

BA-PHALABORWA MUNICIPALITY

**2023/24
ANNUAL REPORT**



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CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY



MAYOR'S FOREWORD

COMPONENT A: EXECUTIVE SUMMARY



1.1. MUNICIPAL MANAGER'S FOREWORD

1.1.1. OVERVIEW OF MUNICIPAL PERFORMANCE

Key Performance Area	2021/22 % Achievement	2022/23 % Achievement	2023/24 Total Number of Targets	2023/24 Target Achieved	2023/24 Target not Achieved	2023/24 Target not Performed	2023/24 % Achievement
Spatial Rationale	100%	100%	3	2	1	0	66%
Basic Services Delivery	91%	92%	12	9	3	0	75%
Municipal Financial Viability	92%	92%	12	12	0	0	100%
Local Economic Development	100%	100%	5	5	0	0	100%
Municipal Transformation and Institutional Development	78%	78%	9	9	0	0	100%
Good Governance and Public Participation	93%	93%	42	41	1	1	95%
TOTAL	91%	92%	84	78	5	1	94%

Table 1: 2023/24 Municipal Key Performance Areas (KPA's)

The Municipality's overall performance for the 2023/24 financial year is evaluated across six key performance areas encompassing a total of 84 Key Performance Indicators (KPIs). Impressively, the Municipality achieved commendable performance levels on seventy-eight (78) key performance indicators, with only five (05) KPIs reflecting underperformance and one (01) KPI not being performed as planned. A comprehensive Annual Performance Report is attached providing detailed insights into the 2023/24 annual performance.



1.1.2. ACHIEVEMENTS:

The key achievements for the 2023/24 financial year are amongst others the following:

- a. Improved Electricity Loss Reduction: Implemented measures resulting in a notable reduction in electricity losses.
- b. EPWP Projects and Employment Opportunities: Executed three projects through the Expanded Public Works Program (EPWP), generating employment opportunities.
- c. Job Creation through Municipal Initiatives (EPWP): Facilitated the creation of 261 jobs through various municipal initiatives under the EPWP framework.

1.1.3. CHALLENGES:

The key challenges for the 2023/24 financial year are amongst others the following:

- a) High Cost of Infrastructure Repairs: Addressing the financial strain associated with the high cost of repairs and maintenance on aging infrastructure.
- b) Illegal Water Connections: Combating illegal water connections in villages and townships.
- c) Aging Water Infrastructure: Addressing challenges associated with old water infrastructure leading to poor service delivery.
- d) Illegal Electricity Connections and Cable Theft: Addressing issues related to illegal electricity connections and cable theft.
- e) Aging Electricity Infrastructure: Tackling interruptions resulting from the aging electricity infrastructure.

The Municipality acknowledges these achievements and challenges as integral components of its ongoing commitment to enhance service delivery and improve the overall well-being of the community. Efforts are underway to address these challenges and build on the successes achieved in the reporting period.

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:

- i. **Full Implementation of Credit Control Policy:** Prioritizing the complete implementation of the credit control policy to streamline and enhance the management of outstanding payments.
- ii. Utilization of Debt Collectors: Continued engagement of debt collectors to support the Municipality in the retrieval of outstanding payments from customers.
- iii. **Appointment of Service Provider for Meter Reading and Maintenance:** Initiating the appointment of a service provider specialized 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.

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 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 organisations in the 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 km² that 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.

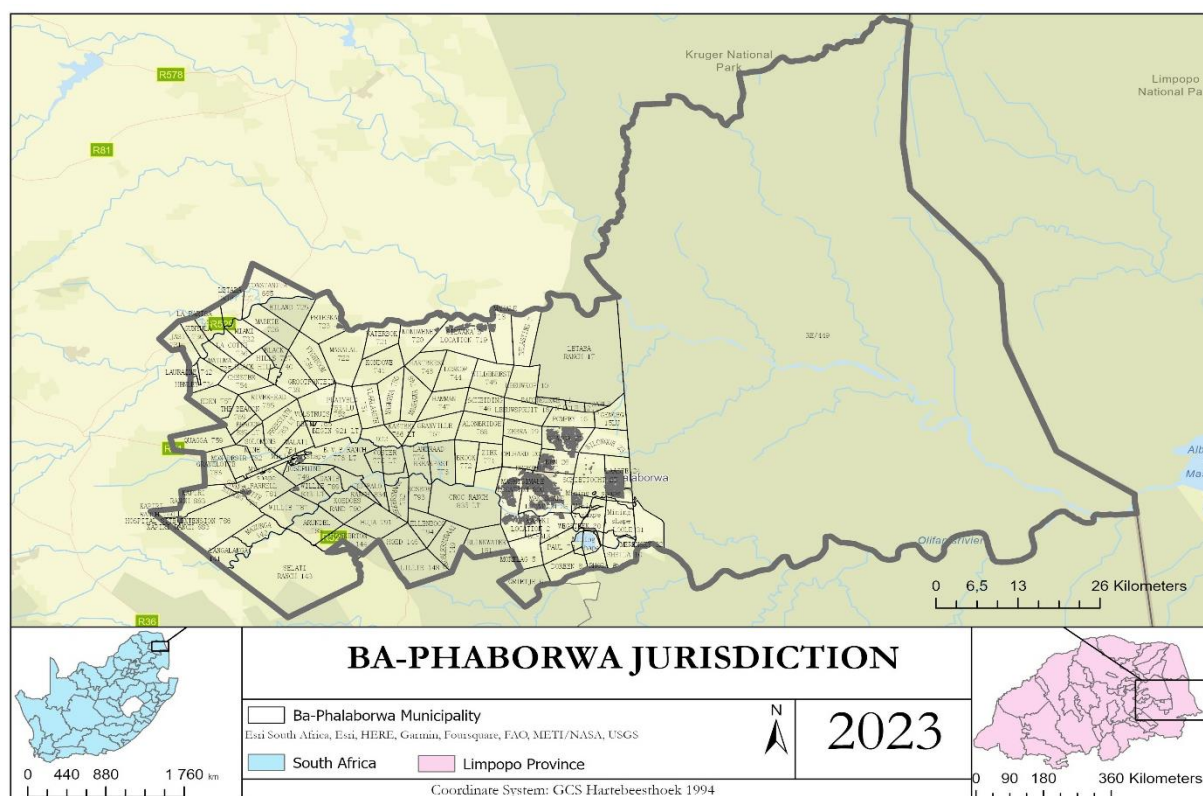
Figure 1: Locality Map of Ba-Phalaborwa Local Municipality

Municipal key objectives for the period 2021-2027 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 best human capital.

1.2.2. POPULATION OVERVIEW

The table below compares Municipal demographics as presented by Statistics South Africa



(STATS SA) in the 2001 Census, the 2011 Census and Census 2022. The demographic landscape of Ba-Phalaborwa has undergone significant changes over the past two decades, marked by a notable 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.

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 notable increase from 2,495 in 2020/21 to 5,779 in 2022/23. Concurrently, the unemployment rate has remained constant at 37.5% across these years, signalling a persistent challenge in the labour market. The proportion of households with no income has shown stability at 5,141, while encouragingly, HIV/AIDS prevalence has demonstrated a decline from 2.41% in 2020/21 to 1.94% in 2022/23. However, a constant number of 12,565 illiterate individuals aged 14 and older highlight an area that warrant targeted educational interventions.

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
2021/22	2 924	37.5%	5 141	2.11%	12 565
2022/23	5 779	37.5%	5 141	1.94%	12 565
2023/24	4466	37%			12 184

Table 4: Municipal Socio-Economic Status

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
Towns		
Phalaborwa	3389	13976
Townships		
Namakgale	8398	25808
Lulekani	3843	20917
Gravelotte	757	1098



Rural Settlements		
Selwane	2932	12326
Makhushane	3550	6608
Maseke	1985	7830
Mashishimale	3967	7002
Majeje (incl Benfarm A, B, C, Humulani & Matikoxikaya)	5315	29226
Informal Settlements		
Kurhula	544	
Total	34680	150637

Table 5: Overview of Neighbourhoods within Ba-Phalaborwa Municipality

1.2.3. ENVIRONMENTAL OVERVIEW

Ba-Phalaborwa has the highest concentration of minerals 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 area boasts a wealth of resources, including magnetite, copper, vermiculite, nickel, apatite, zirconium, titanium, and uranium. Each of these resources plays a significant role in the local economy, primarily through mining activities. The Murchison area, on the other hand, is endowed with mineral sand, antimony, gold, zinc, mercury, paving and clad stones, emeralds, and ilmenite. Again, these resources contribute substantially to the economic landscape through mining endeavours. 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

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. Notably, 11% of households with existing infrastructure in rural areas are not receiving sufficient water. Additionally, the new extensions adjacent to townships and other rural regions constitute 7% of households without proper infrastructure. To address this, the water purification plant underwent evaluation by the Water Services Authority (Mopani District) in collaboration with the Water Board (Lepelle) for necessary upgrades to meet the increasing water demands.

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. 2023/24 Financial Overview

The financial landscape of Ba-Phalaborwa Local Municipality for the financial year 2023/24 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%. 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 – 2023/24				
Details	Actual 2022/23 (R'000)	Original Budget 2023/24 (R'000)	Adjustment Budget 2023/24 (R'000)	Actual 2023/24 (R'000)
Income	396 339	468 902	471 452	436 596
Grants	238 628	264 029	264 759	264 724
Sub Total	634 967	732 932	736 212	701 321
Less Expenditure	477 623	764 525	764 525	358 669
Net Total	157 344	(31 539)	(28 314)	358 669
Operating Ratios				
Detail	% 2023/24			



Employee Cost	169 988 (47%)
Repairs & Maintenance	13 059 (4%)
Finance Charges & Depreciation	91 798 (26%)

Table 7: 2023/24 Municipal Financial Overview

1.4.2. 2022/23 – 2023/24 Total Capital Expenditure

The table below provides a detailed overview of the Total Capital Expenditure for the years 2022/23 and 2023/24, offering a comprehensive analysis of budget allocations and actual spending. In the initial budget planning for 2022/23, the municipality earmarked R44 877 000.00 for capital expenditure, with an adjustment budget of R44 877 000.00. However, the actual expenditure for 2022/23 FY amounted to R51 980 000.00. The subsequent year, 2023/24, witnessed a substantial increase in both the original and adjustment budgets, reaching R64 766 000 and R57 246 000.00 respectively. This notable rise in budget allocation underscores the municipality's commitment to capital projects and development initiatives. The actual capital expenditure for the year 2023/24 surpassed the budget, totalling R49 065 000.00. This comprehensive 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 2022/23 – 2023/24		
Details	(R'000)	
	2022/23	2023/24
Original budget	44 877	64 766
Adjustment budget	44 877	57 246
Actual	51 980	49 065

Table 8: Total Capital Expenditure for the periods 2021/22-2022/23



1.4.3. 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 2022/2023 and 2023/2024 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 2022/2023, 43 838 households had access to water services. In the terms of electricity, 3931 households in the municipal licensed area were serviced during this period. Moving to the subsequent year, 2023/24, 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 2022/23 – 2023/24						
Services	Households received services (2022/2023)	Total No of Households have access to basic services	Comment	Households received services (2023/2024)	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	3 931 (Municipal licenced area)	3 931 (Municipal licenced area)	None	3060	3 060	None

Table 9: Provision of Essential Services for the periods 2022/23 - 2023/24

1.4.4. 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.
- b) **Electricity:** Capital Expenditure on electricity projects were at 100%.
- c) **Roads:** Capital Expenditure on roads projects were at 100%.



- d) Municipal Infrastructure Grant (MIG):** The total MIG allocation received for the financial year was fully spent.

Key challenges facing the Municipality are unfunded budget as per the assessment from Provincial Treasury and old infrastructure on electricity, water, and sewerage. The Municipality has formulated a budget-funding plan, duly approved by Council, to address the challenge of an unfunded budget. Additionally, there exists a Financial Recovery Plan and a Revenue Enhancement Strategy 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.

1.5. 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 compliment of 706 with 425 of the positions filled, 281 positions are vacant and 37 Councillors. *(Refer to the attached Annexure 2: Organisational Structure)*

1.6. AUDITOR GENERAL REPORT

Legislation mandates that at the conclusion of 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 the 31 August 2024. The Auditor General is still busy with the review.

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	Finalise 4 th 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	
9	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	January
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



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 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 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"> Presides at meetings of the executive committee; and Performs the duties, including ceremonial functions, and exercises the powers delegated to by the Council
SPEAKER	Cllr N O Mabunda	<p>The Speaker of Council –</p> <ul style="list-style-type: none"> Presides at meetings of Council; Performs the duties and exercises the powers delegated to the Speaker in terms of Section 59 of the Municipal Systems Act; Must ensure that the Council meet at least quarterly; Must maintain order during meetings; 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 Must ensure that Council meetings are conducted in accordance with the rules and orders of the Council.



CHIEF WHIP	Cllr D Rapatsa	<ul style="list-style-type: none"> Responsible for political management of Council meetings and committee meetings. Maintains party relations and ensure that political decision-making takes place timeously and diligently.
COUNCILLORS	Ba-Phalaborwa Municipality has 37 Councillors of which 19 are Ward Councillors and 18 are Proportional Councillors.	

Table 11: Political Structure

2.1.1. POLITICAL DECISION MAKING

The 2022/23 Corporate Calendar, developed by the Municipality and approved by 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 Council, which makes decisions through Council Resolutions. These resolutions represent decisions made by elected officials/politicians for subsequent implementation by the administration.

- During 2023/24 financial year 205 Council resolutions were taken and 202 resolutions were implemented constituted 98.5%.
- 6 Ordinary and 10 Special Council meetings were held during the 2023/24 financial year.
- 12 Ordinary and 5 Special Executive Committee meetings were held during the 2023/24 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, 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.

TOP ADMINISTRATIVE STRUCTURE



Structure	Name of Official	Function
Municipal Manager	Dr Pilusa KKL	<ul style="list-style-type: none"> 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; Manages special programmes in relation to youth, gender;
Senior Manager Corporate Services	Ms Selapyane JB	<ul style="list-style-type: none"> Renders Human Resource Management Services by Skills Development and Training Services; Manages communication and information services to the municipality particularly IT utilization and support services; Provides secretarial services to the Council, the Executive Committee, Section 80 committee, section 79 committees; Provides legal advisory services with regard to policies, by-laws and labour relations as well as interpretation of legislation; and Provides administrative support to the department by rendering support to satellite offices and rendering messenger services and ancillary services.
Senior Manager Community and Social Services	Mr Hlongwane TW	<ul style="list-style-type: none"> Manages the parks and cemeteries; Manages the waste management; Attends to environmental management; Manages the library services; Lead and direct strategic objectives of the municipality in relation to health; Regulate and manage traffic, enforce by-laws and educate the public on road safety; and Oversee the management of licensing section and testing station.
Senior Manager Technical Services	Ms Mphachoe ME	<ul style="list-style-type: none"> Manages engineering services by designing civil engineering structures and rendering mechanical and electrical engineering services; Render project management services by administering contracts for all civil infrastructure projects and amongst others managing local capacity building; and Renders building control services by administering building plans, conducting building inspections and doing minor maintenance on council buildings.
Senior Manager Planning and Development	Ms Mogano MJ	<ul style="list-style-type: none"> Renders spatial planning for land development; Manages land use on behalf of the municipality; Formulates, implements and maintains comprehensive local economic development plans; Promotes tourism, agriculture and alleviation of poverty; Promotes trade and industry; Manages the valuation roll of the municipality; Formulates and implementation of integrated development strategy planning; Manages the municipality's performance management system; and Approves rezoning application in respect of land within the area.



Chief Financial Officer	Mr Nzimande AT	<ul style="list-style-type: none"> ▪ Administratively in charge of the budget of the municipality and treasury office; ▪ Assist the Municipal Manager in the administration of the municipality's bank accounts and the preparation and implementation of the municipality's budget; ▪ Renders fleet management; ▪ Manages the revenue collection of the municipality; and ▪ Renders supply chain management.
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Table 12: Top Administrative Structure

COMPONENT B: INTERGOVERNMENTAL RELATIONS

2.3. 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, Treasury provides support in managing the municipality's financial affairs.

2.3.1. INTERGOVERNMENTAL FORUMS

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

a) 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:

- i. A district municipality and local municipalities within the area of that district municipality must co-operate with one another by assisting and supporting each other;
- ii. A district municipality on request by a local municipality within its area may provide financial, technical and administrative support services to that local municipality to the extent that district has the capacity to provide those support services;
- iii. 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 has the capacity to 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.

b) Speakers Forum

To ensure effective oversight in the three spheres of government, the speakers forum was established. The Speaker of 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 is 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.

c) 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.

Therefore, regular engagement between the South African Local Government Association (SALGA) and the administrative executives of municipalities country-wide was necessary. The engagement enabled and encouraged peer-learning through the sharing of knowledge, innovative thinking, and public and private sector good practices.

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.4. OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

The Municipality accounts to the public through various mechanisms as adopted by Council. On a quarterly basis, the municipality conducts feedback sessions to 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 which 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 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 Office of the Speaker.

2.5. PUBLIC MEETINGS

2.5.1. COMMUNICATION, PARTICIPATION AND FORUMS

The Municipality has established a unit which 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 council. On a quarterly basis, the municipality conducts feedback sessions to community members through Mayoral imbizo. The 2023-24 IDP/Budget & PMS Implementation reports was presented to community members during a Mayoral Imbizo in the first to third quarter for community inputs and comments. Community inputs on Implementation report are compiled for noting by council. Newspaper Notices were publicized to encourage community participation during Imbizos and IDP/Budget Public Participation and inputs reports were compiled for noting by council. Furthermore, ward Councillors are accounting to their respective constituencies through monthly ward committee meetings and some councillors also account to community quarterly through ward feedback meetings. On a quarterly basis the Municipality hold council meetings wherein reports and affairs of the Municipality are discussed, and public members are invited in 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 hearing and in these hearings members of the community are invited to observe the proceedings. **Public hearing on 2022/23 Annual report by MPAC was done physically on the 28 March 2023 at the Municipal Sports Hall.** The oversight report on draft annual report was presented to 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 station and newspapers to communicate with our communities.

In the fourth quarter we coordinated, an IDP/Budget/Tariff Book Public Participation, which was conducted through Ward Stakeholder engagement method in April 2024.

Copies of the draft documents were 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.

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 specialised participatory structure within the Municipality area of jurisdiction;
- b) They assist the ward councillor in identifying conditions, challenges, and needs of the residence within the ward;
- c) They disseminate information in the ward concerning municipal affairs;
- d) They receive queries and complaints from residence in the ward concerning municipal; service delivery;
- e) communicate such queries and complaints to the municipality and advice the community on the municipality's responses.
- f) They interact with other forums and organisations on matters and policies affecting the ward; and
- g) They also serve as a mobilising 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 2023/24 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.

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	17/08/2024	16	18	581	Need for pavement of Madalaskop (ward 04)	Yes	17/08/2024
					There is a need for a bridge from Shingamulana to Humulani (ward 13)	Yes	17/08/2024
					Need RDP house for an orphan (ward 08)	Yes	17/08/2024
					Water challenge in the ward – disabled and unable to fetch water with his affected hand (ward 17)	Yes	17/08/2024
					Need for paving to Humulani Cemeteries	Yes	17/08/2024
					No water due to stolen water pumps (ward 10)	Yes	17/08/2024
					Need for grading of sports grounds (all wards)	Yes	17/08/2024
					Need for RDP houses (Selwana Ward 18)	Yes	17/08/2024
					Need for stand pipes (selwana Ward 18)	Yes	17/08/2024
					Need for pressure pump to get water from Letaba river (selwana Ward 18)	Yes	17/08/2024

					Need for RDP house for sister who stays in a one roomed house with her three children (ward 10)	Yes	17/08/2024
					Need for water reticulation at Majeje Ext (ward 03)	Yes	17/08/2024
					Khechetwe bridge destroyed(ward 02)	Yes	17/08/2024
					Need for Apollo light in Boelang	Yes	17/08/2024
					Need for paving of internal street in Boelang	Yes	17/08/2024
Mayoral Imbizo	17/11/2024	18	14	468	Had one (01) room mud house with four kids – need an RDP (ward 18)	Yes	17/11/2024
					Need for de-bushing on the road that learners utilize to go to school at Makhushane (ward 10)	Yes	17/11/2024
					Need for Apollo lights at Boelang	Yes	17/11/2024
					There need for proper board on the main road to direct people to Boelang (ward 10)	Yes	17/11/2024
					Need maintenance for Apollo lights (ward 17)	Yes	17/11/2024
					Need for an RDP house – have one room and staying with her two boys (ward 18)	Yes	17/11/2024
					Water challenge in the ward (selwana ward 17)	Yes	17/11/2024
					house fell in 2021- provided with a tent, promised an RDP house but never benefited (ward 03)	Yes	17/11/2024
					RDP house build in 2019 never completed – no roofing since then	Yes	17/11/2024



					delays in Majeje road construction progress (ward 03)		17/11/2024
Mayoral Imbizo	09/02/2024	20	28	750	Need for de-bushing next to Score and all streams and unoccupied areas (ward 06)	Yes	09/02/2024
					Stay in a shack which now leaking. Need for RDP house (ward 06)	Yes	09/02/2024
					water challenge in ward 07	Yes	09/02/2024
					Potholes all over Phalaborwa – no patching ,only soil filling (ward 06)	Yes	09/02/2024
					Need for grading of streets (ward 18)	Yes	09/02/2024
					Need for de-bushing in Gravelotte	Yes	09/02/2024
					Family of 07 members, staying in one shack, disturb school work. need of an RDP house	Yes	09/02/2024
					Need for de-bushing from Score to Sir Val Duncan	Yes	09/02/2024
2023/24 IDP/Budget PP	03/04/2024	20	23	138	Need for overhead crossing next to Latino in town	Yes	03/04/2024
					Need for rehabilitation of Khechetwe Bridge in Mankhushane ward 02	Yes	03/04/2024
					illegal connections around Ba-Phalaborwa	Yes	03/04/2024
					Municipality to include upgrading of road on Matside Road in Makhushane in the IDP	Yes	03/04/2024
					Need for pavement of road to Traditional Authority offices (ward 02)	Yes	03/04/2024
	04/04/2024	15	8	32	High rate of illegal dumping without penalties	Yes	04/04/2024



	08/04/2024	20	16	255	There is a need for Theatre in Phalaborwa	Yes	08/04/2024
					sewage spillage all over town	Yes	08/04/2024
					The municipality to identify residential land for revenue collection purpose	Yes	08/04/2024
					Need for fencing of Namakgale cemeteries	Yes	08/04/2024
					Need for development of by-laws for Spaza Shops operations	Yes	08/04/2024
					need for Apollo lights next to Namakgale Four way	Yes	08/04/2024
					Underground leaking pipes in ward 6 affecting some houses.	Yes	08/04/2024
	15/04/2024	47 (With MDM)	23 (with MDM)	241	Shortage of water at Mlambo	Yes	15/04/2024
					Municipality must investigate water valves that are affecting water provision	Yes	15/04/2024
					Need for de-bushing at Derrick Nyathi stream	Yes	15/04/2024
					Request a Culvert at a stream between Assembly of God to Nyota	Yes	15/04/2024
					Need for paving of streets used by taxis at RDP, Sassa street and Biko	Yes	15/04/2024
					Sewer system in Lulekani need to be attended to.	Yes	15/04/2024



					Need for a culverts and pavement on road used by scholars from Mdluli to Tishavaneni	Yes	15/04/2024
					Need for pavement on road to the Cemeteries (ward 16)	Yes	15/04/2024
					Need for electricity of new extension (ward 03)	Yes	15/04/2024
					Need for facing of Humulani cemeteries	Yes	15/04/2024
					Need for de-bushing at crime hot spots (ward 16)	Yes	15/04/2024
					Need for paving of Mdluli road used by taxis (ward 14)	Yes	15/04/2024
					Paving of street from Nkateko to Pondo (ward 14)	Yes	15/04/2024
					Derick Nyathi to Pondo bridge to be prioritized (ward 14)	Yes	15/04/2024
					frequent sewage spillage at Lulekani taxi rank	Yes	15/04/2024
					Need for maintenance of Lulekani Street lights	Yes	15/04/2024
					Need for big water Reservoirs in Lulekani	Yes	15/04/2024
	17/04/2024	18	20	35	MDM to fix roads around Phalaborwa	Yes	17/04/2024
	18/04/2024	08	12	186	need for extra Skip Bins (ward 09)	Yes	18/04/2024



					Need for extra Apollo lights (ward 09)	Yes	18/04/2024
					Need for Sports complex (ward 02)	Yes	18/04/2024
					Since 2015 there are 10 Apolo lights stands constructed – 05 light installed and other 05 not yet installed (ward 08)	Yes	18/04/2024
					electrification of Tshabelemmatswale new extension (ward 08)	Yes	18/04/2024
					There is a need for network (Aerial) at Priska	Yes	18/04/2024
					Need for fencing of Priska Graveyard	Yes	18/04/2024
					Need for Apollo light (ward 18)	Yes	18/04/2024
					need for upgrading of a bridge to Selwana Cemeteries	Yes	18/04/2024
					Need for Skip Bins (ward 18)	Yes	18/04/2024
					Parents and 07 kids, stays in a one mud room house, registered for an RDP since 1996 and to date she never benefitted (ward 17)	Yes	18/04/2024
					staying with his old mother, need for an RDP house, since registered in 1994 (ward 17)	Yes	18/04/2024
					Need for Bridge or Storm water Culvert crossing the river (Marupabjeni) to the main Graveyard (ward 18)	Yes	18/04/2024



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 Phase, Strategies and Project Phase, and Approval Phase events are meticulously documented, providing insights into the level of participation from councillors, administrators, and the community at large. 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)	09 October 2023	14	12	66	Meeting serves as consultative meeting and also presentation of the Preparatory Phase
IDP Rep Forum (Strategies and Project)	26 March 2024	16	15	61	Meeting serves as consultative meeting and also presentation of the Project Phase
IDP Rep Forum (Approval Phase)	02 May 2024	14	10	65	Meeting serves as report back of the public participation meetings held on the draft IDP and Budget

Table 15: IDP Representation Forums

COMPONENT D: CORPORATE GOVERNANCE

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

Concurrently, the Risk Management Unit conducted comprehensive Risk Assessments across all departments. This proactive effort aimed to identify potential risks that could impede the institution from attaining its planned objectives. Subsequently, the unit devised effective mitigations to manage and address these identified 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 2023/24 financial year is as follows:

- a) Strategic Risks Register (52% implemented and 48% not implemented)
- b) Fraud Risks Register (88% implemented and 12% not implemented)
- c) Information Technology Risk Register (88% implemented and 12% not implemented)
- d) Operational Risk Register for the departments.
 - Budget and Treasury Office 73% implemented and 27% not implemented.
 - Corporate Services 44% implemented and 56% not implemented.
 - Community Services 70% implemented and 30% not implemented.
 - Municipal Manager Office 92% implemented and 8% not implemented.
 - Technical Services 69% implemented and 31% not implemented.
 - Planning and Development 42% implemented and 58% not implemented.
- e) MSCOA Risk Register (70% implemented and 30% not implemented)



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 2024
1.	Water Services	Delays in attending challenges or service requests by the community (Water).	1. Lack of resources and shortage of staff. 2. Excessive breakdowns (Ageing infrastructure). 3. Breakdown of vehicles and delays	25	Prioritizing of repairs.	25	1. Issuing and monitoring of daily job cards and providing daily targets.	Manager: Water Services	Monthly	Job cards are monitored through the customer service.
							2. Appointment of additional plumbers.	Manager: Human Resource	Monthly	Two plumbers appointed. Vehicles are repaired at an ongoing basis by the
							3. Repairs of vehicles and machinery.	Fleet Manager/Technician Mechanical	Monthly	Mechanical Section and some repairs are outsourced.
2.	Economic Development	Poor economic development in the Municipal area.	1. Down scaling on mining operations and high unemployment rate.	25	Diversification of the economy of Ba-Phalaborwa by; - promoting and marketing BPM as a tourist destination, promotion of the	25	1. Develop and implement the implementation plan for the LED Strategy and the Tourism Plan	Manager: Economic Development	30 June 2023	Implementation plan for the LED Strategy has been developed. Draft Tourism Plan, Statistics consolidation then last round stakeholder engagement

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 2024
			2. Economy dependant on mining industry.		manufacturing industry, creating an enabling environment for business/private sector growth. Regulating of informal and formal businesses. 1. LED strategy has been approved.					to be held during 2024/25 fy.
							2. Registration and regulating of formal and informal business.	Manager: Economic Development	Quarterly	Registration of business is ongoing. Appointment of Trade Inspectors not yet done for regulating businesses.
							3. Implementation of the investment strategy.	Manager: Economic Development	30 June 2024	Investment strategy still in progress not yet finalized.
3.	Parks and Cemeteries		1. Shortage and ageing of staff	25	1. Program to maintain (minimal	25	1. Appointment of additional	Manager: Human Resource	31 March 2024	General workers were appointed and will



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 2024
		Inadequate maintenance of parks	and inadequate supervision. 2. Inadequate maintenance of equipment. 3. Shortage of water. 4. Misuse of parks by the public. 5. Insufficient of budget for development of parks. 6. Maintenance of equipment.		maintenance) of parks in place.		staff in the parks section.			commence on the 1st July 2024.
							2. Provide basic equipment training maintenance to the operators.	Manager: Parks and Cemetery	31 December 2023	Trainings conducted for operators of Chainsaw, TLB and other machines.
							3. Procurement of additional equipment.	Manager: Parks and Cemetery	31 December 2023	10X Brush cutters, 6 X chainsaw machines, 1X Tractor slasher, 1x ride-on mower received.x2 chainsaw, x4 hedge trimmer.
							4. Budgeting for the	Manager: Parks and Cemetery	30 June 2023	Budget was provided.



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 2024
							maintenance of parks.			
							6. Repair of the roof at nursery.	Manager: Parks and Cemetery	31 December 2023	The repairs were done.
4.	Parks and Cemeteries	Inadequate maintenance of cemeteries	1. Lack of fence (Access Control) 2. Poor cleaning and maintenance of facilities.	25	1. Minimal maintenance is done.	25	1. Installation of fence. 2. Repair of pipes to supply water.	Manager: Civil engineering. Manager: Water Services	30 June 2024 30 September 2023	Material delivered and available. Installation will be done. MDM installed water reticulation pipes and the area but water not yet available.



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 2024
			3. Lack of water at the cemeteries.				3. Cleaning of facilities	Manager: Administration Manager: Parks and Cemetery	Monthly	Horticultural maintenance done monthly as per the programme.
5.	SCM (Contract Management)	Ineffective management leases (Municipal Properties).	No centralisation of the lease function. Lack of standard procedures	25	Individual departments managing leases.	25	1. Centralisation of the lease function.	Manager: Administration	Monthly	Not yet done.
							2. Review of all expired lease contracts.	Manager: Administration	31 December 2023	Not yet done.
							3. Develop a municipal lease register.	All Managers	31 December 2023	Register to be consolidated.



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 2024
			Expired lease agreements. Lessees not billed Insufficient credit controls on leases				4. Develop standard operating procedures on lease management. 5. All leased properties to be billed	Manager: Administration Manager: Administration	31 December 2023 31 December 2023	Not yet done. Not yet done.
6.	Human Resource	Lack of individual performance management system	PMS not cascaded to lower levels (only Senior Managers are assessed) Lack of PMS Officer.	25	PMS Officer appointed, to resume with the responsibility from 01 June 2023. Draft Individual Performance	25	1. Introduce PMS for all staff 3. Creation of additional posts for PMS officials	Manager: Human Resource Manager: Human Resource	30 June 2024 30 June 2024	Busy cascading the PMS, currently officials on Level are signing. The project is implemented in phases. No new PMS post was created.



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 2024
			Insufficient post for PMS Officers		Management policy in place		on the organogram.			
							4. Conduct awareness to staff on the implementation of the Performance Management System.	Manager: Human Resource	30 June 2024	In-Progress the Senior Managers were informed with the commencement of IPMS for the 2024/25 financial year and training was done.
							5. Signing of performance agreements between the supervisor and the supervisee.	Manager: Human Resource	31 March 2024	Employees between level 2 – 3 signed the agreements and its implemented in phases.



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 2024
							6. Budgeting for the performance incentives for all employees.	All Managers Manager: Human Resource	31 May 2024	Not yet implemented.
7.	Strategic Risk	Negative audit outcome (Qualified Audit Opinion)	1. Inaccurate opening balances. 2. Limitation of scope. 3. None compliance to regulatory (SCM) prescripts processes. 4.	25	1. Standard Operating procedure (Revenue & Expenditure) 2. Monthly Audit Steering Committee Meetings. (Exco/ Management) 3. AG Action plan developed and to	22.5	1. Continuous implementation of the AGSA Action Plan (to address findings raised by the AG).	All Senior Managers	Monthly	The Action Plan was developed, and implementation is at 71%.
							2. Monitoring and reporting on the implementation	All Senior Managers	Monthly	Implementation of the action plan is monitored monthly from Senior Management to Council.



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 2024
			Misstatements of Financial Statement 5. Incomplete asset register due to land issues.		address the findings from the auditor general. 4. New financial system service provider appointed.		of the AGSA Action Plan.			
							3. Conduct Land Audit.	SM: Planning and Development	31 March 2024	Tender for land audit was advertised, and it was non-responsive bid – to be conducted in the 2024/25 FY
							4. Compile Quarterly Financial Statements	Chief Financial Officer	Quarterly	Not done due to lack of capacity.
8.	Budget and Treasury Office.	inadequate segregation of duties at the finance department	Most of the positions are vacant.	25	1. Appointing official to act on higher positions. 2. Interns and Learnerships	25	1. All critical position to be advertised and appointed.	Manager: Human Resource	31 March 2024	Vacant posts were advertised and currently the Manager Asset Management and



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 2024
					employed on contract basis.					Manager budget positions were filled.
9.	Strategic Risk	Inability to provide services in the event of disaster	1. Lack of Business Continuity Plan. 2. Lack of capacity and funding.	25	1. Back-up policy is in place and back-ups are done internally and on cloud.	25	1. Develop the Business Continuity Plan.	Municipal Manager	31 December 2023	The business continuity plan was approved.
							2. Finalize the establishment of the Disaster Recovery Site	Senior Manager: Corporate Services and Municipal Manager	31 March 2024	Procurement process initiated for the establishment of a cloud Disaster Recovery Site.
							3. Implementation of the BCP and DRP.	Senior Manager: Corporate Services and	30 June 2024	DRP partially implemented.



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 2024
								Municipal Manager		
							4. Continue with the hybrid Back-up on the IT systems.	SM: Corporate Services	Monthly	Backup succeeded and backup tested and recovered.
10.	Strategic Risks (Technical Services)	Failure to implement capital projects effectively	Poor planning (Late appointments of service providers).	25	1. Monthly consultants meetings	20	1. Implementation of project Risk Management framework.	SM: Technical Services	Monthly	Project Risk Management framework is implemented.
			Poor performance by the contractor.				2. Appointment of Service providers by the end of the financial year (For projects to	SM: Technical Services	30 June 2023	No appointments were made for the next financial years.
			Community							



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 2024
			Protests. Poor contract management				be implemented in the next financial year).			
							3. Enforcement of the contract management.	SM: Technical Services	3. Enforcement of the contract management.	Contract management enforced on projects which are under construction

Table 16: Risk Register - Top Ten Risks



2.6.2.1. Comparative Summary of the Municipality's Risk Registers for the Period 2022/23 and 2023/24

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 2022/23 and 2023/24. 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	2022/23	2023/24
1.	Strategic Risk	12	8
2.	Fraud Risk Register	8	8
3.	Operational Risk Register	29	40
4.	Project Risk Register	6	5
5.	MSCOA Risk Register	3	5
6.	Information Technology Risk Register	5	4

Table 17: Comparative Summary of the Municipality's Risk Registers (2022/23 & 2023/24)



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.

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
- b) Fraud Prevention Plan
- c) Investigation Policy
- d) Donation Policy
- e) Whistleblowing Policy
- f) Access Control Policy
- g) Loss 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 prior to 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.

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 2023/2024 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 Institute of Internal Auditors Standards, Code of Ethics and Section 165 of the Municipal Finance Management Plan.
- c) To conduct External Quality Review for the Internal Audit Activity in line with approved Quality Assurance and Improvement Program
- d) Implementation of Combined Assurance in the Municipality
- e) To provide support to the Audit Committee and Audit Steering Committees with the aim of ensuring 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 25th May 2023 and Council adopted it on the 29th June 2023. The Internal Audit Plan had 33 projects for the year, which all were completed.



- b) The Internal Audit Charter was developed, approved by the Audit Committee on the 25th May 2023 and Council adopted it on the 29th June 2023. 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.
- c) Ba-Phalaborwa Municipality Internal Audit staff are affiliated members of the Institute of Internal Auditors. The Internal Audit Activity conduct its audits in terms of the Institute of Internal Auditors.
- 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.
- e) The Combined Assurance Framework and Terms of Reference for the Combined Assurance Committee was developed and approved by the Audit Committee on the 25th May 2023 and Council adopted it on the 29th June 2023 for 2023/2024 implementation. The Chief Audit Executive chaired the Combined Assurance and relied on the Risk Management and Performance Management work as the 2nd line of defence
- 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 60% implementation by year-end, which is an improvement as compared to 54% for 2022/2023, and at 71% at the time of submission to AGSA for Audit.



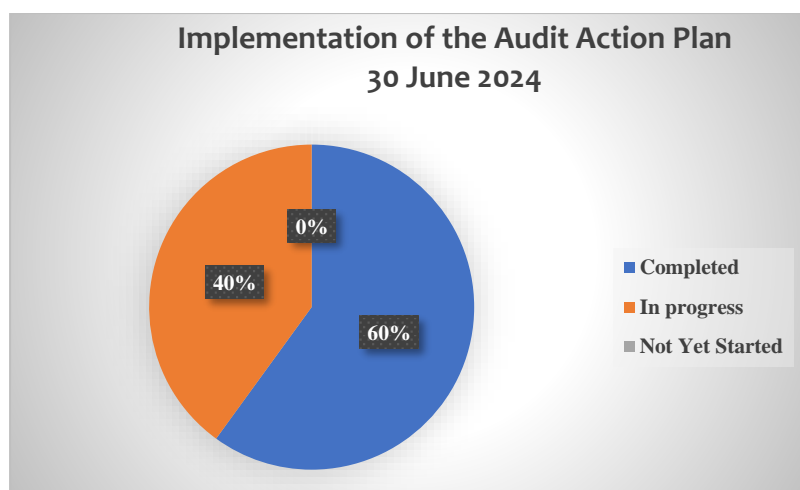


Figure 2: Progress on Audit Action Plan - 30 June 2024

- h) Action Plan was developed to monitor progress on implementation of Internal Audit recommendations. The Municipality was at 93% implementation by year-end, which is an improvement as compared to 86% for 2022/2023.

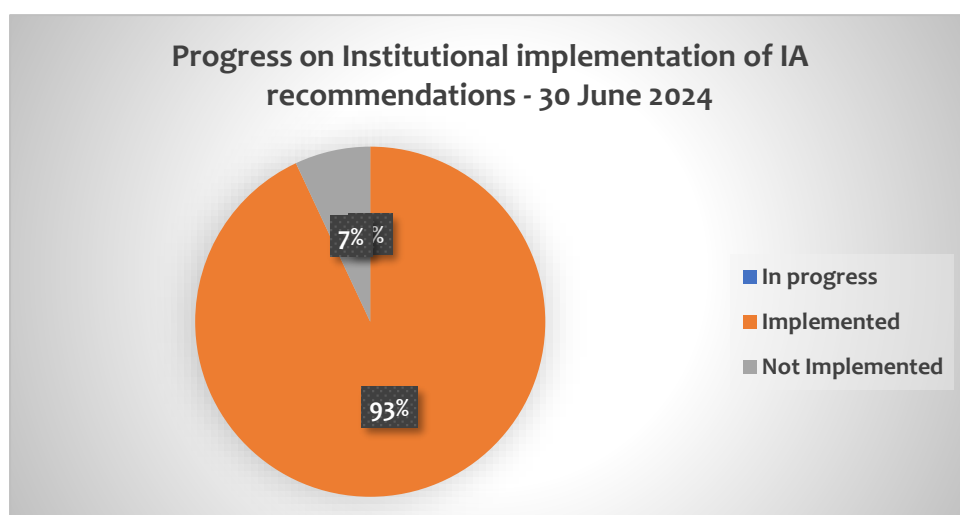


Figure 3: Progress on Institutional Implementation of IA Recommendations - 30 June 2024

- 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 12 Audit Committee meetings in the 2022/2023 financial year, 285 recommendations were raised of which 272 were implemented, and 7 were not implemented.



AC No.	Date of AC	Total Resolutions	Completed	Not Implemented
1	24 July 2023	34	34	0
2	23 August 2023	15	15	0
3	29 August 2023	19	19	0
4	22 September 2023	5	5	0
5	23 October 2023	63	61	2
6	30 November 2023	5	5	0
7	22 January 2024	15	15	0
8	11 March 2024	11	11	0
9	26 March 2024	35	34	1
10	03 May 2024	44	43	1
11	04 May 2024	8	6	2
12	04 June 2024	18	17	1
Total		272	265	7

Table 18: Audit Committee Sittings & Resolutions

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 a direct supervision of the Chief Financial Officer.



2.9.3 Bid Committeeswaste

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
No newly developed By-Laws	N/A	N/A	N/A

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 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 /and 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.

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		
All current budget related policies		
The previous annual report	Yes	06/02/2024
The annual report published / to be published		
All current performance agreements required in terms of section 57 (1) (b) of the MSA and resulting score cards	Yes	06 August 2024
All service delivery agreement		
All long term borrowing contracts		
All supply chain management contracts above a prescribed value (give value) for		
An information statement containin a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during		
Contracts agreed in (2023/24)to which subsection (1) of section 33 apply, subject to subsection (3) of that section		
PPP agreements referred to in section 120 made in (2023/24)		
All quartely reports tabled in the council in terms of section 52 (d) during (2023/24)		

Table 20: Municipal Website Content & Access

2.12. PUBLIC SATISFACTION ON MUNICIPAL SERVICES

The table presented below 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 – 2021, 2022, and 2023. 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 discontentment 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	2021	2022	2023
Satisfied	N/A	48%	46%
Dissatisfied	N/A	52%	54%

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	2021/22 Actual No.	2022/23 Actual No.	2023/24 Actual No.
Water: (above min level) <i>Piped water inside dwelling.</i>	12251	12251	12251
<i>Piped water inside yard (but not dwelling)</i>	17216	17216	17216
<i>Using public tap (standpipes)</i>	3803	3803	3803
<i>Other water supply (within 200m)</i>			
<i>Minimum service level and above sub-total</i>			
	33270	33270	33270
	80%	80%	80%
Minimum service level and above percentage	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
	2021/22	2022/23	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

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 2021/22 to 2023/24. It outlines the actual numbers 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			
Description	2021/22	2022/23	2023/24
	Actual No.	Actual No.	Actual No.
Formal Settlements			
Total households	41115	41115	43 838
Households below minimum service level	7845	7845	7845
Proportion of households below minimum service level			

Table 23: Household 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 2021/22 through 2023/24. 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	2020/21		2021/22			2022/23			2023/24	
		Targ et	Actu al	Target		Targ et					
		(vii)	*Curr ent year (viii)	*Curr ent Year (ix)	*Foll owing year (x)		*Curr ent Year (ix)	*Foll owing year (x)		*Curre nt Year (ix)	*Followi ng year (x)
Service objectives											
HH without minimum water supply	Additional household s provided with minimum water supply during the year (No. of HH) without supply at year end)	MDM	1500	1750	MDM	MDM	MDM	MDM	MDM	MDM	MDM

Table 24: Water Service Policy Objectives & Indicators

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 2022/23 and 2023/24. 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	2022/23	2023/24			
	Employees No.	Post No.	Employees No.	Vacancies fulltime equivalence) No.	Vacancies (as a % of total posts) %
0-3	2	2	1	1	2%
4-6	9	9	4	5	1.8%
7-9	21	21	12	9	2.3%
10-12	13	23	12	11	2.09%
13-14	52	52	15	37	1.4%
Total	97	107	44	63	9.5%
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. 2023/24 FINANCIAL PERFORMANCE: WATER SERVICES

The table below outlines the financial performance of the Water Services department for the financial years 2021/22 through 2023/24. 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 2023/24: Water Services			
R`000			
Details	2021/22	2022/23	2023/24



	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total operational revenue (excluding tariffs)	186 112	221 709	264 940	264 940	16 012	248 928
Expenditure						
Employees	22 839	27 805	29 257	21 227	11 838	19 020
Repairs and Maintenance	14 640	12 010	8 906	6 000	601	5 339
Other	4 842	48 912	2 389	4 212	703	3 509
Total Operational Expenditure	42 322	88 727	30 440	30 440	3 020	27 419
Net Operational (service) expenditure	143 790	132 982	(234 499)	(234 499)	(12991)	(221 509)
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: 2023/24 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 2022/2023 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 2022/23 and 2023/24. 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	2022/23	2023/24			
	Employees	Posts	Employees	Vacancies (fulltime equivalent)	Vacancies (as a % of total posts)
	No.	No.	No.		%



0-3	1	0	0	0	0
4-6	2	4	1	3	1.3%
7-9	3	13	6	7	2.2%
10-12	3	0	0	0	0
13-15	1	4	4	0	0
Total	10	21	11	10	3.5%

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

3.2.3. 2023/24 FINANCIAL PERFORMANCE: SANITATION SERVICES

The financial performance of the Sanitation Services department for the 2023/24 financial year is presented in the table below. It outlines the actual figures for the previous years (2020/21, 2021/22, and 2022/23), the original and adjustment budgets for 2023/24, 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 2023/24; Sanitation Services							
R`000							
Details	2021/22	2022/23	2023/24				
	Actual		Original Budget	Adjustment Budget	Actual	Variance to Budget	
Total operational revenue (excluding tariffs)	30 243	31 066	0	0	4 282	4 282	
Expenditure							
Employees	4 493	4 322	4 774	4 774	508	4 266	
Repairs and Maintenance	830	1 601	1 138	1 138	492	646	
Other	—	2 991	256	256	0	0	
Total Operational Expenditure	5 323	9 077	6 166	6 166	1 000	4 730	
Net Operational (service) expenditure	24 919	22 152	6 166	6 166	3 282	(448)	

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. 2023/24 CAPITAL EXPENDITURE FOR SANITATION SERVICES

The table below provides an overview of the capital expenditure for Sanitation Services in the 2023/24 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 2023/24 Sanitation Services R`000					
Capital Projects	2023/24				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total project value
Total All	0	0	0	0	0
Project A	0	0	0	0	0
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	2021/22	2022/23	2023/24
	Actual No.	Actual No.	Actual No.
Energy: (above minimum level)	45955	45955	50468
Electricity (at least min. service level)	44566	44566	50468
Electricity – prepaid (min. service level)			
Minimum service level and above sub- total			
Minimum service level and above percentage			

Table 30: Electricity Service Delivery Levels

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 across different job levels, highlighting both the actual workforce and the existing vacancies. The data is presented for two consecutive financial years, 2020/21 and 2023/24, 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: Electricity Services						
Job Level	2021/22	2022/23	2023/24			
	Employees No.	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0-3	1	1	2	1	0	49%
4-6	5	5	5	5	0	100%
7-10	11	11	14	11	3	21%
11-12	9	9	16	9	7	44%
13-14	13	13	21	13	8	38%



Total	39	39	58	39	19	33%
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. 2023/24 FINANCIAL PERFORMANCE: ELECTRICITY SERVICES

The table below outlines the financial performance of the Municipality's Electricity Services for the 2023/24 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.

Table 32: Financial Performance - Electrical Services

Financial performance 2023/24; Electricity Services R'000						
Details	2021/22	2022/23	2023/24			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total operational revenue (excluding tariffs)	146 027	132 175	202 096	202 096	122 845	79 251
Expenditure						
Employees	11 053	13 511	17 415	15 538	12 132	3 406
Repairs and Maintenance	4 692	24 888	7 075	7 075	6 634	441
Other	730	109 719	169 561	169 561	147 331	22 230
Total Operational Expenditure	16 475	148 120	194 051	192 174	166 097	26 077
Net Operational (service) expenditure	129 551	15 945	8 045	9 922	(43 252)	(33 330)
Variances are calculated by dividing the difference between the actual and original budget by the actual.						

3.3.5. 2023/24 CAPITAL EXPENDITURE – ELECTRICITY SERVICES



The table below presents a summary of Capital Expenditure for the 2023/24 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 the 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 2023/24; Electricity Services R`000						
Capital Projects	2022/23	2023/24				
	Actual Expenditure	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total project value
Total All	7,999,676	20 794 000	15 794 000	15 792 642	(5 001 358)	(1 358)
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 March 2025, with a two-year extension granted with conditions that there is rehabilitation on the site. Additionally, there is an approved license for the development of a new landfill site.



The new landfill site is at the engineering designed stage. The municipality has an Integrated Waste Management Plan which expired in June 2020 and is overdue for a comprehensive review. The Department of Forestry, Fishery and the Environment and Mamadi consultant are assisting the municipality with the development/reviewing the new Integrated Waste Management Plan.

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, and undertaking the necessary rehabilitation of landfill sites in Namakgale, Gravelotte, and Phalaborwa.

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 2020/21 through 2023/24, 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	2020/21	2021/22	2022/23	2023/24
	Outcome No.	Actual No.		
<u>Sanitation/sewerage; (above minimum level)</u>				
Flush toilet (connected to sewerage)	14070	14070	14070	25 223
Flush toilet (with septic tank)	1090	1090	1090	
Chemical toilet	208	208	208	860
Pit toilet (ventilated)	10368	10368	10368	21 935
Other toilet provisions (above min. service level)	9756	9756	9756	650
Minimum service level and above sub-total	35492	35492	35492	
Minimum service level and above percentage	86%	86%	86%	
<u>Sanitation/sewerage; (below minimum level)</u>				
Bucket toilet	80	80	80	850
Other toilet provisions (below min service level)	5623	5623	5623	2 178
No toilet provisions.				
	10290	10290	10290	3 028
Below Minimum service level sub-total	13.6%	13.6%	13.6%	
Below Minimum service level percentage	41115	41115	41115	



Total Households				
*Total number of households including informal settlements				

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 2020/21 through 2023/24. 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	2021/22	2022/23	2023/24
	Actual No.	Actual No.	Actual No.
Solid waste removal: (minimum level)			
Removed at least once a week.	35881	35881	22 314
Minimum service level and above sub-total	55,79%	55,79%	43.2%
Minimum service level and above percentage	18174	18174	
	44,21%	44,21%	
Solid waste removal: (below minimum level)	54055	54055	25 554
Removed less frequently than once a week.			
Using communal refuse dump			
Using own refuse dump			
Other rubbish disposal			
No rubbish disposal			
Below minimum service level sub-total			
Below minimum service level percentage			
Total number of households			

Table 35: Waste Delivery Levels



3.4.1.3. EMPLOYEES IN WASTE DISPOSAL AND OTHER SERVICES

The table below provides a comprehensive overview of the workforce structure within the Waste Disposal and Other Services sector for Ba-Phalaborwa Municipality over the years 2021/22 through 2023/24. The data delineates 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.

Employees: Waste Disposal and Other Services						
Job Level	2021/22	2022/23	2023/24			
	Employees No.	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) %	Vacancies (as a % of total posts)
0 – 3	0	0	1	0	0	0
4 – 6	4	4	5	4	20	80
7 – 9	1	1	1	0	0	0
10 – 12	3	3	10	5	50	50
13 – 14	38	38	70	40	43	57
TOTAL	46	46	87	49	44	56
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 March 2025.

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 2023/24 financial year, CoGHSTA has allocated 200 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. The Department made a further allocation of (3) military veteran houses for the same year, 2023/24 financial year to assist people who served in the military prior 1994.

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 2021/22 through 2023/24. 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 presented figures 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	2021/22	2022/23	2023/24			
	Employees No.	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as % of total posts) %
0-3	0	0	0	0	0	0%
4-6	2	2	2	2	0	100%
7-9	2	2	2	2	0	100%
Total	4	4	4	4	0	100%
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

3.5.3. OVERALL HOUSING SERVICE PERFORMANCE



As the municipality does not hold the role of a housing authority, there were no human settlements projects undertaken by the municipality in the 2023/24 financial year. Instead, CoGHSTA allocated 200 houses and 03 military veteran houses to Ba-Phalaborwa Municipality for the same financial period.

3.6. FREE BASIC SERVICES

The municipality adheres to an approved indigent policy, providing guidelines for household registration. Indigent registration is an annual process, featuring ongoing assessments to review and verify changes in customer income. The policy delineates specific categories for indigent qualification, a process overseen by ward councillors across all 19 wards.

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 2021/22 through 2023/24, 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	%
2021/22			507		507		421		252	
2022/23		907	384	42%	301	33%	419	22%	334	37%
2023/24		1084	234	22%	183	17%	1008	93%	198	18%

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 2023/24 financial year. The services considered include water, wastewater (sanitation), electricity, and waste



management (solid waste). The data presents the actual expenditures for the specified services in the years 2020/21 through 2022/23, the budget allocated for the 2023/24 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 2023/24: Cost to municipality of free basic services delivered						
Services delivered	2021/22	2022/23	2023/24			
	Actual	Actual	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	0	1 220 480			550 000	
Waste Management (solid waste)	213 308	435 511			487 676	
Total	213 308	1 655 991			1 037 676	

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

COMPONENT B: ROAD TRANSPORT

3.7. ROADS

3.7.1. OVERVIEW OF ROAD TRANSPORT

The municipal road infrastructure spans a total of 802.1 kilometres, encompassing various roads and stormwater drainage systems. However, there exists a considerable backlog, estimating a total of 559.1 kilometres 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 2021/22 through 2023/24. 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 kilometres 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
2021/22	540.3km	N/A	0.8km	925.32km
2022/23	533.5km	N/A	0km	311.85km
2023/24	529.7km	N/A	3.8km	702.9km

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 2021/22 through 2023/24. 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
2021/22	251.4	0.8	N/A	N/A	N/A
2022/23	258.2	6.83	4.67km	N/A	N/A
2023/24	254.4	3.8	N/A	N/A	N/A

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 2021/22 through 2023/24, showcasing the cost per kilometre for new gravel and tar roads, maintenance expenses, and the re-working costs for tar roads. The cost analysis presents a per-kilometre 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						
Financial Years	Gravel			Tar		
	New	Gravel-Tar	Maintained	New	Re-worked	Maintained
2021/22	R1.5m/km	R6.5m	N/A	R6.5m/km	N/A	N/A
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

Table 42: Cost of Road/ Maintenance

3.7.1.4. EMPLOYEES IN ROADS SERVICES

The table below provides a detailed overview of the workforce within the Roads Services division of the municipality, covering the years 2021/22 through 2023/24. It categorizes employees into different job levels, ranging from 0-3 to 13-14, highlighting the number of employees, existing posts, and the vacancies expressed as full-time equivalents. The presented figures offer insights into the composition of the workforce, including the distribution of employees across various job levels, the number of vacancies, and the percentage of vacancies in relation to the total posts. The data is essential for human resource planning, illustrating staffing patterns and areas that may require attention for optimization.



Understanding the workforce dynamics within Roads Services is crucial for ensuring effective service delivery, infrastructure maintenance, and road management. The analysis aids in strategic decision-making to align human resources with the demands of the municipality's road services objectives.

Employees: Roads Services						
Job level	2021/22	2022/23	2023/24			
	Employees No.	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0-3	1	1	1	1	0	100%
4-6	2	2	2	2	0	100%
7-9	3	3	3	3	0	100%
10-12	2	2	4	2	2	50%
13-14	11	11	28	11	17	61%
Total	19	19	38	19	19	50%
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 table below offers a comprehensive overview of the financial performance within the Roads and Transport sector of the municipality for the financial years 2020/21 through 2023/24. 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.



2023/24 Financial performance: Roads and Transport R'000						
Details	2021/22	2022/23	2023/24			
	Actual	Actual	Original budget	Adjustment budget	Actual	Variance to budget
Total revenue operational (excluding tariffs)	29 995	41 771	36 733	36 733	36 623	110
Expenditure:						
Employees	22 024	36 564	27 859	27 859	0	
Repairs & Maintenance	1 115	9 949				
Other	3 810	2 550	54 789	54 789	0	
Total operational expenditure	26 949	49 063	82 648	82 648	12 492	70 156
Net operational (service) expenditure	3 046	(7 292)	(45 915)	(45 915)	24 131	(70 046)

Table 44: Financial Performance - Roads & Transport

3.7.1.6. CAPITAL EXPENDITURE: ROAD SERVICES

This table below provides an overview of the capital expenditure associated with Road Services for the financial year 2023/24. 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 in 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 2023/24: Road Services R`000					
Capital Projects	2023/24				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total project value
Total all	10 792	20 075	20 075	9 283	30 420
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 favourable 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 surfaces. 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 all main and internal roads is 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 currently under construction and 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 MUNICIPAL ROADS

The table below provides a brief overview of the development of municipal roads, measured in kilometres, for the years 2021/22 through 2023/24. 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
2021/22	0.8km
2022/23	0km
2023/24	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, and
- Sokisi Transport.

Additionally, a few long-distance hauliers 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 emergency situations. 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.

3.10.2. EMPLOYEES: PLANNING SERVICES

The table below provides an overview of the department's staffing levels, indicating the number of employees across different job levels, posts, and full-time equivalents. As of June 30, the workforce is strategically positioned to address the municipality's planning needs. It is important to note that the establishment and funding of posts are aligned with the approved budget or adjustment budget, ensuring that the department has the necessary resources to fulfil its mandate.

Employees: Planning Services						
Job level	2021/22	2022/23	2023/24			
	Employees No.	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0-3	1	1	3	1	0	100%
4-6	1	1	3	1	1	50%
7-9	0	0	0	0	0	0%
13-14	0	0	0	0	0	0%
Total	2	2	9	2	1	33%
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 2023/24: Planning Services R`000					
Capital Projects	2023/24				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total project value
Total all					
Supplementary Valuation Roll	0	0	0	0	0
Transfer Of Sites	0	0	0	0	0
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.



Financial performance 2023/24: Planning services (R'000)						
Details	2021/22	2022/23	2023/24			
	Actual	Actual	Original budget	Adjustment budget	Actual	Variance to budget
Total operational revenue (excluding tariffs)	447	176	261	261	284	(23)
Expenditure:						
Employees	13 372	11 958	12 778	12 778	11 063	1 715
Repairs & Maintenance	131	0			0	
Other	14 248	1 187	14 861	14 861	5 507	9 354
Total operational expenditure	27 750	13 145	27 639	27 639	16 570	11 069
Net operational (service) expenditure	(27 303)	(12 969)	(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 Unit is tasked with the responsibility of unlocking the economic potential of the municipality and fostering the resilience of micro-economic growth. Its primary goal is to create a conducive environment for increased local economic development, job creation, and sustainable initiatives. The BPM Council has approved a practical and implementable Local Economic Development Strategy on 30 March 2023. The strategy's execution will commence in the 2023-24 financial year, beginning with the formulation of a Tourism Plan. This plan aims to consolidate local economic trends and tourism development initiatives within the municipal area, with service delivery recommendations falling under Technical and Community Services, encompassing water provision, road infrastructure, electricity, and waste management.

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 & Foskor), 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 (TLSDI) 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.

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 (2021/22 to 2023/24). 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 data aims to offer insights into the employment trends and dynamics within each sector over the specified period.

Economic Employment by Sector			
Jobs			
Sector	2021/22	2022/23	2023/24
Agric, forestry and fishing	170	149	136
Mining and quarrying	79	117	121
Manufacturing	71	76	77
Wholesale and retail trade	307	270	333
Finance, property, etc.	114	142	181
Govt, community and social services	373	399	361
Infrastructure services	54	142	130

Table 50: Economic Employment by Sector (Stats SA, Quarterly Labour Force Survey, 2nd Quarter 2023)

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 (1081), EPWP (63), and capital projects (84).

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.
2021/22	5	1242
2022/23	6	1228
2023/24		

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	2021/22	2022/23	2023/24			
	Employees No.	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0-3	1	1	1	1	0	100%
4-6	2	2	2	2	0	100%
7-9	1	2	1	2	2	50%
Total	4	5	4	5	2	28%
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.						

T3.11.8

Table 52: Employees - Local Economic Development Services



COMPONENT D: COMMUNITY & SOCIAL SERVICES

3.12. OVERVIEW OF COMMUNITY AND SOCIAL SERVICES

The department consists of the following divisions:

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

3.12.1. LIBRARY SERVICES

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. Additionally, the services include printing and photocopying facilities, document scanning, user education on library offerings, and outreach programs.

The key priorities for library services revolve around enhancing accessibility, narrowing the digital divide, refining collection development and management strategies, advancing training and development for library staff, and fortifying stakeholder relationships. To achieve these objectives, the provision of computers and user education in the established libraries, increased stakeholder engagement for additional funding, and the enhancement of municipal library outreach services are crucial. Identifying alternative funding mechanisms is imperative for establishing new libraries that cater to the diverse needs of various communities.

As for the archives, the municipality's priorities centre 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 initiated the relocation of documents to the archives facility, anticipating the acquisition of Zippel files to finalize the relocation of their documents.

3.12.1.1. FINANCIAL PERFORMANCE OF LIBRARIES

The financial performance of Libraries in the 2023/24 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 51,893 visitors, with 24,366 utilizing our complimentary public internet and computer services.**

Financial performance 2023/24 Libraries.							
(R'000)							
Details	2020/21	2021/22	2022/23	2023/24			
	Actual	Actual	Actual	Original budget	Adjusted budget	Actual	Variance to budget
Total operational revenue (excluding tariffs)	22	64	117	111	111	123	(12)
Expenditure:							
Employees	2 265	2 450	2 352	2 952	2 952	2 116	836
Repairs & Maintenance	129	87	1				
Other	43	115	125	488	488	306	182
Total operational expenditure	2 437	2 652	2 479	3 440	3 440	2 421	1 019
Net operational (service) expenditure	-2 415	(2 589)	(2 362)	(3,330)	(3,330)	(2 298)	(1 032)

Table 53: Financial Performance - Library Services

3.12.2. CEMETERIES AND CREMATORIUMS

OVERVIEW OF CEMETORIES 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. Plans are underway to identify new land for the development of a cemetery in Gravelotte, 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.

The fence at Lulekani cemetery requires 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 for Cemeteries and Crematoriums during the 2023/24 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 fulfil grave requests, yet encounters 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 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 2023/24: Cemeteries and Crematoriums R'000						
Details	2021/22	2022/23	2023/24			
	Actual	Actual	Original budget	Adjustment budget	Actual	Variance to budget



Total operational revenue (excluding tariffs)	118	148	104	104	159	55
Expenditure:						
Employees	7 733	659	0	0	0	0
Repairs & Maintenance	374	761	2 730	2 730	0	0
Other	1 822	515	37	37	653	(616)
Total operational expenditure	9 929	1 935	2 767	2 767	653	2 114
Net operational (service) expenditure	(9 811)	(1 787)	(2 663)	(2 663)	(494)	(2 169)

Table 54: Financial Performance - Cemeteries & Crematoriums

COMPONENT E: ENVIRONMENTAL PROTECTION

3.13. BIO-DIVERSITY AND LANDSCAPE

3.13.1. OVERVIEW OF BIO-DIVERSITY AND LANDSCAPE

Environmental and Biodiversity Management within the Municipality currently operates in a fragmented manner, with each Directorate independently handling its specialized functions and key performance areas. Establishing an Environmental Unit to oversee and coordinate these efforts has long been a strategic goal, but financial instability and strict measures have hindered its implementation, making it a pending target.

Compounded by the absence of an Environmental Management Plan and Framework due to financial constraints, the Municipality recognizes the need to seek assistance from Provincial and National authorities in line with prevailing legislation and processes.

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.

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.

COMPONENT F: HEALTH

3.14. HEALTH INSPECTION, FOOD AND ABBATOIR LICENCING AND INSPECTION

3.14.1. OVERVIEW OF HEALTH INSPECTION, FOOD AND ABBATOIR LICENCING 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.

COMPONENT G: SECURITY AND SAFETY

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.

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 Administration 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 Drivers Licence Centre is well utilised but requires an 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 2021/22, 2022/23, and 2023/24. The provided table 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	2021/22	2022/23	2023/24
Notices Issued	1927 R615 215	1766 R571 675	1262 R384600
Notices Withdrawn	5	40	18
Notices Outstanding	1861 R587 764	1628 R497 700	1177 R357400
Notices Paid	R110 236		R20625
% of Monthly Priority Enforcement Completed	100%	100%	100%
Arrive alive campaigns held	3	1	1

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 2021/2022, 2022/2023, and 2023/24 showcase significant activities. These include the kilometres 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.

TRAFFIC ROAD MARKING AND SIGNAGE PERFORMANCE AREAS			
Activities	2021/2022	2022/23	2023/24
KM's of Road Painting Completed	12 425	9912	5298,4
New signs Erected	37	32	21
Damaged Signs Repaired and some poles also replaced	257	207	150
Illegal Posters Removed	85	75	24

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 2021/2022, 2022/2023, and 2023/24 reveal a comprehensive array of activities. These encompass various transactions, including applications for learners' 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)	2021/2022	2022/23	2023/24
Application for Learners Licences	1428	2135	1997
Application for Professional Driving Permit	1461	1241	1461
Application for Roadworthy Test	22	82	57
Application for Drivers Licence	1182	1132	1067
Certification of Roadworthiness	15	74	42
Duplicate Registration/Deregistration Certificate	169	192	192
Issue Drivers Licences (including Renewals)	7903	6637	7685
Issue Learners Licences	352	567	291
Issue Temporary Drivers Licences	3577	2820	3547
Licensing of Motor Vehicles	19868	19157	19513
Registration and Licensing Arrears and Penalties	9455	13712	15028
Registration of Motor Vehicles	3919	4985	4316



Outstanding Infringements	425	167	194
Transaction fees	17025	16724	19021
80% of Fees Due to Province	10966685.30	15123873.56	17553513,63
20% of fees due to Council	3634703.82	3780968.40	4315553,54
Direct Income Not Shared	2413561	2171294	2263471,00
Outstanding Infringements Paid to Road Traffic Infringement Agency	232497.75	99105.56	110662.45
Transaction Fees paid to Road Traffic Management Corporation	1213344	13729773	1428264.00

Table 57: Licensing Performance Area

3.20.4. DRIVERS' LICENSE AND ROADWORTHY TESTING PERFORMANCE AREA

In the area of Testing (Drivers Licence and Roadworthy Testing Centres), the conducted activities for the financial years 2021/2022, 2022/2023, and 2023/24 provide valuable insights into the operational facets. These activities encompass a range of transactions, including applications for learners' licenses, drivers' 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 (DRIVERS LICENCE AND ROADWORTHY TESTING CENTRES)			
ACTIVITIES (TRANSACTIONS CONCLUDED)	2021/2022	2022/23	2023/24
Application for Learners Licences	1502	2673	2272
Learners Licence Issued	354	1086	775
Learners Licence Unsuccessful	1069	1452	1406
Learners Licence Deferred	47	38	46
Learners Applicants Who Did Not Turn up	32	75	46
Application for Drivers Licence	1206	1195	1163
Drivers Licence Issued	882	798	764
Drivers Licence Unsuccessful	252	312	359
Drivers Applicants Who Did Not Turn Up	25	52	39
Drivers licence Test Deferred	47	33	1
Application for Professional Driving Permits	1461	1658	1461
Application for Roadworthy	19	76	57
Vehicles That Passed The Test	16	71	21
Vehicles For Retest	4	5	5
Discontinue Notice Issued due to Roadworthiness	58	0	0
Discontinue Notice Issued due to Accident Damage	54	0	0

Table 58: Drivers' Licence & Roadworthy Testing Performance Area



3.21. DISASTER MANAGEMENT

3.21.1. DISASTER MANAGEMENT FUNCTION

Promote community welfare and safety.

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.

3.21.4. MAJOR ACHIEVEMENTS

Ba-Phalaborwa has successfully provided shelter, tents, mattresses, and blankets to the public affected by disasters as they occur. The municipality has a robust Disaster Management Plan in place, and a thorough Risk Assessment Review has been conducted.

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 2023/24

3.21.5. CONSTRAINTS EXPERIENCED

Despite the achievements, the approved Disaster Management Plan necessitates the appointment of a Risk Reduction Officer and an Awareness and Response Officer, which presents a current constraint for implementation.

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 2021/22, 2022/23, and 2023/24 is 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 safety.

EMPLOYEES: DISASTER MANAGEMENT, ANIMAL LICENSING AND CONTROL, PUBLIC CONTROL						
Job level	2021/22	2022/23	2023/24			
Job Level	Employees No.	Employees No.	Posts No.	Employees No	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0-3	1	1	1	1	0	100%
4-6	1	1	1	1	0	100%
7-9	2	2	2	2	0	100%
10-12	0	0	0	0	0	100%
Total	4	4	4	4	0	100%
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 H: 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 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 boasts a Sports Confederation/Council and Arts and Culture Council to oversee these activities. However, it is crucial to acknowledge that most local clubs face organizational challenges, hindering their participation in leagues due to a lack of sponsors. The municipality emphasizes the need for private sector support to foster sports development. MIG funding is strategically utilized to enhance and create sports facilities that meet high standards and 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. 2023/24 CAPITAL EXPENDITURE: SPORTS AND RECREATION

In the area of Sport and Recreation, the capital expenditure for the financial year 2023/24 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.

Capital expenditure 2023/24: Sport and Recreation R`000					
Capital Projects	2023/24				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total project value
Upgrading of Ben-Farm Road Phase 2	10 792	20 075	20 075	(9 283)	30 420
Construction of stormwater culverts	10 000	5 857	5 856	4 143	28 000
Refurbishment of Namakgale Stadium	15 000	7 341	7 341	7 659	44 9410
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure)					

Table 60: Capital Expenditure - Sports & Recreation



3.22.3. SPORTS AND RECREATION ACTIVITIES

3.22.3.1. LOCAL INDIGENOUS GAMES

The municipality successfully coordinated the Indigenous games which involves community members from our 19 wards. The sporting code they participated on are Ncuva, Morabaraba, Kgati, Diketo, Jukskei, Intonga, Driestokies Dibeke and Khokho. The total of 300 people participated in the local selections games and 123 people were selected to participate in the District games. These games are coordinated from the hubs with the assistance of hub coordinators employed by the Department of Sport, Arts & Culture. The municipality have three hubs, namely Mashishimale, Namakgale and Lulekani.

3.22.3.2. LOCAL INDIGENOUS GAMES – ACTIVE AGEING PROGRAM

The municipality successfully coordinated the Golden games which involves the older persons from the age of 60 years and above. These games involve participants from the old age centres and the organizations which are coordinated by the Department of Social Development. The main purpose of this program is to promote a healthy living and encourage the older person to be active in their centres. The Sporting codes which they engage in are Briskwalk, Jukskei, Athletics, Rugbythrow, passing the ball, Ball pass and kick and male and female football. More than 300 older persons from centres participated in the local selections and 90 participated in the District games, 18 participated in the provincial games and 2 participated in National Games.

3.22.4. ARTS AND CULTURE EXTRAVAGANZA

The arts and culture sector stand 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.

Through the assistance of the Department of Sport, Arts and Culture we managed to empower and capacitate 10 film makers who attended a two days' Provincial film maker's capacity building workshop.

The Arts and Culture and Creative film industry managed to host two successful programs during the Annual marula Festival, Marula Film festival and Theatre night. More upcoming artists continue to get platforms to showcase their talents during our local events, and mostly have now gained status of being national artists to name the few, Ali Mocca, Motlanalo, The B Brothers, PHB Finest and DJ Sweeto. We continue to unearth the raw talent and give them exposure through different programs within our municipality.



3.22.5 FEDERATIONS AND LEAGUES

The Municipality have a functional Sport Confederation council, which it has functional federations. The federation have ongoing seasonal leagues which involves Football league, Netball league, Cricket, Basketball, and Boxing.

The football federation have challenges of lack of support or sponsors from the private sectors. This challenge it affect the federation to develop and promote clubs and players to other professional level. Most clubs are participating in unorganized tournaments because of federation not having sponsors from the private sectors and it destroys football development.

Ba-Phalaborwa municipality have about 94 football teams' male and female and less than 20 teams are participating in organized league.

We have one ladies football team (Sealene ladies) participating in Sasol ladies Provincial League and have 3 Ladies team Participating in Regional Ladies league.

COMPONENT I: 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	2021/22	2022/23	2023/24			
Job Level	Employees No.	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0-3	29	29	31	29	4	0.09%
4-6	90	90	140	90	10	1.07%
7-9	137	137	148	137	14	0.94%
10-12	110	110	187	110	90	0.58%
13-14	120	120	199	120	99	0.63%
Total	486	486	706	486	217	2.5%
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 2020/21, 2021/22, and 2023/24. 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			
	2021/22	2022/23	2023/24



Details of the types of account raised and recovered	Billed in year	Estimated outturn for accounts billed in year	Estimated proportion of accounts billed that were collected %	Billed in year	Estimated outturn for accounts billed in year	Estimated proportion of accounts billed that were collected %	Billed in year	Estimated outturn for accounts billed in year	Estimated proportion of accounts billed that were collected %
Property Rates	141,423,062		60%	169 772 000	88 202000	52%	124 009 163.53	64 560 959.35	52%
Electricity – C	107,019,986		69%	125 091 000	103 677 000	83%	101 250 598.5	62 712 522.1	62%
Refuse	16,565,018		29%	18 602 000	5 809 000	31%	20 189 915.38	10 511 161.18	52%
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

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 2021/22, 2022/23, and 2023/24. 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	2021/22	2022/23	2023/24			
Job Level	Employees No.	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0-3	5	5	5	5	0	50%
4-6	20	20	29	20	9	69%
7-9	9	9	26	9	17	35%
10-12	2	2	4	2	2	25%



13-14	0	0	0	0	0	0%
Total	36	36	64	36	28	15%
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 OF HUMAN RESOURCE SERVICES

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

- a) Recruitment, Selection, and Benefits
- b) Personnel Administration
- c) Skills Development
- d) Occupational Health and Safety
- e) Labour Relations
- f) Organisational Development
- g) Employee Wellness
- h) Individual Performance Management

During the financial year of 2023/2024, the Municipality, through its Human Resources Division, successfully recruited **20 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 thirty-seven (37) councillors and one hundred and twenty-four (124) 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 2023/24, 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 2021/22 through 2023/24. 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	2021/22	2022/23	2023/24			
Job Level	Employees No.	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0-3	1	1	1	1	0	100%
4-6	4	4	4	4	1	95%
7-10	5	5	6	5	0	100%
TOTAL	10	10	11	10	0	100%

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. 2023/24 FINANCIAL PERFORMANCE: HUMAN RESOURCE SERVICES

The table below provides a detailed overview of the financial performance of Human Resource Services during the financial years 2020/21 through 2023/24. 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 2023/24 financial year. A total of 33 training interventions were successfully implemented, accounting for a cost of R R1 730 822.77 from the total budget of R 1 732 060.00, 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 2023/2024 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.

Financial performance 2023/24: Human Resource Services							
Details		2021/22	2022/23	2023/24			
		Actual	Actual	Original budget	Adjustment budget	Actual	Variance to budget
Total revenue operational (excluding tariffs)		0	303	0	0	305	305



Expenditure:						
Other Employees	2 693	1 547	166	166	-899	733
Repairs & Maintenance	–	0				
Other	8 399	7 381	11 974	11 974	8 566	3 408
Total operational expenditure	11 092	8 928	12 140	12 140	7 666	4 474
Net operational (service) expenditure	(11 092)	(8 625)	0	0	(7 361)	(4 169)
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 of 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 2021/22 through 2023/24. 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.

Employees: ICT Services						
Job level	2021/22	2022/23	2023/24			
	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
	No.	No.	No.	No.		



0-3	1	1	1	1	1	100%
4-6	2	2	4	2	2	100%
7-9	1	1	1	1	0	80%
Total	4	4	6	4	1	90%

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. 2022/23 FINANCIAL PERFORMANCE: ICT SERVICES

The table below presents a comprehensive overview of the financial performance of ICT Services for the financial years 2021/22 through 2023/24. 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 2023/24: ICT Services (R'000)						
Details	2021/22	2022/23	2023/24			
	Actual	Actual	Original budget	Adjustment budget	Actual	Variance to budget
Total operational revenue (excluding tariffs)	-	0	0	0	0	0
Expenditure:						
Other Employees	7 905	8 545	9 835	9 835	8 910	925
Repairs & Maintenance	101	47				
Other	6 952	7 218	16 152	16 152	5 746	104 06
Total operational expenditure	14 958	15 810	25 987	25 987	14 656	11 331
Net operational (service) expenditure	14 958	(15 810)	25 987	25 987	14,656	11 331

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. 2023/24 CAPITAL EXPENDITURE: ICT SERVICES



Capital expenditure 2023/24: ICT Services R' 000					
Capital Projects	2023/24				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total project value
Total all	0	0	0	0	0

Table 68: Capital Expenditure - ICT 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 reviewed year, the ICT unit successfully delivered the following services:

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

- Upgraded the Collaborator Electronic Document Management system.
- Ensured 100% Web content update.
- Maintained 100% email availability.
- Ensured dynamic websites remained active, running, and updated daily.
- Renewed CaseWare Software.
- Activated Azure subscription.
- Implemented disaster recovery on the cloud.
- Renewed the license for ERP.

b) ICT Governance

- 4 Quarterly ICT steering committee meeting held.
- Second year of Microsoft enterprise agreement implemented.

c) Security

- Sophos Anti-Virus and Firewall Subscription renewed.



- Mimecast mail security license renewed'
- Penetration test done in collaboration with internal audit for internet access.
- Successfully conducted simulation for phishing through e-mails.
- 100 % Virus Free environment (No malicious incidents reported).
- Security Awareness Conducted through email and Windows Log in Screen

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 (18 in total);
- Cases initiated by the municipality against external parties (14 in total);
- Cases initiated by the municipality against residents who violate the municipality's Land Use Scheme; and
- Cases initiated by the municipality against residents who violate the Building Regulations and Standards Act.

3.28.3. 2023/24 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 2023/24. It outlines key details, including actual figures for 2021/22, and 2022/23, as well as the original and adjustment budgets and actual figures for 2023/24. The focus is on total operational revenue (excluding tariffs) and expenditure categories such as Other Employees, Repairs & Maintenance, and Other

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expenses. The table provides a comprehensive overview, including variances to the budget, allowing for an analysis of the financial health of these services during the specified period.

Financial performance 2023/24: Property, Legal, Risk Management and Procurement Services R`00,						
Details	2021/22	2022/23	2023/24			
	Actual	Actual	Original budget	Adjust ment budget	Actual	Variance to budget
Total operational revenue (excluding tariffs)	–	0	0	0	0	0
Expenditure:						
Other Employees	4 744	5 059	1 936	1 936	4 827	(2 891)
Repairs & Maintenance	35	42				
Other	1 165	12 903	9 989	9 989	20 707	(10 718)
Total operational expenditure	3 614	18 004	11 925	11 925	25 534	(13 609)
Net operational (service) expenditure	3 614	18 004	11 925	11 925	25 534	(13 609)
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

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 2023/24. 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 2023/24: Property, legal, Risk Management and Procurement Services R`000					
Capital Projects	2023/24				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total project value
Total all	0	0	0	0	0



Project A	0	0	0	0	0
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Table 70: Capital Expenditure - Legal, Risk Management & Procurement Services

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 moreover give effect to service delivery.

The Municipality approved its Organisational Structure for the year 2023/24 on the 26th of May 2023 as per Council Resolution No. 208/22. The 2023/2024 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-five (20) employees left the organisation in the financial year 2022/23 as follows: -

▪ Resignations	=	04
▪ Early retirement:	=	07
▪ Normal retirement	=	05
▪ Death exit	=	04
▪ Dismissal	=	0
▪ End of contract	=	0
▪ TOTAL	=	20

4.3. EMPLOYEE TOTALS, TURNOVER AND VACANCIES

4.3.1. MUNICIPAL WORKFORCE ACROSS ALL SERVICES



The table below provides a comprehensive overview of the municipality's workforce, detailing the number of employees and approved posts across various services for the financial years 2021/22 through 2023/24. The data is organized by service category, including Water, Legal, Electricity, Waste Management, Town Planning & Housing, Finance, Roads & Stormwater, Building Services, Project Management Unit, 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	2021/22		2022/23		2023/24		
	No. of employees	No. Approved posts	No. of employees	No. Approved posts	No. Approved posts	No. of employees	No. of vacancies
Water	108	42	46	42	108	46	62
Legal	2	1	1	2	2	1	1
Electricity	59	39	44	58	58	44	14
Waste Management	86	46	59	88	88	59	29
Town Planning & Housing	16	8	8	16	16	8	8
Finance	63	34	34	64	34	34	30
Roads & Stormwater	38	12	25	12	38	25	13
Building Services	31	14	22	14	38	22	16
Project Management unit	0	0	3	3	4	4	0
ICT	6	5	5	6	6	5	1
Strategic Planning	3	2	2	3	3	2	1
Local Economic Development	7	4	4	7	7	4	3
Library	22	9	9	22	22	9	13
Community & social services (parks & Cemetery)	89	52	56	89	89	56	33
Disaster Management	4	4	3	5	5	3	2
Security & safety (Traffic & licensing)	42	22	30	42	42	30	12



Special programs	3	3	3	3	3	3	0
Human Resources	11	10	13	13	13	13	1
Executive and Council support	94	71	46	55	55	46	9
Audit and risk management	6	0	6	6	6	6	0
Totals	700	458	419	666	666	419	269

Table 71: Municipal Workforce across all Services

4.3.2. 2023/24 VACANCY RATE

The table below presents the municipality's vacancy rate for the financial year 2023/24 and it is analysed 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: 2023/24		
Designation	Total approved posts	Variances (Total time that vacancies exist using fulltime equivalents)
	No.	No.
Municipal Manager	1	1
CFO	1	1
Other S57 Managers (excluding Finance Posts)	5	1
Other S57 Managers (Finance posts)	1	1
Municipal Police	n/a	n/a
Fire Fighters	n/a	n/a
Senior Management: Levels 1-3 (excluding Finance Posts)	18	8
Senior Management: Levels 1-3 (Finance Posts)	5	0
Highly skilled supervision: Levels 4-6 (excluding Finance posts)	92	28
Highly skilled supervision: Levels 4-6 (Finance posts)	30	12
Total	153	52

Table 72: 2022/24 Vacancy Rate

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 2021/22, there were 55 total appointments, with 19 terminations, resulting in a turnover rate of 34%. For the 2022/23, there were 20 total appointments and 30 terminations, leading to a turnover rate of 32%. 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
2021/22	55	19	34%
2022/23	20	30	32%
2023/24	18	22	29%

Table 73: Turn-Over Rate

COMPONENT B: MUNICIPAL WORKFORCE MANAGEMENT

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 fulfil its strategic goals. In accordance with 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 pertaining to 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 2022/23. 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 29th of November 2023, as evidenced by Council Resolution No. 545/23. 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 (07) 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 – 2023/24				
1.	Overtime policy	100%	100%	Policy adopted by council on the 28 November 2023, CR.545/23
2.	Leave Policy	100%	100%	Policy adopted by council on the 28 November 2023, CR.545/23
3.	Staff Provisioning Policy	100%	100%	Policy adopted by council on the 28 November 2023, CR.545/23
4.	Acting on Higher positions Policy	100%	100%	Policy adopted by council on the 28 November 2023, CR.545/23
5.	Motor Vehicle Policy	100%	100%	Policy adopted by council on the 28 November 2023, CR.545/23
6.	Placement Policy	100%	100%	Policy adopted by council on the 28 November 2023, CR.545/23
7.	Training & Development Policy	100%	100%	Policy adopted by council on the 28 November 2023, CR.545/23

Table 74: Human Resource Policies



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.

2023/24 Number and cost of injuries on duty					
Type of injury	Injury taken leave	Employees using injury leave	Proportion employees using sick leave	Average injury leave per employee	Total estimated cost
	Days		%	Days	R`000
Required basic medical attention only					
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	n/a	n/a	n/a	n/a	n/a

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 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. The total number of 4 390 sick leave were recorded for the financial year 2023/24.

Number of days and cost of sick leave (excluding injuries on duty) 2023/24						
Designations	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	Average sick leave per employees	Estimated cost
	Days	%	No.	No.	Days	R'000
MM & SEC 57 Managers	18	0%	6	6	33%	
Management (level 2-5)	637	3%	70	60	9%	
Highly skilled production (levels 6-8)	1598	2%	95	102	6%	
Skilled level (level 9-12)	472	2%	37	36	8%	
Lower skilled (level 13-14)	1710	4%	171	172	10%	
Total	4 390	11%	379	401	66%	
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

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

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 thirty-seven (37) councillors and one hundred and twenty-four (124) officials through various training interventions. Out of the allocated budget totalling **R1,644,881.06**, the municipality successfully utilized **R1,294,957.70** for enhancing workforce capacity, achieving targeted training objectives.

4.7.1.1. SKILLS DEVELOPMENT AND TRAINING

The table below provides details of various training interventions conducted by the municipality from July 2023 to June 2024, 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, employees trained, the department involved, and whether the WSP was approved for the respective training. This comprehensive overview



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Date	Training Intervention	Employees Trained	Department	WSP Approved
		Lebelo CM		
16-17 August 2023	Supply Chain	Selepe W	Budget and Treasury Office	No
18-19 August 2023	State Protocol and Etiquette	Hlungwani RP Monyela KM	Office of the Municipal Manager	No
SEPTEMBER 2023				
12-14 September 2023	MSCOA Fundamental training	Cllr Mabunda NO	Council	Yes
6-8 September 2023	Secretaries' Day	9 Officials	All Departments	Yes
12-14 September 2023	GovTech conference	Mahesu JN Chuene RS Malatji MD Selepe S	Office of the Municipal Manager Corporate Services	Yes
13-15 September 2023	IERM conference	Shai L Molekoa SE	Community and Social Services	Yes
21-22 September	Ethics Management		All Departments	Yes
27-29 September 2023	ITLMPOSA conference	Cllr SR De Beer Schoombie M	Office of the Mayor Community and Social Services	Yes
OCTOBER 2023				
4 October 2023	Leave Awareness/ Code of Conduct Policy Awareness & Induction	22 Officials	All Departments	No
4 October 2023	POPIA Act Training	30 Officials	All Departments	Yes
10-13 October 2023	LIASA conference	Mokhabukhi NS Ramalepe TD	Community and Social Services	Yes
10-12 October 2023	IRMSA conference	Sekwari TMT Mabitsela TJ	Office of the Municipal Manager	Yes
18-20 October 2023	Ethics for Local Government	37 Councillors 13 Officials	All Departments	Yes
26-27 October 2023	Risk Management 101 training	Mabitsela TJ	Office of the Municipal Manager	Yes
24-26 October 2023	CIGFARO conference	Cllr Makasela R Cllr Mukhari MP Cllr Mabunda NO	COUNCIL	Yes
(24-26 October 2023	CIGFARO conference	Sekwari TMT Khoza LP Makhongela MM Ndzimande AT	Office of the Municipal Manager	Yes



Date	Training Intervention	Employees Trained	Department	WSP Approved
		Shiburi RST Motloutsi MW Nkhwashu PT Malatji MD	BTO Corporate Services	
25-26 October 2023	DMISA conference	Moagi MB Cllr SR De Beer	Office of the Municipal Manager	No
25-27 October 2023	IMESA Conference	Phasha MT Madiope S Nawa MJ	Technical Services	Yes
NOVEMBER 2023				
08-10 November 2023	IMPSA Conference	Cllr T Nkuna JB Selapyane TS Mashale MJ Phakula YK Mashele PMS Mangaba	Councillor Corporate Services	Yes
15-16 November 2023	Annual Business Continuity Management & Disaster Recovery Conference	T Sekwari R Chuene T Mabitsela	OMM CORPS OMM	Yes
22-24 November 2022	Annual Leadership Development for Women in Government & Parastatals	Mphogo KP	Office of the Municipal Manager	Yes
DECEMBER 2023				
11-13 December 2023	Pest Control Operator training	Shai L Molekoa SE	Community and Social Services	Yes
FEBRUARY 2024				
8-9 February 2024	Risk Management 101	Sekwari TMT	Office of the Municipal Manager	Yes
21-22 February 2024	6 th Annual Workplace Disability Management	Mphogo KP	Office of the Municipal Manager	Yes
27-28 February 2024	WSP Seminar 2024	Selapyane JB Phakula MJ Mangaba PMS Rikhotso BB	Corporate Services	Yes
26 February - 01 March 2024	TLB training	Rapatsa LP Mpekoane T Ndlovu DC	Community and Social Services	Yes
26 February - 01 March 2024	TCS Refresher Training	Mafa MW Mabasa M	Community and Social Services	Yes



Date	Training Intervention	Employees Trained	Department	WSP Approved
MARCH 2024				
4-5 March 2024	Enhancing the Municipal Electricity Revenue Value Chain	A Ndzimande N Tshishonga M Mphachoe R Sekgobela	BTO Technical Services	No
07-15 March 2024	Upgrading as Examiner of license	MA Letsoalo	Community & Social Services	No
11-15 March 2024	Records Management	Malebe DT Mohale MV Chuene R Selepe S Semosa B Makwala S	Corporate Services	Yes
APRIL 2024				
16-19 April 2024	CISA Audit Training	Makhongela MM	Office of the Municipal Manager	Yes
17-19 April 2024	Sky Jack/Cherry Picker	Magoto L Monyela SP Kgatlle ME Mabasa HD Ramalatso KD Mashego L Mudau PS Baloyi LJ Mathonsi JT Shai TP	Technical Services	Yes
23-25 April 2024	Audit & Risk Indaba	Maake MM Sekwari T Mabitsela T Makhongela MM	Office of the Municipal Manager	Yes
MAY 2024				
06-07 May 2024	IIA Public Sector Conference	Makhongela MM Maake MM Mohlala KR	Office of the Municipal Manager	Yes
06-10 May 2024	Cable Joint Termination	Mudau PS Baloyi LJ Malatji MM Pilusa PM Mashele N Mathonsi JT Nkwinika V Mokgotho TV Shingange K Mundlovu IE Ndlovu RT Nkuna LJ Monyela GP Shai TP Magoto L	Technical Services	Yes



Date	Training Intervention	Employees Trained	Department	WSP Approved
		Ramalatso K Kgatlle ME Mabasa AA Hlungwani TV Mabasa HD		
13-17 May 2024	Cable Fault Locator	Shingange K Nkuna L Ndlovu R Mokgotho T Makelane K Malatji M Mudau P Baloyi LJ Mathonsi JT Nkuna V	Technical Services	No
13-31 May 2024	Advanced Welding	Nkuna C Nyalenda F Mathonsi T	Technical Services	Yes
20-24 May 2024	ORHVS	Shingange K Nkuna L Ndlovu R Mokgotho T Makelane K Malatji M Mudau P Baloyi LJ Mathonsi JT Nkuna V	Technical Services	No
20-24 May 2024	Basic Mechanics for small equipment	Thibela MG Shai AS Rapatsa LP Nkuna G Malungane ML Shingange GS Mashai MF	Community & Social Services	Yes
JUNE 2024				
4-7 June 2024	TB Conference	Mashale S	Office of the Municipal Manager	Yes
5-6 June 2024	SAAMA Conference	Maswanganyi DP	BTO	Yes
12-13 June	SALGA Human Capital Symposium	Cllr Malatji MM Cllr NO Mabunda Cllr T Nkuna Selapyane JB Phakula MJ Mashele YK Hlungwane S	Council CORPS	No

Table 77: Skills Development & Training



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

Municipality has 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 2023/24 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 finalisation of the job evaluation process.

CHAPTER 5 – FINANCIAL PERFORMANCE

5. FINANCIAL PERFORMANCE

OVERVIEW OF FINANCIAL PERFORMANCE

The Municipality's financial performance is assessed mainly on its financial potential and capacity of 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 2023/24 financial year to fund its capital programmes, but due to non-payment of services, not all planned projects were implemented.

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All the 2023/24 programmes funded from grants were implemented without any challenges.

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

5.1. FINANCIAL STATEMENTS

5.1.1. OVERVIEW OF FINANCIAL STATEMENTS

The financial health of the municipality is unfavourable 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 2021/22, the current year 2022/23, and the budgeted figures for the financial year 2023/24. 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.



Description	2021/22	Current year 2022/23			Current year 2023/24			2023/24 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original	Adjusted	Actual	Original	Adjusted budget
Financial Performance									
Property Rates	141 423	144 510	176 887	135 075	184 556	184 556	127 740	(56 816)	(56 816)
Service charges	123 585	187 273	172 273	138 523	196 353	196 353	137 825	(58 528)	(58 528)
Investment revenue	31 450	2 481	2 481	4 026	2 613	5 113	4 814	2 201	(299)
Transfers recognised – operational	229 180	195 948	195 030	196 070	207 443	215 693	213 775	6 332	(1 918)
Other own revenue	10 753	97 556	80 723	94 216	85 431	85 431	166 217	80 786	80 786
Total revenue (excluding capital transfers and contributions)	536 391	627 769	627 394	567 909	676 346	687 146	650 371	(25 975)	(36 775)
Employees costs	168 416	185 597	185 597	172 122	199 891	199 891	169 988	(29 903)	(29 903)
Remuneration of councillors		19 089	19 089	18 189	20 101	18 401	16 987	(3 114)	(1 414)
Depreciation & asset impairment		75 295	75 295	38 440	179 285	179 285	74 777	(104 508)	10 390
Finance charges	18 266	2 500	18 500	20 847	19 481	19 481	22 902	3 421	(3 421)
Bulk purchases	101 086	115 559	115 559	102 614	164 979	163 994	116 160	(48 819)	(47 834)
Other expenditure	177 475	228 992	215 992	148 771	180 788	183 473	(42 144)	(222 932)	(225 617)
Total Expenditure	536 391	627 031	630 031	436 720	764 525	764 525	358 669	(405 856)	(405 856)
Surplus (deficit)	5 894	738	(2 637)	131 190	(88 180)	(77 380)	291 702		
Capital Recognition	53 830	42 377	42 377	42 890	56 586	49 066	50 949		
Surplus (deficit) for the year		43 115	39 740	174 080	(31 594)	(28 314)	342 652		

Description	2021/22	Current year 2022/23			Current year 2023/24			2023/24 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original	Adjusted	Actual	Original	Adjusted budget
<u>Capital expenditure & funds sources</u>									
Capital expenditure		44 877	44 877	51 980	64 766	57 246			
Transfers recognised – capital	48	42 377	42 377	15 293	56 586	49 066	49 065	0	0
Internally generated funds	3	2 500	2 500	36 687	8 180	8 180			
Total source of capital funds	50	44 877	44 877	5 198	64 766	57 246			
<u>Financial position</u>									
Total current assets	369 453	586 570	1 726 767	2 003 793	1 428 766	135 072	829 603	(599 163)	694 531
Total non- current assets	1 268 040	1 312 918	1 209 992	1 257 123	1 307 681	1 226 102	1 282 318	(25 363)	56 216
Total current liabilities	572	3 433	2 050 500	1 912 010	1 459 338	485 832	552 858	(906 480)	67 026
Total non-current liabilities		216 315	217 855	201 940	164 224	198 683	190 928	26 705	(7 755)
Community wealth/equity	849	1 679 740	668 404	972 886	1 334 719	976 457	1 368 133	33 414	391 676
<u>Cash flows</u>									
Net cash from (used) operating	423	55 783	64 622	65 079	(12 086)	(11 552)	61 194	73 280	72 746



Description	2021/22	Current year 2022/23			Current year 2023/24			2023/24 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original	Adjusted	Actual	Original	Adjusted budget
Net cash from (used) investing	(55 715)	(44 877)	(51 609)	(19 232)	(65 074)	(56 426)	(33 249)	31 825	23 177
Net cash from (used) financing	(9 929)	0	0	(17 642)	(20 400)	(20 400)	(18 468)	1 932	1 932
Cash/cash equivalents at the year end	69	86 643	739 21	84 925	(39 039)	(44 288)	53 566	92 605	97 854
<u>Cash backing/surplus reconciliation</u>									
					(96 713)	(85 457)			
Cash and investments available		71 243	58 521	35 718	104 699	301 874			
Balance – surplus (shortfall)		512 412	(681 939)	448 367	(201 412)	(387 331)			
<u>Asset management</u>									
Asset register summary (WDV)	873	1 311 918	1 097 839	1 144 983	1 194 5247	1 138 731			
Depreciation & asset impairment	74	75 295	75 295	73 559	79 285	79 285			
Repairs and maintenance	24	25 036	29 476	25 893	23 884	19 549			

Table 78: Statement 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 grants allocations are done through 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 Grant (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 2021/22, 2022/23, and 2023/24. 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	2021/22	2022/23			2022/23 variance		2023/24			2023/24 Variance	
	Actual	Budget	Adjustments budget	Actual	Original budget	Adjustments budget	Budget	Adjustments budget	Actual	Original budget	Adjustments budget
					%	%				%	%
Operating transfers and grants											
National Government:											
Equitable share		189 853	188 935	188 935	100%	100%	196 989	205 239	205 239	104%	100%
Finance Management grant		3 100	3 100	3 100	100%	100%	3 100	3 100	3 100	100%	100%
Municipal systems improvement	169 872	0	0	0	100%	100%	0	0	0	0	0
EPWP	3 100	1 186	1 186	1 186	100%	100%	1 470	1 470	1 470	100%	100%
Total operating transfers & grants	1 195	194 139	193 221	193 221	100%	100%	201 559	209 809	209 809		

Table 79: Grants

5.3. COMPREHENSIVE FINANCIAL OVERVIEW

The table below provides a detailed Financial Summary for the municipality, offering insights into its financial performance over the years 2021/22, and 2023/24. 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.

Financial Summary (R'000)											
Description	2021/22	2022/23		2022/23 Variance			2023/24			2023/24 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjusted budget	Original	Adjusted	Actual	Original	Adjusted budget
Financial Performance											
Property Rates	133 502	144 510	176 887	135 075	(9 435)	(11 834)	184 556	184 556	127 740	56 816	56 816
Service charges	131 523	187 273	172 273	138 523	(48 750)	(33 750)	196 353	196 353	137 825	58 528	58 528
Investment revenue	13 771	2 481	2 481	29 553	27 072	27 072	2 613	5 113	4 814	2 201	(299)
Transfers recognised – operational	174 156	195 948	195 030	193 257	(2 693)	(1 774)	207 443	215,693	213 775	6 332	(1 918)
Other own revenue	38 431	97 556	21 583	62 428	(35 128)	(18 295)	85 381	67 924	217 167	136 917	131 786
Total revenue (excluding capital transfers and contributions)	491 383	627 769	627 394	589 264	(38 505)	(38 131)	676 346	687 146	701 321	(22 425)	(14 175)
Employees costs	167 114	185 597	185 597	171 698	(13 899))	(13 899)	199 891	199 891	169,988	29 903	29 903
Remuneration of councillors	15 590	19 089	19 089	14 788	(4 301)	(4 301)	18 401	18 401	16 987	1 414	1 414



Financial Summary (R'000)											
Description	2021/22	2022/23		2022/23 Variance			2023/24			2023/24 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjusted budget	Original	Adjusted	Actual	Original	Adjusted budget
Depreciation & asset impairment	72 482	75 295	75 295	74 880	(415)	(415)	79 285	79 285	74 777	4 508	4 508
Finance charges	18 266	2 500	18 500	20 847	18 347	2 347	19 481	19 481	22 902	(3 421)	(3 421)
Bulk purchases	101 086	115 559	115 559	94 788	(20 771)	(20 771)	138 279	138 279	116 160	22 137	22 137
Other expenditure	163 264	228 991	215 991	100 622	(128 369)	(115 369)	99,845	99,845	143 667	(43 822)	(43 822)
Total Expenditure	537 802	627 031	630 031	477 623	(149 408)	(152 408)	555 182	555 182	544 481	10 701	10 701
Surplus (deficit)	5 894	738	(2 637)	111 640	173 342	114 276	123 714	131 964	156 840	(11 724)	(11 724)
Capital Recognition	55 024	42 377	42 377	45 704	3 328	3 328	49 066	49,066	49,065	0	0
Surplus (deficit) for the year	59 723	43 115	39 740	157 344	114 229	117 603	172 780	181 030	205 905	(33 125)	(33 125)
<u>Capital expenditure & funds sources</u>											
Capital expenditure											
Transfers recognised – capital	53 830	42 377	42 377	37 968	(4 408)	(4 408)	49 066	49,066	49,065	0	0
Internally generated funds	2 426	2 500	2 500	0	(2 500)	(2 500)	8 180	8 180			
Total source of capital funds	56 255	44 877	44 877	37 968	(6 908)	(6 908)	57 246	57 246			
<u>Financial position</u>											
Total current assets	478 919	586 570	1 726 767	476 797	1 417 223	277 026	126 822	135 072	829 603	(702 781)	(694 531)
Total non- current assets	1 737 812	1 312 918	1 209 992	1 248 142	(55 795)	47 131	1 226 102	1 226 102	1 282 318	(56 216)	(56 216)
Total current liabilities		3 433	2 050 500	489 032	1 908 577	(138 490)	485 832	485 832	552 858	(67 026)	(67 026)



Financial Summary (R'000)											
Description	2021/22	2022/23		2022/23 Variance			2023/24			2023/24 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjusted budget	Original	Adjusted	Actual	Original	Adjusted budget
Total non-current liabilities	217 855	216 315	217 855	201 961	(14 375)	(15 915)	198 683	198 683	190 928	7 755	7 755
Community wealth/equity	876 602	1 679 740	668 404	1 033 946	(706 854)	304 482	976 457	984 707	1 368 133	(391 676)	(383 426)
Cash flows											
Net cash from (used) operating	75 031	60 783	60 783	37 040	(23 743)	(23 743)	(19 802)	(11 552)	61 194	(100 794)	(72 746)
Net cash from (used) investing	(51 918)	(44 877)	(44 877)	(35 486)	9 391	9 391	(56 426)	(56 426)	33 249	(89 675)	(89 675)
Net cash from (used) financing	19 232	(20 400)	(20 400)	(14 776)	5 624	5 624	(20 400)	(20 400)	18 468	(38 868)	(38 868)
Cash/cash equivalents at the year end	69 320	59 039	59 039	44 090	14 949	14 949	(52 538)	(44 288)	53 566	(106 104)	(97 854)
Cash backing/surplus reconciliation											
Cash and investments available	(41 106)	512 412	(681 939)	448 367	(64 045)	1 130 306					
Balance – surplus (shortfall)											
Asset management											
Asset register summary (WDV)	844 368	1 311 918	1 097 839	1 144 983	166 935	47 144	1 138 731	1 138 731	809 608	329 123	329 123
Depreciation & asset impairment	72 482	75 295	75 295	74 880	(415)	(415)	79 285	79 285	74 777	4 508	4 508
Repairs and maintenance	21 073	25 036	29 476	13 739	(11 297)	(15 737)	19 549	21 949	13 059	6 490	8 890

Table 80: Comprehensive Financial Overview



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

This 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	2021/22	2022/23	2023/24
	394 701	442 037	472 392
Capital implications	Transfer of an Asset, right to use, control and manage asset		
Future purpose of asset	For rental earnings, capital appreciation and Future economic or social benefits		
Describe key issues	Conflict of Land and Eviction of Land		
Policies in place to manage asset	Valuation- roll inclusion, Investment, and asset register policy in place		

Table 81: Asset 1 - Investment Property

b) Asset 2 – Land and Building Overview

This table below present 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.

Assets 2			
Name	Land and Building		
Description	Improvements on Land		
Asset Type	Building		
Key staff involved	Community, Strategic Planning, Technical (PMU) and Budget and treasury department and Asset department		
Staff responsibilities	Planning, Implementation, monitoring and Facilitate Payment and Safeguarding of assets		
Asset Value	2021/22	2022/23	2023/24
	383 129	354 011	77 498
Capital implications	Funding Mechanisms		
Future purpose of asset	Investment For Improvements and Future economic or social benefits, owner occupier		
Describe key issues	valuation roll not complying to asset register and value for money		
Policies in place to manage asset	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.

Asset 3			
Name	Roads		
Description	Infrastructure Roads		
Asset Type	Pavement Road		
Key staff involved	Community, Strategic Planning, Technical (PMU) and Budget and treasury department		
Staff responsibilities	Planning, Implementation, monitoring, and Facilitate Payment		
Asset Value	2021/22	2022/23	2023/24
	316 287	223 469	351 717



Capital implications	Road, Sidewalk and Traffic Signs maintenance, funding mechanisms
Future purpose of asset	Service Delivery and For Improvements and Future economic or social benefits
Describe key issues	Value For Money, Development of a Road Safety Strategy and Action Plan
Policies in place to manage asset	Asset register policy in place

Table 83: Asset 3 – Roads

5.4.2. REPAIR AND MAINTENANCE EXPENDITURE

The Municipality allocates its expenditure on repairs and maintenance to address various facets, including the upkeep of roads infrastructure, electricity infrastructure, maintenance of municipal buildings, and the repair of other assets like motor vehicles and computer equipment that contribute to the overall service potential. Assets procured through these repairs and maintenance activities are subsequently reclassified and integrated into the main assets portfolio.

The table below presents a comprehensive overview of the Municipality's financial allocations and expenditures in repairs and maintenance for the financial year 2023/24. 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 2023/24				
	Original budget	Adjustment budget	Actual	Budget variance
Repairs and maintenance expenditure	19 549	21,949	13 059	8 890

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 own revenue through provision of services, which are the sales of electricity, property rates charges, rental of Municipal facilities, charging of fines and penalties. The government grants allocations are done through 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 grant (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 2023/24. 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 Other is presented, highlighting the allocation and utilization of financial resources in these critical areas.

Capital Expenditure – funding sources 2023/24 (R'000)						
Details	2022/23	2023/24				
	Actual	Original Budget (OB)	Adjustment Budget	Actual	Actual to OB Variance (%)	Actual to Adjustment Variance (%)
Source of finance						
Grants and subsidies	42 051	57 246	57 246			
Other	1 528					
Total	43 579					
Percentage of finance						
External Loans	0					
Public contributions and donations	0					
Grants and subsidies	42 377					
Other	1 528					
Capital Expenditure	43 579					
Water and Sanitation	11 000					
Electricity	7 674					
Housing	0					
Roads and storm water	18 200					
Other	6 705					
Total	43 579					
Percentage of expenditure						
Water and Sanitation	11 000					
Electricity	7 674					
Housing	0					
Roads and storm water	18 200					
Other	6 705					

Table 85: Capital Expenditure & Funding Sources



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 2023/24. 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 – Upgrading of Benfarm, 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 2023/24 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)
Projects with the highest capital expenditure in 2023/24					
Name of project – A	Upgrading of Benfarm Phase 2				
Objective of project	Upgrading of road from gravel to asphalt				
Delays	- Stoppages by local sub-contractors - Slow delivery of concrete by Mopani Late start of surfacing by Polokwane surfacing due to plant breakdown				
Future challenges	Slow delivery of concrete				
Anticipated citizen benefits	Majeje village				
Name of project – B	Refurbishment of Namakgale stadium				
Objective of project	Refurbishment of stadium				
Delays	Slow progress by contractor Stoppages by local sub contractors and local labourers				
Future challenges	Stoppages by owed local sub contractors				
Anticipated citizen benefits	Namakgale and Makhushane				



Name of project – C	Tambo Phase 2
Objective of project	Upgrading of road from gravel to asphalt
Delays	None
Future challenges	None
Anticipated citizen benefits	Namakgale
Name of project – D	Installation of stormwater Culvert in Lulekani
Objective of project	Providing access to Cemeteries
Delays	Late start of project due to local labour recruitment
Future challenges	None
Anticipated citizen benefits	Lulekani and Matiko-xikaya
Name of project – E	Electrification of 400 households in Majeje Ext B phase 2
Objective of project	Access to electricity
Delays	Energizing of the connections by ESKOM
Future challenges	None
Anticipated citizen benefits	The residents of Ward 13

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 2024				
	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	26 263	51	25 386	49
Housing				

Table 87: Basic Services & Infrastructure Backlog

BACKLOG ON ROADS

There is a backlog of 559.1 kilometres of gravel roads earmarked for upgrading to tarred or paved surfaces. The Municipality has devised a plan to construct or upgrade a minimum of 5 kilometres each financial year, guided by 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 2021/22 through 2023/24, 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	2021/22	2022/23	2023/24		
	Audited Outcome	Actual	Original Budget	Adjusted Budget	Actual
Cash Flow from Operating Activities					
Receipts					
Ratepayers and other	173 475	355 119	305 271	305 271	228 280
Government – operating	175 351	195 030	207 443	215 693	215 998
Government – Capital	53 830	42 377	49 066	49 066	49 066
Interest	45 216	3 014	2 613	5 113	3 902
Dividends		0	0	0	0
Payments					
Suppliers and employees	(656 541)	(530 461)	(583,194)	(583,194)	(431 776)
Finance charges	(18 266)	0	(2,481)	(2,481)	(4 277)
Transfers and grants		0	(1,020)	(1,020)	0
Net Cash From (Used) operating activities	(18 266)	65 079	(11 552)	(11 552)	61 193
Cash flows from investing activities					
Receipts					
Proceeds on disposal of PPE	55 979	0			
Payments					
Capital Assets	55 979	(19 232)	(56,426)	(56,426)	(33 249)
Net Cash From (Used) investing activities	55 979	(19 232)	(56,426)	(56,426)	(33 249)
Net Cash From (Used) financing activities	(16,166,391)		(20 400)	(20 400)	(18,468)
Net Increase/(Decrease) in cash	69 320	28 205	(96,628)	(88,378)	9 477
Cash/cash equivalents at the year begin		56 720	44 090	44 090	44 090
Cash/cash equivalents at the year end	69 320 68 027	84 925	(52,538)	(44,288)	53 566
Source: MBRR SA7					

Table 88: Cashflow Outcomes



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 instalments 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 provides a breakdown of Municipal and Entity investments in various categories for the financial years 2021/22 through 2023/24. The municipality's investments encompass securities, listed corporate bonds, deposits in banks, and other financial instruments. The corresponding figures for Municipal Entities are also presented, closing in a consolidated total for a comprehensive overview of the investment landscape over the specified years. This data is crucial for assessing the financial portfolio and investment strategies employed by the municipality and its entities.

Municipal and Entity investments (R'000)			
Investment type	2021/22	2022/23	2023/24
	Actual	Actual	Actual
<u>Municipality</u>	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	68027	43 941	52 373
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	69,319,706	68027	43 941	52 373
<u>Municipal Entities</u>	N/A	N/A	N/A	N/A
Securities – National Government	N/A	N/A	N/A	N/A
Listed Corporate Bonds	N/A	N/A	N/A	N/A
Deposits –bank	N/A	N/A	N/A	N/A
Deposits public investment commissioners	N/A	N/A	N/A	N/A
Deposits- corporation for public deposits	N/A	N/A	N/A	N/A
Bankers' acceptance certificates	N/A	N/A	N/A	N/A
Negotiable certificates of deposit –banks	N/A	N/A	N/A	N/A
Guaranteed endowment policies (sinking)	N/A	N/A	N/A	N/A
Repurchase agreements – banks	N/A	N/A	N/A	N/A
Municipal bonds	N/A	N/A	N/A	N/A
Other	N/A	N/A	N/A	N/A
Entities sub-total	N/A	N/A	N/A	N/A
CONSOLIDATED TOTAL	69,319,706	68027	43 941	52 373

Table 89: Municipal & Entity Investment

5.10. PUBLIC PRIVATE PARTNERSHIPS

No Public Private Partnerships were entered into during the 2023/24 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 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 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.

5.12. GRAP COMPLIANCE

5.12.1. OVERVIEW OF GRAP COMPLIANCE

The municipality is presently undergoing an audit, and the audit report will officially confirm compliance with GRAP once the audit is completed. As per the Audit report on the financial statements for 2023/24, the auditor expresses their opinion that, except for the potential impacts of the matter detailed in the basis for a qualified opinion section of the report, the financial statements present a fair representation, in all significant aspects, of the financial position of the Ba-Phalaborwa Local Municipality as of 30 June 2023. Furthermore, they state that the financial performance and cash flows for the year ended are in accordance with the applicable financial reporting framework, as well as the requirements of the South African Generally Recognized Accounting Practices (SA Standards of GRAP), the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) MFMA, and the Division of Revenue Act of South Africa 2018 (Act No. 1 of 2018) DoRA.

CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

COMPONENT A: AUDIT

6. AUDIT

6.1. OVERVIEW OF AUDIT

The Constitution, in Section 188(1)(b), outlines the Auditor-General's functions, which encompass the 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 results of performance measurement must undergo an annual audit by the Auditor-General. The audit has been concluded, resulting in a Qualified Audit Opinion.

6.2. COMPONENT B: AUDITOR-GENERAL OPINION

6.2.1. AUDITOR GENERAL REPORT 2022/23

Auditor-General Report on Financial Performance 2022/23



Audit Report status	Qualified
Non-Compliance Issues	Remedial Action Taken
Irregular and unauthorised expenditure	Action Plan was developed and implemented
Reconciliation of property plant and equipment	
Investment property	

Table 90: 2022/23 Auditor General Report

Auditor-General Report on Service Delivery Performance 2022/23	
Audit Report status	Qualified
Non-Compliance Issues	Remedial Action Taken
No-alignment of reported achievement and portfolio of evidence	Action plan was developed and implemented

Table 91: 2022/23 Auditor General Report on Service Delivery Performance

6.2.2. AUDITOR GENERAL REPORT 2023/24

Auditor-General Report on Financial Performance 2023/24	
Audit Report status	Qualified
Non-Compliance Issues	
Payables from exchange transactions	
Value Added tax (VAT)	



GLOSSARY

Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	Documents used by executive authorities to give “ <i>full and regular</i> ” reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
Activities	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe “ <i>what we do</i> ”.
Adequacy indicators	The quantity of input or output relative to the need or demand.
Annual Report	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.
Approved Budget	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
Baseline	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
Basic municipal service	A municipal service 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.
Budget year	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
Cost indicators	The overall cost or expenditure of producing a specified quantity of outputs.
Distribution indicators	The distribution of capacity to deliver services.
Financial Statements	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.



General performance indicators	Key	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
Impact		The results of achieving specific outcomes, such as reducing poverty and creating jobs.
Inputs		All the resources that contribute to the production and delivery of outputs. Inputs are "what we use to do the work". They include finances, personnel, equipment and buildings.
Integrated Development Plan (IDP)		Set out municipal goals and development plans.
National performance areas	Key	Service delivery & infrastructure Economic development Municipal transformation and institutional development Financial viability and management Good governance and community participation
Outcomes		The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
Outputs		The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
Performance Indicator		Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
Performance Information		Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
Performance Standards:		The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.



Performance Targets:	The level of performance that municipalities and 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.
Service Delivery Budget Implementation Plan	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.
Vote:	<p>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.</p> <p>Section 1 of the MFMA defines a "vote" as:</p> <p>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</p> <p>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</p>

Table 92: Glossary



APPENDICES

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 FT/PT	Committee Allocated	*Ward and/or Party Represented	Percentage Council Meetings Attendance	Percentage apologies for non-attendance	Percentage absents without apology
				%	%	%
Cllr NO Mabunda	FT	Speaker Chairperson of the Rules Committee Chairperson of the Ethics Committee.	ANC	100%	0%	0%
Cllr MM Malatji	FT	Mayor	ANC	92%	8%	0%
Cllr D Rapatsa	FT	Chief Whip	ANC	83%	17%	0%
Cllr R. Makasela	FT	Member of Executive Committee. Chairperson of BTO Portfolio Committee	ANC	83%	17%	0%
Cllr VM Rapatsa	FT	Member of the Executive Committee. Chairperson of Technical Services Portfolio Committee.	ANC	100%	0%	0%
Cllr T. Nkuna	FT	Member of the Executive Committee; Chairperson of Governance & Administration Portfolio	ANC	100%	0%	0%
Cllr SP Mashumu	PT	Member of the Executive Committee. Member of the P&D Portfolio Committee. Serve of MDM Board.	EFF	67%	25%	8%
Cllr S De Beer	PT	Member of the Executive Committee; Chairperson of Community & Social Services Portfolio;	DA	92%	8%	0%
Cllr MP Mailula	PT	Member of the Executive Committee; Chairperson of	ANC	100%	0%	0%



Councillors, Committees Allocated and Council Attendance						
Council Members	Full Time/Part Time	Committee Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage apologies for non-attendance	Percentage absents without apology
	FT/PT			%	%	%
		Planning and Development portfolio				
Cllr SL Mohlala	PT	Member of the Budget & Treasury Portfolio	ANC	33%	67%	0%
Cllr MMA Mathebula	PT	Member of the Governance & Administration Portfolio Serve on MDM Board	ANC	58%	33%	8%
Cllr MP Mukhari	PT	Chairperson of MPAC.	ANC	92%	8%	0%
Cllr NJ Mampuru	PT	Member of Municipal Public Accounts Committee;	ANC	67%	8%	25%
Cllr MM Malesa	PT	Member of CSS Portfolio Committee. Member of Ethics Committee.	ANC	100%	0%	0%
Cllr J. Sindane	PT	Member of P&D Portfolio Committee. Member of the Rules Committee	ANC	100%	0%	0%
Cllr LM Matlala	PT	Member of CSS Portfolio Committee	ANC	75%	8%	17%
Cllr MA Mononela	PT	Member of P&D Portfolio Committee.	ANC	92%	0%	8%
Cllr MF Sekoele	PT	Member of CORPS Portfolio Committee.	ANC	66%	17%	17%
Cllr MH Sekatane	PT	Member of BTO Portfolio Committee. Member of the Rules Committee.	ANC	83%	8	8
Cllr SM Shayi	PT	Member of Municipal Public Accounts Committee	ANC	50%	42%	8%
Cllr NL Rilamphu	PT	Member of the Ethics Committee.	ANC	92%	8%	
Cllr EA Mokoena Mashele	PT	Member of the TS Portfolio Committee	ANC	100%	0%	0%
Cllr ME Mokgalaka	PT	Member of the CSS Portfolio Committee.	ANC	66%	17	17



Councillors, Committees Allocated and Council Attendance						
Council Members	Full Time/Part Time	Committee Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage apologies for non-attendance	Percentage absents without apology
	FT/PT			%	%	%
Cllr TC Malatjie	PT	Member of the TS Portfolio Committee	ANC	92%	8%	0%
Cllr EF Nyathi	PT	Member of MPAC.	ANC	100%	0%	0%
Cllr R. Rakoma	PT	Member of BTO Portfolio Committee. Member of Ethics Committee.	DA	75%	8%	17%
Cllr B. Ramothwala	PT	Member of MPAC.	DA	83	8	8
Cllr HS Booysen	PT	Member of CORPS Portfolio Committee.	DA	75%	25%	0%
Cllr MM Thuke	PT	Member of CORPS Portfolio Committee	EFF	67%	33%	0%
Cllr TM Malobane	PT	Member of Municipal Public Accounts Committee	EFF	50%	42%	8%
Cllr NP Ntimane	PT	Member of CSS Portfolio Committee.	EFF	50%	25%	25%
Cllr TB Shai	PT	Member of CSS Portfolio Committee	EFF	50%	42%	8%
Cllr JC Mokungwe	PT	Member of P&D Portfolio Committee	MIM	75%	8%	17%
Cllr DS Mathebula	PT	Member of MPAC.	NIP	33%	17%	50%
Cllr TS Mashale	PT	Member of MPAC	NIP	92%	8%	0%
Cllr GM Van Niekerk	PT	Municipal Infrastructure & Services	FFP	42%	33%	25%



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; Performance management; 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



THIRD TIER STRUCTURE			
DIRECTORATE	MANAGER/SENIOR OFFICERS (STATE TITLE AND NAME)	DESIGNATION	POST LEVELS
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
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



THIRD TIER STRUCTURE			
DIRECTORATE	MANAGER/SENIOR OFFICERS (STATE TITLE AND NAME)	DESIGNATION	POST LEVELS
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
Technical Services	Mr. G Hlungwane	Manager : Water Services	PL 03
Technical Services	Mr.S Madiope	Manager : Roads & Storm Water	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

Municipal/Entity Functions		
Municipal Functions	Function Applicable to Municipality (Yes/No)*	Function Applicable to entity (Yes/No)
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 Speakers office on time	Number of quarterly public ward meetings held during year
Ward 1	ClIr Nkwane Johannes Mampuru	yes	12	12	03
Ward 2	ClIr Mmantswana Mavis Malesa	yes	12	12	05
Ward 3	ClIr Jafet Sindane	yes	12	12	11
Ward 4	ClIr Lebo Moses Matlala	yes	12	12	04
Ward 5	ClIr Maleage Albert Mononela	yes	12	12	05
Ward 6	ClIr Moggadi Paulinah Mailula	yes	12	12	05
Ward 7	ClIr Mampuele Frans Sekoele	yes	12	12	02
Ward 8	ClIr Mpho Harry Sekatane	yes	12	12	03
Ward 9	ClIr Victor Mohale Rapatsa	yes	12	12	02
Ward 10	ClIr Sinah Modjadji Shayi	yes	12	12	03
Ward 11	ClIr Hendrika Stoffelina Booysen	yes	12	12	01
Ward 12	ClIr Sybrandt De Beer	yes	12	12	01
Ward 13	ClIr Nhlahla Lucky Rihlampfu	yes	12	12	05
Ward 14	ClIr Eunice Annetjie Mokoena-Mashele	yes	12	12	03
Ward 15	ClIr Makasela Richard	yes	12	12	01
Ward 16	ClIr Nkuna Thompson	yes	12	12	05
Ward 17	ClIr Mapiti Eddy Mokgalaka	yes	12	12	02
Ward 18	ClIr Tebogo Collen Malatji	yes	12	12	03
Ward 19	ClIr Enoch Funtani Nyathi	yes	12	12	05

APPENDIX F1–WARD INFORMATION

Capital Projects: Seven Largest in 2023/24 (Full List at Appendix N)

R`000

Ward No	Project Name & Detail	Start Date	End Date	Total Value



17 & 18	Construction of Selwane Sports Complex	April 2019	June 2023	R45 929 565.25
1,2,4,5,6,7 & 19	Refurbishment of Namakgale Stadium	March 2021	August 2024	R44 941 439.69
7	Tambo phase 2 street paving	June 2020	February 2023	R51 138 818.56
2,10,13,14,15,16	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	October 2024	June 2024	R23 360 351.12
13	Electrification of 400 households in Majeje Ext B Phase 2	October 2023	June 2024	R6 913 450.42
16	Electrification of 250 households in Matikoxikaya	October 2024	June 2024	R 5 031 233.4

APPENDIX F2 – BASIC SERVICE PROVISION

Basic Service Provision					
Detail	Water	Sanitation	Electricity	Refuse	Housing
Households with minimum service delivery	Function of the District	Function of the District	50468	21211	
Households without minimum service delivery	Function of the District	Function of the District	1183	27889	
Total Households*	Function of the District	Function of the District	51651	49100	
Houses completed in year					
Shortfall in Housing units					
*Including informal settlements					T F.2

APPENDIX F3 – TOP FOUR SERVICE DELIVERY PRIORITIES FOR WARD (HIGHEST PRIORITY FIRST)

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During Year
1	Street paving	The municipality has commenced with the upgrading of 3.8 km road gravel to tar road in Benfarm (Ward 13)
2	Water	Mopani District municipality is responsible for implementing water projects
3	Culverts	Lulekani Culvert was completed



4	Apollo lights	No project implemented during financial year 2023/24
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APPENDIX G –RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2023/24

AC No.	Date of AC	Total Resolution s	Completed	Not Implemented	Recommendation s adopted by council
1	24 July 2023	34	34	0	Yes
2	23 August 2023	15	15	0	Yes
3	29 August 2023	19	19	0	Yes
4	22 September 2023	5	5	0	Yes
5	23 October 2023	63	61	2	Yes
6	30 November 2023	5	5	0	Yes
7	22 January 2024	15	15	0	Yes
8	11 March 2024	11	11	0	Yes
9	26 March 2024	35	34	1	Yes
10	03 May 2024	44	43	1	Yes
11	04 May 2024	8	6	2	Yes
12	04 June 2024	18	17	1	Yes
Total		270	265	7	

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

Long Term Contracts (20 Largest Contracts Entered into 2023/24)						
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 2023/24 R`000					
Name & Description of project	Name of Partner (s)	Initiation date	Expiry date	Project manager	Value 2023/24
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		
	(b) Service Targets	Target	Actual	Target		Actual	Target		
		*Previous Year		*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year
		(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
(i)	(ii)	(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
<p><i>Note: This statement should include no more than the top four priority indicators. * 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; *'Current Year' refers to the targets set in the Year 0 Budget/IDP round. *'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets must be fundable within approved budget provision. In column (ii) set out the Service Indicator (In bold italics) then the Service Target underneath (not in bold - standard type face) to denote the difference.</i></p>									

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APPENDIX J- DISCLOSURES OF FINANCIAL DISCLOSURES

Disclosures of Financial Interests		
Period 1 July 2023 to 30 June 2024		
Position	Name	Description of financial interest* (Nil/or details)
Speaker	Cllr Mabunda O	• Nil
Mayor	Cllr Malaji MM	• Nil
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	•
Member of Exco	Cllr De Beer SR	• Old Mutual Investment
Member of Exco	Cllr Mailula P	• Nil

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Mpac Chairperson	Cllr Mukhari P	• Nil
Councillor	Cllr Nyathi EF	• PMC Employee 10%
Councillor	Cllr Shayi S	• Nil
Councillor	Cllr Mathebula DS	• Nil
Councillor	Cllr Mampuru MM	• Nil
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	• Nil
Councillor	Cllr Rakoma R	• Nil
Councillor	Cllr Booysen HS	• Nil
Councillor	Cllr Shai TB	• Nil
Councillor	Cllr Mashale T	• Nil
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	• Nil
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



MUNICIPAL ADMINISTRATORS		
Municipal Manager	Dr Pilusa KKL	• Nil
Senior Manager: Corporate Services	Mrs Selapyane JB	• Nil
Chief Financial Officer	Mr Nzimande AT	• Nil
Senior Manager Planning	Mrs Muluadzi J	• Nil
Senior Manager Community	Mr Hlogwane T	• Nil
Senior Manager Technical Services	Mrs. Mphachoe	• Nil

APPENDIX K1: REVENUE COLLECTION PERFORMANCE BY VOTE

Vote Description	2022/23	2022/23	2023/24	
	Actual	Actual	Original Budget	Adjusted Budget
EXECUTIVE AND COUNCIL	0	0	0	0
BUDGET AND TREASURY DEPT	380 822	428 048	445 624	456 354
CORPORATE SERVICES	815	209	220	270
COMMUNITY AND SOCIAL SERVICES	22 451	37 145	7 683	7 683
PLANNING AND DEVELOPMENT	176	290	306	261
TECHNICAL SERVICES DEPT	195 994	250 414	279 144	271 644
Total Revenue by vote	600 258	669 771	732 932	736 212

APPENDIX K2 - REVENUE COLLECTION PERFORMANCE BY SOURCE: 2023/24

Revenue Collection Performance by Source								
Description	2020/21	2021/22	2022/23	2023/24			2023/24 Variance	
	Actual	Actual	Actual	Original Budget	Adjustment Budget	Actual	Original Budget	Adjustment Budget
Property Rates	141 319	141 319	135 075	184 556	127 740	(56 816)	(56 816)	184 556
Service charges – electricity revenue	105 590	107 020	119 965	175 582	117 658	(57 924)	(57 924)	175 582



Service Charges – refuse revenue	16 032	16 524	18 558	20 772	20 167	(605)	(605)	20 772
Rentals of facilities and equipment	5	205	512	270	342	72	72	270
Interest earned. – Investment	2 718	2 429	4 026	5 113	4 814	2 201	(299)	5 113
Interest earned – outstanding debtors	44 821	42 787	55 956	62 657	48 719	(13 938)	(13 938)	62 657
Fines	301	598	514	1 363	280	(1 083)	(1 083)	1 363
Licence and permits	5 690	20 358	3 949	6 109	4 296	(1 813)	(1 813)	6 109
Agency services	9 051	21 601	21 483	6 529	15 412	8 883	8 883	6 529
Transfers recognised – operational	205 154	182 025	196 070	215 693	213 775	6 332	(1 918)	215 693
Other revenue	1 629	10 753	11 802	7 759	421	(7 338)	(7 338)	7 759
Total Revenue (excluding capital transfers and contributions)		759 659	567 909	686 403	553 624	(124 529)	(132 779)	686 403

APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

Conditional Grants: Excluding MIG(R'000)						
2023/24						
Details	Budget	Adjustment Budget	Actual	Variance Budget	Adjustment Budget	Major conditions applied by donor (continue below if necessary)
Finance Management grant	3 100	3 100	3 100	0	0	N/A
EPWP	1 470	1 470	1 470	0	0	N/A
EEDSMG	4 000	4 000	3 661	-339	-339	N/A
INEP	20 794	15 794	15 793	-5 001	-1	N/A
Total	29 364	24 364	24 024	-5 340	-340	



APPENDIX M1-2: CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME

Capital expenditure – New Assets programme*						
Description	2023/24 (R'000)			Planned capital expenditure(R'000)		
	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Capital expenditure by asset class						
Infrastructure – Total						
Infrastructure: Road transport – Total	35 792	33 272	33 272	31 079	37 914	35 567
Infrastructure: Electricity – Total	20 794	15 794	15 793	8 014	13 962	12 286
<i>Other</i>	2 500	2 500	6 591	20 700	14 700	9 000

APPENDIX N – CAPITAL PROGRAMME BY PROJECT CURRENT YEAR

Capital Programme by Project: 2023/24					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Water	N/A	N/A	N/A	N/A	N/A
Sanitation/Sewerage	N/A	N/A	N/A	N/A	N/A
Electricity					
"Project A"	8 000	5 000	6 913	138%	86%
"Project B"	5 000	4 000	5 031	126%	1001%
Housing	N/A	N/A	N/A	N/A	N/A
Refuse removal	N/A	N/A	N/A	N/A	N/A
Stormwater					
"Project A"	10 000	5 857	5 856	100%	58.56 %
Economic development					
"Project A"					
"Project B"					
Sports, Arts & Culture					
"Project A"	820	820	0	0%	100%
"Project B"	15 000	7 341	7 341	100%	48.94%
Environment					
"Project A"					
"Project B"					
Health	N/A	N/A	N/A	N/A	N/A
Safety and Security	N/A	N/A	N/A	N/A	N/A
ICT and Other	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: 2023/24			R' 000
Capital Project	Ward(s) affected	Works completed (Yes/No)	
Water	N/A	N/A	
Sanitation/Sewerage	N/A	N/A	
Electricity			
Electrification of 400 households in Majeje Ext B Phase 2	13	Yes	
Electrification of 250 households in Matikoxikaya	16	Yes	
Housing	N/A	N/A	
Refuse removal	N/A	N/A	
Stormwater			
Installation of stormwater culverts at Mashishimale to Lejori ward 10, Makhushane ward 2, Lulekani access bridge to cemeteries ward 15 and Humulani access to cemeteries ward 13	2,10,13,14,15&16	Yes	
Economic development	N/A	N/A	
Sports, Arts & Culture			
Refurbishment of Namakgale Stadium	1,2,5,6,7 &19	No	
Construction of Selwane sports complex	17&18	Yes	
Environment	N/A	N/A	
Health	N/A	N/A	
Safety and Security	N/A	N/A	
ICT and Other	N/A	N/A	
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APPENDIX P – SERVICE BACKLOGS: SCHOOLS AND CLINICS

Service Backlogs: Schools and Clinics				
Establishments lacking basic services	Water	Sanitation	Electricity	Solid Waste Collection
Schools (NAMES, LOCATIONS)				
Matome Malatji School	✓	N/A	N/A	✓
Clinics (NAMES, LOCATIONS)				
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:	5 779 – Ward 1,2,3,4,5,6,7,8,9,10,13,14,15,16,17,18,19	
Licencing and Testing Centre:	None	
Reservoirs	Ward 3, 7,9, 15	
Schools (Primary and High):	Ward ,16,17	
	Renovation Batwatsi School ward 17	
Sports Fields:	Ward 18 Gravelotte	

APPENDIX R – LOANS AND GRANTS MADE BY THE MUNICIPALITY

Declaration of Loans and Grants made by the municipality: 2023/24				
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		

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 <ul style="list-style-type: none"> 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 	
	Improvement in access to basic electricity through completion of electrification of: <ul style="list-style-type: none"> 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 of 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

EXCO	Executive Committee
AG	Auditor General
MIG	Municipal Infrastructure Grant
BPM	Ba-Phalaborwa Municipality
COGHSTA	Corporative Governance, Human Settlement and Traditional Affairs
COGTA	Corporative Governance and Traditional Affairs
CDW	Community Development Workers
LLF	Local Labour Forum
AC	Audit Committee
AG	Auditor General
EXCO	Executive Committee
GEAR	Growth, employment and redistribution
GIS	Geographical Information System
GDP	Growth Development Product
IDP	Integrated Development Plan
SDBIP	Service Delivery and Budget Implementation Plan
IT	Information Technology
IGR	Inter-Governmental Relations
ICT	Information and Communication Technology
ISCOR	Institute for International Security and Conflict Resolution
IDP	Integrated Development Plan
KNP	Kruger National Park
LED	Local Economic Development
LEGDP	Limpopo Employment and Growth Development
LUMS	Land Use Management Scheme
MDM	Mopani District Municipality
MPCC	Multi-Purpose Community Centre
MPAC	Municipal Public Accounts Committee
MSA	Municipal Structures Act
NDPG	Neighbourhood Development Partnership Grant
SDF	Spatial Development Framework
SDI	Spatial Development Initiatives
STATS SA	Statistics South Africa
SANRAL	South African National Road Agency
MEC	Member of Executive Council
SAPS	South African Police Service
SALGA	South African Local Government Association
SMME	Small Medium and Micro Enterprise
PMC	Phalaborwa Mining Company
PMS	Performance Management System
MFMA	Municipal Finance Management Committee
DORA	Division of Revenue Act
GRAP	Generally Recognise Accounting Practise
KPI	Key Performance Indicator
KPA	Key Performance Area
LGSETA	Local Government Sector Education Training Authority
LUMS	Land Use Management System
SDF	Spatial Development Framework



SPLUMA	Spatial Planning Land Use Management Act
EPWP	Expanded Public Works Programme
CWP	Community Workers Programme
CFO	Chief Finance Officer
IA	Internal Audit
SCM	Supply Chain Management

ANNEXURES TO THE ANNUAL REPORT



ANNEXURE 1: ANNUAL PERFORMANCE REPORT



ANNEXURE 2: AUDITED ANNUAL FINANCIAL STATEMENT



ANNEXURE 3: ORGANIZATIONAL STRUCTURE



ANNEXURE 4: ATTENDANCE REGISTER – COUNCIL MEETINGS



ANNEXURE 5: AUDITOR GENERAL REPORT



ANNEXURE 6: AUDIT COMMITTEE REPORT



ANNEXURE 7: AUDITOR GENERAL ACTION PLAN

