	Vacancies (as a % of total posts) %
0-3	1	1	1	1	0	0%
4-6	2	2	2	0	2	100%
7-9	3	3	3	0	3	100%
10-12	2	2	4	1	3	75%
13-14	11	11	28	20	8	28%
<b>Total</b>	<b>19</b>	<b>19</b>	<b>38</b>	<b>22</b>	<b>16</b>	<b>42%</b>
Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. senior management) then dividing that total by 250 to give the number of posts equivalent to the accumulated days.						

Table 43: Employees in Road Services

### 3.7.1.5. Financial Performance: Roads and Transport

The following table offers a comprehensive overview of the financial performance within the Roads and Transport sector of the municipality for the financial years 2022/23 through 2024/25. The presented data includes actual figures, original budgets, adjustment budgets, and the resulting variances. The financial performance is delineated into key components, focusing on total operational revenue (excluding tariffs) and operational expenditure categories, including employee-related costs, repairs and maintenance, and other operational expenses. A critical aspect of the analysis is the calculation of net operational (service) expenditure, providing insights into the financial surplus or deficit generated from the operations within Roads and Transport. The variance to the budget is highlighted, offering a clear understanding of the financial efficacy in meeting the allocated budgetary expectations. This financial assessment is crucial for informed decision-making, budgetary planning, and ensuring the fiscal sustainability of the Roads and Transport services provided by the municipality.



## COMPONENT B: ROAD TRANSPORT

Financial performance 2024/25: Roads and Transport						
R'000						
Details	2022/23	2023/24	2024/25			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total operational revenue (excluding tariffs)	41 771	36 623	39 023	39 073	38 771	(302)
Expenditure:						
Employees	36 564	0	28 007	28 007	27 551	(456)
Repairs & Maintenance	9 949		8 700	9 178	493	(8 685)
Other	2 550	0	44 250	46 308	14 982	(31 326)
Total operational expenditure	49 063	12 492	80 957	83 501	43 026	(40 467)
Net operational (service) expenditure	(7 292)	24 131	(41 478)	(44 428)	(4 255)	(40 769)

Table 44: Financial Performance - Roads & Transport

### 3.7.1.6. Capital Expenditure: Road Services

The table below provides an overview of the capital expenditure associated with Road Services for the financial year 2024/25. It outlines the budget allocation, adjustment budget, actual expenditure, variance from the original budget, and the total project value. The focus is on capital projects within Road Services, emphasizing the financial planning, execution, and outcomes of these initiatives. The table details how financial resources were allocated, adjusted, and ultimately expended in pursuit of enhancing and maintaining the road infrastructure. Of particular significance is the variance from the original budget, shedding light on the financial efficiency and effectiveness of project execution. The total project value represents the estimated cost of approved projects by Council, encompassing both past and future expenditures as appropriate. This analysis aids in assessing the municipality's commitment to capital investment in Road Services, ensuring the continued development and maintenance of the road infrastructure for the benefit of the community.

Capital Expenditure 2024/25: Road Services					
R'000					
Capital Projects	2024/25				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total project value
Total All	23 509 110,68	24 446 771,00	24 267 990,11	758 879.	86 758 967,64

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate)

Table 45: Capital Expenditure - Road Services

### 3.7.1.7. Road Performance Overview

The overall performance of the roads section is unsatisfactory in terms of routine maintenance for the existing network infrastructure. Nevertheless, the primary roads in Ba-Phalaborwa, including R71 and R40 where SANRAL is engaged in routine maintenance, exhibit more favorable conditions. The R40 road has recently undergone rehabilitation, and R71 is being maintained as needed by SANRAL. The road and stormwater Masterplan of Ba-Phalaborwa Municipality is outdated due to challenges with aging infrastructure and financial constraints. Despite these limitations, the roads and stormwater section is diligently addressing tasks such as patchwork, sealing, and unblocking stormwater drainages and catch pits.

Many of the municipal roads are experiencing aggregate loss, resulting in a rough texture on the surface. To prevent further deterioration, it is imperative for the Municipality to ensure the application of slurry on our roads before they lose their surface or the desirable texture. Additionally, a daily grading program for

# COMPONENT B: ROAD TRANSPORT



all main and internal roads are in place but faces challenges due to frequent breakdowns of graders. The ongoing process of patching, sealing, and stormwater control adheres to a drafted schedule, subject to amendments as needed.

The Benfarm Upgrading project, entailing the conversion of 3.8 km of gravel road to tar, is completed and it was financed through MIG grant. Furthermore, the municipality is presently implementing the Stormwater Culverts Installation project, a multi-year initiative. All the four planned installations were successfully completed in Makhushane in Ward 2, Lejori Ward in 10, Humulani in Ward 13 and Lulekani ward 15.

### 3.7.1.8. Development of Municipal Roads

The table below provides a brief overview of the development of municipal roads, measured in kilometers, for the years 2022/23 through 2024/25. The data showcases the extent to which the municipality has undertaken the development of its road infrastructure during each financial year. This information is crucial for assessing the municipality’s commitment to the expansion and improvement of its road network, contributing to enhanced connectivity and infrastructure development within the community. The data aids in tracking progress and aligning development efforts with the broader goals of the municipality.

Development of municipal roads as required	km of municipal roads developed
2022/23	0km
2023/24	3.8km
2024/25	0km

Table 46: Development of Municipal Roads

### 3.8. TRANSPORT

#### 3.8.1. Transport Overview

Public transportation services in the Ba-Phalaborwa area are distributed among various providers, including two short-haul bus companies facilitating transportation within and between urban zones, namely:

- Great North Transport

Additionally, a few long-distance haulers operate between Phalaborwa and Gauteng, including:

- City to City, and
- Translux.

Furthermore, an application has been received for bus services connecting Ba-Phalaborwa to Zimbabwe and back.

Taxi services are provided by several taxi associations, including:

- Phalaborwa Taxi Association,
- Namakgale Taxi Association,
- Lulekani Taxi Association, and
- Namakgale Long Distance Taxi Association.

These transport service providers are integral members of the Phalaborwa Transport Forum, overseen by the Portfolio Committee Chairperson or their delegate, with the Senior Manager of Community and Social Services serving as the Secretariat. Quarterly meetings are conducted, and representatives are expected to attend the Mopani District Transport Forums, although attendance has been limited. Ongoing efforts are being made to boost participation.

All buses and taxis are required to have stand licenses and ranking facilities, and they undergo continuous checks for compliance and roadworthiness.

### 3.9. WASTEWATER (STORMWATER DRAINAGE)

#### 3.9.1. Overview of Wastewater

The stormwater drainage system is a crucial element of the road infrastructure, designed to efficiently remove excess rain and groundwater from impermeable surfaces like paved streets, parking lots, car parks, footpaths, and sidewalks. The team responsible for roads and stormwater has implemented a systematic inspection process, including unscheduled inspections prompted by community input. These inspections are conducted either routinely following substantial or persistent rainfall or on call during public emergencies. The section diligently reports any identified risks or maintenance issues observed while traversing the municipality in the course of their duties.





## COMPONENT C: PLANNING AND DEVELOPMENT



### 3.10 PLANNING

#### 3.10.1 Overview of Planning

The Planning and Development Department of Ba-Phalaborwa Municipality plays an important role in shaping the future route of the municipality by overseeing strategic spatial planning, land use management, and sustainable development initiatives. This department is committed to aligning its activities with the broader goals outlined in the municipality's IDP and ensuring compliance with national legislation, including the Spatial Planning and Land Use Management Act (SPLUMA).

One of the key focus areas of the Planning and Development Department is the creation and implementation of a Spatial Development Framework that guides orderly and sustainable land development. Through rigorous research and stakeholder engagement processes, the department addresses challenges related to property vesting, land tenure upgrading, and law enforcement. By proactively managing these aspects, the department contributes to the overall environmental management for future sustainable economic growth in the municipality.

The department also responds to the dynamic needs of the community by adapting its planning strategies to accommodate significant developments along strategic activity corridors, such as the R71 road, and key nodal points within the municipality. Through its dedication to evidence-based decision-making, the department ensures that land development initiatives are not only aligned with current demographic trends but also anticipate future demands for basic services and socio-economic facilities, particularly in rural areas.

Furthermore, the Planning and Development Department actively promotes local economic empowerment through the implementation of programs like the Expanded Public Works Program (EPWP) and the Community Works Programme (CWP). By fostering the growth of Small, Medium, and Micro Enterprises (SMMEs) and supporting job creation, the department significantly contributes to the socioeconomic well-being of the community.

In summary, the Planning and Development Department serves as a strategic driver for the Ba-Phalaborwa Municipality, working towards a harmonious and sustainable urban and rural landscape while actively engaging with the community to address present and future development needs.

## COMPONENT C: PLANNING AND DEVELOPMENT

### 3.10.2. Employees: Planning Services

The table below presents a summary of the department's staffing levels, detailing the number of employees across various job levels, posts, and full-time equivalents. As of June 30, the workforce is strategically structured to support the municipality's planning needs. It is essential to highlight that the creation and funding of positions are aligned with the approved budget or adjustment budget, ensuring the department has the necessary resources to fulfill its mandate.

Employees: Planning Services						
Job Level	2022/23	2023/2024	2024/25			
	Employees No.	Employees No.	Posts	Employees No.	Vacancies (full-time equivalent)	Vacancies (as a % of total posts) %
0-3	1	1	1	1	0	0%
4-6	1	1	2	1	1	50%
7-9	0	0	0	0	0	0%
13-14	0	0	0	0	0	0%
<b>Total</b>	<b>2</b>	<b>2</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>33%</b>
Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. senior management) then dividing that total by 250 to give the number of posts equivalent to the accumulated days						

Table 47: Employees - Planning Services

### 3.10.3. Capital Expenditure: Planning Services

The table below provides a comprehensive overview of the capital expenditure for Planning and Development Services, including the budget allocation, adjustment budget, actual expenditure, variance from the original budget, and the total project value. It highlights the financial aspects of significant projects, including the Supplementary Valuation Roll and the Transfer of Sites, providing insights into the budgetary allocations, adjustments, and the actual expenditure incurred. The variance from the original budget is also outlined, emphasizing the financial management and accountability exercised by the Planning Services Department in executing these vital projects. The "Total Project Value" represents the estimated overall cost of each project upon approval by Council, encompassing both past and future expenditures as deemed appropriate. This overview illustrates the municipality's commitment to strategic planning and effective utilization of financial resources for the betterment of the community.

Capital Expenditure 2024/25: Planning Services					
R'000					
Capital Projects	2024/25				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total project value
Total all	R0.00	R0.00	R0.00	R0.00	R0.00
Supplementary Valuation Roll	R0.00	R0.00	R0.00	R0.00	R0.00
Transfer Of Sites	R0.00	R0.00	R0.00	R0.00	R0.00
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate)					

Table 48: Capital Expenditure - Planning & Development Services

### 3.10.4. Financial Performance: Planning Services

The table presents a comprehensive view of the department's financial activities, with a focus on operational revenue, employee-related expenses, repairs and maintenance, and other operational expenditures. The net operational expenditure reflects the financial position of the Planning Services Department, indicating whether it operated within budget constraints or faced financial challenges during the financial year. This analysis is vital for assessing the department's financial efficiency and effectiveness in delivering planning services to the municipality.

## COMPONENT C: PLANNING AND DEVELOPMENT



Financial performance 2024/25: Planning services						
R'000						
Details	2022/23	2023/24	2024/25			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total operational revenue (excluding tariffs)	176	284	261	261	284	(23)
Expenditure:						
Employees	11 958	11 063	12 778	12 778	11 063	1 715
Repairs & Maintenance	0	0			0	
Other	1 187	5 507	14 861	14 861	5 507	9 354
Total operational expenditure	13 145	16 570	27 639	27 639	16 570	11 069
Net operational (service) expenditure	(12 969)	(16 286)	(27 378)	(27 378)	(16 286)	(11 092)
Net expenditure to be consistent with summary in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.						

Table 49: Financial Performance - Planning Services

### 3.11. LOCAL ECONOMIC DEVELOPMENT

#### 3.11.1. Overview of Local Economic Development

The Local Economic Development Division is responsible for unlocking the municipality's economic potential and promoting the resilience of small-scale economic growth. Its main objective is to cultivate an environment that supports increased local economic activity, job creation, and sustainable initiatives. BPM has an approved Local Economic Development Strategy that is currently being implemented. The Implementation Plan of the LED Strategy is done in a phased approach and in the 2024/25 financial year, the municipality has executed programs and projects in Tourism, Agriculture, SMME Development, Trade and Manufacturing.



## COMPONENT C: PLANNING AND DEVELOPMENT

Despite being a gateway to prominent tourist destinations such as the Kruger National Park and the Great Limpopo Transfrontier Park, as well as housing major copper and phosphate mines (Palaborwa Copper & Fokor), the competitive strengths of the region have yet to substantially address poverty, especially within historically disadvantaged communities.

Recognizing the significant role of wildlife and scenic beauty as the top tourist activities in South Africa, the Kruger National Park remains an iconic drawcard, contributing to the wildlife tourism space. BPM boasts numerous public and private sector protected conservation areas, with the KNP Phalaborwa Gate standing out as the busiest entrance gate among the 10 gates across two provinces.

Moreover, BPM is emerging as a contender in the MICE (Meetings, Incentives, Conferences, and Events) industry, marked by a rise in annual calendar events such as the Marula festivities, Spring Festival, and F21 Half marathon. Supporting these activities is crucial to generating economic spin-offs.

BPM has also entered an International Twinning Arrangement under the Trans Limpopo Spatial Development Initiative (TSLDI) between the Republic of South Africa and the Republic of Zimbabwe. The twinning arrangements involve Ba-Phalaborwa Local Municipality and Hwange Local Board, as well as Hwange Rural District. The objectives of this arrangement include optimizing economic opportunities, facilitating sustainable development of natural and cultural resources, promoting sport, arts, and culture, positioning local authorities as viable economic hubs, showcasing them as tourism destinations, and fostering collaboration in areas such as spatial planning, road infrastructure, health, risk management, and disaster response.

In the year under review BPM is currently finalising Twinning Arrangement with the Massingir District in Mozambique and City of Victoria Falls in Zimbabwe. Both arrangements are at the final stages of development and MOU' will be finalised in the 2025/26 financial year.

### 3.11.2. Economic Employment by Sector

The table below provides an overview of economic employment by sector, detailing the number of jobs in various industries over the past four fiscal years (2022/23 to 2024/25). These sectors encompass a range of economic activities, including agriculture, forestry, fishing, mining, manufacturing, wholesale and retail trade, finance, property, government, community, and social services, as well as infrastructure services. The Stats SA Quarterly Labour Force Survey (QLFS) for Q2 2025 reported that South Africa's official unemployment rate increased to 33.2%, while the expanded unemployment rate slightly decreased to 42.9%. The number of employed people grew by 19,000, but the number of unemployed persons rose by 140,000. The data aims to offer insights into the employment trends and dynamics within each sector over the specified period.

Economic Employment by Sector			
Jobs			
Sector	2022/23	2023/24	2024/25
Agric, forestry and fishing	149	136	146
Mining and quarrying	117	121	126
Manufacturing	76	77	110
Wholesale and retail trade	270	333	311
Finance, property, etc.	142	181	163
Govt, community and social services	399	361	336
Infrastructure services	142	130	131

Table 50: Economic Employment by Sector (Stats SA, Quarterly Labour Force Survey, 2nd Quarter 2025)

## COMPONENT C: PLANNING AND DEVELOPMENT



### 3.11.3 Local Job Opportunities

Ba-Phalaborwa Local Municipality has consistently worked towards establishing a conducive environment within its primary economic sectors, namely tourism, mining, agriculture, and manufacturing.

BPM has successfully generated 1222 temporary employment opportunities through the municipality's internal poverty alleviation and employment programs, including CWP (984), EPWP, and capital projects (238).

### 3.11.4 Job Creation through EPWP Projects

Ba-Phalaborwa Local Municipality has been actively involved in creating employment opportunities through its Extended Public Works Programme (EPWP) projects. The following table provides details on the number of EPWP projects undertaken and the associated jobs created in the specified years.

Job Creation through EPWP Projects		
Details	EPWP Projects No.	Jobs created through EPWP projects. No.
2022/23	6	1228
2023/24	6	1228
2024/25	6	1222

Table 51: Job Creation through EPWP

### 3.11.5. Employees: Local Economic Development Services

The Local Economic Development Services of Ba-Phalaborwa Local Municipality play a crucial role in fostering economic growth and development within the municipal area. The following table provides an overview of the staffing levels within the department for the specified years, detailing the number of employees, vacancies, and distribution across different job levels. These figures are as of June 30th each year and are essential for understanding the human resource capacity dedicated to local economic development initiatives. Posts referenced are those established and funded in the approved budget or adjustment budget.

Employees: Local Economic Development Services						
Job Level	2022/23	2023/2024	2024/25			
	Employees No.	Employees No.	Posts	Employees No.	Vacancies (full-time equivalent)	Vacancies (as a % of total posts) %
0-3	1	1	1	1	0	100%
4-6	2	2	2	2	0	100%
7-9	2	2	2	1	1	50%
Total	5	5	5	4	1	80%
Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. senior management) then dividing that total to give the number of posts equivalent to the accumulated days.						

Table 52: Employees - Local Economic Development Services

### 3.12. OVERVIEW OF COMMUNITY AND SOCIAL SERVICES

The department consists of the following divisions:

- Library Services
- Parks and Cemeteries
- Environmental Management
- Traffic and Licensing

#### 3.12.1 OVERVIEW OF LIBRARY SERVICES

Library Services encompass a network of five fully operational libraries, along with two additional school/community libraries situated at Lebeko High School in Mashishimale and Prieska Combined School in Prieska village. These services extend to offering complimentary memberships, access to diverse print and electronic information resources, audio-visual materials, free public internet services, inter-library loans, and free utilization of computers and tablets for personal use and a mini library for the blind at the main library. Additionally, the services include printing and photocopying facilities, document scanning, user education on library offerings, and outreach programs.

The primary priorities for library services focus on improving accessibility, bridging the digital divide, strengthening collection development and management, enhancing staff training and development, and fostering stronger stakeholder partnerships. To achieve these goals, key initiatives include equipping libraries with computers, providing user education, increasing stakeholder engagement to secure additional funding, and expanding municipal library outreach services. Additionally, exploring alternative funding mechanisms is essential for the establishment of new libraries that address the diverse needs of different communities.

As for the archives, the municipality's priorities center on augmenting the space capacity of the existing archives to align with record-keeping legislative requirements. The completion of the archives at Lulekani includes the installation of a fire detection and suppression system, along with the addition of shelves. The Licensing Section has begun relocating documents to the archives facility and is awaiting the acquisition of Zipfel files to complete the process.

##### 3.12.1.1 Financial Performance of Libraries

The financial performance of Libraries in the 2024/25 financial year is presented in the table below, offering a comprehensive overview of key financial details. This includes actual figures, budget allocations, adjustments, and variances, focusing on total operational revenue and expenditures. The intricacies of operational revenue, encompassing tariffs, and various expenditure categories such as employee costs, repairs and maintenance, and other operational expenses, are scrutinized. The net operational (service) expenditure and associated variances are analysed to provide insights into the financial management of library services during the specified period.

The Library Services section operates effectively, benefiting from employees seconded to the Municipality by the Provincial Department of Arts and Culture. Ba-Phalaborwa Municipality maintains a strategic partnership with the Palabora Foundation, providing crucial support to our Library Services through a service level agreement valid until the conclusion of June 2031. The Library Services Development Plan has been formulated, submitted to management, and duly endorsed by Council. To bolster public engagement, a Library Committee has been established. Our library services attracted 54,564 visitors, with 35,274 utilizing our complimentary public internet and computer services.



## COMPONENT D: COMMUNITY & SOCIAL SERVICES



Financial performance 2024/25: Libraries						
R'000						
Details	2022/23	2023/24	2024/25			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total operational revenue (excluding tariffs)	117	123	117	117	173	56
Expenditure:						
Employees	2 352	2 116	3 144	3 189	1 599	(1 590)
Repairs & Maintenance						
Other	125	306	521	580	542	(38)
Total operational expenditure	2 479	2 421	3 782	3 886	2 140	(1 746)
Net operational (service) expenditure	(2 362)	(2 298)	(3 665)	(3 769)	(1 967)	(1 728)

Table 53: Financial Performance - Library Services

### 3.12.2. Cemeteries and Crematoriums

#### OVERVIEW OF CEMETERIES AND CREMATORIUMS

The Municipality oversees four fully established cemeteries situated in Gravelotte, Phalaborwa, Namakgale, and Lulekani. Gravelotte and Phalaborwa cemeteries are approaching their maximum capacity. The new land for the development of Gravelotte cemetery has been identified, the EIA studies have been concluded, and alternative options are being explored for Phalaborwa cemetery due to its nearing full capacity. While there are no crematoriums in Phalaborwa, arrangements are made for the storage of ashes at Phalaborwa cemetery.

## COMPONENT D: COMMUNITY & SOCIAL SERVICES

The fence at Lulekani cemetery requires an extension to cover the entire allocated land by the Tribal Authority for long-term use. Upgrading the fences at Namakgale cemetery and the old Lulekani cemetery is necessary to enhance security. Traditional authorities manage various cemeteries, and support is needed to ensure compliance with basic legislative requirements and infrastructure standards.

Implementing an electronic cemetery management system is essential for improved record-keeping, and continuous enhancement of by-laws is necessary to optimize burial space utilization and extend the lifespan of the cemeteries.

### 3.12.2.1. Financial Performance: Cemeteries and Crematoriums

The table below provides a comprehensive overview of the financial performance of Cemeteries and Crematoriums during the 2024/25 financial year. It outlines the actual figures compared to the original and adjustment budgets, shedding light on operational revenue and expenditure details. The variance to the budget is also highlighted, offering insights into the financial management of these critical services.

The Municipality can readily fulfill grave requests, yet encounter challenges, especially during public holidays. The complexity arises from the separation of responsibilities between the Budget and Treasury Office, handling grave payments, and the Community and Social Services department, managing allocations. Control issues arise due to non-compliance with by-laws by some communities.

Unauthorized expansion of graves and the construction of extensive structures beyond allocated spaces contribute to cemeteries reaching capacity earlier than estimated. Limited funds hinder proper fencing, resulting in vandalism of graves.

Providing cemetery services to tribal authorities poses a challenge as it falls outside municipal functions. Nonetheless, the Municipality supports this by offering water and grading services. The absence of crematorium facilities owned by the Municipality necessitates reliance on privately owned options, notably one in Nelspruit.

While the National Government issues regulations on deceased persons' treatment and funerals, the Municipality operates four public cemeteries, two of which have reached full capacity, emphasizing the need for sustainable management practices.

Financial performance 2024/25: Cemeteries and Crematoriums						
R'000						
Details	2022/23	2023/24	2024/25			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total operational revenue (excluding tariffs)	148	159	110	160	198	38
Expenditure:						
Employees	659	0	1 894	2 141	261	(1 880)
Repairs & Maintenance	761	0	753	573	21	(552)
Other	515	653	5 110	5 135	3 934	(1 201)
Total operational expenditure	1 935	653	7 757	7 849	4 216	(3 633)
Net operational (service) expenditure	(1 787)	(494)	(7 647)	(7 689)	(4 081)	(7 228)

Table 54: Financial Performance - Cemeteries & Crematoriums



## COMPONENT E: ENVIRONMENTAL PROTECTION



### 3.13 BIODIVERSITY AND LANDSCAPE

#### 3.13.1 Overview of Biodiversity and Landscape

There has been noticeable progress in establishing the Environmental Management Unit, with the department now incorporating biodiversity matters into its functions and key performance areas. However, financial constraints continue to pose a significant challenge to fully implementing these key performance areas.

The Municipality, with support from SALGA, has made significant progress in developing key environmental governance documents. The Environmental Management Plan (EMP) and the Climate Change Response Strategy (CCRS) have been completed and are now ready to undergo the public participation process. These documents are critical for guiding environmental management and climate adaptation actions within the municipal jurisdiction.

Additionally, the Municipality has drafted biodiversity bylaws, which are also set to enter the public participation phase. These bylaws are designed to regulate activities affecting biodiversity, strengthen conservation efforts, and ensure compliance with national biodiversity legislation.

SALGA's involvement has been instrumental in providing technical assistance and capacity building throughout the development of these documents, reinforcing the Municipality's ability to meet its environmental and climate responsibilities despite financial constraints.

Together, these efforts represent meaningful steps toward structured environmental and biodiversity governance within the Municipality, with community engagement playing a key role in finalising these critical frameworks before implementation.

Despite these challenges, the Municipality underscores the significance of Environmental and Biodiversity considerations, having integrated them into all sections' operational and maintenance key performance areas. The region features well-maintained parks with lawns and cultivated gardens, as well as semi-wild parks to support the green lung effect and preserve open spaces, receiving minimal control measures like grass cutting and alien plant management. However, uncontrolled parks pose challenges such as deforestation, poaching, and land invasion.



## COMPONENT E: ENVIRONMENTAL PROTECTION

The Municipality, with support from SALGA, has made significant progress in developing key environmental governance documents. The Environmental Management Plan (EMP) and the Climate Change Response Strategy (CCRS) have been completed and are now ready to undergo the public participation process. These documents are critical for guiding environmental management and climate adaptation actions within the municipal jurisdiction.

Additionally, the Municipality has drafted biodiversity bylaws, which are also set to enter the public participation phase. These bylaws are designed to regulate activities affecting biodiversity, strengthen conservation efforts, and ensure compliance with national biodiversity legislation.

SALGA's involvement has been instrumental in providing technical assistance and capacity building throughout the development of these documents, reinforcing the Municipality's ability to meet its environmental and climate responsibilities despite financial constraints.

Together, these efforts represent meaningful steps toward structured environmental and biodiversity governance within the Municipality, with community engagement playing a key role in finalising these critical frameworks before implementation.

Concerns also arise regarding Traditional Authority-owned land, with strategies under development to address misuse. Embracing the concept of developing "dry" parks that require minimal water, and maintenance is now considered standard practice.

The Municipality is urged to implement greening initiatives and intends to integrate a greening plan into the Integrated Development Plan. Annually, from 1 to 30 September, the Municipality encourages government institutions, schools, communities, businesses, and organizations to engage in community "greening" activities, promoting environmental health, biodiversity conservation, greenhouse gas mitigation, food security, and local environmental aesthetics.

A close-up photograph of a hand holding a small green seedling. Water is being poured from the palm of the hand onto the leaves of the plant. A large, white, outlined watermark '2024/25' is superimposed over the image, with the plant's stem passing through the slash of the year.

2024/25

## COMPONENT F: HEALTH



### 3.14 HEALTH INSPECTION, FOOD, AND ABATTOIR LICENCING AND INSPECTION

#### 3.14.1 Overview of Health Inspection, Food, Abattoir Licensing and Inspection

The responsibility for Environmental Health Practitioner Services, including health inspections, food licensing, and abattoir inspections, has transitioned from local municipalities to the Mopani District Municipality. Currently, these crucial functions are being administered by the Mopani District Municipality.




### 3.15 SECURITY AND SAFETY

#### 3.15.1 Overview of Security and Safety

The primary responsibility of the Unit is to oversee the overall security operations of the institution, guaranteeing the well-being of employees, clients, and assets through the enforcement of internal controls and collaboration with various officials and sectors. This unit operates under the umbrella of the Risk Management Unit.

The Municipality actively participates in Cluster and Joint Operations Centre (JOC) meetings facilitated by Phalaborwa South African Police Services (SAPS). It also handles applications for public marches, seeking approval through discussions with SAPS. The municipality has engaged an external service provider for its guarding services, with oversight and management handled by the Risk Management Unit.



Success and profitability  
are outcomes of focusing  
on customers and  
employees.



## COMPONENT H: TRAFFIC AND LICENSING



### 3.16 TRAFFIC LAW ENFORCEMENT

This Unit has been operational during daylight hours, focusing on law enforcement, visible policing, road safety, emergency response, and special duties across the Municipal area. To enhance financial recovery efforts, a dedicated Warrant of Arrest team has been established to improve the low payment rate of outstanding fines. This challenge is not unique to our municipality and is anticipated to see resolution with the full implementation of the Administrative Adjudication of Road Traffic Offences Act (AARTO). There is a pressing need to replace the traffic fleet to ensure effective and efficient service delivery. Additionally, the integrated transport plan requires a thorough review to remain relevant, as it has long surpassed its expiration date.

### 3.17 ROAD MARKING AND SIGNAGE SECTION

The weather conditions in Phalaborwa have consistently had a detrimental impact on road markings and painted signs, necessitating regular replacement, repair, and cleaning. A growing concern is the escalating theft of poles and signs, likely for use or sale to scrap yards, along with ongoing incidents of vandalism, especially during school holiday periods.

The erection and implementation of street name plates continue to pose challenges due to budgetary constraints. The extensive use of stand-alone speed humps, requiring continuous painting and signage, is also a persistent challenge. This is further complicated by the absence of a traffic calming system in operation and the presence of some speed humps on Provincial or District roads.

### 3.18 LICENSING SECTION (REGISTRATION AUTHORITY)

The Licensing Section, operating as the Registration Authority, functions as an agent of the Limpopo Department of Transport under a Service Level Agreement (SLA). This operation is subject to stringent regulations and legislation, with ongoing performance audits conducted by the Province. It is gratifying to report successful audits, demonstrating financial compliance and efficient operations, with only minor queries raised.

While the unit generates substantial income, there is room for improvement through negotiation during the SLA signing period, particularly regarding charges that contribute directly to the Municipality's revenue. Notably, there has been a significant revenue loss in the licensing domain due to the National Department of Transport's authorization for entities like the SA Post Office to issue motor vehicle licenses, thereby reducing our customer base. The recent implementation of an electronic system further poses a challenge, potentially diminishing income from this revenue stream.

## 3.19 TESTING OF DRIVER'S LICENCES AND EXAMINATION OF MOTOR VEHICLE SECTIONS.

The Driver's License Centre is well utilized but requires urgent relocation to a more suitable site to address legislative concerns raised by both the Province and the National inspectorate. The relocation process is currently in progress, and upon completion, it is expected to facilitate additional testing, leading to reduced queues, and waiting times. However, funding remains a significant impediment to initiating this project.

On a positive note, both the Vehicle Testing Centre and the Driver's License Testing Centre are operational and maintain an A grading in accordance with the Service Level Agreement (SLA).

## 3.20 TRAFFIC AND LICENSING PERFORMANCE

### 3.20.1 Traffic Law Enforcement Performance Area

The Traffic Law Enforcement Performance Area has been a focal point for monitoring and evaluation, with a focus on activities spanning across the years 2022/23, 2023/24, and 2024/25. The table provided encapsulates key indicators, including the number of notices issued, withdrawn, and outstanding, along with the associated financial values. Additionally, the data outlines the number of notices paid, the percentage of monthly priority enforcement completed, and the count of Arrive Alive campaigns held. This comprehensive overview sheds light on the enforcement efforts, financial impact, and campaign initiatives within the Traffic Law Enforcement domain during the specified time frame.

Traffic Law Enforcement Performance Area			
Activities	2022/23	2023/24	2024/25
Notices Issued	1766 R571 675	1262 R384600	1970 R706080
Notices Withdrawn	40	18	13
Notices Outstanding	1628 R497 700	1177 R357400	1151 R39358
Notices Paid		R20625	R101100
% of Monthly Priority Enforcement Completed	100%	100%	100%
Arrive alive campaigns held	1	1	2

Table 55: Traffic Law Enforcement Performance Area

### 3.20.2. Traffic Road Marking and Signage Performance Area

In the area of Traffic Road Marking and Signage, the performance areas for the years 2022/2023, 2023/2024, and 2024/25 showcase significant activities. These include the kilometers of road painting completed, the erection of new signs, repairs to damaged signs and pole replacements, and the removal of illegal posters. The data provided in the table illustrates the municipality's efforts in maintaining and enhancing road safety through effective road markings and signage. The consistent focus on completing road painting, erecting new signs, and addressing damages reflects the commitment to ensuring a well-maintained and safe road infrastructure within the municipality.

## COMPONENT H: TRAFFIC AND LICENSING



Traffic Road Marking and Signage Performance Areas			
Activities	2022/23	2023/24	2024/25
KM's of Road Painting Completed	9912	5298,4	22551,4
New signs Erected	32	21	26
Damaged Signs Repaired and some poles also replaced	207	150	194
Illegal Posters Removed	75	24	36

Table 56: Traffic Road Marking & Signage Performance Area

### 3.20.3. Licensing Performance Area

In the area of Licensing, the performance areas for the financial years 2022/2023, 2023/2024, and 2024/25 reveal a comprehensive array of activities. These encompass various transactions, including applications for learner's licenses, professional driving permits, roadworthy tests, and driver's licenses, among others. The data provided in the table below demonstrates the municipality's engagement in efficiently managing licensing processes, ensuring the issuance of licenses, addressing arrears and penalties, and handling transaction fees. The financial distribution between the Province and Council, along with notable figures such as outstanding infringements and direct income, provides a comprehensive overview of the licensing unit's operational landscape and financial dynamics.

Licensing (Registration Authority) Performance Areas			
Activities (Transactions Concluded)	2022/23	2023/24	2024/25
Application for Learners Licenses	2135	1997	1836
Application for Professional Driving Permit	1241	1461	1474
Application for Roadworthy Test	82	57	154
Application for Drivers License	1132	1067	903
Certification of Roadworthiness	74	42	51
Duplicate Registration/Deregistration Certificate	192	192	175
Issue Drivers Licenses (including Renewals)	6637	7685	6918
Issue Learners Licenses	567	291	595
Issue Temporary Driver's License	2820	3547	4158
Licensing of Motor Vehicles	19157	19513	21146
Registration and Licensing Arrears and Penalties	13712	15028	9803
Registration of Motor Vehicles	4985	4316	4248
Outstanding Infringements	167	194	377
Transaction fees	16724	19021	18571
80% of Fees Due to Province	15123873.56	17553513,63	R156 610 402,85
20% of fees due to Council	3780968.40	4315553,54	R3614 783,03
Direct Income Not Shared	2171294	2263471,00	2160 170.00
Outstanding Infringements Paid to Road Traffic Infringement Agency	99105.56	110662.45	R207 577,11
Transaction Fees paid to Road Traffic Management Corporation	13729773	1428264.00	R1 324 656,00

Table 57: Licensing Performance Area



## 3.20.4. Drivers' License and Roadworthy Testing Performance Area

In the area of Testing (Drivers License and Roadworthy Testing Centers), the conducted activities for the financial years 2022/2023, 2023/2024, and 2024/25 provide valuable insights into the operational facets. These activities encompass a range of transactions, including applications for learner's licenses, driver's licenses, and professional driving permits, as well as roadworthy tests. The data presented in the table below further delineates outcomes such as the issuance of licenses, unsuccessful attempts, deferred tests, and instances where applicants did not turn up. Additionally, details related to roadworthy tests, retests, and discontinuation notices due to roadworthiness or accident damage contribute to a comprehensive understanding of the testing centres' functionalities.

Testing (Driver's License and Roadworthy Testing Centers)			
ACTIVITIES (TRANSACTIONS CONCLUDED)	2022/23	2023/24	2024/25
Application for Learners Licenses	2673	2272	1834
Learners License Issued	1086	775	639
Learners License Unsuccessful	1452	1406	1087
Learners License Deferred	38	46	39
Learners Applicants Who Did Not Turn up	75	46	64
Application for Drivers License	1195	1163	977
Drivers License Issued	798	764	704
Drivers License Unsuccessful	312	359	240
Drivers Applicants Who Did Not Turn Up	52	39	30
Drivers license Test Deferred	33	1	11
Application for Professional Driving Permits	1658	1461	1474
Application for Roadworthy	76	57	62
Vehicles That Passed The Test	71	21	39
Vehicles For Retest	5	5	20
Discontinue Notice Issued due to Roadworthiness	0	0	0
Discontinue Notice Issued due to Accident Damage	0	0	0

Table 58: Drivers' License & Roadworthy Testing Performance Area

## 3.21 DISASTER MANAGEMENT

### 3.21.1 Disaster Management Function

Promote community welfare and safety by coordinating efforts to prepare for, respond to, and recover from emergencies.

### 3.21.2 Main Purpose

The primary objective is to oversee an inclusive disaster management program, collaborating with various stakeholders both within and outside the municipal jurisdiction, including the District Municipality. This initiative is geared towards saving lives, safeguarding properties, protecting government assets, coordinating emergency and disaster units, managing staff composition, administering operations, and preserving the environment.

### 3.21.3 Main Priorities

Key priorities include the establishment of a Municipal Disaster-resistant area through the execution of Disaster Risk Assessments and Disaster Impact Assessments. The focus extends to responding effectively to disaster incidents and providing essential relief materials, contributing to the overall resilience and well-being of the community.

## COMPONENT H: TRAFFIC AND LICENSING



### 3.21.4. Major Achievements

Ba-Phalaborwa Municipality has successfully provided temporary shelters, mattresses, emergency gas stoves and blankets to the public affected by disasters incidents as they occur. The municipality has a robust Disaster Management Plan in place that is been reviewed and approved by council.

The Municipal Disaster Management Unit actively participated in various potential disaster-prone activities in collaboration with all first responders, including:

- Conducting awareness campaigns
- Participating in disaster management meetings such as the District Command Council, District JOC, District Disaster Management Forum, Fire Protection Association, South African Police Cluster meetings, and others
- Engaging in joint operation committees and Local Command Councils Organizing municipally coordinated events for the year 2024/25
- Risk assessments conducted Disaster
- advisory forums convened Stockpiling
- relief material
- 

The Ba-Phalaborwa Municipality was approved for funding to repair the damaged infrastructure by the floods which occurred between October 2024 to February 2025. The approved amount that was transferred to the municipality was R10 000 000(R10million) from the Municipal Disaster Response Grant.

The National Department of Human Settlements has appointed the NHBRC to conduct an engineering assessment of the 75 houses impacted by the windstorm in October 2024 within our Municipality.

### 3.21.5 Constraints Experienced

Despite notable achievements, the disaster management unit faces challenges including limited after-hours and weekends response capacity due to restrictive standby policies and insufficient emergency shelters resulting from budget constraints. The Admin Clerk position remains vacant and requires filing to ensure alignment with our disaster management plan and to effectively manage administrative tasks within the disaster unit.

### 3.21.6 Employee Distribution: Disaster Management, Animal Licensing and Control, and Public Control

The employee distribution at various job levels for the financial years 2022/23, 2023/24, and 2024/25 are presented in the table below. The data includes the number of employees, posts, vacancies (full-time equivalents), and the corresponding percentage of vacancies concerning the total posts. It is crucial to note that these positions are as of June 30, and the establishment and funding of posts must align with the approved budget or adjustment budget. The table provides a comprehensive overview of the workforce in these critical areas, ensuring effective disaster management, animal licensing and control, and public

## COMPONENT H: TRAFFIC AND LICENSING

Employees: Disaster Management, Animal Licensing and Control, Public Control						
Job Level	2022/23	2023/2024	2024/25			
	Employees No.	Employees No.	Posts	Employees No.	Vacancies (full-time equivalent)	Vacancies (as a % of total posts) %
0-3	1	1	1	1	0	0%
4-6	1	1	1	1	0	0%
7-9	2	2	3	2	1	33%
10-12	0	0	0	0	0	0%
<b>Total</b>	<b>4</b>	<b>4</b>	<b>5</b>	<b>4</b>	<b>1</b>	<b>20%</b>

Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

Table 59: Employee Distribution - Disaster Management, Animal Licensing & Control, and Public Control





# COMPONENT I: SPORT AND RECREATION



## 3.22 SPORT AND RECREATION

### 3.22.1 Overview of Sports and Recreation

According to the National Sport and Recreation Act No. 110 of 1998, Section 3(a), a municipality may carry out sporting or recreational activities or activities relating to physical education, sport, and recreation, including training programmes and the development of leadership qualities. The Sport, Arts, and Culture unit at Ba-Phalaborwa Municipality actively supports initiatives led by the Department of Sport, Arts, and Culture at district, provincial, and national levels, as outlined in the Memorandum of Understanding (MOU) signed between BPM and the Department.

The municipality hosts various events such as Indigenous games, Golden Games, Club development games, Visual and Performing Arts, and South African Football Association activities, spanning from streams/ wards within BPM, including the annual Mayor's Cup.

Ba-Phalaborwa Municipality has a dedicated Sports Confederation/Council and an Arts and Culture Council to oversee sports and cultural activities. However, many local clubs struggle with organizational challenges, limiting their participation in leagues due to a lack of sponsorship. To address this, the municipality highlights the importance of private sector support in promoting sports development. Additionally, Municipal Infrastructure Grant (MIG) funding is strategically allocated to improve and develop high-quality sports facilities that benefit the community.

Within the Sport, Arts, and Culture Unit, a single employee serves as the Coordinator/Officer responsible for Mayoral Programs and coordinating sports, arts, and culture activities. Despite maintaining sports facilities such as Lulekani Stadium, Mashishimale Sports Complex, and Namakgale Stadium, it is noteworthy that the revenue generated from these facilities falls short of covering necessary maintenance expenses. The municipality acknowledges the importance of budgeting additional revenue to ensure the proper upkeep of these facilities.

### 3.22.2 2024/25 Capital Expenditure: Sports and Recreation

In the area of Sport and Recreation, the capital expenditure for the financial year 2024/25 reflects the financial allocation and actual expenditure for specific capital projects. The table below provides a breakdown of the budgeted amount, adjustment budget, actual expenditure, variance from the original budget, and the total project value for key initiatives within this sector. Notable projects include the construction of the Selwane Sports Complex and Namakgale Stadium. The table encapsulates crucial financial details, offering insights into the implementation and financial performance of key capital projects in the Sport and Recreation area for the specified financial year.

# COMPONENT I: SPORT AND RECREATION

Capital Expenditure 2024/25: Sport and Recreation					
R'000					
Capital Projects	2024/25				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total project value
Refurbishment of Namakgale Stadium	4 037	1 657	1 657	2 380	25 750
Installation of stormwater culvert at Tension Pilusa graveyard	500	500	400	100	0
Upgrading of gravel to asphalt from Aubrey carwash via cemetery to Kanana	10 837	10 837	10 837	0	18 777
Upgrading of Honeyville to Dinoko Sebera from gravel to tar	6 900	6 202	6 024	876	6 500
Tambo Upgrading of Internal Street Phase 2	5 384	6 536	6 536	(1 151)	25 085
Upgrading of Benfarm Phase 2	6 687	9 651	9 651	(2 964)	35 452
Upgrading of Zorba Parking area from tar to Pavement blocks	6 720	6 720	6 720	0	0
Upgrading of HI-Q Parking area from tar to pavement block	0	0	0	0	0
Selwane Sports Complex ( MIG funding)	900	900	791	(109)	900

Table 60: Capital Expenditure - Sports & Recreation

## 3.23 Sports and Recreation Activities

### 3.23.1 Local Indigenous Games

The municipality successfully coordinated the Indigenous games, which involved community members from our 19 wards. The sporting codes they participated in are Ncuva, Morabaraba, Kgati, Diketo, Jukskei, Intonga, Driestokies Dibeke, and Khokho. A total of 500 people participated in the local selection games, and 118 were selected to participate in the District games. Out of the 118 who participated in the District games, 6 were selected to participate in the Provincial Indigenous Games hosted in Bela-Bela. These games are coordinated from the hubs with the assistance of hub coordinators employed by the Department of Sport, Arts, and Culture. The municipality has three hubs, namely Mashishimale, Namakgale, and Lulekani.


### 3.23.2 Local Indigenous Games – Active Ageing Program

The municipality successfully coordinated the Golden Games, which encompassed older individuals aged 60 and above. These games were participated in by participants from senior centres and organisations coordinated by the Department of Social Development. The primary objective of this program is to promote a healthy lifestyle and encourage older individuals to remain active in their centres. The sporting codes they engaged in include Briskwalk, Jukskei, Athletics, Rugbythrow, passing the ball, Ball pass and kick, and male and female football. Over 350 older individuals from centres participated in the local selections, while 120 participated in the District games, 48 participated in the provincial games, and 23 participated in the National Games hosted in Northwest.

## 4.22.4 Arts and Culture Extravaganza

The arts and culture sector stands out as a highly creative industry capable of contributing significantly to the municipality's vision of becoming the premier tourism destination. Moreover, it serves to boost revenue while showcasing the rich and diverse traditional heritage embedded within our municipality. Numerous visual and performing artists consistently reap the rewards of their talents during the annual Marula and Mapungubwe festivities expertly coordinated by the Department of Sport, Arts, and Culture in collaboration with LEDET.

## COMPONENT I: SPORT AND RECREATION



“First, think. Second, dream. Third, believe. And finally, dare.”

### 3.22.5 Federations and Leagues

The municipality operates a functional Sports Confederation Council, which comprises various functional federations. These federations oversee ongoing seasonal leagues in various sports, including football, netball, cricket, basketball, rugby, and boxing.

However, the football federation faces challenges in securing adequate support and sponsorships from the private sector. This lack of financial backing hinders the federation's ability to develop and promote clubs and players to a professional level. Consequently, many clubs participate in unorganised tournaments, which negatively impacts football development.

Ba-Phalaborwa municipality currently has approximately 94 football teams, both male and female. However, only a handful of these teams participate in organised leagues. Notably, the municipality has one ladies' football team, Sealene Ladies, participating in the Sasol Ladies Provincial League, while three ladies' teams participate in the Regional Ladies League.

In the semi-professional football league, six teams participate in the Hollywoodbets Regional League. One team, Phalaborwa United, was promoted to the Limpopo ABC Motsepe League, joining Selwana White Vultures, which was the sole participant in these leagues. Baduzah Celtics from Makhushane also acquired a status to participate in the same league, increasing the number of teams to three that will compete in the Limpopo ABC Motsepe League.

This development presents an opportunity to enhance and improve our sport facilities to meet the standards of the Premier Soccer League (PSL). We have the potential for one of the teams to be promoted to the NFD League, which requires a PSL-approved facility



# COMPONENT J: CORPORATE POLICY OFFICES AND OTHER SERVICES

## 3.23 CORPORATE POLICY OFFICE

Due to financial limitations, the Municipality currently lacks a dedicated corporate policy office. Instead, individual departments are responsible for policy development, and the legal unit ensures their quality before seeking approval from the Council. The Corporate Services Department manages a master file that compiles all the approved policies.

## 3.24 EXECUTIVE AND COUNCIL

Ba-Phalaborwa Local Municipal Council is headed by the Speaker, and this is the legislative authority of the Municipality. The Executive Committee is headed by the Mayor, assisted by the Municipal Manager. The appointed Senior Managers are responsible for the functioning of their respective directorates. The roles and responsibilities of Politicians and the Administration are clearly defined in the approved Delegation of Authority. The Delegation of Authority was reviewed and approved by the Council.

### 3.24.1 Employees: Executive and Council

Employees: The Executive and Council						
Job Level	2022/23	2023/2024	2024/25			
	Employees No.	Employees No.	Posts	Employees No.	Vacancies (full-time equivalent)	Vacancies (as a % of total posts) %
0-3	29	29	5	5	0	0%
4-6	90	90	23	17	6	26%
7-9	137	137	24	11	13	54%
10-12	110	110	5	2	3	60%
13-14	120	120	32	32	0	0%
<b>Total</b>	<b>486</b>	<b>486</b>	<b>89</b>	<b>67</b>	<b>22</b>	<b>25%</b>

Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total to give the number of posts equivalent to the accumulated days.

Table 61: Employee Distribution - Executive & Council

## 3.25 FINANCIAL SERVICES

### 3.25.1 Debt Recovery

The table provides an overview of debt recovery details, specifically focusing on different types of accounts for the financial years 2022/23, 2023/24, and 2024/25. It includes billed amounts for property rates, electricity (C category), and refuse services, along with the estimated outturn for accounts billed in the respective years. The percentage of accounts billed that were successfully collected is also presented, offering insights into the efficiency of debt recovery processes for each category. The data underscores the municipality's performance in recovering outstanding amounts within various service sectors, such as property rates, electricity, and refuse services, over the specified time frame.

Debt recovery									
Details of the types of account raised and recovered	2022/23	2023/24	2024/25						
	Billed in year	Estimated outturn for accounts billed in year	Estimated proportion of accounts billed that were collect-ed %	Billed in year	Estimated outturn for accounts billed in year	Estimated proportion of accounts billed that were collect-ed %	Billed in year	Estimated outturn for accounts billed in year	Estimated proportion of accounts billed that were collect-ed %
Property Rates	169 772 000	88 202000	52%	124 009 163.53	64 560 959.35	52%	128 967 702	90 156 777.53	70%
Electricity – C	125 091 000	103 677 000	83%	101 250 598.5	62 712 522.1	62%	134 640 290	82 554 945.79	61%
Refuse	18 602 000	5 809 000	31%	20 189 915.38	10 511 161.18	52%	21 407 977	6 352 945.91	30%

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

Table 62: Debt Recovery

## COMPONENT J: CORPORATE POLICY OFFICES AND OTHER SERVICES



### 3.25.2. Employees: Financial Services

The table below provides an overview of the employee distribution within the Financial Services department across different job levels for the financial years 2022/23, 2023/24, and 2024/25. It includes the number of employees in each job level, the total number of posts, the vacancies (full-time equivalents), and the corresponding percentage of vacancies concerning the total posts. The data highlights the workforce composition and staffing dynamics within the Financial Services department over the specified period, reflecting the changes in employee numbers and vacancy rates across various job levels.

Employees: Financial Services						
Job Level	2022/23	2023/2024	2024/25			
	Employees No.	Employees No.	Posts	Employees No.	Vacancies (full-time equivalent)	Vacancies (as a % of total posts) %
0-3	5	5	1	1	0	0%
4-6	20	20	10	8	2	20%
7-9	9	9	14	5	9	64%
10-12	2	2	2	2	0	0%
13-14	0	0	0	0	0	0%
<b>Total</b>	<b>36</b>	<b>36</b>	<b>27</b>	<b>16</b>	<b>11</b>	<b>41%</b>
Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total to give the number of posts equivalent to the accumulated days.						

Table 63: Employees - Financial Services

## 3.26 HUMAN RESOURCE SERVICES

### 3.26.1 Overview Oof Human Resource Services

The Human Resource Section oversees various essential functions within the Municipality, including:

- 3.26.1 Recruitment, Selection, and Benefits
- 3.26.2 Personnel Administration
- 3.26.3 Skills Development
- 3.26.4 Occupational Health and Safety
- 3.26.5 Labour Relations
- 3.26.6 Organisational Development
- 3.26.7 Employee Wellness
- 3.26.8 Individual Performance Management

## COMPONENT J: CORPORATE POLICY OFFICES AND OTHER SERVICES

During the financial year of 2024/2024, the Municipality, through its Human Resources Division, successfully recruited 11 new employees.

Furthermore, the Human Resources Management and Training Division achieved the development and submission of the Workplace Skills Plan by the stipulated LGSETA timeframe, which encompassed the implementation of 50 training interventions, benefiting a total of twenty-Six (26) councillors and one hundred and sixty-nine (169) officials.

The Municipality also administered a Bursary Scheme aimed at enhancing the skills of municipal employees and other students through the Mayoral Bursary Scheme. In the fiscal year 2024/25, no new bursaries were awarded. However, fourteen (14) members of staff remain on the internal bursary scheme for the duration of their studies. We also have five (5) external bursaries that remain active.

### 3.26.2. Employees: Human Resource Services

The following table presents a comprehensive overview of the distribution of employees across different job levels within the Human Resource Services department for the financial years 2022/23 through 2024/25. The data includes the number of employees, posts, vacancies, and vacancy percentages, providing valuable insights into the workforce dynamics during this period.

Employees: Human Resource Services						
Job Level	2022/23	2023/2024	2024/25			
	Employees No.	Employees No.	Posts	Employees No.	Vacancies (full-time equivalent)	Vacancies (as a % of total posts) %
0-3	1	1	1	1	0	0%
4-6	4	4	6	4	2	33%
7-10	5	5	7	7	0	0%
<b>TOTAL</b>	<b>10</b>	<b>10</b>	<b>14</b>	<b>12</b>	<b>2</b>	<b>14%</b>
Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total to give the number of posts equivalent to the accumulated days.						

Table 64: Employee Distribution - Human Resource Services

### 3.26.3. 2024/25 Financial Performance: Human Resource Services

The following table provides a detailed overview of the financial performance of Human Resource Services during the financial years 2022/23 through 2024/25. It includes actual figures for operational revenue, operational expenditure, and specific categories such as Other Employees and Repairs & Maintenance. Additionally, the table outlines the original budget, adjustment budget, actual values, and variances to the budget, offering a comprehensive analysis of the department's financial status for the specified period.

The Human Resources services demonstrated commendable performance across various responsibilities, particularly in skills development during the 2024/25 financial year. A total of 33 training interventions were successfully implemented, accounting for a cost of R 1 8401 0016,66 from the total budget of R 2 077 323 .00 representing an allocation of 99.9%.

The performance of Labour Relations was generally satisfactory, with notable achievements, except for the Local Labour Forum (LLF), which has been convened but has experienced limited progress in finalizing consultative processes.

Throughout the 2024/2025 financial year, the Municipality reported three disciplinary cases. Of these, two cases have been concluded, while one case remains active, involving a violation of the code of conduct. This matter is currently under review at the Labour Court.



## COMPONENT J: CORPORATE POLICY OFFICES AND OTHER SERVICES



Financial performance 2024/25: Human Resource Services						
R' 000						
Details	2022/23	2023/24	2024/25			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total operational revenue (excluding tariffs)	303	305	285	365	0	0
Expenditure:						
Employees	1 547	-899	0	0	22 342	0
Repairs & Maintenance						
Other	7 381	8 566	3 321	3 981	5 330	2 009
Total operational expenditure	8 928	7 666	3 321	3 981	27 672	(24 351)
Net operational (service) expenditure	(8 625)	(7 361)	3 321	3 981	27 672	(24 351)
Net expenditure to be consistent with summary in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual						

Table 65: Financial Performance - Human Resource Services

### 3.27. INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

The ICT division is delegated by the Accounting Officer the responsibility of delivering various services, including:

- Provide ICT support to the Municipality.
- Manage of Information Security.
- Provide effective maintenance and support services.
- Coordinate network connectivity.
- Provide effective use of systems and Website, and
- Distribution and allocation of IT equipment.

#### 3.27.1. Employees: ICT Services

The following table provides a detailed overview of the employee distribution across various job levels within the ICT Services department for the financial years 2022/23 through 2024/25. The data includes the number of employees, posts, vacancies, and vacancy percentages, offering valuable insights into the workforce composition during this period. All figures are as of June 30th, and it's important to note that posts are established and funded as per the approved budget or adjustment budget. Additionally, full-time equivalents are calculated based on the total number of working days lost due to vacant posts, excluding weekends and public holidays.

## COMPONENT J: CORPORATE POLICY OFFICES AND OTHER SERVICES

Employees: ICT Services						
Job Level	2022/23	2023/2024	2024/25			
	Employees No.	Employees No.	Posts	Employees No.	Vacancies (full-time equivalent)	Vacancies (as a % of total posts) %
0-3	1	1	1	1	0	0%
4-6	2	2	4	3	1	25%
7-9	1	1	1	1	0	0%
<b>Total</b>	<b>4</b>	<b>4</b>	<b>6</b>	<b>5</b>	<b>1</b>	<b>17%</b>

Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total to give the number of posts equivalent to the accumulated days.

Table 66: Employee Distribution - ICT Services

### 3.27.2. 2024/25 Financial Performance: ICT Services

The table below presents a comprehensive overview of the financial performance of ICT Services for the financial years 2022/23 through 2024/25. It includes actual figures for operational revenue, operational expenditure, and specific categories such as Other Employees, Repairs & Maintenance, and Other. The table also outlines the original budget, adjustment budget, actual values, and variances to the budget, providing a detailed analysis of the department's financial status for the specified period. Notably, the net operational (service) expenditure reflects the financial outcome after considering both revenue and expenditure, resulting in a variance to the budget. Variances are calculated by dividing the difference between the actual and original budget by the actual figures.

Financial performance 2024/25: ICT Services						
R'000						
Details	2022/23	2023/24	2024/25			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total operational revenue (excluding tariffs)	0	0	0	0	0	0
Expenditure:						
Employees	8 545	8 910	10 474	10 474	9 679	(795)
Repairs & Maintenance	47		650	850	537	(313)
Other	7 218	5 746	18 649	15 893	8 055	(7 405)
Total operational expenditure	15 810	14 656	29 773	27 217	18 272	(8 513)
Net operational (service) expenditure	(15 810)	14,656	(29 773)	(27 217)	(18 272)	(8 513)

Net expenditure to be consistent with summary in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

Table 67: Financial Performance - ICT Services

### 3.27.3. 2024/25 Capital Expenditure: ICT Services

Capital Expenditure 2024/25: ICT Services					
R'000					
Capital Projects	2024/25				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total project value
Total All	0	0	0	0	0

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure)

Table 68: Capital Expenditure - ICT Services

## COMPONENT J: CORPORATE POLICY OFFICES AND OTHER SERVICES



### 3.27.4. Overall Performance of ICT Services

Municipalities are mandated to adhere to the ICT Municipal Governance Framework, as outlined by Section 75 of the Local Government Municipal Finance Management Act No 56 of 2003. This provision requires Municipalities to comply with the Act, particularly in terms of placing specific documents on the Municipal Website. Additionally, the ICT Governance Framework necessitates the procurement of ICT equipment and infrastructure. In this context, Ba-Phalaborwa Local Municipality is actively providing ICT support to employees, Councillors, and other stakeholders within its jurisdiction.

The ICT unit, designated as an enabling unit by the Accounting Officer, plays a pivotal role in supporting all departments within the Municipality to enhance effectiveness and efficiency in achieving municipal objectives. In the year reviewed, the ICT unit successfully delivered the following services:

#### a) Infrastructure (LAN, WAN, Software, and Hardware)

- Implementation of DRP
- Deployment of MS 365 services
- Deployment of Azure Platform
- 140 laptops leased from Service Provider
- Implementation Voice Over IP (VoIP)
- Maintained 100% email availability through hosted exchange.
- Ensured dynamic websites remained active, running, and updated daily.
- Implementation of ERP system (Sage 200 and 300)
- Activated Azure subscription.
- Implemented Disaster Recovery on the cloud.
- Renewed the license for ERP.
- Network Tower installed at Lulekani Offices

#### b) ICT Governance

- Active ICT Steering Committee.
- 4 Quarterly ICT steering committee meetings were held.
- ICT is represented at, the Top Management, Risk Committee, and Audit Committee.
- The ICT Governance Framework approved and adopted.
- ICT Terms of Reference (ToR) reviewed
- Review of the ICT strategic Plan in progress, Draft Plan in Place.
- 8 Policies reviewed.
- KnowBe4 training attended by ICT officials



# COMPONENT J: CORPORATE POLICY OFFICES AND OTHER SERVICES

- c) **Security**
- BPM ICT Security Policy reviewed
  - Security Awareness Application Deployed.
  - ICT Security posture and assessment conducted by ISO (independently)
  - Multi-factor Authentication Deployed.
  - Sophos Firewall activities and traffic reviewed.
  - Mimecast mail security deployed
  - Penetration test conducted through a personnel perspective.
  - Successfully conducted simulation for phishing through e-mails.
  - 100 % Virus Free environment (No malicious incidents reported).
  - Security Awareness was conducted through email and Windows login screen.
  - Microsoft Intune for IT Asset management deployment deployed.

## 3.28 PROPERTY, LEGAL, RISK MANAGEMENT AND PROCUREMENT SERVICES

### 3.28.1 Overview of Property, Legal, Risk Management and Procurement Services

The Municipality has instituted a Risk Management Committee to identify and mitigate risks while reinforcing internal controls, aligning with the requirements of MFMA section 62(i) (c). The Municipality has designated a Risk Officer in pursuit of maintaining an effective, efficient, and transparent financial and risk management system.

Additionally, the Municipality has established a Legal Section tasked with providing comprehensive advice to the entire municipality on all legal matters, encompassing litigations and other law-related concerns.

### 3.28.2 Service Statistics for Property, Legal, Risk Management and Procurement Service

#### a. Legal statistics

The municipality is actively managing four categories of legal cases, including:

- Cases filed against the municipality (23 in total);
- Cases initiated by the municipality against external parties (15 in total);
- Cases initiated by the municipality against residents who violate the municipality's Land Use Scheme; and
- Building Regulations and Standards Act (34 in total)
- Labour Court cases (2)

### 3.28.3. 2024/25 Financial Performance of Property, Legal, Risk Management, and Procurement Services

The table below presents the financial performance of Property, Legal, Risk Management, and Procurement Services for the financial year 2024/25. It outlines key details, including actual figures for 2022/23, and 2024/25, as well as the original and adjustment budgets and actual figures for 2024/25. The focus is on total operational revenue (excluding tariffs) and expenditure categories such as Other Employees, Repairs & Maintenance, and Other expenses. The table provides a comprehensive overview, including variances in the budget, allowing for an analysis of the financial health of these services during the specified period.

Financial performance 2024/25: Property, Legal, Risk Management and Procurement Services						
R`000						
Details	2022/23	2023/24	2024/25			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total operational revenue (excluding tariffs)	0	0	0	0	0	0
Expenditure:						
Employees	5 059	4 827	2 063	2 063	1 981	(82)
Repairs & Maintenance	42					
Other	12 903	20 707	9 677	9 650	11 799	(2 122)
Total operational expenditure	18 004	25 534	11 740	11 713	13 780	(2 040)
Net operational (service) expenditure	18 004	25 534	11 740	11 713	13 780	(2 040)
Net expenditure to be consistent with summary in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.						

Table 69: Financial Performance - Property, Legal, Risk Management & Procurement Services

# COMPONENT J: CORPORATE POLICY OFFICES AND OTHER SERVICES



## 3.28.4. Capital Expenditure: Property, Legal, Risk Management, and Procurement Services

The table below outlines the capital expenditure for Property, Legal, Risk Management, and Procurement Services for the financial year 2024/25. It details various capital projects, providing information such as the original budget, adjustment budget, actual expenditure, and the variance from the original budget. The “total all” category represents the overall capital expenditure for the specified period. The “total project value” signifies the estimated cost of each project upon approval by the Council, encompassing both past and future expenditures as appropriate. This table serves as a valuable resource for assessing the financial investments made in key projects within these service areas.

Capital Expenditure 2024/25: Property, legal, Risk Management and Procurement Services					
R'000					
Capital Projects	2024/25				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total project value
Project A	0	0	0	0	0
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure)					

Table 70: Capital Expenditure - Legal, Risk Management & Procurement Services





**BA-PHALABORWA  
MUNICIPALITY**



# CHAPTER 4

## ORGANISATIONAL DEVELOPMENT PERFORMANCE



# COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL



## 4. ORGANISATIONAL STRUCTURE REVIEW AND STAFF TURNOVER ANALYSIS

### 4.1. OVERVIEW OF ORGANISATIONAL STRUCTURE REVIEW AND STAFF TURNOVER ANALYSIS

It is a requirement in terms of the Local Government Municipal Systems Act No 32 of 2000, to review the Organisational Structure timeously to align it with the Municipal IDP and Budget. The alignment of the IDP and Organisational Structure assists in recruiting personnel who will support the Municipality in achieving its objectives and give effect to service delivery.

The Municipality approved its Organisational Structure for the year 2024/25 on the 26th of May 2023 as per Council Resolution No. 208/22. The 2024/2025 Organisational Structure reflected a total number of 706 approved positions, of which four hundred and fifty-four (454) positions were filled and two hundred and fifty-two (252) were vacant for the year under review.

### 4.2. STAFF TURNOVER

The Municipality experienced a high staff turnover whereby a total of twenty-one (21) employees left the organization in the financial year 2024/25 as follows: -

Resignations	=	07
Early retirement:	=	01
Normal retirement	=	11
Death exit	=	02
Dismissal	=	0
End of contract	=	0
TOTAL	=	21

### 4.3. EMPLOYEE TOTALS, TURNOVER AND VACANCIES

#### 4.3.1. Municipal Workforce Across All Services

The following table provides a comprehensive overview of the municipality's workforce, detailing the number of employees and approved posts across various services for the financial years 2022/23 through 2024/25. The data is organized by service category, including Water, Legal, Electricity, Waste Management, Town Planning & Housing, Finance, Roads & Stormwater, Building Services, Project Management Unit,

# COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

ICT, Strategic Planning, Local Economic Development, Library, Community & Social Services (Parks & Cemetery), Disaster Management, Security & Safety (Traffic & Licensing), Special Programs, Human Resources, Executive and Council Support, Audit and Risk Management.

The figures highlight the staffing dynamics within each service area, reflecting the number of filled positions, approved posts, and existing vacancies. This information provides insights into the municipality's human resource distribution and areas with potential recruitment needs.

Employees							
Description	2022/23		2023/2024		2024/25		
	No. of employees	No. Approved posts	No. of employees	No. Approved posts	No. Approved posts	No. of employee	No. of vacancies
Water	46	42	108	46	110	50	60
Legal	1	2	2	1	2	1	1
Electricity	44	58	58	44	59	41	18
Waste Management	59	88	88	59	86	47	39
Town Planning & Housing	8	16	16	8	16	8	8
Finance	34	64	34	34	64	37	37
Roads & Stormwater	25	12	38	25	37	22	15
Building Services	22	14	38	22	38	19	19
Project Management unit	3	3	4	4	4	4	0
ICT	5	6	6	5	6	5	1
Strategic Planning	2	3	3	2	3	2	1
Local Economic Development	4	7	7	4	7	4	3
Library	9	22	22	9	22	4	3
Community & social services (parks & Cemetery)	56	89	89	56	89	53	36
Disaster Management	3	5	5	3	5	4	1
Security & safety (Traffic & licensing)	30	42	42	30	46	32	14
Special programs	3	3	3	3	3	3	0
Human Resources	13	13	13	13	14	12	2
Executive and Council support	46	55	55	46	89	68	21
Audit and risk management	6	6	6	6	6	6	0
<b>Total</b>	<b>419</b>	<b>666</b>	<b>666</b>	<b>419</b>	<b>706</b>	<b>422</b>	<b>284</b>

Table 71: Municipal Workforce across all Services

## 4.3.2. 2024/25 Vacancy Rate

The following table presents the municipality's vacancy rate for the financial year 2024/25 and it is analyzed across various designations and categories, shedding light on the staffing dynamics. This detailed overview provides valuable insights into the specific areas where vacancies persist, aiding in workforce planning and management strategies.

Vacancy Rate: 2024/25			
Designation	Total approved posts No.	Variances (Total time that vacancies exist using fulltime equivalents) No.	Total Percentage
Municipal Manager	1	0	0%
CFO	1	1	100%
Other S57 Managers (excluding Finance Posts)	4	1	25%
Other S57 Managers (Finance posts)	0	0	0
Municipal Police	0	0	0
Fire Fighters	0	0	0
Senior Management: Levels 1-3 (excluding Finance Posts)	20	3	15%
Senior Management: Levels 1-3 (Finance Posts)	5	0	0%
Highly skilled supervision: Levels 4-6 (excluding Finance posts)	92	40	43%
Highly skilled supervision: Levels 4-6 (Finance posts)	28	10	36%
<b>Total</b>	<b>151</b>	<b>55</b>	<b>36%</b>

Table 72: 2024/25 Vacancy Rate

## COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL



“Good leaders build products. Great leaders build cultures.”

### 4.3.3. Turn-Over Rate

The turnover rate for the municipality is calculated based on the total appointments at the beginning of each financial year and the number of terminations during that year. In the financial year 2023/24, there were 18 total appointments, with 22 terminations, resulting in a turnover rate of 5.2. For the 2024/25, there were 48 total appointments and 30 terminations, leading to a turnover rate of 4.7. The turnover rate is determined by dividing the number of employees who have left the organization within a year by the total number of employees who occupied posts at the beginning of the year. This data provides insights into workforce stability and retention efforts within the municipality.

Turn-over Rate			
Details	Total Appointments as of beginning of financial year No.	Terminations during the financial year No.	Turn-over Rate No.
2022/23	20	30	7.1
2023/24	18	22	5.2
2024/25	48	20	4.7

Table 73: Turn-Over Rate



## 4.4. MUNICIPAL WORKFORCE MANAGEMENT

### 4.4.1. Overview Of Municipal Workforce Management

The Ba-Phalaborwa Municipality recognizes the pivotal role of its employees as the most valuable assets crucial to the realization of its objectives. The workforce composition of the municipality is intricately linked to the requirements of the IDP. Consequently, an annual review of the organizational structure is conducted to align with the municipality's functions and fulfill its strategic goals. In accordance with the Municipal System Act 32 of 2000 (MSA), Section 67, municipalities are mandated to establish and implement appropriate systems and procedures for fair, efficient, effective, and transparent personnel administration, in line with the Employment Equity Act 1998. The Municipality emphasizes the importance of practicality in implementing these programs, emphasizing their achievability. Accurate information about race, gender, and disability is essential in crafting programs that reflect the demographics within the municipality.

## 4.5. HUMAN RESOURCE POLICIES

The Municipality places a strong emphasis on the effective governance of its human resources, and as part of this commitment, several HR policies have been reviewed for the year 2024/25. These policies play a crucial role in shaping the work environment, ensuring fair practices, and promoting the well-being of municipal employees. The comprehensive review of these policies underscores the municipality's dedication to maintaining transparent and equitable human resource practices. These policies were officially adopted by the Council on the 26 June 2025. This commitment to keeping HR policies up to date aligns with the municipality's overarching goal of fostering a conducive and supportive working environment for its staff.

The Municipality did not approve the policies as planned due to the non-progression of the Local Labour Forum during the LLF meetings and the consultative processes. A total number of seven (08) policies were reviewed pending approval by Council.

HR Policies & Plans			
Name of Policy	Completed %	Reviewed %	Date adopted by council or comment on failure to adopt
REVIEWED POLICIES – 2024/25			
Acting on higher positions Policy	100%	100%	26 June 2025 Cr. No. 623/25
Leave Policy	100%	100%	26 June 2025 Cr. No. 623/25
Staff Provision Policy	100%	100%	26 June 2025 Cr. No. 623/25
Code of Conduct Policy	100%	100%	26 June 2025 Cr. No. 623/25
IPMDS Policy	100%	100%	26 June 2025 Cr. No. 623/25
Overtime Policy	100%	100%	26 June 2025 Cr. No. 623/25
Experiential Learning Policy	100%	100%	26 June 2025 Cr. No. 623/25
Funeral Policy	100%	100%	26 June 2025 Cr. No. 623/25

Table 74: Human Resource Policies

## COMPONENT B: MUNICIPAL WORKFORCE MANAGEMENT

### 4.6. INJURIES, SICKNESS AND SUSPENSIONS

#### 4.6.1. Number and Cost of Injuries on Duty

The table below provides an overview of the number and cost of injuries on duty, categorizing them based on the type of injury and associated leave. It outlines the days of injury leave taken, the number of employees utilizing injury leave, the proportion of employees using sick leave, the average injury leaves per employee in days, and the total estimated cost in thousands of Rands. The types of injuries considered include those requiring basic medical attention only, temporary total disablement, permanent disablement, and fatal injuries. This data offers insights into the impact of work-related injuries on the workforce, allowing for an assessment of injury patterns and associated costs within the municipality.

2024/25 Number and cost of injuries on duty					
Type of injury	Injury leave taken Days	Employees using injury leave	Proportion employees using sick leave %	Average injury leaves per employee Days	Total estimated cost R'000
Required basic medical attention only	32	1	74	N/A	N/A
Temporary total disablement	N/A	N/A	N/A	N/A	N/A
Permanent disablement	N/A	N/A	N/A	N/A	N/A
Fatal	N/A	N/A	N/A	N/A	N/A
Total	32	1	74	-	

Table 75: Number & Cost of Injuries on Duty

#### 4.6.2. Number of Days and Cost of Sick Leave (Excluding Injuries on Duty)

The table below presents information on the number of days and cost of sick leave (excluding injuries on duty) categorized by different designations within the municipality. The data encompasses the total sick leave days, the proportion of sick leave without medical certification, the number of employees using sick leave, the total number of employees in the post, the average sick leave per employee in days, and the estimated cost in thousands of Rands. This information allows for an assessment of sick leave patterns across various designations, aiding in workforce management and resource allocation strategies. A total number of 2 039 sick leave were recorded for the financial year 2024/2025.

Number of days and cost of sick leave (excluding injuries on duty) 2024/25					
Designations	Total sick leave Days	Employees using sick leave No.	Total employees in post* No.	Average sick leave per employee Days	Estimated cost R'000
MM & SEC 57 Managers	21	1	4	5.25	405938.3
Management (level 2-5)	26	10	67	6.7	3301434.9
Highly skilled production (levels 6-8)	68	17	105	6.17	10085061.3
Skilled level (level 9-12)	45	16	57	3.5	1762710.75
Lower skilled (level 13-14)	82	22	191	8.6	7321367.26
Total	242	66	424	30.22	22876512.51
Average is calculated by taking sick leave in column 2 divided by total employees in column 5					

Table 76: Number of Days & Cost of Sick Leave

### 4.7. WORKFORCE CAPACITY DEVELOPMENT

The Municipality formulated the Workplace Skills Plan in compliance with the Skills Development Act and duly submitted it to the LGSETA, adhering to the stipulated requirements. As outlined in the Workplace Skills Plan, a comprehensive training initiative was implemented, benefiting a total of 33 training interventions that were successfully implemented, accounting for a cost of R 1 8401 0016,66 from the total budget of R 2 077 323 .00 representing an allocation of 99.9%.

#### 4.7.1.1. Skills Development and Training

The following table provides details of various training interventions conducted by the municipality from July 2024 to June 2025, encompassing diverse departments and focus areas. The municipality is committed to enhancing the skills and knowledge of its workforce, aligning with the approved Workplace Skills Plan (WSP). Each entry in the table includes the training intervention's date, the specific program,

“The best way to  
predict the future is  
to create it.”





## COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE



Date	Training Intervention	Employees Trained	Department	WSP Approved
31 July 2024 – 02 August 2024	Quantum Geographic Systems Training	1	PDP	Yes R10 923.85
05-08 August 2024	VAT and PAYE	4	BTO	Yes R74 000.00
06-08 August 2024	Audit, Risk Management and MPAC seminar	9	Council MM PDP	Yes R44 550.00
12-14 August 2024	IIASA Conference	2	MM	Yes R29 900.00
12-16 August 2024	Advanced Minutes Taking and Report Writing Skills	6	TS CSS CORPS MM	Yes R132 993.00
12 – 16 August 2024	Local Government Women Leadership Programme	9	Council PDP MM CORPS	Yes SALGA
14-16 August 2024	LED Higher Certificate NQF Level 5	3	Council PDP	No SALGA
12-23 August 2024	Certified Fraud Examiner Preparation training	1	MM	Yes R 59 800.00
03-05 September 2024	Revenue Enhancement, Budget and Free Basic Services training	4	BTO	Yes R 78 000.00
04-06 September 2024	Secretaries Day	10	MM CORPS TS CSS PDP	Yes R 160 000.00
09 – 11 September 2024	ITLMPOSA	2	COUNCIL CSS	Yes R13 160-00
09-13 September 2024	MSCOA fundamental training	2	BTO	Yes R 19 006.00
11-13 September 2024	IERM Convention	2	CSS	Yes R 9 663.02
11- 13 September 2024	LED Higher Certificate NQF Level 5	3	Council PDP	No SALGA
16-20 September 2024	Management of Digital Libraries and Information Ser-vices in the Fifth Industrial Revolution	6	CSS CORPS	Yes R126 000.00

# COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

Date	Training Intervention	Employees Trained	Department	WSP Approved
16-20 September 2024	Training on Operating of Small Equipment	6	TS R138 000	Yes
01-04 October 2024	LIASA conference	8	CSS CORPS	Yes R 57 890.00
01-02 October 2024	IRMSA	2	MM	Yes R18 588.95
07-10 October 2024	CIGFARO Annual Conference	10	Council BTO OMM	Yes R 39 694.00
23-25 October 2024	Leadership Development for Men conference	1	MM	Yes R 10 348.85
14-18 October 2024	Advanced Minutes Taking and Report Writing	8	CORPS OMM DPD	Yes R132 000.00
21-25 October 2024	Records Management	1	CORPS COGHSTA	Yes
21-25 October 2024	Financial Administration	2	BTO COGHSTA	Yes
23-24 October 2024	WSP, Training Needs Analysis & Skills Development Leg-islation Policy Update 2024	2	CORPS	Yes R 21 998.00
05 – 06 November 2024	SALGA Provincial Members Assembly	5	Council OMM	Yes R25 000.00
05 -07 November 2024	Customer Centered Service Delivered	3	OMM CORPS COGHSTA	Yes
05-06 November 2024	Avoiding irregular, fruitless and wasteful expenditure	2	BTO COGHSTA	Yes
06-08 November 2024	IMPISA conference	7	Council MM CORPS	Yes R 46 900.00
06 – 08 November 2024	Environmental Management NQF Level 5	4	CSS	Yes R70 000
06-08 November 2024	IMERSA	5	TECH	Yes R50 500
14-15 November 2024	Certified Internal Auditor	1	OMM	Yes R 11 739.20
21-22 November 2024	DMISA conference	4	OMM Council	Yes R 21 500.00
25 November 2025	Audit Workshop	17	Council All Departments	No - OMM
25-29 November 2024	Basic Mechanics for Small Equipment	6	CSS	Yes R 93 150.00
27 November 2024	Municipal Leaders Media Stakeholders Engagement Programme	2	MM	No SALGA
27-29 November 2024	Leadership Development for Women in Government & SOE	1	OMM	Yes R13 798.00
4-6 December 2024	MSCOA Conference	2	Council	Yes R12 474
27-28 January 2025	Audit Action Plan Workshop	30	OMM CORPS PDP BTO CSS TS	Yes R52 430
20 -24 January 2025 (16-19 September 2024- Original Date)	CISA	1	MM	No R 30 999.00
11-13 February 2025	CCG System BTO Training	21	BTO CCG	No

## COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE



Date	Training Intervention	Employees Trained	Department	WSP Approved
12-14 February 2025	Pressure Management & Pressure Reducing Valves	1	TS COGHSTA (MISA)	No
24 – 25 February 2025	Getting Acquainted with General Conditions of Contract	1	TS COGHSTA (MISA)	No
25-26 February 2025	PFMA Workshop	2	COUNCIL	R9000.00
29-30 April 2025	CaseWare	3	BTO	Yes R37 119.10
05-07 May 2025 Limpopo Branch Symposium	CIGFARO	1	COUNCIL	Yes R5500
07 -08 May 2025	CIGFARO Young Professionals Symposium	2	OMM	Yes R11 000
19-23 May 2025	Integrated Councillors Development Programme	1	COUNCIL	No SALGA
22 – 23 May 2025	Workplace Disability Conference	1	OMM	Yes R12 073.85
02-06 June 2025	4IR in Digital Archives and Records Management	4	CORPS	Yes R61 996.00
02-06 June 2025	Traffic Systems Management	2	CSS	Yes R31 416.00
03-04 June 2025	IT Governance and Cyber Security for Public Finance Conference	2	CORPS	Yes R8430.00
09-13 June 2025	Integrated Councillors Development Programme	3	COUNCIL	No SALGA
10 June 2025	IPMS Training	39		Yes No Cost
23-27 June 2025	Facilities Management	2	CORPS	Yes R35 998.00
June 2025 08 Sessions	Pest Control	2	CSS	Yes R25 000.00(Not paid in this FY)
24-25 June 2025	Local Government Tourism Peer Learning Network Session	2	PDP	No SALGA

Table 77: Skills Development & Training

### 4.7.1.1.1. SKILLS DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY REGULATIONS

Municipality during the period under review couldn't implement the MFMA program due to outdated modules. The Municipality will be embarking on the MFMA tender with the updated modules.



## COMPONENT D: MANAGING WORKFORCE EXPENDITURE

### 4.8. WORKFORCE EXPENDITURE

#### 4.8.1. Overview of Workforce Expenditure

The control of workforce expenditure is ensured by budgeting for all vacancies outlined in the Organisational Structure.

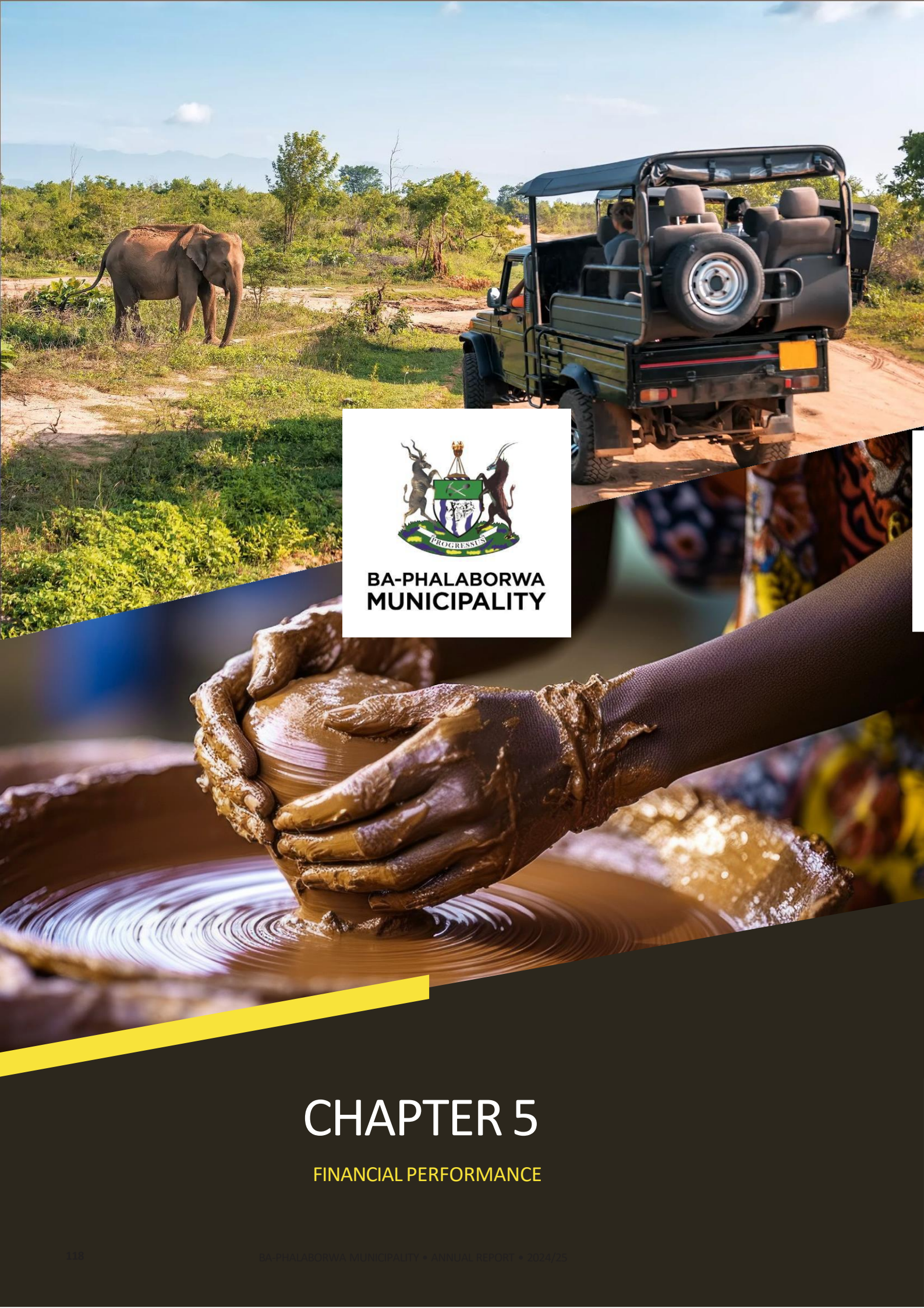
#### 4.8.2. Employee Expenditure

Two positions were created during the review of the 2024/25 organization structure to comply with the requirements of the Municipal Staff Regulation as follows: -

- Organisational Design Officer and Individual Performance Management Officer in the Corporate Services department.
- No position was upgraded nor downgraded pending the finalization of the job evaluation process.







**BA-PHALABORWA  
MUNICIPALITY**

# CHAPTER 5

FINANCIAL PERFORMANCE



## 5. OVERVIEW OF FINANCIAL PERFORMANCE

The Municipality's financial performance is assessed mainly on its financial potential and capacity for the estimated revenue base to be collected, which is billing information. The municipality's financial health depicts a favourable position; however, revenue collection is not sufficient to fund the expenditures incurred.

The municipality has set funds aside during the 2024/25 financial year to fund its capital programmes, but due to non-payment of services, not all planned projects were implemented.

All the 2024/25 programmes funded by grants were implemented without any challenges.

### 5.1. FINANCIAL STATEMENTS

#### 5.1.1. Overview of Financial Statements

The financial health of the municipality is unfavorable when assessing the repayment/bulk payments to the water board. The ratio suggests insolvency if the local municipality is required to pay the entire balance of bulk water. The municipality is functioning without working capital, implying that current collections are utilized to support activities without any reserves.

#### 5.1.2. Statements of Financial Performance

The table below provides a comprehensive overview of the financial performance of the municipality, highlighting key indicators for the years 2022/23, the current year 2023/24, and the budgeted figures for the financial year 2024/25. The data covers various aspects, including revenue, expenditure, surplus or deficit, capital recognition, capital expenditure, funds sources, financial position, and cash flows. These metrics offer valuable insights into the municipality's financial health, asset management, and overall financial well-being.

The variances presented in the table enable a thorough analysis of the municipality's financial trends and performance against budgeted expectations.





# COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

Description	2022/23	Current year 2023/24			Current year 2024/25			2024/25 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original	Adjusted	Actual	Original	Adjusted budget
Financial Performance		184 556	184 556	127 740					
Property Rates	134 374	196 353	196 353	137 825	194 706	194 706	128 968	(65 738)	(65 738)
Service charges	138 523	2 613	5 113	5 120	219 830	219 830	154 854	(64 976)	(64 976)
Investment revenue	4 026	207 443	215 693	215 659	5 394	5 894	18 680	12 786	12 786
Transfers recognised – operational	196 252	85 431	85 431	212 532	223 212	222 873	221 595	(1 617)	(1 278)
Other own revenue	177 022	676 346	687 146	698 876	90 129	93 197	46 042	(44 087)	(47 155)
Total revenue (excluding capital transfers and contributions)	590 197	199 891	199 891	168 692	733 271	736 501	609 174	(124 097)	(127 327)
Employees costs	171 698	20 101	18 401	16 987	211 878	211 878	179 828	(32 050)	(32 050)
Remuneration of councillors	14 788	79 285	79 285	69 119	18 061	18 061	17 260	(801)	(801)
Depreciation & asset impairment	74 880	19 481	19 481	22 902	189 146	189 146	52 435	(171 886)	(171 886)
Finance charges	20 847	139 479	138 279	116 160	20 552	20 552	22 144	1 592	1 592
Bulk purchases	93 614	306 288	309 188	458 477	155 868	153 890	138 092	(17 776)	(15 798)
Other expenditure	109 766	764 525	764 525	852 337	595 505	403 959	129 128	(466 377)	(274 831)
Total Expenditure	485 593	(88 179)	(77 379)	(153 460)	(814 838)	(997 486)	(538 887)	(719 348)	(429 674)
Surplus (deficit)	104 604	56 586	49 066	49 066	(81 567)	2 232	71 287	(843 445)	(557 001)
Capital Recognition	44 186	(31 594)	(28 314)	(104 394)	40 098	35 284	36 962	(3 136)	1 678
Surplus (deficit) for the year	148 790	24 992	20 752	(55 328)	(41 469)	37 516	108 249	(846 581)	555 323
Capital expenditure & funds sources	67 273	64 766	57 246	57 246	59 792	54 979	43 853	(15 939)	(11 126)
Capital expenditure									
Transfers recognised – capital	51 980	56 586	49 066	49 066	40 097	35 284	43 853	3 756	8 569
Internally generated funds	15 293	8 180	8 180	8 180	19 695	19 695		(19 695)	(19 695)
Total source of capital funds	67 273	64 766	57 246	57 246	59 792	54 979	43 853	(15 939)	(11 126)
Financial Position									
Cash flows	-	(12 086)	(11 552)	65 806	-	-	-	-	-
Net cash from (used) operating	65 079	(65 074)	(56 426)	(36 990)	(15,165)	8,139	39 315	(11 250)	31 176
Net cash from (used) investing	(19 232)	(20 400)	(20 400)	(18 468)	(68,762)	(64,596)	(38 202)	(106 964)	(102 798)
Net cash from (used) financing	(17 642)	(53 470)	(44 288)	54 438	(20,400)	(20,400)	(20 275)	(40 675)	(40 675)
Cash/cash equivalents at the year end	84 925				186 210	(30 287)	34 951	151 259	4 664
Cash backing/surplus reconciliation		(96 713)	(85 457)	54 092	-	-	-	-	-
Cash and investments available	35 718	(201 412)	(387 331)		186 210	30 287	34 952	(151 258)	4 664
Balance – surplus (shortfall)	448 367								
Asset management		1 194 527	1 138 731	804 435					
Asset register summary (WDV)	1 144 983	79 285	79 285	69 119	1 285 447	1 285 447	787 660	(497 787)	(497 787)
Depreciation & asset impairment	73 559	23 884	19 549	13 059	83 646	83 646	69 823	(13 823)	(13 823)
Repairs and maintenance	25 893	184 556	184 556	127 740	15 141	18 373	8 915	(6 226)	(9 458)

Table 78: Statement of Financial Performance

# COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

## 5.2. GRANTS

### 5.2.1 Operating Transfers and Grants

The municipality is the recipient of the following grants: Municipal Infrastructure Grants, Integrated Electricity Grant, and the Energy Efficiency Demand Side Management (EEDSM) programme. Government grant allocations are done through the Division of Revenue Act (DORA) and they include the following amongst others, Equitable Shares, Municipal Infrastructure Grants (MIG), Financial Management Grants (FMG), Local Government Sector Education Training Authority Grants (LGSETA), Expanded Public Works Programme Grant (EPWP), and Integrated National Electrification Grants (INEG).

The table provides an overview of the Grant Performance for the municipality, detailing the actual amounts, budgets, and variances for the years 2022/23, 2023/24, and 2024/25. The grants considered include Equitable Share, Finance Management Grant, Municipal Systems Improvement, and EPWP. The comparison between actual figures and budgeted amounts is presented, highlighting the percentage variances for each grant, facilitating a comprehensive understanding of the municipality's financial performance in the specified years.

Grant Performance (R'000)											
Description	2022/23	2023/24			2023/24 variance		2024/25			2024/25 Variance	
	Actual	Budget	Adjust ments budget	Actual	Original budget	Adjust ments budget	Budget	Adjust ments budget	Actual	Original budget	Adjust ments budget
					%	%				%	%
Operating transfers and grants											
National Government:											
Equitable share	188 935	196 989	205 239	205 239	104%	100%	216 586	216 586	216 586	100%	100%
Finance Management grant	3 100	3 100	3 100	3 100	100%	100%	3 000 000	3 000 000	3 000 000	100%	100%
Municipal systems improvement	0	0	0	0	0	0	0	0	0	0	0
EPWP	1 186	1 470	1 470	1 470	100%	100%	1 769 000	1 769 000	1 694 498	96%	96%
<b>Total operating transfers &amp; grants</b>	<b>193 221</b>	<b>201 559</b>	<b>209 809</b>	<b>209 809</b>			<b>4 985 586</b>	<b>4 985 586</b>	<b>4 911 084</b>	<b>99%</b>	<b>99%</b>

Table 79: Grants

## 5.3. COMPREHENSIVE FINANCIAL OVERVIEW

The following table provides a detailed Financial Summary for the municipality, offering insights into its financial performance over the years 2022/23, and 2024/25. The data encompasses a range of financial indicators, including property rates, service charges, investment revenue, and various expenditure categories. Notably, variances between actual figures and budgeted amounts are highlighted, allowing for a thorough analysis of the municipality's financial health. The table covers crucial aspects such as surplus/deficit, capital recognition, capital expenditure, cash flows, and the overall financial position. This information can be leveraged to assess the municipality's financial sustainability and make informed decisions.

# COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

Table 80: Comprehensive Financial Overview

Financial Summary (R'000)											
Description	2022/23	2023/24			2023/24 variance		2024/25			2024/25 Variance	
		Original Budget	Adjusted Budget	Actual	Original Budget	Adjusted budget	Original	Adjusted	Actual	Original	Adjusted budget
Financial Performance											
Property Rates	134 374	184 556	184 556	127 740	(56 816)	(56 816)	194 706	194 706	128 968	(65 738)	(65 738)
Service charges	138 523	196 353	196 353	137 825	(58 528)	(58 528)	219 830	219 830	154 854	(64 976)	(64 976)
Investment revenue	4 026	2 613	5 113	5 120	2 507	7	5 394	5 894	18 680	12 786	12 786
Transfers recognised – operational	196 252	207 443	215 693	215 659	8 216	(34)	223 212	222 873	221 595	(1 617)	(1 278)
Other own revenue	177 022	85 431	85 431	212 532	127 101	127 101	90 129	93 197	46 042	(44 087)	(47 155)
Total revenue (excluding capital transfers and contributions)	590 197	676 346	687 146	698 876	22 530	11 730	733 271	736 501	609 174	(124 097)	(127 327)
Employees costs	171 698	199 891	199 891	168 692	(31 199)	(31 199)	211 878	211 878	179 828	(32 050)	(32 050)
Remuneration of councillors	14 788	20 101	18 401	16 987	(3 114)	(1 414)	18 061	18 061	17 260	(801)	(801)
Depreciation & asset impairment	74 880	79 285	79 285	69 119	10 166	10 166	189 146	189 146	52 435	(171 886)	(171 886)
Finance charges	20 847	19 481	19 481	22 902	3 421	(3 421)	20 552	20 552	22 144	1 592	1 592
Bulk purchases	93 614	139 479	138 279	116 160	(23 319)	(22 119)	155 868	153 890	138 092	(17 776)	(15 798)
Other expenditure	109 766	306 288	309 188	458 477	(152 189)	(149 289)	595 505	403 959	129 128	(466 377)	(274 831)
Total Expenditure	485 593	764 525	764 525	852 337	(87 812)	(87 812)	(814 838)	(997 486)	(538 887)	(719 348)	(429 674)
Surplus (deficit)	104 604	(88 179)	(77 379)	(153 460)	(65 281)	(76 081)	(81 567)	2 232	71 287	(843 445)	(557 001)
Capital Recognition	44 186	56 586	49 066	49 066	7 520	0	40 098	35 284	36 962	(3 136)	1 678
Surplus (deficit) for the year	148 790	(31 594)	(28 314)	(104 394)	(57 761)	(76 081)	(41 469)	37 516	108 249	(846 581)	555 323
Capital expenditure & funds sources											
Capital expenditure											
Transfers recognized – capital	15 293	56 586	49 066	49 066	7 520	0	40 097	35 284	43 853	3 756	8 569
Internally generated funds	36 687	8 180	8 180	8 180	0	0	19 695	19 695		(19 695)	(19 695)



# COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

Financial Summary (R'000)											
Description	2022/23	2023/24			2023/24 variance		2024/25			2024/25 Variance	
		Original Budget	Adjusted Budget	Actual	Original Budget	Adjusted budget	Original	Adjusted	Actual	Original	Adjusted budget
Financial position											
Total current assets	477 368	1 428 766	135 072	199 023	1 229 743	(64 671)	1,285,447	1,248,477	1 280 658	(4 789)	( )
Total non-current assets	1 232 020	1 307 681	1 226 102	1 277 144	30 537	(51 042)	515,262	(446,691)	457 020	(58 242)	10 329
Total current liabilities	489 032	1 459 338	485 832	420 304	1 039 034	65 528	211,857	190,928	210 641	(1 216)	19 713
Total non-current liabilities	201 961	164 224	198 683	190 928	(26 704)	7 755	211 857	190 928	210 641	(1 216)	19 713
Community wealth/equity	1 018 395	1 334 719	984 707	864 935	469 784	119 772	1 140 477	823 416	769 594	(370 833)	(53 822)
Cash flows											
Net cash from (used) operating	65 079	(12 086)	(11 552)	65 806	77 892	77 358	(15,165)	8,139	39 315	(11 250)	31 176
Net cash from (used) investing	(19 232)	(65 074)	(56 426)	(36 990)	31 825	19 436	(68,762)	(64,596)	(38 202)	(106 964)	(102 798)
Net cash from (used) financing	(17 642)	(20 400)	(20 400)	(18 468)	1 932	1 932	(20,400)	(20,400)	(20 275)	(40 675)	(40 675)
Cash/cash equivalents at the year end	84 925	(53 470)	(44 288)	54 438	92 605	(98 726)	186 210	(30 287)	34 951	151 259	4 664
Cash backing/surplus reconciliation											
Cash and investments available	35 718	(53 470)	(44 288)	54 438	92 605	(98 726)	186 210	(30 287)	34 951	151 259	4 664
Asset management											
Asset register summary (WDV)	1 144 983	804 435	(390 092)	(334 296)	804 435	(390 092)	1 285 447	1 285 447	787 660	(497 787)	(497 787)
Depreciation & asset impairment	73 559	69 119	10 166	10 166	69 119	10 166	83 646	83 646	69 823	(13 823)	(13 823)
Repairs and maintenance	25 893	13 059	10 825	6 490	13 059	10 825	15 141	18 373	8 915	(6 226)	(9 458)

# COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

## 5.4. ASSET MANAGEMENT

The Municipality has a fully capacitated Assets Management Unit responsible for maintaining the assets register and ensuring compliance with the safeguarding requirements outlined in the Municipal Finance Management Act (MFMA). All assets are comprehensively insured. The Municipality adheres to Generally Accepted Accounting Practices for the recognition, measurement, valuation, disclosure, and presentation of its assets. Moreover, the Municipality has formulated both an Asset Management Policy and an Assets Maintenance Plan to guide its asset management practices. The three (03) largest municipal assets are tabulated below:

### 5.4.1. Three Largest Municipal Assets a) Asset 1 - Investment Property (Land) Overview

The table below presents a thorough analysis of the Investment Property, shedding light on key aspects that influence its management and strategic use. From the involvement of various departments and their respective responsibilities to the financial implications and policies in place, each detail contributes to a holistic understanding of the Municipality's management strategy for its largest assets. Asset 1, being a crucial component of the Municipality's portfolio, is strategically positioned for rental earnings, capital appreciation, and future economic or social benefits. The table also highlights key challenges such as conflicts related to land use and potential eviction issues, underscoring the need for robust policies and management practices to address such concerns.

TREATMENT OF THE THREE LARGEST ASSETS (R'000)			
Assets 1			
Name	Investment Property		
Description	Land		
Asset Type	Land site		
Key staff involved	Community, Strategic Planning, Technical (PMU) and Budget and treasury department and asset department		
Staff responsibilities	Planning, Implementation, monitoring, and Facilitate Payment maintenance of asset		
Asset Value	2022/23	2023/24	2024/25
	442 037	472 392	492 680
Name	Investment Property		
Description	Land		
Asset Type	Land site		
Key staff involved	Community, Strategic Planning, Technical (PMU) and Budget and treasury department and asset department		
Staff responsibilities	Planning, Implementation, monitoring, and Facilitate Payment maintenance of asset		

Table 81: Asset 1 - Investment Property

### b) Asset 2 – Land and Building Overview

The following table presents Asset 2 - Land and Building. The collaborative efforts of various departments, including Community, Strategic Planning, Technical (PMU), Budget and Treasury, and the Asset department, underscore the cross-functional nature of asset management. Staff responsibilities span planning, implementation, monitoring, payment facilitation, and the safeguarding of assets, emphasizing a holistic approach to asset oversight. The historical asset values provide insights into the financial landscape, while the discussion on capital implications and future purposes elucidates the asset's role as an investment for improvements and potential owner occupation. Noteworthy issues, such as valuation discrepancies and value-for-money concerns, highlight challenges that the Municipality addresses through the implementation of robust policies, including Valuation Roll, Investment, and Asset Register policies.

# COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

TREATMENT OF THE THREE LARGEST ASSETS (R'000)			
<b>Assets 2</b>			
<b>Name</b>	Land and Building		
<b>Description</b>	Improvements on Land		
<b>Asset Type</b>	Building		
<b>Key staff involved</b>	Community, Strategic Planning, Technical (PMU) and Budget and treasury department and Asset department		
<b>Staff responsibilities</b>	Planning, Implementation, monitoring and Facilitate Payment and Safeguarding of assets		
<b>Asset Value</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>
	354 011	77 498	139 810
<b>Capital implications</b>	Funding Mechanisms		
<b>Future purpose of asset</b>	Investment For Improvements and Future economic or social benefits, owner occupier		
<b>Describe key issues</b>	valuation roll not complying to asset register and value for money		
<b>Policies in place to manage asset</b>	Valuation roll, Investment, and asset register policy in place		

Table 82: Asset 2 - Land & Building

## c) Asset 3 – Road Infrastructure Overview

The table below provides an insightful overview of the Municipality's approach to managing Asset 3 - Roads Infrastructure. Key staff from diverse departments collaborate to ensure the planning, implementation, and monitoring of Roads align with strategic goals. The historical asset values depict the financial evolution of Roads, with a focus on responsible capital implications such as maintenance of Roads, Sidewalks, and Traffic Signs. The asset's future purpose is delineated, emphasizing its role in service delivery, improvement initiatives, and contributing to future economic and social benefits. Key issues, including concerns about Value for Money and the development of a Road Safety Strategy and Action Plan, underscore the Municipality's commitment to efficient and safe road management. The table concludes with a mention of the pertinent policies in place, specifically the Asset Register Policy, emphasizing the governance framework implemented for effective asset management.

TREATMENT OF THE THREE LARGEST ASSETS (R'000)			
<b>Assets 3</b>			
<b>Name</b>	Roads		
<b>Description</b>	Infrastructure Roads		
<b>Asset Type</b>	Pavement Road		
<b>Key staff involved</b>	Community, Strategic Planning, Technical (PMU) and Budget and treasury department		
<b>Staff responsibilities</b>	Planning, Implementation, monitoring, and Facilitate Payment		
<b>Asset Value</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>
	223 469	351 717	409 591
<b>Capital implications</b>	Road, Sidewalk and Traffic Signs maintenance, funding mechanisms		
<b>Future purpose of asset</b>	Service Delivery and For Improvements and Future economic or social benefits		
<b>Describe key issues</b>	Value For Money, Development of a Road Safety Strategy and Action Plan		
<b>Policies in place to manage asset</b>	Asset register policy in place		

Table 83: Asset 3 – Roads



# COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE



## 5.4.2. Repair and Maintenance Expenditure

The Municipality allocates funds for repairs and maintenance to cover various needs, such as road and electricity infrastructure, municipal building upkeep, and the repair of assets like vehicles and computer equipment that support service delivery. Any assets acquired through these maintenance activities are later reclassified and added to the main asset portfolio.

The table below presents a comprehensive overview of the Municipality’s financial allocations and expenditures in repairs and maintenance for the financial year 2024/25. The data includes the original budget, adjustment budget, actual expenditure, and the resulting budget variance. This table sheds light on the financial management of crucial aspects such as infrastructure upkeep, building maintenance, and the repair of various assets, providing a detailed breakdown of the Municipality’s financial performance in these essential areas.

Repair and maintenance expenditure 2024/25				
	Original budget	Adjustment budget	Actual	Budget variance
Repairs and maintenance expenditure	16 291	19 643	8 915	(7 376)

Table 84: Repairs & Maintenance Expenditure

## COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

### 5.5. CAPITAL EXPENDITURE AND SOURCES OF FINANCE

The Municipality's source of funding consists of government grants and its revenue through the provision of services, which are the sales of electricity, property rates charges, rental of Municipal facilities, and charging of fines and penalties. The government grants allocations are done through the Division of Revenue Act (DORA) include the following amongst others Equitable Shares, Municipal Infrastructure Grants (MIG), Financial Management Grants (FMG), Local Government sector education training authority grants (LGSETA) Expanded public works programme grant (EPWP), Integrated National Electrification Grants (INEG).

The table titled below provides a comprehensive breakdown of the Municipality's capital expenditure and its funding sources for the financial year 2024/25.

The data includes actual figures, original budget allocations, adjustment budgets, and the variances between actual and budgeted amounts. This table offers insights into the Municipality's financial management, particularly in terms of external loans, public contributions, grants and subsidies, and other funding categories. Additionally, the percentage distribution of expenditure across key sectors such as Water and Sanitation, Electricity, Housing, Roads and Stormwater, and Others is presented, highlighting the allocation and utilization of financial resources in these critical areas.

Capital Expenditure – funding sources 2024/25 (R'000)						
Details	2023/24	2024/25				
	Actual	Original Budget (OB)	Adjustment Budget	Actual	Actual to OB Variance (%)	Actual to Adjustment Variance (%)
Source of finance						
Grants and subsidies	49 066	40 098	35 284	35 105	88%	99%
Other	6 591	19 695	19 695	8 748	44%	44%
<b>Total</b>	<b>55 657</b>	<b>59 793</b>	<b>54 979</b>	<b>43 853</b>	<b>73%</b>	<b>80%</b>
Percentage of finance						
External Loans	0					
Public contributions and donations	51 703	0	0	0	0	0
Grants and subsidies	49 066	40 098	35 284	35 105	88%	99%
Other	6 591	19 695	19 695	8 748	44%	44%
<b>Capital Expenditure</b>						
Water and Sanitation	0	0	0	0	0	0
Electricity	15 790	4 814	0	0	0	0
Housing	0	0	0	0	0	0
Roads and storm water	39 057	37 141	37 141	36 962	100%	100%
Other	910	17 838	17 838	6 891	39%	39%
<b>Total</b>	<b>55 757</b>	<b>59 793</b>	<b>54 979</b>	<b>43 853</b>	<b>73%</b>	<b>80%</b>
Percentage of expenditure						
Water and Sanitation	0	0	0	0	0	0
Electricity	15 790	4 814	0	0	0	0
Housing	0	0	0	0	0	0
Roads and storm water	39 057	37 141	37 141	36 962	100%	100%
Other	910	17 838	17 838	6 891	39%	39%

Table 85: Capital Expenditure & Funding Sources

## COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

### 5.6. CAPITAL SPENDING ON 5 LARGEST PROJECTS

The table below provides a detailed overview of the original budget, adjustment budget, and actual expenditure for the Municipality's top five projects with the highest capital expenditure in the financial year 2024/25. The variance percentages or amounts for both the original and adjustment budgets are also included, offering insights into the financial performance and budget management of each project. Additionally, the table introduces three major projects – The upgrading of Benfarm, the Refurbishment of Namakgale Stadium, and Tambo Phase 2 street paving. These projects are further elaborated with information on their objectives, potential delays, future challenges, and anticipated benefits for the citizens residing in the respective project areas. This comprehensive presentation provides stakeholders with a transparent view of the Municipality's major capital projects and their impact on the local communities.

Capital Expenditure of 5 largest projects 2024/25 R'000					
Name of project	Current year			Variance current year	
	Original budget	Adjustment budget	Actual expenditure	Original variance (% or rand)	Adjustment variance (% or rand)
Upgrading of Benfarm Phase 2	R10 792 000.00	R20 074 944.00	R20 074 944.00	R9 282 944.00	R0
Refurbishment of Namakgale stadium	R15 000 000.00	R7 340 525.48	R7 340 525.48	R7 659 474.52	R0
Tambo Phase 2	R5 680 000.00	R0	R0	R0	R0
Installation of stormwater culvert	R10 000 000.00	R5 856 525.80	R5 856 525.80	R4 143 474.20	R0
Electrification of Majeje Ext B Phase 2 (400 Units)	R8 000 000	R5 000000.00	R6 913 450.42	R3 000 000	(R1 913 450.42)
<b>Projects with the highest capital expenditure in 2024/25</b>					
<b>Name of project – A</b>	Upgrading of Benfarm Phase 2				
Objective of project	Upgrading of road from gravel to asphalt				
Delays	Project stoppages due to local subcontractors				
Future challenges	None				
Anticipated citizen benefits	Majeje village				
<b>Name of project – B</b>					
Objective of project	Upgrading of Honeyville to Dinoko Sebera from gravel to paving				
Delays	- Upgrading of road from gravel to Paving				
Future challenges	Late start due to recruitment of local labourers. The are frequent stoppages due to nonpayment of local labourers and local SMMEs				
Anticipated citizen benefits	Project stoppages due to non-payment of labourers and local subcontractors by the Main contractor				
<b>Name of project – C</b>	Residents of Ward 9 and Ward 2				
Objective of project					
Delays	Refurbishment of Namakgale stadium				
Future challenges	Refurbishment of stadium				
Anticipated citizen benefits	Stoppages by the sub-contractors of the previous contractor				
<b>Name of project – D</b>	Stoppages by the sub-contractors of the previous contractor				
Objective of project	Residents of Namakgale				
Delays					
Future challenges	Upgrading of gravel to pave from Aubrey carwash via cemetery to Kanana				
Anticipated citizen benefits	Upgrading of road from gravel to Paving				
<b>Name of project – E</b>	Late start due to recruitment of local labourers. Furthermore, the contractor not being able to extract material from the borrow-pit				
Objective of project	Slow progress by the Contractor				
Delays	Ward 1 and Ward 19				
Future challenges					
Anticipated citizen benefits	Installation of stormwater culvert at Tension Pilusa graveyard				

Table 86: Capital Expenditure on 5 Largest Projects



## 5.7. BASIC SERVICE AND INFRASTRUCTURE BACKLOGS

The table below presents a comprehensive overview of service levels in various essential categories within Ba-Phalaborwa Local Municipality and Mopani District Municipality. The table addresses critical services such as Water, Sanitation, Electricity, Waste Management, and Housing. It distinguishes between service levels above the minimum standard and those below the minimum standard, providing specific figures for the number of households (HHs) and the corresponding percentage of households. The Mopani District Municipality's functions in Water and Sanitation are highlighted, offering insights into the performance of these services.

Additionally, the table sheds light on the status of Electricity services, Waste Management, and the housing situation, indicating whether service levels are meeting or falling below the established minimum standards. The percentage calculation of households above/below the minimum standard serves as a crucial metric for assessing service backlogs, aiding in strategic planning and resource allocation for service improvements.

Service Backlogs as of 30 June 2025				
	Service level above minimum standard		Service level below minimum standard	
	No. HHs	% HHs	No. HHs	% HHs
Water	43 838	84.87	7 813	15.12
Sanitation	48 108	92.9	3678	7.1
Electricity	50 468	97.7	1183	2.29
Waste management	43 838	84.87	7 813	15.12
Housing	N/A	N/A	4466	

Table 87: Basic Services & Infrastructure Backlog

## BACKLOG ON ROADS

The municipality faces a backlog of 559.1 kilometers of gravel roads designated for upgrading to tarred or paved surfaces. To address this, a structured plan has been developed to construct or upgrade at least 5 kilometers per financial year, in alignment with the Municipal Infrastructure Grant (MIG) allocation.



# COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

## 5.8. CASH FLOW MANAGEMENT AND INVESTMENTS

### 5.8.1. Overview of Cash Flow Management and Investments

The Municipality manages its cash flow through government grants and internal revenue generated from municipal services. The municipality maintains working capital, and any surplus is transferred to reserves for carryover into subsequent financial years. It's important to note that the surplus reported is primarily allocated for day-to-day activities unless it pertains to unspent grants, requiring approval from the National Treasury for rollover. Additionally, the municipality has engaged the services of a debt collector to enhance revenue collection within the township. The municipality also maintains an investment register, detailing transfers to call accounts, as well as the principal amounts and interest earned, providing transparency in financial management.

### 5.8.2. Cashflow Outcomes

The table presents the Cash Flow Outcomes for the years 2022/23 through 2024/25, outlining the audited outcomes, original budgets, adjusted budgets, and actual figures for various cash flow activities. The cash flow from operating activities encompasses receipts and payments related to ratepayers, government operations, capital, interest, and dividends. Additionally, the table details cash flows from investing and financing activities, providing a comprehensive overview of the municipality's financial dynamics. The net increase or decrease in cash, along with cash/cash equivalents at the beginning and end of each financial year, is presented, offering insights into the municipality's liquidity and financial position.

Cash Flow Outcomes (R'000)					
Description	2022/23	2023/24	2024/25		
	Audited Outcome	Actual	Original Budget	Adjusted Budget	Actual
<b>Cash Flow from Operating Activities</b>					
<b>Receipts</b>					
Ratepayers and other	355 119	361 400	375 754	414 536	385 218
Government – operating	195 030	223 212	223 212	223 904	221 595
Government – Capital	42 377	49 066	40 098	35 284	36 962
Interest	3 014	4 208	5 394	5 894	18 680
Dividends	0	0			
<b>Payments</b>					
Suppliers and employees	(530 461)	(560 589)	(655,930)	(633,368)	(622 337)
Finance charges	0	(4 277)	(2 617)	(2 617)	(718)
Transfers and grants	0	0	(1 076)	(676)	
<b>Net Cash From (Used) operating activities</b>	<b>65 079</b>	<b>65 806</b>	<b>(15,165)</b>	<b>8,139</b>	<b>39 315</b>
<b>Cash flows from investing activities</b>					
<b>Receipts</b>	<b>0</b>	<b>235</b>	<b>0</b>	<b>0</b>	<b>0</b>
Proceeds on disposal of PPE					
Payments	(19 232)	(37 225)	(68,762)	(64,596)	(38 202)
Capital Assets	(19 232)	(36 990)	(68,762)	(64,596)	(38 202)
<b>Net Cash From (Used) investing activities</b>	<b>355 119</b>	<b>361 400</b>	<b>375 754</b>	<b>414 536</b>	<b>385 218</b>
<b>Net Cash From (Used) financing activities</b>		<b>(18,468)</b>	<b>(20,400)</b>	<b>(20,400)</b>	<b>(20 275)</b>
	28 205	10 348	<b>(104,327)</b>	<b>(76,857)</b>	(19 163)
<b>Net Increase/(Decrease) in cash</b>	<b>56 720</b>	<b>44 090</b>	<b>44,090</b>	<b>54,438</b>	<b>54 114</b>
Cash/cash equivalents at the year begin	84 925	54 438	(60,237)	(22,420)	34 951
Cash/cash equivalents at the year end		<b>(18,468)</b>	<b>(20,400)</b>	<b>(20,400)</b>	<b>(20 275)</b>
Source: MBRR SA7					

Table 88: Cashflow Outcomes

# COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

## 5.9. BORROWING AND INVESTMENTS

### 5.9.1. Overview of Borrowing and Investments

Ba-Phalaborwa Municipality does not have borrowing or long-term investments. Instead, the municipality carries a longstanding debt with Lepelle Northern Water, which is categorized as a long-term loan. This debt is serviced through monthly payments, with the initial twelve installments considered short-term loans. Any outstanding payments beyond the initial twelve are treated as part of the long-term loan. It is essential to note that the cash and cash equivalents held in call accounts, transferred from current accounts, and earning interest at rates determined by Standard Bank of South Africa, do not constitute long-term investments.

### 5.9.2. Municipal Entity and Investments

The table below presents a detailed breakdown of investments by the municipality and its entities across various categories for the financial years 2022/23 to 2024/25. Municipal investments include securities, listed corporate bonds, bank deposits, and other financial instruments. Corresponding figures for municipal entities are also provided, culminating in a consolidated total that offers a comprehensive view of the overall investment landscape during the specified period. This data is essential for evaluating the financial portfolio and investment strategies implemented by both the municipality and its entities.

Municipal and Entity investments (R'000)			
Investment type	2022/23	2023/24	2024/25
	Actual	Actual	Actual
Municipality	N/A	N/A	N/A
Securities – National Government	N/A	N/A	N/A
Listed Corporate Bonds	N/A	N/A	N/A
Deposits –bank	43 941	52 373	27 227
Deposits-public investment commissioners	N/A	N/A	N/A
Deposits- corporation for public deposits	N/A	N/A	N/A
Bankers- acceptance certificates	N/A	N/A	N/A
Negotiable certificates of deposit –banks	N/A	N/A	N/A
Guaranteed endowment policies (sinking)	N/A	N/A	N/A
Repurchase agreements – banks	N/A	N/A	N/A
Municipal bonds	N/A	N/A	N/A
Other	N/A	N/A	N/A
Municipality sub-total			
Municipal Entities	N/A	N/A	
Securities – National Government	N/A	N/A	N/A
Listed Corporate Bonds	N/A	N/A	N/A
Deposits –bank	N/A	N/A	N/A
Deposits public investment commissioners	N/A	N/A	N/A
Deposits- corporation for public deposits	N/A	N/A	N/A
Bankers' acceptance certificates	N/A	N/A	N/A
Negotiable certificates of deposit –banks	N/A	N/A	N/A
Guaranteed endowment policies (sinking)	N/A	N/A	N/A
Repurchase agreements – banks	N/A	N/A	N/A
Municipal bonds	N/A	N/A	N/A
Other	N/A	N/A	N/A
Entities sub-total	N/A	N/A	N/A
CONSOLIDATED TOTAL	43 941	52 373	27 227

Table 89: Municipal & Entity Investment

## 5.10. PUBLIC-PRIVATE PARTNERSHIPS

No Public-Private Partnerships were entered into during the 2024/25 financial year.



## COMPONENT D: OTHER FINANCIAL MATTERS



### 5.11. SUPPLY CHAIN MANAGEMENT

#### 5.11.1. Overview of Supply Chain Management

The Municipality has an approved Supply Chain Management Policy based on the model provided by the National Treasury. This policy, along with its associated treasury notes and relevant legislative frameworks, serves as a guide when procuring goods and services. The officials responsible for supply chain management have completed courses that meet the minimum competency requirements outlined by the National Treasury. No interference by Councillors or any other parties has been reported thus far. As part of ongoing efforts, management has taken the initiative to ensure that all officials involved in bid committees attend refresher courses conducted by a Supply Chain practitioner from the National Treasury. This aims to enhance their understanding and application of policies and guidelines related to supply chain management.

### 12. GRAP COMPLIANCE

#### 5.12.1 Overview of Grap Compliance

The Auditor-General's report confirms that the Ba-Phalaborwa Local Municipality's financial statements for the 2024/25 financial year comply with Generally Recognized Accounting Practice (GRAP) standards. However, the Auditor-General has issued a qualified opinion, indicating that, while the financial statements present a fair representation, there are potential impacts related to a specific issue, as outlined in the "Basis for a Qualified Opinion" section of the report.

Additionally, the report confirms that the municipality's financial performance and cash flow reporting comply with GRAP standards, the Municipal Finance Management Act (MFMA) of South Africa, 2003 (Act No. 56 of 2003), and the Division of Revenue Act (DoRA) of South Africa, 2018 (Act No. 1 of 2018).





**BA-PHALABORWA  
MUNICIPALITY**

# CHAPTER 6

AUDITOR GENERAL AUDIT FINDINGS

# COMPONENT A: AUDIT

## 6. AUDIT

### 6.1. OVERVIEW OF AUDIT

Section 188(1)(b) of the Constitution outlines the Auditor-General's functions, which encompass auditing and reporting on the accounts, financial statements, and financial management of all municipalities. According to the Municipal Systems Act (MSA), Section 45 specifies that the Auditor-General must conduct an annual audit of performance measurement results. The audit has concluded, resulting in a Qualified Audit Opinion.

### 6.2. COMPONENT B: AUDITOR-GENERAL OPINION

#### 6.2.1. Auditor General Report 2023/24

Auditor-General Report on Financial Performance 2023/24	
Audit Report status	Qualified
Non-Compliance Issues	Remedial Action Taken
Payables from exchange transactions	Action Plan was developed and implemented
Value Added tax (VAT)	

Table 90: 2023/24 Auditor General Report

#### 6.2.2. AUDITOR GENERAL REPORT 2024/25

Auditor-General Report on Financial Performance 2024/25	
Audit Report status	Qualified
Non-Compliance Issues	Remedial Action Taken
Provision for Namakgale and Gravelotte Landfill Site Not Appropriately Assessed	Action plan has been developed but not yet approved by council.
Payables from exchange transactions – Unallocated deposits	

Table 91: 2024/25 Auditor General Report on Service Delivery Performance



## GLOSSARY

<b>Accessibility indicators</b>	Explore whether the intended beneficiaries can access services or outputs.
<b>Accountability documents</b>	Documents used by executive authorities to give “full and regular” reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
<b>Activities</b>	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe “what we do”.
<b>Adequacy indicators</b>	The quantity of input or output relative to the need or demand.
<b>Annual Report</b>	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
<b>Approved Budget</b>	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
<b>Baseline</b>	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
<b>Basic municipal service</b>	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
<b>Budget year</b>	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
<b>Cost indicators</b>	The overall cost or expenditure of producing a specified quantity of outputs.
<b>Distribution indicators</b>	The distribution of capacity to deliver services.
<b>Financial Statements</b>	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
<b>General Key performance indicators</b>	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
<b>Impact</b>	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
<b>Inputs</b>	All the resources that contribute to the production and delivery of outputs. Inputs are “what we use to do the work”. They include finances, personnel, equipment and buildings.
<b>Integrated Development Plan (IDP)</b>	Set out municipal goals and development plans.
<b>National Key performance areas</b>	Service delivery & infrastructure Economic development Municipal transformation and institutional development Financial viability and management Good governance and community participation
<b>Outcomes</b>	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are “what we wish to achieve”.
<b>Outputs</b>	The final products, or goods and services produced for delivery. Outputs may be defined as “what we produce or deliver”. An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
<b>Performance Indicator</b>	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
<b>Performance Information</b>	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
<b>Performance Standards:</b>	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
<b>Performance Targets:</b>	The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.
<b>Service Delivery Budget Implementation Plan</b>	Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
<b>Vote:</b>	One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area. Section 1 of the MFMA defines a “vote” as: a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned

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

Section 18 of the Local Government Municipal Structures Act No 117 of 1998 and Regulations, requires the Municipal Council to have or to convene Council meetings at least quarterly. Municipal Councillors are expected to attend all Council meetings. The table below depicts the Councillors' attendance.

Councillors, Committees Allocated and Council Attendance						
Council Members	Full Time/ Part Time	Committee Allocated	*Ward and/ or Party Represented	Percentage of Council Meetings Attendance	Percentage apologies for non-attendance	Percentage absents without apology
	FT/PT			%	%	%
CLlr NO Mabunda	FT	Speaker Chairperson of the Rules Committee Chairperson of the Ethics Committee.	Ward ANC	100%	0%	0%
CLlr MM Malatji	FT	Mayor	Ward 02 ANC	94.4%	5.6%	0%
CLlr D Rapatsa	FT	Chief Whip	Ward 09 ANC	94.4%	5.6%	0%
CLlr R. Makasela	FT	Member of Executive Committee. Chairperson of BTO Portfolio Committee	Ward 15 ANC	88.9%	11.1%	0%
CLlr VM Rapatsa	FT	Member of the Executive Committee. Chairperson of Technical Services Port-folio Committee.	Ward 09 ANC	94.4%	5.6%	0%
CLlr T. Nkuna	FT	Member of the Executive Committee; Chairperson of Governance & Adminis-tration Portfolio	Ward 16 ANC	100%	0%	0%
CLlr SP Mashumu	PT	Member of the Executive Committee. Member of the P&D Portfolio Committee. Serve of MDM Board.	Ward 07 EFF	77%	16.7%	5.6%
CLlr S De Beer	PT	Member of the Executive Committee; Chairperson of Community & Social Services Portfolio;	Ward 12 DA	100%	0%	0%
CLlr MP Mailula	PT	Member of the Executive Committee; Chairperson of Planning and Develop-ment portfolio	Ward 06 ANC	94.4%	5.6%	0%
CLlr SL Mohlala	PT	Member of the Budget & Treasury Portfolio	Ward 07 ANC	66.7%	27.8%	5.6%
CLlr MMA Mathebula	PT	Member of the Gover-nance & Administration Portfolio. Serve on MDM Board	Ward 19 ANC	88.3%	16.7%	0%
CLlr MP Mukhari	PT	Chairperson of MPAC.	Ward 07 ANC	100%	0%	0%
CLlr NJ Mampuru	PT	Member of Municipal Public Accounts Committee;	Ward 01 ANC	94.4%	5.6%	0%
CLlr MM Malesa	PT	Member of CSS Portfolio Committee. Member of Ethics Committee.	Ward 02 ANC	100%	0%	0%
CLlr J. Sindane	PT	Member of P&D Portfolio Committee. Member of the Rules Committee	Ward 03 ANC	83.3%	16.7%	0%





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Councillors, Committees Allocated and Council Attendance						
Council Members	Full Time/ Part Time FT/PT	Committee Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage apologies for non- attendance	Percentage absents without apology
				%	%	%
ClIr MA Mononela	PT	Member of P&D Portfolio Committee.	Ward 05 ANC	77.8	16.7%	5.6%
ClIr MF Sekoele	PT	Member of CORPS Portfolio Committee.	Ward 07 ANC	88.9%	11.1%	0%
ClIr MH Sekatane	PT	Member of BTO Portfolio Committee. Member of the Rules Committee.	Ward 08 ANC	94.4%	5.6%	0%
ClIr SM Shayi	PT	Member of Municipal Public Accounts Committee	Ward 10 ANC	72.1%	27.8%	0%
ClIr NL Rilamphu	PT	Member of the Ethics Committee.	Ward 13 ANC	88.9%	11.1%	0%
ClIr EA Mokoena Mashele	PT	Member of the TS Portfolio Committee	Ward 14 ANC	100%	0%	0%
ClIr ME Mogalaka	PT	Member of the CSS Portfolio Committee.	Ward 17 ANC	94.4%	0%	5.6%
ClIr TC Malatjie	PT	Member of the TS Portfolio Committee	Ward 18 ANC	100%	0%	0%
ClIr EF Nyathi	PT	Member of MPAC.	Ward 19 ANC	88.8%	5.6%	5.6%
ClIr R. Rakoma	PT	Member of BTO Portfolio Committee. Member of Ethics Committee.	Ward 05 DA	88.9%	11.1%	0%
ClIr B. Ramothwala	PT	Member of MPAC.	Ward 07 DA	88.9%	11.1%	0%
ClIr HS Booysen	PT	Member of CORPS Portfolio Committee.	Ward 11 DA	72.2%	22.2%	2.6%
ClIr MM Thuke	PT	Member of CORPS Portfolio Committee	Ward 06 EFF	72.2%	11.1%	16.7%
ClIr TM Malobane	PT	Member of Municipal Public Accounts Committee	Ward 10 EFF	72.2%	22.2%	5.6%
ClIr NP Ntimane	PT	Member of CSS Portfolio Committee.	Ward 16 EFF	77.8%	16.7%	5.6%
ClIr TB Shai	PT	Member of CSS Portfolio Committee	Ward 10 EFF	77.8	11.1%	11.1%
ClIr JC Mokungwe	PT	Member of P&D Portfolio Committee	Ward 08 MIM	94.4%	5.6%	0%
ClIr DS Mathebula	PT	Member of MPAC.	Ward 15 NIP	66.7%	16.7%	16.7%
ClIr TS Mashale	PT	Member of MPAC	Ward 17 NIP	83.3%	16.7%	0%
ClIr GM Van Niekerk	PT	Municipal Infrastructure & Services	Ward 11 FFP	88.9%	11.1%	0%

## APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

Committees (other than Mayoral/Executive Committee) and Purposes of committees	
Municipal Committee	Purpose of Committee
Finance Portfolio	To monitor the implementation of the municipal IDP/Budget/PMS, strategic objectives and programmes within the functional area of their committee and recommend to the Executive Committee
Infrastructure Development, Roads, Public Transport and Water Services Portfolio	To monitor the implementation of the municipal IDP/Budget/PMS, strategic objectives and programmes within the functional area of their committee and recommend to the Executive Committee
Economic Development, Human Settlement & Spatial Planning Portfolio	To monitor the implementation of the municipal IDP/Budget/PMS, strategic objectives and programmes within the functional area of their committee and recommend to the Executive Committee
Corporate Services and Shared Services Portfolio	To monitor the implementation of the municipal IDP/Budget/PMS, strategic objectives and programmes within the functional area of their committee and recommend to the Executive Committee
Community & Social Services Portfolio	To monitor the implementation of the municipal IDP/Budget/PMS, strategic objectives and programmes within the functional area of their committee and recommend to the Executive Committee
Local Labour Forum	To negotiate and consult on matters of mutual concern to the employer in order to stabilise labour unrest.
Municipal Public Accounts Committee	To exercise oversight over the executive functionaries of Council and to ensure good governance in the municipality.
Audit Committee	Advise the municipal council, the political office bearers, the accounting officer and the management of the municipality or municipal entity on matters relating to:  Internal financial control and internal audits; Risk management; Accounting policies; The adequacy, reliability and accuracy of financial reporting and information; Effective governance;
ICT Steering Committee	To advise the accounting officer and Management on issues relating to ICT
District ICT Forum	Sharing of Good Governance Practices

## APPENDIX C – THIRD TIER STRUCTURE

Third Tier Structure			
Directorate	Manager/Senior Officers (State Title and Name)	Designation	Post Levels
Corporate Services	Mr TM Mashale	Manager Legal Services	PL 03
Corporate Services	Mr RS Chuene	Manager Information Communication Technology	PL 03
Corporate Services	Ms SS Mokoena	Manager Human Resources	PL 03
Corporate Services	Mr SE Mthombeni	Senior Administration Officer Committees	PL 05
Corporate Services	Ms TI Mkansi	Senior Administration Officer Facilities	PL 05
Corporate Services	Ms TD Malebe	Senior Records Officer	PL 05
Corporate Services	Ms MJ Phakula	Senior Human Resource Officer: Staffing	PL 05
Corporate Services	Ms YK Mashele	Senior Human Resource Officer: Salaries and Benefits	PL 05
Corporate Services	Ms PMS Mangaba	Skills Development Facilitator	PL 05
Corporate Services	Mr TH Mphaga	Labour Relation Officer	PL 05
Corporate Services	Mr NC Baloyi	Network Sever Administrator	PL 05
Office Of The Municipal Manager	Manager /Senior Officers (State Title and Name)	Designation	Post Levels
Office of the MM	Ms. MM Makhongela	Chief Audit Executive	PL 02

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Third Tier Structure			
Office of The Municipal Manager	Manager /Senior Officers (State Title and Name)	Designation	Post Levels
Office of the MM	Mr. T Sekgwari	Manager: Risk Management	PL 03
Office of the MM	Mr. J Mahesu	Manager: Communication	PL 03
Office of the MM	Mr. ND Ndlozi	Manager: Office of the MM	PL 03
Office of the MM	Mr. R Mohlala	Chief Internal Auditor	PL 04
Office of the MM	Ms. M Maake	Internal Audit Technician-Compliance	PL 05
Office of the MM	Ms. C Lebelo	Internal Audit Technician: Audit Risk Based	PL 05
Office of the MM	Mr. MJ Mphahlele	Senior Administrator Officer: Disaster Risk Reduction, Response and Awareness	PL 05
Office of the MM	Ms. MD Makgatho	Senior: Public Participation Officer	PL 05
Office of the MM	Mr. E Ramachela	Senior: Communications Officer	PL 05
Office of the MM	Ms. L Khosa	Senior MPAC Researcher	PL 05
Office of the MM	Mr. Mphogo	Senior Administration Officer: Youth Gender, Elderly, Children & Disability	PL 05
Budget and Treasury	Manager/Senior Officers (State Title and Name)	Designation	Post Levels
Budget and Treasury	Mr. SW Willard	Manager: Supply Chain & Fleet Management	PL 03
Budget and Treasury	Mr. I Mokganya	Manager: Financial Control & Expenditure	PL 03
Budget and Treasury	Ms. MW Motloutsi	Manager: Financial Planning & Reporting	PL 03
Budget and Treasury	Mr. N Tshishonga	Manager: Revenue and Debt Management	PL 03
Budget and Treasury	Mr. M Masekwameng	Chief Accountant: Procurement & Contract Management	PL 04
Budget and Treasury	Ms. MM Mahaleamalla	Senior Accountant Billing	PL 05
Budget and Treasury	Mr. B Mkhabela	Senior Accountant: Credit Control	PL 05
Budget and Treasury	Ms. Mogofe N	Senior Accountant Compliance	PL 05
Budget and Treasury	Mr. Motadi MS	Senior Accountant: Fleet Management	PL 05
Planning & Development	Manager /Senior Officers(State Title and Name)	Designation	Post Levels
Planning & Development	Ms. M Chueu	Manager Strategic Planning	PL 03
Planning & Development	Ms. N Shikwambana	Manager: Town Planning & Human Settlement	PL 03
Planning & Development	Mr M. Mashale	Manager Local Economic Development	PL 03
Planning & Development	Mr. ME Malesa	Senior Officer PMS	PL 05
Planning & Development	Mr. M Mongale	Senior Officer Human Settlement	PL 05
Planning & Development	Ms. M Manyama	Senior officer Tourism	PL 05
Community & Social Services	Manager/Senior Officers (State Title and Name)	Designation	Post Levels
Community & Social Services	Mr. NS Mokhabukhi	Manager Library	PL 03
Community & Social Services	Ms. L Shai	Manager Parks & Cemeteries	PL 03
Community & Social Services	Mr. R Shai	Traffic Superintendent	PL 05
Community & Social Services	Mr. M Modikwa	Horticulturist Officer	PL 05
Community & Social Services	Mr. MM Mokgomola	Environmental Superintendent	PL 05
Technical Services	Manager /Senior Officer(State Title And Name)	Designation	Post Levels
Technical Services	Mr. R Sekgobela	Manager: Electrical Services	PL 03



Third Tier Structure			
Technical Services	Manager /Senior Officer(State Title And Name)	Designation	Post Levels
Technical Services	Mr. G Hlungwane	Manager: Water Services	PL 03
Technical Services	Mr. Mawela	Manager: PMU	P L 03
Technical Services	Mr. Khosa	Technician Mechanical	P L04
Technical Services	Mr. MT Pasha	Technician Water and Sanitation	PL 04
Technical Services	Mr. Mashele	Technician: Electrical Services	PL 04
Technical Services	Mr. TV Hlungwani	Superintendent Operations and Maintenance	PL 05
Technical Services	Mr. S Morgan	Superintendent Fitting & Turning	PL 05
Technical Services	Mr M. Nawa	Technicians Buildings	PI 04
Technical Services	Ms. L Msiza	Technician: Roads & Storm Water	PL 04

## APPENDIX D – MUNICIPALITY/ENTITY FUNCTIONS

Municipal/Entity Functions		
Municipal Functions	Function applicable to Municipality (Yes/No)	Function applicable to Entity (yes/no)
Constitution schedule 4, Part B functions		
Air Pollution	No	District
Building Regulations	Yes	No
Childcare facilities	No	No
Electricity and gas reticulation	Yes	No
Firefighting services	No	District
Local tourism	Yes	No
Municipal airports	Yes	No
Municipal planning	Yes	No
Municipal Health Services	No	No
Municipal Public Transport	No	No
Municipal Public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this constitution or any other	Yes	No
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related	No	No
Storm water management systems in built up areas	Yes	No
Trading regulations	Yes	No
Water and sanitation services limited to potable water supply systems and domestic waste water and sewage disposal systems	No	District
Constitution schedule 5, Part B Functions:		
Beaches and amusement facilities	No	No
Billboards and the display of advertisements in public places	Yes	No
Cemeteries, funeral parlours and crematoria	Yes	No
Cleansing	No	No
Control of public nuisance	Yes	No
Control of undertakings that sell liquor to the public	No	No
Facilities for the accommodation, care and burial of animals	No	No
Fencing and fences	Yes	No
Licensing of dogs	Yes	No
Licensing and control of undertakings that sell food to the public	No	District
Local amenities	Yes	No
Local sport facilities	Yes	No
Markets	Yes	No
Municipal abattoirs	No	No
Municipal parks and recreation	Yes	No
Municipal roads	Yes	No
Noise pollution	Yes	No
Pounds	Yes	No
Public places	Yes	No
Refuse removal, refuse dumps and solid waste disposal	Yes	No
Street trading	Yes	No
Street lighting	Yes	No
Traffic and parking	Yes	No
*if municipality: indicate (yes or No); * if entity: provide name of entity TD		

## APPENDIX E – WARD REPORTING

Functionality of Ward Committees					
Ward Name (Number)	Name of ward councillor and elected ward committee members	Committee established (Yes/No)	Number of monthly committee meetings held during the year	Number of monthly reports submitted to Speaker's office on time	Number of quarterly public ward meetings held during year
Ward 1	CIlr Nkwane Johannes Mampuru	Yes	12	12	00
Ward 2	CIlr Mmantswana Mavis Malesa	Yes	12	12	06
Ward 3	CIlr Japhet Sindane	Yes	12	12	10
Ward 4	CIlr Lebo Moses Matlala	Yes	12	12	03
Ward 5	CIlr Maleage Albert Mononela	Yes	12	12	06
Ward 6	CIlr Mokgadi Paulinah Mailula	Yes	12	12	04
Ward 7	CIlr Mampuele Frans Sekoele	Yes	12	12	01
Ward 8	CIlr Mpho Harry Sekatane	Yes	12	12	04
Ward 9	CIlr Victor Mohale Rapatsa	Yes	12	12	06
Ward 10	CIlr Sinah Modjadji Shayi	Yes	12	12	04
Ward 11	CIlr Hendrika Stoffelina Booysen	Yes	12	12	00
Ward 12	CIlr Sybrandt De Beer	Yes	12	12	00
Ward 13	CIlr Nhlahla Lucky Rihlampfu	Yes	12	12	03
Ward 14	CIlr Eunice Annetjie Mokoena-Mashele	Yes	12	12	02
Ward 15	CIlr Makasela Richard	Yes	12	12	00
Ward 16	CIlr Nkuna Tompson	Yes	12	12	02
Ward 17	CIlr Mapiti Eddy Mokgalaka	Yes	12	12	04
Ward 18	CIlr Tebogo Collen Malatji	Yes	12	12	03
Ward 19	CIlr Enoch Funtani Nyathi	Yes	12	12	04

## APPENDIX F1 – WARD INFORMATION

Capital Projects: Seven Largest in 2024/25 (Full List at Appendix N) R'000				
Ward No	Project Name & Detail	Start Date	End Date	Total Value
4	Refurbishment of Namakgale stadium	26 June 2019	25 April 2026	R53 639 375.98
2&9	Upgrading of road from gravel to block paving from Honiville to Dinoko Sebera	30 August 2024	13 March 2026	R35 047 772.00
1&19	Upgrading of road from gravel to block paving from Aubrey carwash via cemetery to Kanana	30 August 2024	26 January 2026	R23 851 731.91
All wards excluding ward 11 & 12	Installation of highmast lights in Ba-Phalaborwa area	10 November 2025	22 July 2026	R11 111 356.00
2	Installation of stormwater culvert at Shitshitwe	13 November 2025	30 June 2027	R12 200 000.00
2	Upgrading of road from gravel to block paving from clinic via ZCC	13 November 2025	30 June 2027	R6 400 000.00
14	Upgrading of road from gravel to block paving from Nkateko Primary School to Pondo Combined School	20 November 2025	30 June 2027	R8 000 000.00

## APPENDIX F2 – BASIC SERVICE PROVISION

Basic Service Provision					
Detail	Water	Sanitation	Electricity	Refuse	Housing
Households with minimum service delivery	43838	47158	50468	22314	
Households without minimum service delivery	7814	4538	1183	29337	
Total Households*	51652	51696	51651	51651	
Houses completed in year	T F.2				
Shortfall in Housing units					
*Including informal settlements					

## APPENDIX F3 – TOP FOUR SERVICE DELIVERY PRIORITIES FORWARD (HIGHEST PRIORITY FIRST)

Top Four Service Delivery Priorities for Ward (Highest Priority First)	
Priority Name and Detail	Progress During Year
Street Paving	<p>The Municipality has commenced with the implementation of the following projects</p> <ul style="list-style-type: none"> <li>• Upgrading of gravel to concrete interlocking brick from Aubrey Carwash via Cemetery to Kanana (Ward 1 and Ward 19)</li> <li>• Upgrading of Honeyville to Dinoko Sebera from Gravel to concrete interlocking brick (Ward 9 &amp; Ward 2)</li> </ul> <p>In the 2025/26 FY, The Municipality will be implementing the following projects:</p> <ul style="list-style-type: none"> <li>• Upgrading of gravel to block paving from clinic via ZCC in ward 2</li> <li>• Upgrading of gravel to block paving from Nkateko high school to Pondo combined school in Ward 14</li> </ul>
Culverts	The Municipality completed the installation of the Stormwater Culvert at Tension Pilusa in Ward 8. The Municipality will be implementing the installation of stormwater culvert at Shitshitwe in the 2025/26 FY
Water	Mopani District Municipality is implementing several reticulation projects
Apollo lights	The Municipality will be implementing the installation of the 20 High Mast lights across the wards in the 2025/26FY



## APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2024/25

MUNICIPAL AUDIT COMMITTEE RECOMMENDATIONS			
Date of Committee	Resolution Number	Committee recommendations	Recommendations adopted
29 July 2024	AC01/01/2025	The agenda was adopted with changes.	Yes
	AC01/02/2025	The minutes for the 3 May 2024 were approved and adopted.	Yes
	AC01/03/2025	The minutes for the 4 June 2024 were approved and adopted	Yes
	AC01/04/2025	That the AC notes the progress made on the implementation of the AC resolutions	Yes
	AC01/04/2025	That all attendees complete the declaration forms and submit them to the CAE	Yes
	AC01/05/2025	<ul style="list-style-type: none"> <li>That the AC notes and approve progress on Internal Audit activities for the 4th Quarter ending 30 June 2024.</li> <li>That the AC approves the progress of 100% implementation of the Internal Audit Plan.</li> <li>That the AC approve consulting engagements for the quarter under review.</li> <li>That the AC approve training attended.</li> </ul> <p>That the AC notes progress on Co-Sourcing of Internal Audit services</p>	Yes
	AC01/06/2025	That formal process to ensure effective skills transfer, with proper signoffs from all parties involved, should be established.	Yes
	AC01/07/2025	<ul style="list-style-type: none"> <li>That the AC notes and approve the Internal Audit Reports on AOPO 3<sup>rd</sup> Quarter Institutional Performance Report, Assets Management, Infrastructure, Supply Chain Management, Project Management, Inventory, Internal Audit follow-up and Audit Action Plan Review.</li> <li>That the AC 93% implementation of Internal Audit Follow-up.</li> </ul> <p>That the AC approve 60% Audit Action Plan progress.</p>	Yes
	AC01/08/2025	That asbestos disposal plan be prepared.	Yes
	AC01/09/2025	<ul style="list-style-type: none"> <li>That the AC notes the progress on implementation of External Quality Review Recommendations</li> <li>That the AC approve 64% implementation of recommendations by the External Quality Reviewer.</li> </ul>	Yes
	AC01/10/2025	That a formal session be arranged to conduct risk assessment on institutional performance.	Yes
	AC01/11/2025	That summary of findings be included in the PMS assurance report.	Yes
	AC01/12/2025	That Risk Management input on the specification for the OHS Risk Assessment.	Yes
	AC01/13/2025	That the OHS Risk Assessment report be presented in the next Combined Assurance Meeting	Yes
	AC01/14/2025	That the AC approves the Consolidated IAA Evaluation	Yes
	AC01/15/2025	That the AC approves the Finance Assessment results.	Yes
	AC01/16/2025	That the CAE update the report with the recommendations and distribute it accordingly	Yes
	AC01/17/2025	<ul style="list-style-type: none"> <li>That overall performance of AC for 2023/2024 Financial Year be noted.</li> <li>That AC scored level 5 performance for 2023/2024.</li> </ul>	Yes
	AC01/18/2025	That the CAE submit the AC performance assessment for Council processing.	Yes
	AC01/19/2025	That the AC Notes the progress.	Yes
	AC01/20/2025	That the CAE arrange a meeting between the Chairperson and the Speaker of the Council to address the issue of councilors declarations	Yes
	AC01/21/2025	That the AC notes the Progress on Audit Action Plan.	Yes
	AC01/22/2025	The Technical Services department will follow up on the development of the business plan for the water service level agreement and provide progress at the next meeting.	Yes
	AC01/23/2025	That NT Representative (Mr. Esie P) investigate whether debt relief could also be extended to other municipal services, such as water.	Yes
	AC01/24/2025	That the MM intervene in the Department of Community and Social Services capturing process on SAGE, as the delay in capturing is affecting revenue collection.	Yes

MUNICIPAL AUDIT COMMITTEE RECOMMENDATIONS			
Date of Committee	Resolution Number	Committee recommendations	Recommendations adopted
	AC01/25/2025	That the AC notes the Progress of AFS Preparation Plan	Yes
	AC01/26/2025	That the AC notes the progress on the MI	Yes
	AC01/27/2025	That the AC notes the 4th Quarter Financial Report	Yes
	AC01/28/2025	That the AC notes the contract register	Yes
	AC01/29/2025	That the AC notes the deviation report	Yes
	AC01/30/2025	That the AC notes the UIFW Expenditure Register YTD	Yes
	AC01/31/2025	That the AC notes the Progress Report on Government Debt	Yes
	AC01/32/2025	That the AC notes the Compliance Checklist on Water SLA with MDM	Yes
	AC01/33/2025	That the AC notes the progress report.	Yes
	AC01/34/2025	That the AC notes the 4th Quarter HR Report	Yes
	AC01/35/2025	That the AC 4th Quarter Litigation Register	Yes
	AC01/36/2025	That the AC notes the 4th Quarter Compliance Checklist	Yes
	AC01/37/2025	That the AC notes and approve the Progress on POPIA Implementation	Yes
	AC01/38/2025	That the AC notes Progress on Annual Performance Report preparation.	Yes
	AC01/39/2025	That the AC Progress report on PMS Module implementation	Yes
	AC01/40/2025	That the AC notes Progress on implementation of LED Strategy.	Yes
	AC01/41/2025	That the AC notes the Progress report on funding and review of the Roads Master Plan.	Yes
	AC01/42/2025	That the AC notes Progress on overtime findings investigation	Yes
26 August 2024	AC02/01/2025	The agenda was adopted with no changes.	Yes
	AC02/02/2025	That all AC members complete the declaration forms and submit to the CAE	Yes
	AC02/03/2025	That the AC notes progress on Internal Audit Report – 2023/2024 Annual Performance Report.	Yes
	AC02/04/2025	That a detailed report on the impact of the skills transfer will be presented at the first-quarter meeting.	Yes
	AC02/05/2025	That the AC notes progress on Internal Audit Report – 2023/2024 Annual Financial Statements	Yes
	AC02/06/2025	That the AC recommends the APR to the AGSA for audit, subject to all outstanding matters being addressed prior to submission.	Yes
	AC02/07/2025	That AC resolves that once the CAE circulates the updated financial documents, a meeting will be promptly convened to receive brief presentations from both the CAE and the CFO. Based on these presentations, the committee will issue a well-informed recommendation regarding the financial statements.	Yes
	AC02/08/2025	That the secretariat shares the audio recording of the meeting with the CFO.	Yes
21 October 2024	AC03/01/2025	That the AC notes and support approval of the strategy, subject to the inputs provided.	Yes
	AC03/02/2025	That the AG should escalate the use of work of Internal Audit to the business leader and ensure that discussion is held at that level. AG should give the AC progress on this resolution on a quarterly basis.	Yes
	AC03/03/2025	That the AG should consider the learning curve of the audit team and the impact on the Audit fees since they were there last year, and they are familiar with the municipality.	Yes
	AC03/04/2025	That the change in the audit methodology should lead to a reduced audit fee as the AG methodology is now risk based and only risk-based areas will be audited.	Yes
	AC03/05/2025	That the change in Audit Methodology aligns more to the Internal Audit methodology as Internal Audit do perform the risk-based Audits as well.	Yes
	AC03/06/2025	That the AC notes and support approval of the engagement letter.	Yes
	AC03/07/2025	That the AG should relook at paragraph 13 of the Audit Engagement Letter as the reference made to Department of Public Service and Administration (DPSA) Department of Planning Monitoring and Evaluation (DPME) does not apply to municipalities.	Yes
	AC03/08/2025	That the AG should commit to the time frame for giving management their auditor's conclusion after management has responded.	Yes
	AC03/09/2025	That the AG should consider auditing big components as the beginning of the audit to ensure that any challenges encountered are addressed by management early in the audit.	Yes
	AC03/10/2025	That the AC notes progress on 2023/2024 audit	Yes

# APPENDICES

MUNICIPAL AUDIT COMMITTEE RECOMMENDATIONS			
Date of Committee	Resolution Number	Committee recommendations	Recommendations adopted
31 October 2024	AC03/11/2025	That management continue cooperate with the AGSA as required.	Yes
	AC03/12/2025	That the AC notes the progress on MI implementation.	Yes
	AC03/13/2025	That management attend to the deficiencies reported by the AG on the MI progress.	Yes
	AC03/14/2025	That the MI progress be a standing item for ordinary AC meetings.	Yes
	AC04/01/2025	That the Minutes be shared with the AC in word form 7-14 days after the meeting.	Yes
	AC04/02/2025	The minutes for the 29 July 2024 were approved and adopted.	Yes
	AC04/03/2025	The minutes for the 26 August 2024 were approved and adopted.	Yes
	AC04/04/2025	The minutes for the 21 October 2024 were approved and adopted.	Yes
	AC04/05/2025	That the AC approve the progress on the AC Resolution register made.	Yes
	AC04/06/2025	That the Audit Action Plan and landfill site resolutions were marked as closed but will remain under regular monitoring.	Yes
	AC04/07/2025	That the ICT strategy resolution was also closed, with progress to be monitored by the ICT Steering Committee.	Yes
	AC04/08/2025	That a deadline of the second quarter was set for traffic fine system integration, with feedback expected in January.	Yes
	AC04/09/2025	That all attendees complete the declaration forms and submit to the CAE	Yes
	AC04/10/2025	That the AC notes and approve progress on Internal Audit activities for the 1st Quarter ending 30 September 2024.	Yes
	AC04/11/2025	That the AC approves the progress of 23% implementation of the Internal Audit Plan.	Yes
	AC04/12/2025	That the AC approves consulting engagements for the quarter under review	Yes
	AC04/13/2025	That the AC approves Acting Allowance and Overtime Allowance engagements to be included in the Annual Audit Plan for 2024/2025.	Yes
	AC04/14/2025	That ad hoc hours will be used to execute the engagements.	Yes
	AC04/15/2025	That AC approve trainings attended by Internal Audit staff.	Yes
	AC04/16/2025	That the AC approves progress on Co-Sourcing of Internal Audit services.	Yes
	AC04/17/2025	That the AC approves progress on skills transfer.	Yes
	AC04/18/2025	That the CAE include a standard paragraph in the report to confirm the function's independence	Yes
	AC04/19/2025	that the CAE clarify the presence of a trainee within the audit team structure.	Yes
	AC04/20/2025	That the AC notes and approve the Internal Audit Reports for the 1st Quarter ending 30 September 2024.	Yes
	AC04/21/2025	That the AC approve Audit reports on AOPO Annual Performance Report, Review of 2022/2023 Annual Financial Statements, IT Governance, IT Security Review, IT Follow-up Review, Internal Audit follow-up, Audit Action Plan Review and FMCMM Review.	Yes
	AC04/22/2025	That the AC approves 93% implementation of Internal Audit Follow-up	Yes
	AC04/21/2025	That the AC approves 71% Audit Action Plan progress.	Yes
	AC04/22/2025	That the AC approves 60% progress on IT Follow-up.	Yes
	AC04/23/2025	That IT develop an internal action plan to address the findings.	Yes
	AC04/24/2025	That Management revise the target dates to allow for better tracking and monitoring	Yes
	AC04/25/2025	That the AC notes the progress on the implementation of External Quality Review Recommendations	Yes
	AC04/26/2025	That the AC approves 100% implementation of recommendations by the External Quality Reviewer.	Yes
	AC04/27/2025	That the CAE include a paragraph in the internal audit quarterly progress report to include a paragraph summarizing when the last external quality review was conducted, when the next review is due, and the progress made on findings.	Yes
	AC04/28/2025	That the Internal Audit Methodology be approved.	Yes
	AC04/29/2025	That the internal audit and AC charters be included in future submissions to ensure full alignment with the methodology.	Yes
	AC04/30/2025	That institutional performance risk register progress be reported to Combined Assurance Forum.	Yes



MUNICIPAL AUDIT COMMITTEE RECOMMENDATIONS			
Date of Committee	Resolution Number	Committee recommendations	Recommendations adopted
	AC04/31/2025	That Risk Management input on the reporting template for OHS Risk Assessment.	Yes
	AC04/32/2025	That the OHS Risk Assessment report be presented in the next Combined Assurance Meeting.	Yes
	AC04/33/2025	That the Report on Implementation of Global Internal Audit Standards be noted.	Yes
	AC04/34/2025	That the AC the Global Internal Audit Standards Report to National Treasury be approved.	Yes
	AC04/35/2025	That the AC adoption of the risk registers and the approval of the risk management report, with the condition that it aligns with the IT governance and IT security review.	Yes
	AC04/36/2025	That the progress on Audit action Plan be noted and approved.	Yes
	AC04/37/2025	That the Progress of 2023/2024 Audit be noted.	Yes
	AC04/38/2025	That the CAE keep the AC updated through the WhatsApp group on the progress, especially concerning the VAT issue.	Yes
	AC04/39/2025	That the AC notes the Progress on Material Irregularity.	Yes
	AC04/40/2025	That AC notes the 1st Quarter Financial Report.	Yes
	AC04/41/2025	That the AC notes the Contract register YTD.	Yes
	AC04/42/2025	That AC noted the Deviation Report YTD.	Yes
	AC04/43/2025	That the AC notes UIFW Expenditure Register YTD.	Yes
	AC04/44/2025	That the AC notes the Progress Report on Government Debt.	Yes
	AC04/45/2025	That the AC notes the Compliance Checklist on Water SLA with MDM.	Yes
	AC04/46/2025	That the AC notes 1st Quarter ICT Report	Yes
	AC04/47/2025	That the AC notes the 1st Quarter HR Report.	Yes
	AC04/48/2025	That the AC notes the 1st Quarter Litigation Register.	Yes
	AC04/49/2025	That the AC notes 1st Quarter Compliance Checklist	Yes
	AC04/50/2025	That the notes the Progress on POPIA Implementation.	Yes
	AC04/51/2025	That the AC notes the 1st Quarter Performance Report.	Yes
	AC04/52/2025	That the AC note the contents of Report on disorderly developments and formalization of land invasions.	Yes
	AC04/53/2025	That the AC acknowledges the progress made on initiatives aimed at addressing current challenges and laying a foundation for sustainable land use management. (Report on disorderly developments and formalization of land invasions)	Yes
	AC04/54/2025	That the AC note that updates on the progress of these interventions will be reported on a quarterly basis. (Report on disorderly developments and formalization of land invasions)	Yes
	AC04/55/2025	That the AC note the progress made, the challenges encountered, and the steps being taken to resolve the issues with the performance management system. (Progress report on PMS Module implementation)	Yes
	AC04/56/2025	That the AC notes the progress on implementation of the LED Strategy	Yes
	AC04/57/2025	That the AC notes the report on funding and review of the Roads Master Plan.	Yes
	AC04/58/2025	That the AC notes the Progress on overtime findings investigation report.	Yes
	AC04/59/2025	That the AC notes the Report on Landfill site report.	Yes
	AC04/60/2025	That the AC notes the Asbestos Disposal Plan.	Yes
	AC04/61/2025	That the issue of Asbestos Disposal be kept as a standing item for the next reporting cycle to monitor progress, given the potential risks involved.	Yes
29 November 2024	AC05/01/2025	The agenda was adopted with amendments.	Yes
	AC05/02/2025	That all attendees complete the declaration forms and submit to the CAE	Yes
	AC05/03/2025	That the AC notes the Draft Audit Report	Yes
	AC05/04/2025	That the AC notes the draft Management report.	Yes
	AC05/05/2025	That a new audit action be developed. By January 2025. That the outdated audit action plan be revised.	Yes
	AC05/06/2025	That Audit action workshop be held by January 2025 to address Audit findings.	Yes

# APPENDICES

MUNICIPAL AUDIT COMMITTEE RECOMMENDATIONS			
Date of Committee	Resolution Number	Committee recommendations	Recommendations adopted
	AC05/07/2025	That a debriefing session be arranged with AGSA on the 2023/2024 Audit report.	Yes
	AC05/08/2025	That the AC notes the progress on the audit fee	Yes
06 January 2025	AC06/01/2025	That all attendees complete the declaration forms and submit to the CAE	Yes
	AC06/02/2025	That the AC note the feedback.	Yes
	AC06/03/2025	That the AC note the matters brought to their attention.	Yes
	AC06/04/2025	That the AC note the areas to monitor	Yes
	AC06/05/2025	That the AC acknowledges the matters raised and will monitor the issues accordingly.	Yes
	AC06/06/2025	That the consequence management matter would be raised with the accounting officer, requesting evidence of actions taken.	Yes
	AC06/06/2025	That the consequence management matter would be raised with the accounting officer, requesting evidence of actions taken.	Yes
24 January 2025	AC07/01/2025	That minutes of the AC meeting be <b>approved</b> .	Yes
	AC07/02/2025	That minutes of the AC meeting be <b>approved</b> .	Yes
	AC07/03/2025	That minutes of the AC meeting be <b>approved</b> .	Yes
	AC07/04/2025	That AC Resolution Register be tabled in the next Normal AC meeting.	Yes
	AC07/05/2025	That all members complete the declaration forms and submit to the CAE	Yes
	AC07/06/2025	That progress on the audit of the Annual Report be noted.	Yes
	AC07/07/2025	Once the audit is completed, the report be presented to AC.	Yes
	AC07/08/2025	That progress on the audit for the Mid-Year Performance Report be noted.	Yes
	AC07/09/2025	That the final audit report be presented in the next AC meeting.	Yes
	AC07/10/2025	That management get someone to proofread the Annual Report for spelling, grammar, alignment etc.	Yes
	AC07/11/2025	That issues raised by the Internal Audit on Annual Report be attended to.	Yes
	AC07/12/2025	That the Mid-Year Report be noted and recommended for tabling to Council.	Yes
	AC07/13/2025	That LPT recommendations be considered prior submission to Council.	Yes
	AC07/14/2025	That management attend to findings raised by IA on Mid-Year.	Yes
	AC07/14/2025	That management attend to findings raised by IA on Mid-Year.	Yes
29 January 2025	AC08/01/2025	That all attendees complete the declaration forms and submit to the CAE	Yes
	AC08/02/2025	That the AC approves the Draft 24/25 Audit Action Plan document.	Yes
	AC08/03/2025	That the Draft 24/25 Audit Action Plan document be submitted to Council for approval once the necessary agreed-upon updates have been made.	Yes
26 February 2025	AC09/01/2025	That all attendees complete the declaration forms and submit to the CAE	Yes
	AC09/02/2025	That the AC support the Draft Adjustment Budget for approval by council.	Yes
	AC09/03/2025	That future budget adjustments and the SDBIP should be processed simultaneously to allow for a joint review.	The resolution is due for implementation in the 2025/2026 in the 3 <sup>rd</sup> quarter.
	AC09/04/2025	That the AC support the Revised supply chain Management Policy for approval by council.	Yes
	AC09/05/2025	That Management provide a clear reason for retaining the R200,000 threshold together with policy.	Yes
26 March 2025	AC10/01/2025	That minutes of the 26 <sup>th</sup> February 2025 be added on the agenda as 2.3.	Yes
	AC10/02/2025	That apologies be accepted.	Yes
	AC10/03/2025	That all attendees complete the declaration forms and submit to the CAE	Yes
	AC10/04/2025	That AC approve the minutes of the AC meeting held on the 24 <sup>th</sup> January 2025 after effecting the corrections made.	Yes
	AC10/05/2025	That AC approve the minutes of the AC meeting held on the 29 <sup>th</sup> January 2025 after effecting the corrections made	Yes
	AC10/06/2025	That AC approve the minutes of the AC meeting held on the 26 <sup>th</sup> February 2025 after effecting the corrections made.	Yes
	AC10/07/2025	That progress on the AC Resolution register of 93% be approved.	Yes
	AC10/08/2025	Target date for AC01/22/2025 be revised to 31 May 2025.	Yes

MUNICIPAL AUDIT COMMITTEE RECOMMENDATIONS			
Date of Committee	Resolution Number	Committee recommendations	Recommendations adopted
	AC10/09/2025	That CFO assists CSS on how to resolve the capturing on licensing.	Yes
	AC10/10/2025	That the AC Pack be discussed in the management meeting prior AC.	Yes
	AC10/11/2025	That the Audit Committee notes and approve progress on Internal Audit activities for the 2 <sup>nd</sup> Quarter ending 31 December 2024.	Yes
	AC10/12/2025	That the Audit Committee approves the progress of 51% implementation of the Internal Audit Plan.	Yes
	AC10/13/2025	That Audit Committee approve progress on implementation of Quality Assurance and Improvement Program.	Yes
	AC10/14/2025	That no impairment of Internal Audit independence was noted in the quarter under review.	Yes
	AC10/15/2025	Audit the Committee approves consulting engagements for the quarter under review.	Yes
	AC10/16/2025	The Audit Committee approves trainings attended by Internal Audit staff for the quarter under review.	Yes
	AC10/17/2025	That the Audit Committee notes and approve the Internal Audit Reports for the 2 <sup>nd</sup> Quarter ending 31 December 2024.	Yes
	AC10/18/2025	That the Audit Committee approve Audit reports on AOPO 1st Quarter Performance Report, Lease Management Audit report, DORA Audit Report, Risk Management Report, Acting Allowance Audit Report, Overtime Audit Report, UIFWE Review, IT Follow-up Review, Internal Audit follow-up and Audit Action Plan Review.	Yes
	AC10/19/2025	That the Audit Committee approves 27% implementation of Internal Audit Follow-up	Yes
	AC10/20/2025	That the Audit Committee approves 71% Audit Action Plan progress for 2022/2023.	Yes
	AC10/21/2025	That the AC approves 60% progress and 17% for 2023/2024 on IT Follow-up.	Yes
	AC10/22/2025	That further information be provided relates to overpayment of R270 000 as reported by an internal audit.	Yes
	AC10/23/2025	That progress on implementation of the CAF resolution be noted.	Yes
	AC10/24/2025	That findings raised on 2023/2024 Annual Report by Internal Audit and Strategic Planning be noted.	Yes
	AC10/25/2025	That internal audit shares the template they use for review of the Annual Report with Strategic Planning.	Yes
	AC10/26/2025	The Audit Committee notes the contents of the Risk Management Report for the second quarter of 2024/2025 financial year.	Yes
	AC10/27/2025	That AC note and approve progress on Audit Action Plan.	Yes
	AC10/28/2025	That nine (9) months financial statements will be made by 31 May 2025.	Yes
	AC10/29/2025	That AC note progress on MI	Yes
	AC10/30/2025	That the financial reports ending 31 December 2025 be noted.	Yes
	AC10/31/2025	That from the 3 <sup>rd</sup> Quarter, the CFO must present quarterly financials not monthly report.	Yes
	AC10/32/2025	That AC note the contract register	Yes
	AC10/33/2025	That the Deviation report be noted.	Yes
	AC10/34/2025	That the deviated contract for the A-Team Security be reviewed by SCM and CFO to check if it is not an irregular expenditure so that is properly classified.	Yes
	AC10/35/2025	That UIFW expenditure register be noted.	Yes
	AC10/36/2025	That AC notes the report on Government debt.	Yes
	AC10/37/2025	That COGHSTA assist the Municipality to collect the debt from Government.	Yes
	AC10/38/2025	That AC note the Compliance Checklist on Water SLA with MDM	Yes
	AC10/39/2025	That AC notes the ICT report.	Yes



# APPENDICES

MUNICIPAL AUDIT COMMITTEE RECOMMENDATIONS			
Date of Committee	Resolution Number	Committee recommendations	Recommendations adopted
	AC10/40/2025	That 2 <sup>nd</sup> quarters HR report be noted.	Yes
	AC10/41/2025	The Technical and Community Services Departments hold OHS meetings as required.	Yes
	AC10/42/2025	That AC note progresses on litigation register.	Yes
	AC10/43/2025	That the SM to provide breakdown of the R1 950 182.41 in the next meeting.	Yes
	AC10/44/2025	That Progress on POPIA implementation be tabled in the next AC meeting.	Yes
	AC10/45/2025	That the Audit Committee note the contents of this report.	Yes
	AC10/46/2025	That the Audit Committee acknowledges the progress made on initiatives aimed at addressing current challenges and laying a foundation for sustainable land use management.	Yes
	AC10/47/2025	That the Audit Committee note that updates on the progress of these interventions will be reported on a quarterly basis	Yes
	AC10/48/2025	That the Audit Committee Note the progress made, the challenges encountered, and the steps being taken to resolve the issues with the Performance Management System.	Yes
	AC10/49/2025	That the automation of PMS is an ongoing process, and updates will be provided on a quarterly basis.	Yes
	AC10/50/2025	That the Audit Committee notes the contents of this report. (Progress on implementation of LED Strategy	Yes
	AC10/51/2025	That the Audit Committee acknowledges the progress made on the implementation of the LED Strategy.	Yes
	AC10/52/2025	That the Audit Committee notes that updates on the progress of the implementation of the LED Strategy will be reported on a quarterly basis	Yes
	AC10/53/2025	That AC noted the progress on funding of the Master Plan for roads.	Yes
	AC10/54/2025	That progress on landfill site be noted.	Yes
	AC10/55/2025	That progress on Asbestos Disposal be noted.	Yes
	AC10/56/2025	That procurement will be made in July 2025 for disposal of asbestos material.	The recommendation could not be implemented due to budget constraints. Budget was approved for 2025/2026.
21 May 2025	AC11/01/2025	That the agenda be adopted.	Yes
	AC11/02/2025	That all attendees complete the declaration forms and submit them to the CAE	Yes
	AC11/03/2025	That the AC recommends the reviewed IDP to Council for approval after consideration of all inputs made.	Yes
	AC11/04/2025	That Management will revise all KPIs and targets to comply with SMART principles before submitting the IDP to the Council.	Yes
	AC11/05/2025	That Internal Audit conducts IDP-budget alignment review before Council submission.	Yes
	AC11/06/2025	That a high-level summary of key achievements from the current 5-year IDP cycle will be included in the Mayor's and Municipal Manager's forwards.	Yes
	AC11/07/2025	That the IDP will be updated to reflect landfill closure plans and other outstanding MEC issues.	Yes
	AC11/08/2025	That Management enhance KPI clarity, consistency, and completeness in the upcoming SDBIP and senior managers' agreements.	The due date set for the resolution is in the 2025/2026
	AC11/09/2025	That the AC's technical comments will be consolidated and incorporated into the final IDP draft.	Yes
	AC11/10/2025	That the CAE shares the AC Chairperson's written input on the IDP with management.	Yes
	AC11/11/2025	That the AC recommends the budget subject to the inputs made	Yes
	AC11/12/2025	That the AC notes the funding plan as presented.	Yes
	AC11/13/2025	That the AC notes that monthly monitoring of funding plan implementation will be reported to Council to ensure progress.	Yes
	AC11/14/2025	That the AC notes the Budget Related Policy.	Yes

MUNICIPAL AUDIT COMMITTEE RECOMMENDATIONS			
Date of Committee	Resolution Number	Committee recommendations	Recommendations adopted
	AC11/15/2025	That the AC notes that the Electricity Tariff book updated to align with inflation target and comply with NERSA electricity guidelines.	Yes
	AC11/16/2025	That the AC notes that the Property values reduced by 4% per COGTA advice to offset rate increases from new valuations.	Yes
	AC11/17/2025	That the AC notes that other tariffs adjusted according to inflation target to support budget implementation.	Yes
	AC11/18/2025	That the AC recommends the strategic register to Council, subject to any inputs from the Committee.	Yes
	AC11/19/2025	That the AC recommends the risk management policies for approval subjects to inputs.	Yes
	AC11/20/2025	That the AC notes that the Anti-Fraud Strategy updated for 2025/2026 to require annual financial interest disclosures by all employees.	Yes
	AC11/21/2025	That validation of disclosures to be explored using data analytics by Risk Management or Internal Audit.	Assistance was requested from State Security Agency. The SSA will provide the assessment after all relevant documentation is submitted in the 2025/2026.
	AC11/22/2025	That the Fraud Prevention Plan to be revised to enhance detection through analytics.	Yes
	AC11/23/2025	That the Loss Control Policy to include information assets and removable media to address cyber risks.	Yes
	AC11/24/2025	That management review and revise all KPIs to ensure they support effective performance monitoring and reporting.	Yes
	AC11/25/2025	The AC recommended that sufficient funding be allocated in the next financial year to appoint a qualified environmental expert.	Yes
	AC11/26/2025	That management Conduct a proper site assessment of Namakgale Landfill Site through a qualified environmental expert.	Yes
	AC11/27/2025	That the expert provides technical guidance on the closure process in compliance with environmental regulations.	Yes
	AC11/28/2025	The AC noted the Budget Related Policies and recommended their approval by Council	Yes
30 May 2025	AC12/01/2025	Item 2.2 – Minutes of the meeting held on 21 May 2025 was removed from the agenda as the minutes are not yet ready.	Yes
	AC12/02/2025	That all Audit Committee members complete the declaration forms and submit to the CAE.	Yes
	AC12/03/2025	The AC noted and approved the minutes of the meeting held on <b>26<sup>th</sup> of March 2025</b> .	Yes
	AC12/04/2025	That the progress of 99% be revised to 95%.	Yes
	AC12/05/2025	That 95% implementation on the AC Resolution register be approved.	Yes
	AC12/06/2025	That POE on variation as approved by the Municipal Manager be provided to Internal Audit.	Yes
	AC12/07/2025	That the graph be revised to reflect three categories: "Implemented," "Not Yet Due," and "Not Implemented."	Yes
	AC12/08/2025	That the AC notes and approves progress on Internal Audit activities for the 3rd Quarter ending 31 March 2025.	Yes
	AC12/09/2025	That AC approve FMCMM, AOPO Individual Assessment for Mid-Year and Annual Plan for the 3rd Quarter ending 31 March 2025.	Yes
	AC12/10/2025	That the AC approves the progress of 82% implementation of the Internal Audit Plan.	Yes
	AC12/11/2025	That the AC approves consulting engagements for the quarter under review.	Yes
	AC12/12/2025	That AC approve progress on implementation of Quality Assurance and Improvement Program.	Yes
	AC12/13/2025	That no impairment of Internal Audit independence was noted in the quarter under review.	Yes
	AC12/14/2025	The AC approves training attended by Internal Audit staff for the quarter under review.	Yes
	AC12/15/2025	That the CAE clearly indicates the outstanding achievement of 130% in the Internal Audit Report and also in the future reports.	Yes
	AC12/16/2025	That planned date for the periodic assessment in July for monitoring purposes be included.	Yes
	AC12/17/2025	That for the external QAR, that a summary table showing identified gaps, those implemented, outstanding, and not yet due to support ongoing monitoring be indicated.	Yes
	AC12/18/2025	That the AC notes and approve the Internal Audit Reports for the 3rd Quarter ending 31 March 2025.	Yes

MUNICIPAL AUDIT COMMITTEE RECOMMENDATIONS			
Date of Committee	Resolution Number	Committee recommendations	Recommendations adopted
	AC12/19/2025	That the AC approve: <ul style="list-style-type: none"> <li>Audit reports on AOPO Mid-Year Institutional Performance Report,</li> <li>AOPO Annual Report Review, AOPO Mid-Year Individual Scorecards,</li> <li>AOPO Individual Annual Scorecards, Infrastructure Maintenance Audit,</li> <li>WSA Audit Report, Fraud &amp; Corruption Audit Report,</li> <li>Acting Allowance Audit Report, Overtime Audit Report,</li> <li>IT Follow-up Review, Internal Audit follow-up,</li> <li>Audit Action Plan for 2023/2024 and 2022/2023</li> </ul> FMCMM Implementation Plan.	Yes
	AC12/20/2025	That the AC approves 38% implementation of Internal Audit Follow-up.	Yes
	AC12/21/2025	That the AC approves 80% Audit Action Plan progress for 2022/2023.	Yes
	AC12/22/2025	That the AC approves 20% Audit Action Plan progress for 2023/2024.	Yes
	AC12/23/2025	That AC approves 75% progress and 60% for 2023/2024 on IT Follow-up	Yes
	AC12/24/2025	That progress on implementation of the CA be noted.	Yes
	AC12/25/2025	The IT risk register be integrated into the overall risk registers considered by the forum.	Yes
	AC12/26/2025	That the AC notes the progress.	Yes
	AC12/27/2025	That council and Audit Committee be trained in the Global Internal Audit Standards.	The training is planned for 2025/2026 due to financial constraints.
	AC12/28/2025	The AC notes the contents of the Risk Management Report for the 3rd quarter of 2024/2025 financial year.	Yes
	AC12/29/2025	That RMC enhance future reports by clearly presenting unresolved risks, emerging risks, and recorded fraud incidents to support improved oversight and accountability.	Yes
	AC12/30/2025	That the AC notes the Interim Financial Statements.	Yes
	AC12/31/2025	That the AC notes the AFS Process Plan.	Yes
	AC12/32/2025	That the CAE and CFO schedule the AC's AFS review meeting earlier than 15 August given August's demands and communicate dates promptly so that the AC can reserve them on their calendars.	Yes
	AC12/33/2025	That AC note and approve progress on Audit Action Plan.	Yes
	AC12/34/2025	That AC note progress on MI.	Yes
	AC12/35/2025	That AC note that the MI matter has been closed.	Yes
	AC12/36/2025	That the financial reports ending 31 December 2025 be noted.	Yes
	AC12/37/2025	That AC note the contract register	Yes
	AC12/38/2025	That the Deviation report be noted.	Yes
	AC12/39/2025	That real reason be provided for deviation instead of legislation.	Yes
	AC12/40/2025	That UIFW expenditure register be noted.	Yes
	AC12/41/2025	That AC notes the report on Government debt.	Yes
	AC12/42/2025	That AC note the Compliance Checklist on Water SLA with MDM	Yes
	AC12/43/2025	That AC notes the 3rd Quarter ICT Report.	Yes
	AC12/44/2025	That 3 <sup>rd</sup> quarters HR report be noted.	Yes
	AC12/45/2025	That training be planned annually with clear targets.	Yes
	AC12/46/2025	That if quarterly targets are not met, catch-up measures should be in place to avoid underdeveloped staff, which could hamper service delivery.	Yes



MUNICIPAL AUDIT COMMITTEE RECOMMENDATIONS			
Date of Committee	Resolution Number	Committee recommendations	Recommendations adopted
	AC12/47/2025	That clear training schedules and targets be set.	Yes
	AC12/48/2025	That future reports include updates on new disciplinary cases with the details requested by AC.	Yes
	AC12/49/2025	That AC note progress on litigation register.	Yes
	AC12/50/2025	That the legal report with the breakdown be shared with AC as soon as possible.	Yes
	AC12/51/2025	That AC notes the compliance checklist.	Yes
	AC12/52/2025	That the progress on POPIA implementation be noted.	Yes
	AC12/53/2025	That a clearer and more detailed report on <b>classification of information be presented in the next meeting.</b>	Yes
	AC12/54/2025	That the AC notes the 3rd Quarter Institutional Performance Report	Yes
	AC12/55/2025	That the AC notes the progress on Report on disorderly developments and formalization of land invasions	Yes
	AC12/56/2025	That the AC notes the Progress report on PMS Module implementation	Yes
	AC12/57/2025	That ICT play a key role in providing services, ensuring capacity aligns with the municipality's IT architecture, and managing project scope and quality.	Yes
	AC12/58/2025	That the AC notes the Progress on implementation of LED Strategy.	Yes
	AC12/59/2025	That quick wins be reported in the next AC meeting with regards to LED Strategy Implementation.	Yes
	AC12/60/2025	That AC noted the progress on funding of the Master Plan for roads.	Yes
	AC12/61/2025	That in future the Department will plan to better align maintenance plans with available budgets and incorporate unplanned requests into the plan for improved implementation.	Yes
	AC12/62/2025	That progress on landfill site be noted.	Yes
	AC12/63/2025	That report on Namakgale Landfill site developments be provided in the next meeting.	Yes
	AC12/64/2025	That progress on Asbestos Disposal be noted.	Yes
	AC12/65/2025	That the AMM committed on conducting further research on Asbestos disposal and storage to ensure that comprehensive report in provided in the next AC meeting.	Yes
20 June 2025	AC13/01/2025	Item 2 – Minutes of the meeting was removed from the agenda as the minutes were not yet finalized.	Yes
	AC13/02/2025	That all AC members complete the declaration forms and submit to the CAE.	Yes
	AC13/03/2025	That the AC approves the 2025/2026 Internal Audit Charter, subject to the proposed amendments.	Yes
	AC13/04/2025	That Annual confirmation of the Internal Audit Unit confirmation be removed and quarterly confirmation be maintained.	Yes
	AC13/05/2025	That paragraph on qualifications of the CAE be included.	Yes
	AC13/06/2025	That the AC approves the 2025/2026 – 2027/2028 Internal Audit Strategy, subject to the proposed amendments.	Yes
	AC13/07/2025	That the paragraph on mandate be aligned to the Mandate in the Internal Audit Charter.	Yes
	AC13/08/2025	That paragraph on resource considerations be expanded to reflect short-term, medium term and long term.	Yes
	AC13/09/2025	That Advisory audit" in paragraph 5, item 9, should be revised to "advisory services".	Yes
	AC13/10/2025	That a paragraph on combined assurance be included in the strategy.	Yes
	AC13/11/2025	That qualifications and requirements for external QAIP providers should include registration the Institute of Internal Auditors (IIA) external assessment	Yes
	AC13/12/2025	That the ICT Chairperson to share notes with the CAE to help refine the	Yes
	AC13/13/2025	That the AC approves the 2025/2026 Annual Audit Plan, subject to the proposed amendments.	Yes
	AC13/14/2025	That a statement be included on the Internal Audit Plan as "The review will be done annually and timely in response to changes in the organisation."	Yes
	AC13/15/2025	That the AC approves the 2025/2026 Internal Audit Methodology.	Yes
	AC13/16/2025	That the AC approves the 2025/2026 Quality Assurance and Improvement Program, subject to the proposed amendments.	Yes

# APPENDICES

MUNICIPAL AUDIT COMMITTEE RECOMMENDATIONS			
Date of Committee	Resolution Number	Committee recommendations	Recommendations adopted
	AC13/17/2025	That the qualifications to the service provider doing External Quality Review be added	Yes
	AC13/18/2025	That the AC approves the 2025/2026 Continuous Development Plan, subject to the proposed amendments.	Yes
	AC13/19/2025	That Continuous auditing be included as part of the trainings for Internal Auditors.	Yes
	AC13/20/2025	That the AC approves the 2025/2026 Combined Assurance Framework.	Yes
	AC13/21/2025	That the AC approves the 2025/2026 AC Charter, subject to the proposed amendments.	Yes
	AC13/22/2025	That timelines for Audit Committee Notices be changed from 7 days to 10 days.	Yes
	AC13/23/2025	That distribution of AC packs be revised from 5 days to 7 days prior the AC meeting.	Yes
	AC13/24/2025	That the CAE distribute the Council approved corporate diary with AC meetings.	Yes
	AC13/25/2025	That management adhere to the set dates.	Yes
	AC13/01/2025	Item 2 – Minutes of the meeting was removed from the agenda as the minutes were not yet finalized.	Yes
	AC13/02/2025	That all AC members complete the declaration forms and submit to the CAE.	Yes
	AC13/03/2025	That the AC approves the 2025/2026 Internal Audit Charter, subject to the proposed amendments.	Yes
	AC13/04/2025	That Annual confirmation of the Internal Audit Unit confirmation be removed and quarterly confirmation be maintained.	Yes
	AC13/05/2025	That paragraph on qualifications of the CAE be included.	Yes
	AC13/06/2025	That the AC approves the 2025/2026 – 2027/2028 Internal Audit Strategy, subject to the proposed amendments.	Yes
	AC13/07/2025	That the paragraph on mandate be aligned to the Mandate in the Internal Audit Charter.	Yes
	AC13/08/2025	That paragraph on resource considerations be expanded to reflect short-term, medium term and long term.	Yes
	AC13/09/2025	That Advisory audit” in paragraph 5, item 9, should be revised to “advisory services”.	Yes
	AC13/10/2025	That a paragraph on combined assurance be included in the strategy.	Yes
	AC13/11/2025	That qualifications and requirements for external QAIP providers should include registration the Institute of Internal Auditors (IIA) external assessment	Yes
	AC13/12/2025	That the ICT Chairperson to share notes with the CAE to help refine the	Yes
	AC13/13/2025	That the AC approves the 2025/2026 Annual Audit Plan, subject to the proposed amendments.	Yes
	AC13/14/2025	That a statement be included on the Internal Audit Plan as “The review will be done annually and timely in response to changes in the organization.”	Yes
	AC13/15/2025	That the AC approves the 2025/2026 Internal Audit Methodology.	Yes
	AC13/16/2025	That the AC approves the 2025/2026 Quality Assurance and Improvement Program, subject to the proposed amendments.	Yes
	AC13/17/2025	That the qualifications to the service provider doing External Quality Review be added	Yes
	AC13/18/2025	That the AC approves the 2025/2026 Continuous Development Plan, subject to the proposed amendments.	Yes
	AC13/19/2025	That Continuous auditing be included as part of the trainings for Internal Auditors.	Yes
	AC13/20/2025	That the AC approves the 2025/2026 Combined Assurance Framework.	Yes
	AC13/21/2025	That the AC approves the 2025/2026 AC Charter, subject to the proposed amendments.	Yes
	AC13/22/2025	That timelines for Audit Committee Notices be changed from 7 days to 10 days.	Yes
	AC13/23/2025	That distribution of AC packs be revised from 5 days to 7 days prior the AC meeting.	Yes
	AC13/24/2025	That the CAE distribute the Council approved corporate diary with AC meetings.	Yes
	AC13/25/2025	That management adhere to the set dates.	Yes

APPENDIX H1-2–LONG TERM CONTRACTS AND PUBLIC-PRIVATE PARTNERSHIPS

Long Term Contracts (20 Largest Contracts Entered into 2024/25)					
Name of service provider (entity of municipal department)	Description of services rendered by the service provider	Start date of contract	Expiry date of contract	Project Manager	Contract Value
None					

Public Private Partnerships Entered into 2024/25 R`000					
Name & Description of project	Name of Partner (s)	Initiation date	Expiry date	Project manager	Value 2024/25
None					

APPENDIX I - MUNICIPAL ENTITY/SERVICE PROVIDER PERFORMANCE SCHEDULE

Municipal Entity/Service Provider Performance Schedule									
Name of Entity & Purpose	(a) Service Indicators	Year 0		Year 1			Year 2	Year 3	
		Target	Actual	Target		Actual	Target		
	(b) Service Targets	*Previous Year		*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year
		(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

## APPENDIX J - DISCLOSURES OF FINANCIAL DISCLOSURES

Disclosures of Financial Interests		
Period 1 July 2024 to 30 June 2025		
Position	Name	Description of financial interest* (Nil/or details)
Speaker	Cllr Mabunda O	Nil
Mayor	Cllr Malaji MM	Chicken farmer owner
Chief Whip	Cllr Rapatsa DM	Nil
Member of Exco	Cllr Rapatsa V	Nil
Member of Exco	Cllr Makasela R	Nil
Member of Exco	Cllr Nkuna T	Nil
Member of Exco	Cllr Mashumu P	Nil
Member of Exco	Cllr De Beer SR	Nil
Member of Exco	Cllr Mailula P	Nil
MPAC Chairperson	Cllr Mukhari P	Nil
Councillor	Cllr Nyathi EF	Nil
Councillor	Cllr Shayi S	Nil
Councillor	Cllr Mathebula DS	Nil
Councillor	Cllr Mampuru MM	
Councillor	Cllr Malobane TM	Nil
Councillor	Cllr Ramothwala B	Nil
Councillor	Cllr M Malesa	Nil
Councillor	Cllr LM Matlala	Nil
Councillor	Cllr J Sindane	Nil
Councillor	Cllr MH Sekatane	Financial services
Councillor	Cllr Rakoma R	Nil
Councillor	Cllr Booysen HS	Nil
Councillor	Cllr Shai TB	Nil
Councillor	Cllr Mashale T	Backyard Chicken and Poultry farm
Councillor	Cllr Mokgalaka ME	Nil
Councillor	Cllr Van Niekerk J	Nil
Councillor	Cllr Mohlala S	Nil
Councillor	Cllr Rihlamfu NL	Nil
Councillor	Cllr Mokungwe JC	Nil
Councillor	Cllr Mokoena –Mashele EA	Nil
Councillor	Cllr Peta A	Catering and decoration
councillor	Cllr Mathebula MMA	Nil
Councillor	Cllr Mononela MA	Nil
Councillor	Cllr Sekoele MF	Nil
Councillor	Cllr Thuke MM	Nil
Councillor	Cllr Ntimana NP	Nil
Councillor	Cllr van Niekerk GM	Nil
Councillor	Cllr Mampuru NJ	Nil
Councillor	Cllr Malatji TC	Nil
Municipal Administrators		
Municipal Manager	Dr Pilusa KKL	Nils
Senior Manager: Corporate Services	Mrs Selapyane JB	Embroidery and Rental
Chief Financial Officer	Mr Nzimande AT	Nil
Senior Manager Planning	Ms Mogano J	Nil
Senior Manager Community	Mr Hlogwane T	Nil



## APPENDIX K1 - REVENUE COLLECTION PERFORMANCE BY VOTE

Vote Description	2023/24	2024/25	2024/25	
	Actual	Actual	Original Budget	Adjusted Budget
Executive and Council	0			
Budget and Treasury Dept	432 214	394 890	481 149	481 310
Corporate Services	815		285	365
Community and Social Services	42 534	48 829	8 105	8 155
Planning and Development	0	464	275	275
Technical Services Dept	158 810	179 113	283 555	283 605
<b>Total Revenue by vote</b>	<b>634 383</b>		<b>773 369</b>	<b>773 711</b>

## APPENDIX K2 - REVENUE COLLECTION PERFORMANCE BY SOURCE: 2024/25

Description	2022/23	2023/24	2024/25			2024/25 Variance	
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Original Budget	Adjustment Budget
<b>Property Rates</b>	134 374	127 740	194 706	194 706	168 002	(26 704)	(26 704)
Service charges – electricity revenue	119 965	117 658	197 916	197 916	133 446	(64 470)	(64 470)
Service Charges – refuse revenue	119 965	117 658	197 916	197 916	133 446	(64 470)	(64 470)
Rentals of facilities and equipment	512	341	285	365	526	241	161
Interest earned. – Investment	18 558	20 167	21 914	21 914	21 408	(506)	(506)
Interest earned – outstanding debtors	512	341	285	365	526	241	161
Fines	4 026	5 120	66 103	66 103	18 680	(47 423)	(47 423)
Licence and permits	25 626	14 251					
Agency services	514	280	1 438	1 438	79	(1 359)	(1 359)
Transfers recognised – operational	4 143	4 296	6 445	6 445	5 579	(866)	(866)
Other revenue	15 400	13 388	6 888	6 888	13 293	6 405	6 405
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>196 252</b>	<b>215 659</b>	<b>232 212</b>	<b>222 873</b>	<b>258 557</b>	<b>26 345</b>	<b>35 684</b>

## APPENDIX L - CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

Conditional Grants: Excluding MIG(R'000) 2024/25						
Details	Budget	Adjustment Budget	Actual	Variance Budget	Adjustment Budget	Major conditions applied by donor (continue below if necessary)
Finance Management grant	3 000	3 000	3 000	0	3 000	None
EPWP	1 769	1 769	1 769	(77)	1 769	None
EEDSMG				0	0	None
INEP	4 814	1 926	2 888	(1 926)	1 926	None
<b>Total</b>	<b>9 583</b>	<b>6 695</b>	<b>7 657</b>	<b>(1 926)</b>	<b>6 695</b>	

## APPENDIX M1-2: CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME

Capital expenditure – New Assets programme*						
Description	2024/25 (R'000)	Planned capital expenditure(R'000)				
	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
<b>Capital expenditure by asset class</b>						
<b>Infrastructure – Total</b>						
Infrastructure: Road transport – Total	37 141	37 141	36 962	29 578	29 599	28 095
Infrastructure: Electricity – Total	4 814	0	0	1 915	8 520	0
Other	17 838	17 838	6 891	6 260	11 739	20 174

## APPENDIX N – CAPITAL PROGRAMME BY PROJECT CURRENT YEAR

Capital Programme by Project: 2024/25					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
<b>Water</b>	N/A	N/A	N/A	N/A	N/A
<b>Sanitation/Sewerage</b>	N/A	N/A	N/A	N/A	N/A
<b>Electricity</b>					
Electrification of new villages within Ba-Phalaborwa Municipality as per DMRE's approval (Electrification 75 Units at Mashishimale Village, 120 Units at Nyakelani Village & 180 Units in Makhushwane Camp)	4 814 000	2 888 000	2 887 998,86	-0.00%	-40
<b>Housing</b>	N/A	N/A	N/A	N/A	N/A
<b>Refuse removal</b>	N/A	N/A	N/A	N/A	N/A
<b>Stormwater</b>	N/A	N/A	N/A	N/A	N/A
Construction of stormwater culverts at Lulekani	500 000,00	400 280	400 280	-24.91	-19.94
Installation of stormwater culvert at Tension Pilusa graveyard	6 900 000,00	6 315 771	6 315 771	0%	-9.25
<b>Roads</b>					
Upgrading of gravel to asphalt from Aubrey carwash via cemetery to Kanana	5 384 423,41	7 302 548	6 536 024	-11.72	17.61
Upgrading of Honeyville to Dinoko Sebera from gravel to tar	6 687 241,00	8 884 601	9 651 125	7.94	30.71
Upgrading of Ben-Farm road Phase 2	4 037 446,27	1 543 571	1 543 571	0	-158%
<b>Economic development</b>					
"Project A"	N/A	N/A	N/A	N/A	N/A
"Project B"	N/A	N/A	N/A	N/A	N/A
<b>Sports, Arts &amp; Culture</b>					
Refurbishment of Namakgale Stadium	10 837 178,65	10 837 179	10 837 179	0.00	0
<b>Environment</b>					
"Project A"	N/A	N/A	N/A	N/A	N/A
"Project B"	N/A	N/A	N/A	N/A	N/A
<b>Health</b>	N/A	N/A	N/A	N/A	N/A
<b>Safety and Security</b>	N/A	N/A	N/A	N/A	N/A
<b>ICT and Other</b>	N/A	N/A	N/A	N/A	N/A
T N					

## APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD CURRENT YEAR

Capital Programme by Project by Ward: 2024/25 R' 000		
Capital Project (Yes/No)	Ward(s) affected	Works completed
<b>Water</b>	N/A	N/A
<b>Sanitation/Sewerage</b>	N/A	N/A
<b>Electricity</b>		
Electrification of new villages within Ba-Phalaborwa Municipality as per DMRE's approval (Electrification 75 Units at Mashishimale Village, 120 Units at Nyakelani Village & 180 Units in Makhushwane Camp)	8,10,19	Yes
<b>Roads</b>		
Upgrading of gravel to asphalt from Aubrey carwash via cemetery to Kanana	1, 19	No
Upgrading of Honeyville to Dinoko Sebera from gravel to tar	2,9	No
Upgrading of Ben-Farm road Phase 2	3	Yes
<b>Housing</b>		
<b>Refuse removal</b>	N/A	N/A
<b>Stormwater</b>	N/A	N/A
Construction of stormwater culverts at Lulekani	14,15,16	Yes
Installation of stormwater culvert at Tension Pilusa graveyard	8	Yes
<b>Economic development</b>	N/A	N/A
<b>Sports, Arts &amp; Culture</b>		
Refurbishment of Namakgale Stadium	1,2,5,6,&19	No
<b>Environment</b>		
<b>Health</b>	N/A	N/A
<b>Safety and Security</b>	N/A	N/A
<b>ICT and Other</b>	N/A	N/A

## APPENDIX P – SERVICE BACKLOGS: SCHOOLS AND CLINICS

Service Backlogs: Schools and Clinics				
Establishments lacking basic services	Water	Sanitation	Electricity	Solid Waste Collection
<b>Schools (NAMES, LOCATIONS)</b>				
Matome Malatji School	✓			✓
<b>Clinics (NAMES, LOCATIONS)</b>				
NONE				



## APPENDIX Q – SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY BY OTHER SPHERE OF GOVERNMENT

Service Backlogs Experienced by the Community where another Sphere of Government is the Service Provider (where the municipality whether act on agency basis)		
Services and Locations	Scale of backlogs	Impact of backlogs
Clinics:	Ward 1 – Kanana, Foskor ground	Travel long distance to reach the clinic
	Ward 6 – Topville	
	Ward 8 – Tshabelamatswale	
	Ward 10 -Maseke	
Housing:	5 867 – Ward 1,2,3,4,5,6,7,8,9,10,13,14,15,16,17,18,19	No access to housing
Licensing and Testing Centre:	None	None
Reservoirs	Ward 3, 7,9, 15,17,18	No access to water
Schools (Primary and High):	Ward ,16,17	Travel long distance
	Renovation Batwatsi School ward 17	
	Ward 2	
Sports Fields:	Ward 18 Gravelotte	None

## APPENDIX R – LOANS AND GRANTS MADE BY THE MUNICIPALITY

Declaration of Loans and Grants made by the municipality: 2024/25				
All Organisation or Person in receipt of Loans */Grants* provided by the municipality	Nature of project	Conditions attached to funding	Value Year 0 R' 000	Total Amount committed over previous and future years
MIG	None	None	None	None
FMG	None	None	None	None
INEP	None	None	None	None
EPWP	None	None	None	None
LGSETA	None	None	None	None
EQUITABLE Shares	None	None	None	None
* Loans/Grants - whether in cash or in kind				T R

## APPENDIX S – DECLARATION OF RETURNS NOT MADE IN DUE TIME UNDER MFMA s71

Monthly budget statement not made on time	Progress to date	Number or Percentage achieved
None		

## APPENDIX T – NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT

National and Provincial Outcomes for Local Government		
Outcome/Output	Progress to date	Number or Percentage Achieved
Output: Improving access to basic services	Improvement in access roads through completion of	
	Construction of storm water access bridges within the communities of Makhushane Ward 2, Mashishimale to Lejori Ward 10, Humulani Ward 13 and Lulekani Ward 14,15 &16	100%
	Improvement in access to basic electricity through completion of electrification of:	100% implementation
	400 households in Majeje Extension B Phase in Ward 13	
	250 households in Matikokikaya in Ward 16	
Waste collection	21211	43.2%
Output: Implementation of the Community Work Programme	1081	
Output: Deepen democracy through a refined Ward Committee model	Ward committees are functional and submit monthly reports to Office if the Speaker	100% functional
Output: Administrative and financial capability	Improvement in revenue collection monthly improvement from 65 to 80% by 30/06/2023 budget year.	78%

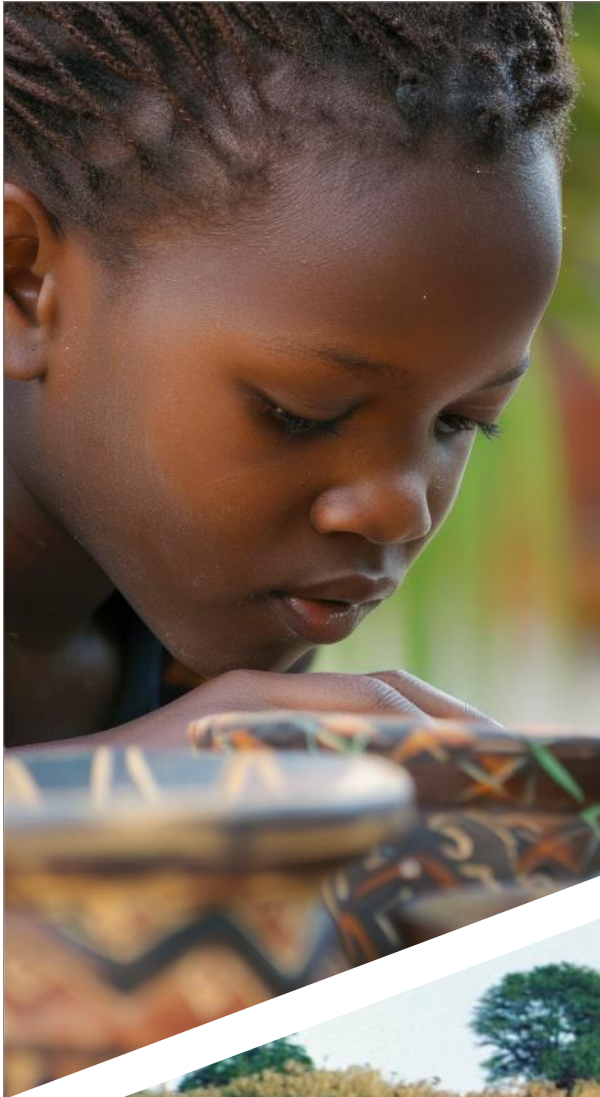
# LIST OF ACRONYMS

## LIST OF ACRONYMS

<b>EXCO</b>	Executive Committee
<b>AG</b>	Auditor General
<b>MIG</b>	Municipal Infrastructure Grant
<b>BPM</b>	Ba-Phalaborwa Municipality
<b>COGHSTA</b>	Corporative Governance, Human Settlement and Traditional Affairs
<b>COGTA</b>	Corporative Governance and Traditional Affairs
<b>CDW</b>	Community Development Workers
<b>LLF</b>	Local Labour Forum
<b>AC</b>	Audit Committee
<b>AG</b>	Auditor General
<b>EXCO</b>	Executive Committee
<b>GEAR</b>	Growth, employment and redistribution
<b>GIS</b>	Geographical Information System
<b>GDP</b>	Growth Development Product
<b>IDP</b>	Integrated Development Plan
<b>SDBIP</b>	Service Delivery and Budget Implementation Plan
<b>IT</b>	Information Technology
<b>IGR</b>	Inter-Governmental Relations
<b>ICT</b>	Information and Communication Technology
<b>ISCOR</b>	Institute for International Security and Conflict Resolution
<b>IDP</b>	Integrated Development Plan
<b>KNP</b>	Kruger National Park
<b>LED</b>	Local Economic Development
<b>LEGDP</b>	Limpopo Employment and Growth Development
<b>LUMS</b>	Land Use Management Scheme
<b>MDM</b>	Mopani District Municipality
<b>MPCC</b>	Multi-Purpose Community Centre

<b>MPAC</b>	Municipal Public Accounts Committee
<b>MSA</b>	Municipal Structures Act
<b>NDPG</b>	Neighbourhood Development Partnership Grant
<b>SDF</b>	Spatial Development Framework
<b>SDI</b>	Spatial Development Initiatives
<b>STATS SA</b>	Statistics South Africa
<b>SANRAL</b>	South African National Road Agency
<b>MEC</b>	Member of Executive Council
<b>SAPS</b>	South African Police Service
<b>SALGA</b>	South African Local Government Association
<b>SMME</b>	Small Medium and Micro Enterprise
<b>PMC</b>	Phalaborwa Mining Company
<b>PMS</b>	Performance Management System
<b>MFMA</b>	Municipal Finance Management Committee
<b>DORA</b>	Division of Revenue Act
<b>GRAP</b>	Generally Recognise Accounting Practise
<b>KPI</b>	Key Performance Indicator
<b>KPA</b>	Key Performance Area
<b>LGSETA</b>	Local Government Sector Education Training Authority
<b>LUMS</b>	Land Use Management System
<b>SDF</b>	Spatial Development Framework
<b>SPLUMA</b>	Spatial Planning Land Use Management Act
<b>EPWP</b>	Expanded Public Works Programme
<b>CWP</b>	Community Workers Programme
<b>CFO</b>	Chief Finance Officer
<b>IA</b>	Internal Audit
<b>SCM</b>	Supply Chain Management





**BA-PHALABORWA  
MUNICIPALITY**



**BA - PHALABORWAMUNICIPALITY**

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