



THEMBELIHLE

LOCAL MUNICIPALITY
PLAASLIKE MUNISIPALITEIT
U-MASIPALA WASEKUHLENI

ANNUAL REPORT

2023 - 2024

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CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT B: EXECUTIVE SUMMARY

MUNICIPAL MANAGER’S OVERVIEW

Thembelihle Local Municipality’s 2023/2024 Annual Report provides a comprehensive assessment of our performance in governance, service delivery, financial management, and organizational development. This report highlights both our achievements and challenges, emphasizing the need for strategic interventions to enhance municipal operations and sustainability.

Governance and Institutional Performance

The municipality faced governance challenges, including leadership vacancies and political instability, which impacted decision-making and service delivery. Despite these setbacks, we remained committed to fulfilling our legislative mandate by improving governance structures, strengthening intergovernmental relations, and enhancing public participation.

Service Delivery and Infrastructure Development

Service delivery remains a core focus, with progress made in maintaining essential services such as water, sanitation, electricity, and road infrastructure. However, significant infrastructure challenges persist, including aging water and electrical networks, poor road conditions, and waste management inefficiencies. Efforts to address these issues include grant-funded projects and infrastructure upgrades, but further investment is necessary.

Financial Health and Sustainability

The municipality’s financial position remains fragile, with a collection rate of 54%, well below the National Treasury norm of 95%. Expenditure on critical services often exceeds available revenue, leading to cash flow constraints. While grant funding has supported key capital projects, a more sustainable revenue enhancement strategy is required to ensure long-term financial viability.

Organizational Development

Staff vacancies, particularly in senior management, have affected operational efficiency. Although progress was made in workforce development, challenges in performance management and compliance with statutory reporting requirements remain. The completion and implementation of key strategic plans will be critical in addressing these concerns.

Conclusion and Way Forward

While Thembelihle Local Municipality has made strides in service delivery and governance, financial and infrastructural constraints continue to pose significant challenges. Moving forward, our focus will be on improving revenue collection, accelerating infrastructure maintenance, stabilizing leadership, and enhancing community engagement. With collective effort and strategic planning, we remain committed to building a more efficient, accountable, and service-driven municipality.



1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

Thembelihle Local Municipality is in the heart of the Karoo in the Northern Cape Province. The municipality is situated in the Pixley Ka Seme District Municipality, in the eastern part of the province, bordering with the Free State. The Municipality is accessible via the National infrastructure through the N12 which links the Northern Cape Province to the Western Cape in the southwest. Thembelihle is a Xhosa word that means “a place of hope.” The municipality spans over approximately 8,023km², most of which is agricultural landscape. The municipality is rich in natural resources, with the first diamond having been found in Hopetown.

The two main towns in the Municipality are Strindberg and Hopetown. Although Orania is included in the borders of the Municipality it is not governed by the Local Authority. Hopetown was founded in 1850 when Sir Harry Smith extended the northern frontier of the Cape Colony to the Orange River. A handful of settlers claimed ground where there was a natural ford over the Orange River, by 1854 a frontier town had developed. The name Hopetown was given to me by William Hope, Auditor-General and Secretary of the Cape Colony Government. Hopetown is identified as the administrative center of the Municipality and Strydenburg as an Urban Satellite Centre according to the Pixley Ka Seme District SDF.

The largest town of the municipality with a total population of about 14 000 is Hopetown which is zoomed in on the map below and has the greatest part where the municipality supplies electricity to its communities with new areas, Phase 1 (Goutrou) and Phase 2 (Hillside) having been added to the distribution network as shown in Figure 2. Hopetown has businesses and light industrial sections that are supplied electricity by the municipality apart from the residential supply.





Figure 1 – Map of Thembelihle Local Municipality

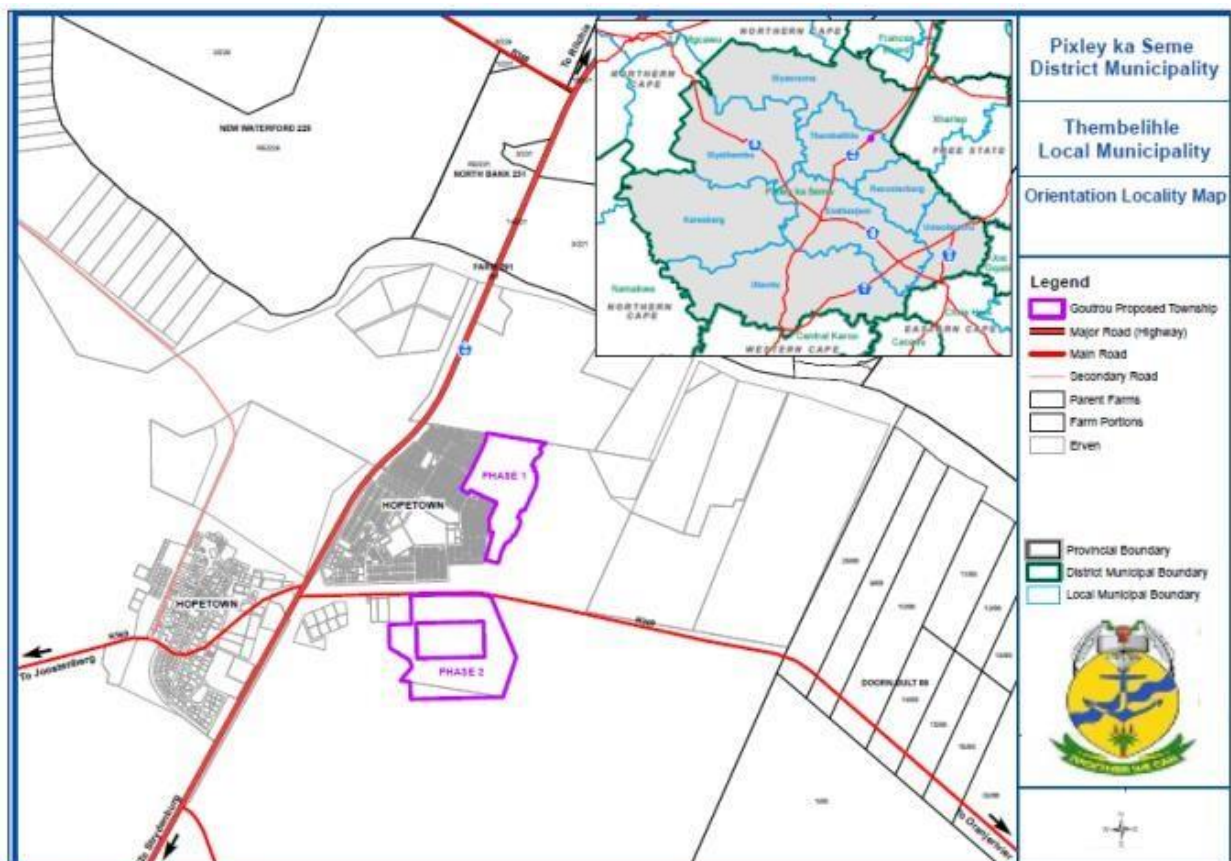


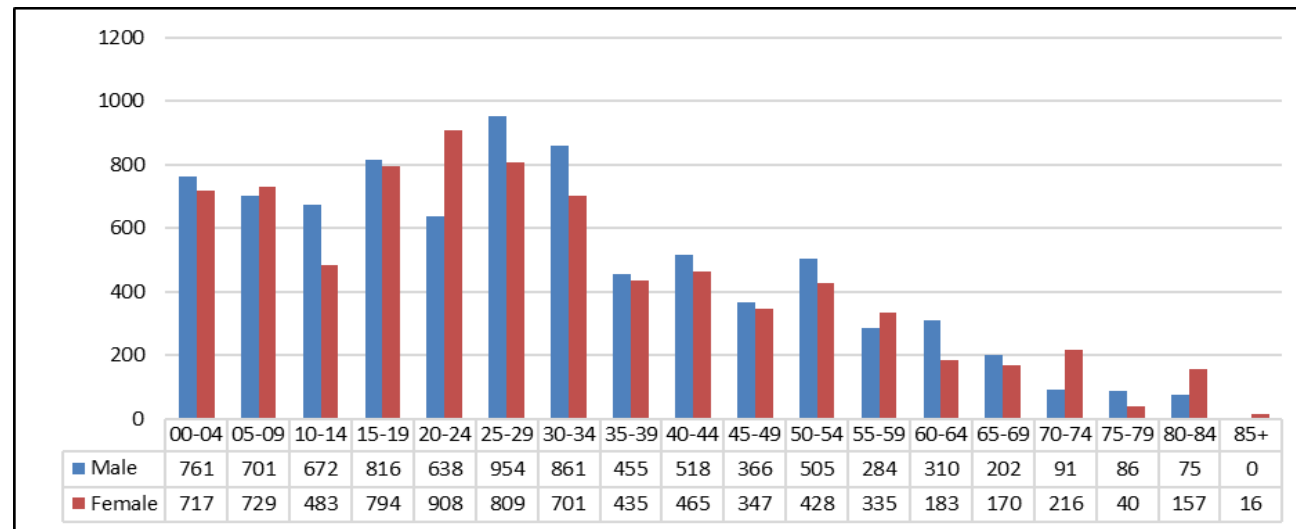
Figure 2 - Map Showing Hopetown

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1. Demographics

The demographic profile detailed below provides an economic overview of the Thembelihle Local Municipality (NC076) in respect of the sectoral composition (GVA) and employment trends, the population, and households as well as household income. The information contained in sections 1.2.2.1 to 1.2.2.3 is based on the Thembelihle Integrated Development Plan (2021 – 2022), the Pixley Ka Seme District Spatial Development Framework, 2013 – 2018 and Stats SA.

1996			2001			2011			2016		
Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
6 667	6 909	13 576	7 193	7 275	14 467	7 976	7 724	15 701	8 297	7 933	16 230



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Figure 3 Source: Stats SA: Population by Sex

Figure 3 indicates that the greater proportion of the population in Thembelihle municipality is young, consisting mainly of children and youth. There is however a greater proportion of males compared to females for ages from 25 to 54 years, and the female population shows a slightly greater proportion in numbers compared to males for ages 75 and above. This signifies a greater lifespan for females than males.

The Thembelihle Municipality has a largely youth population with the greatest age ranges in the population being ages 0-34. This is further differentiated by the majority age being in the ages 0-14. It is also worth noting that there is a great pensioner age, 65 and greater.



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Employment and Statistical Services

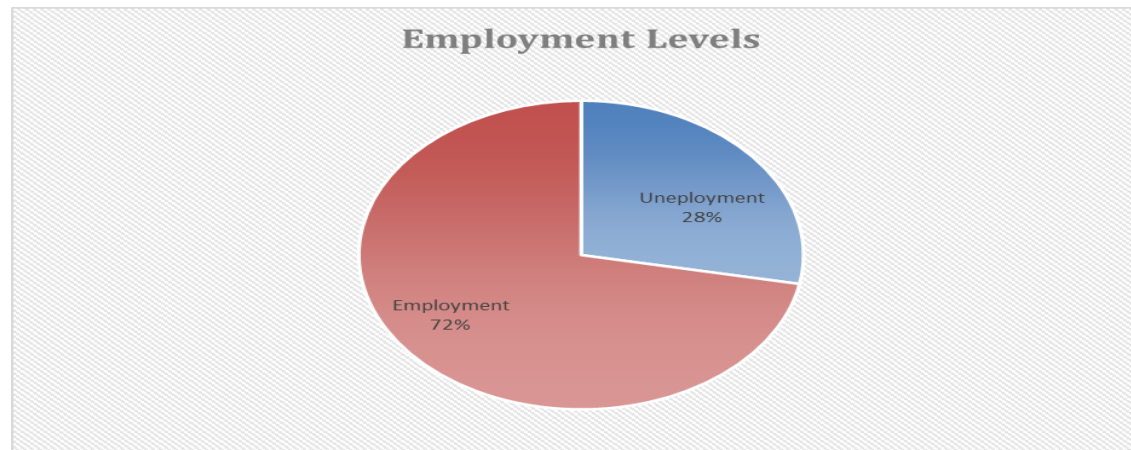
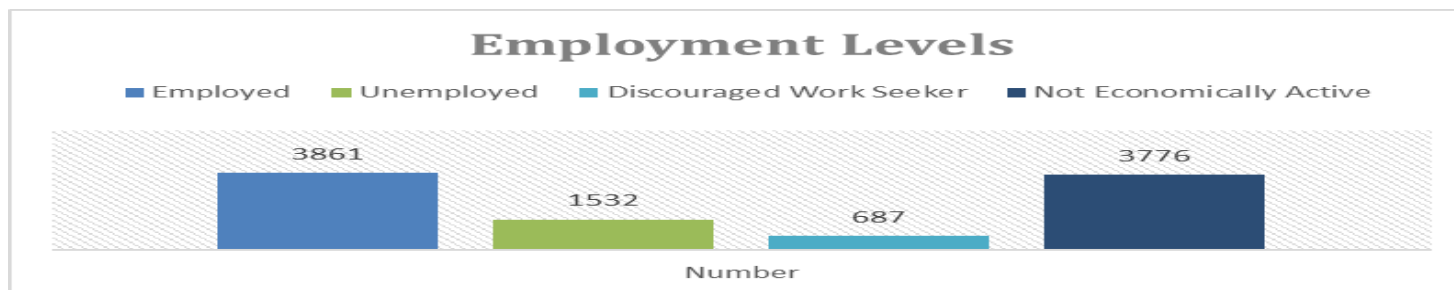


Figure 1 Stats SA: Employment Levels

Figure 4 depicts that of the economically active population, 72% of that section is employed and 28% unemployed. This was a particularly good variable considering a 43% provincial unemployment figure. During the Covid 19 Pandemic this



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situation could have decreased and will be reported on at the right time once the census figures have been updated by STATS SA. Whilst this is a good reflection, more can be done, and the efforts can be directed towards the ensuring sustainable jobs and skills development to reduce the effect that the Pandemic had on the employment within the Municipality.

Figure 5 - Thembelihle LM Employment Figures

Figure 5 further supplements the employment situation above and further qualifies the definition of employment. From this graph, the total number of employed people is 3861 and the total number of unemployed people is 1532. The number of discouraged work seekers is 687. The combination of discouraged work seekers and the unemployed population is close to 2 200 workers.



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2. Household Income and food security

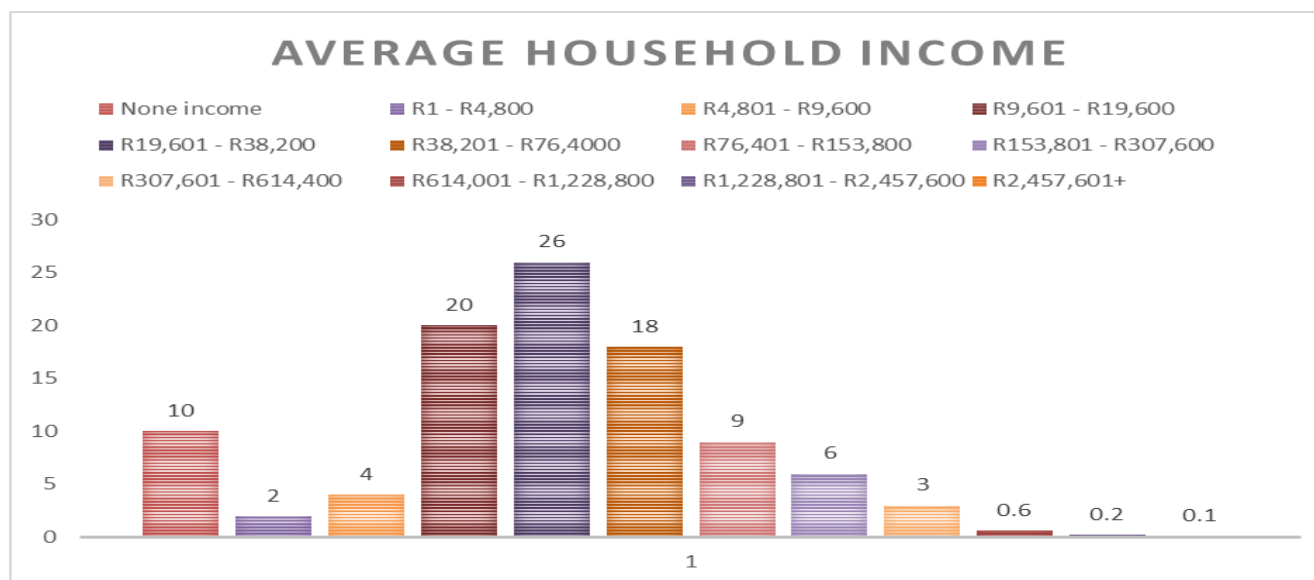


Figure 6 STATS SA: Average Household Income

Figure 5 above shows that the average income is within the range of R9 601,00 and R76 400,00 per annum, the highest number of households are in the middle to higher income strata. In this regard, they earn in the ranges of R307 614 400 to R 2 452 601. This means that there is a thriving middle class in the Thembelihle Municipal area. There is a 0,6% of earners in the above R 2 452 601 bracket.

Ran out money to buy food in the 12 months preceding the survey	Number	Percent (%)
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Yes	1 139	24.0
No	3 597	76.0
Total	4 736	100.0

Table 30 Stats SA 2016: Ability to buy food.

Table 30 shows that 76.0% (3 597) of the households in Thembelihle have ran out of money to buy food in the 12 months preceding the survey in 2016. This is slightly higher than people who are living below the poverty line based on an income of R9 600,00 per annum.

Ran out of money to buy food for 5 or more days in the past 30 days	Number	Percent (%)
Yes	549	48.2
No	590	51.8
Total	1 139	100.0

Table 31 Stats SA 2016: Ability to budget.

Table 31 shows that from the total households that reported having run out of money to buy food in Thembelihle, 51.8% (590) have ran out of money to buy food for 5 or more days in the past 30 days preceding the survey in 2016. This shows that the community should be encouraged to create a culture of budgeting according to their need as almost 50% lives from hand to month.

These figures are likely to be linked to the influx of job seekers to the area and the inability of all of them to secure work. This is also likely to result in an increasing number of individuals and households who are likely to be dependent on



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social grants. The low- income levels also result in reduced spending in the local economy and less tax and rates revenue for the district and local municipality.

3. Energy sources

Main source of energy used for lighting, 1996-2016.

	Electricity	Gas	Paraffin	Candles	Solar	Other	Total
1996	64.8	0.3	13.3	21.7	0.0	0.0	100.0
2001	67.2	0.2	9.0	22.1	0.8	0.7	100.0
2011	75.5	0.2	2.4	20.7	1.1	0.0	100.0
2016	85.6	0.3	0.9	10.3	2.2	0.6	100.0

Table 29 Stats SA: Energy Services

4. Electrical Losses

The municipality gets its bulk electrical supply from Eskom and sells to its consumers that include residential, industries, businesses, and itself. The municipality is buying electricity at a higher unit cost and sells at a lower cost to its consumers. This scenario already indicates a non-technical loss. Total losses experienced by the municipality have two components: technical and non-technical. Technical losses occur naturally and consist of power dissipation in electricity system components such as transmission and distribution lines, transformers, and measurement systems where as non-technical losses are caused by actions external to the power system and consists primarily of electricity theft, non-payment by customers, and errors in accounting and record-keeping. These losses have significant impact on the municipality's ability

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to offer viable electrical services to its community. The challenges that the municipality is facing that result in huge electrical losses, *which have remained the same and increasing to worse* over the years are:

- Lack of consistent revenue collection from electricity consumers
- Failure of maintenance of electrical infrastructure due to unfunded budget year on year in the electrical section of the municipality. The municipality is unable to provide the electrical section with the regulated budget.
- Shortage of qualified electrical personnel who should run the electrical section.
- Unavailability of equipment such as a Cherry Picker
- No seclusion of losses into technical and commercial losses
- Faulty energy meters/ unmetered supply
- Errors and delay in meter (Conventional) reading and billing.
- No transparency in meter reading and billing.
- Lack of adequate investment in system modernization
- Non penalization of consumers who exceed the NMD.
- Electricity theft and meter tempering
- Non maintenance of trees along overhead conductors which result in earthing leakage due to budget constraints.
- Failure to implement workable debt collection on electricity sales.
- Noncompliance with License Requirements and Electricity Distribution Regulations
- Non availability of bulk meters to verify the ESKOM meter reading.



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The municipality is also losing as most customers who have the capacity to pay for electricity are migrating to alternative sources of energy such as Solar. The municipality council is still to adopt the bylaws and policies that include SSEG so that through these, curbing of electrical losses can be done.

5. Solution and Recommendation

Due to the unhealthy financial situation of the municipality, the council has sought assistance from DBSA for the following services:

- i. Meter and Electrical Infrastructure Auditing which has already commenced through the service provider engaged by DBSA was completed.
- ii. Installation of some Smart Metering which was being implemented through the service provider engaged by DBSA was completed, the municipality is looking for sources of income to expand this project as it is yielding positive results.
- iii. The municipality successfully applied for EEDSM Grant for 2024/25 FY that will assist in the replacement of high voltage bulbs on the high mast and streetlights with energy saving bulbs.
- iv. Through EPWP, the municipality will install a solar system, during 2024/25FY, for its main head office, and this will also reduce losses.

Further, with the limited budget given to the electrical section, cutting of trees that interfere with overhead conductors is an ongoing exercise though at a small pace. The municipality must enforce its policies and bylaws regarding electricity



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distribution. The municipality is being assisted by DBSA through a project for revenue enhancement, which will positively affect the maintenance of electrical infrastructure.

6. SERVICE DELIVERY OVERVIEW

Topic	Description	Challenges	Action Proposed/Taken
Infrastructure	The formalization and installation of internal services in the Goutrou and Hillside areas has been done without considering the bulk services for water and wastewater as the existing infrastructure does not have capacity.	Replacement of asbestos cement pipes in the water network needs to be expedited to prevent pipe bursts and lost water as well as disruption of service to residents. This will be achieved through the WSIG grant in the future funding allocations	Assistance with funding to replace the A/C network was applied for and the Business Plan was approved under WSIG.
	Water network in poor condition due to old asbestos cement pipe network	Replacement of water and electrical meters needs to be done as the water losses are at 78%.	MEC's office was informed about the insufficient bulk infrastructure for water and wastewater.
		Informal areas in Strydenburg need to be serviced with basic sanitation.	Funding for sustainable sanitation to areas without sanitation is being addressed through WSIG grant as per the projects report attached. Funding for upgrading of roads and their rehabilitation was applied for through MIG and EPWP. A portion of EPWP grant funding is being utilized for rehabilitation of Wiid and Church Streets through paving and road patching

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Topic	Description	Challenges	Action Proposed/Taken
	<p>Sanitation supply problematic with basic services to informal areas in Strydenburg and Hopetown. The emptying of VIP toilets proves to be a very expensive operation considering that the municipality has only 1 Honey Sucker which is currently un-roadworthy.</p> <p>Road networks are in poor condition in both towns.</p> <p>Poor stormwater drainage systems.</p> <p>Electricity supply system operational but very little is being done regarding</p>	<p>Sector Master Plans to identify areas of maintenance and development are still outstanding, including the Spatial Development Framework that should guide the preparation of the Master Plans</p>	<p>Applications were submitted to DBSA, and they appointed a Service Provider to deal with the development of the SDF and the development of the Master Plans.</p>

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Topic	Description	Challenges	Action Proposed/Taken
	maintenance as the municipality currently does not allocate the gazette budget to the electrical section on a yearly basis. Rotten electrical poles are falling down and there is no replacement being done due to non-availability of money		
Indigent Policy		Indigent register needs to be updated	The current Indigent Register is totaling about 833 which is not correct and is affecting revenue generation in Thembelihle. Municipality is designing a system to properly register indigents.



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Topic	Description	Challenges	Action Proposed/Taken
Free Basic Services	<p>Free basic water provided to 833 households. 879 households not benefiting (although they have access to street taps)</p> <p>Waterborne sanitation to 833 households.</p> <p>Minimum sanitation is provided to 833 households.</p> <p>479 households not benefiting (informal).</p> <p>833 households receiving free basic electricity</p>	<p>Basic sanitation needs to be provided for all residents.</p> <p>Many require this service to not accept VIP technology.</p> <p>These technologies are also expensive for the municipality to maintain (Thembelihle has only one vacuum tanker to service both Strydenburg and Hopetown).</p>	<p>Funding required for sanitation and waste removal plant and equipment</p> <p>Review of minimum sanitation services (VIP latrines not socially acceptable) and the costs of pit emptying are extremely high and taxing on the municipality) Pour-flash and Dry Sanitation units have been considered and are being constructed through the WSIG grant funding.</p>



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Topic	Description	Challenges	Action Proposed/Taken
	833 households benefiting from waste removal services		
Payment for services	Low percentage of payment for services	<p>Rubbish removal 18%</p> <p>Water 20%</p> <p>Electricity 98%</p> <p>Sanitation 20%</p> <p>Property rates and taxes 63%</p> <p>Total payment including property rates and taxes 58%</p>	<p>Political intervention to assist with implementing the Credit Control Policy</p> <p>The municipality should implement the SSEG By-laws and Implement the SSEG Policy in order to curb losses due to the customers who are going off the grid.</p> <p>54 meters were procured by DBSA through grant funding. 51 smart electricity meters were installed. Smart prepaid metering for both electricity and water should be the only solution at this point.</p>



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Topic	Description	Challenges	Action Proposed/Taken
Refuse Removal & Landfill Sites	Hopetown & Strydenburg Landfill Sites	<p>Hopetown and Strydenburg Landfill Sites do not comply with legal requirements. Fencing of Strydenburg Landfill Site was done but the fencing was vandalized and stolen.</p> <p>Hopetown does not have a legal landfill-site. The land fill site that was constructed in Hopetown around 2010 still lies idle since it could not be registered as it does not meet the minimum requirements for registration.</p> <p>There is no staff component for landfill sites.</p> <p>There is no budget allocation towards landfill sites. The budget is always unfunded</p>	Application for the Upgrading of the unlicensed landfill site was done and submitted but there hasn't been any response from the department of Environmental Affairs

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Topic	Description	Challenges	Action Proposed/Taken
Staffing Challenges	Hopetown and Strydenburg	<p>There are a lot of employees that were employed with the capacity to do the required work in the positions in which they were appointed. This has resulted in having a high staff turnover without productivity.</p> <p>The Roads and Stormwater section do not have any staff component at all</p> <p>The Water Treatment Works Employees are all termed as Senior Supervisor despite differing qualifications and work experience, and this poses a serious threat on the management of water services.</p>	<p>Job evaluation must be prioritized, and council should make follow-up with management on the issue since this is promised year in and year out without anything being done.</p> <p>Currently use of CWP and EPWP workers is being made to make sure that maintenance works are being done.</p> <p>A Qualifying Plant Supervisor must be appointed from amongst the current Process Controllers through additional duties being delegated.</p> <p>Training and refresher courses must be rolled out to capacitate staff.</p>



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Topic	Description	Challenges	Action Proposed/Taken
Budget Allocation	Technical Department	The budget allocations to sectors are always unrealistic and if realistic budget is drafted, it will be disregarded as it will be unfunded. The Electrical section has a legislated budget but has never got the money due to the fact that the municipality is running on unfunded budget year in year out	The Technical Department assisted in identifying prime pieces of land that belong to the municipality that can either be sold or rented to generate income. The council was shown the errors and plots but there seems to be complacency in implementing these income generating projects

7. FINANCIAL HEALTH OVERVIEW

In terms of budget implementation, the municipality also performed poorly. Total actual operating expenditure for the year amounted to 134% of the budgeted amount, whilst the

The actual revenue received represents 131% of the budgeted figure. The spending on the capital budget for the year amounted to 69% of the total capital budget. This reflects negatively on the municipality's ability to 100% reduce a realistic, credible and funded budget.



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The main area of concern during this financial year remained the collection rate, which stood at 54% at year end, against a National Treasury norm of 95%. Specific and focused efforts are required to improve the collection rate in the next financial periods in order to ensure the financial sustainability of the municipality.

The cash flow situation of the Municipality on 30 June 2024 reflected that cash and cash equivalents were reduced.



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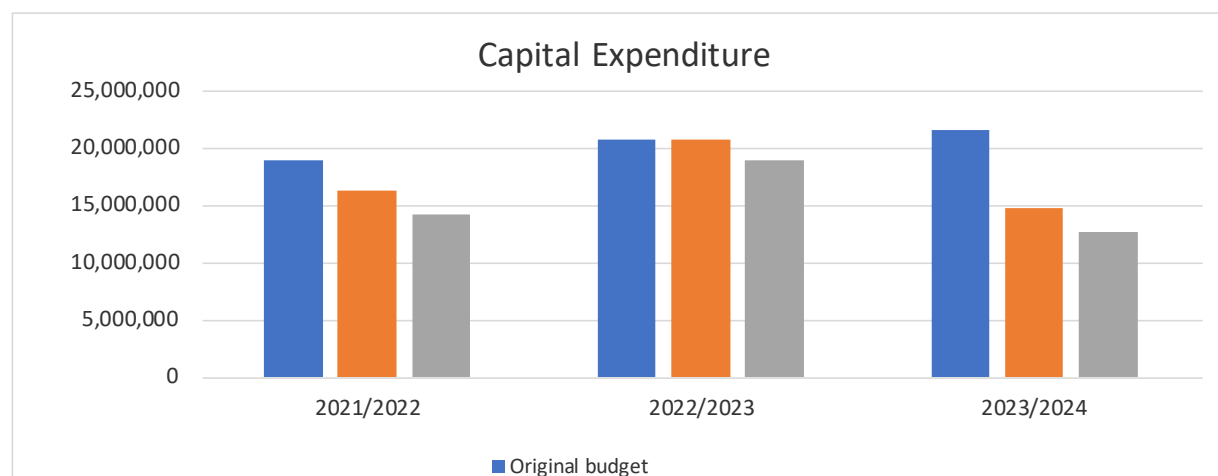
Cash Flow Statement

Figures in Rand	Note(s)	2024	2023 Restated*
Cash flows from operating activities			
Receipts			
Property rates		8,142,261	(55,417,316)
Sale of goods and services		145,217,379	(74,428)
Grants		56,142,805	60,413,615
Interest income		6,426,857	5,890,941
		<u>215,929,302</u>	<u>10,812,812</u>
Payments			
Employee costs		(43,846,238)	(37,934,441)
Suppliers		(145,763,781)	58,183,165
Finance costs		(17,917,237)	(9,536,464)
		<u>(207,527,256)</u>	<u>10,712,260</u>
Net cash flows from operating activities	45	<u>8,402,046</u>	<u>21,525,072</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	10	(12,129,225)	(17,445,726)
Proceeds from sale of property, plant and equipment	10	219	204,220
Net cash flows from investing activities		<u>(12,129,006)</u>	<u>(17,241,506)</u>
Cash flows from financing activities			
Repayment of other financial liabilities		(331,521)	(620,820)
Finance lease receipts		-	(40,462)
Net cash flows from financing activities		<u>(331,521)</u>	<u>(661,282)</u>
Net increase/(decrease) in cash and cash equivalents		<u>(4,058,481)</u>	<u>3,622,284</u>
Cash and cash equivalents at the beginning of the year		4,278,287	656,003
Cash and cash equivalents at the end of the year	8	<u>219,806</u>	<u>4,278,287</u>

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Operating Ratios	
Details	%
Employee costs	20
Suppliers	68
Finance costs	0.08

Total capital expenditure			
Details	2021/2022	2022/2023	2023/2024
Original budget	18,736,000	20,627,000	21,401,000
Adjustment budget	16,236,000	20,627,000	14,700,000
Actual	14,105,299	18,731,189	12,568,805



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The municipality expensed 69% on its capital budget that was funded from National Fund. Cash management needs to improve. Conditional grant funding should be used for its intended purpose.


8. ORGANISATIONAL DEVELOPMENT OVERVIEW

Thembelihle Local Municipality's Annual Report for 2023/2024 reflects its ongoing efforts in organizational development across key areas, including institutional transformation, governance, and service delivery. While notable progress has been made in certain areas, persistent challenges hinder overall performance and target achievement.

Key Achievements:

- **Municipal Transformation:** Finalization of the organogram for council review and improved alignment of roles and structures.
- **Employee Engagement:** Successful convening of Local Labor Forum meetings and progress in compiling critical reports, such as the Workplace Skills Plan (WSP) and Annual Training Report.
- **Basic Service Delivery:** Incremental progress on road maintenance, stormwater projects, and compliance with water quality standards.

Key Challenges:

- **Leadership Instability:** Vacant senior management positions have affected decision-making and operational oversight.
 - **Delayed Plans:** Critical plans such as the Employment Equity Plan, customer care registers, and certain performance reports remain incomplete.
- 

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- **Service Delivery Constraints:** High water and electricity losses, inadequate infrastructure maintenance, and budgetary limitations hinder service delivery improvements.

Recommendations:

1. Expedite the recruitment of key management roles to enhance governance and stability.
2. Prioritize timely development and submission of strategic documents and plans to improve organizational performance.
3. Enhance infrastructure development and maintenance through targeted funding and resource allocation.

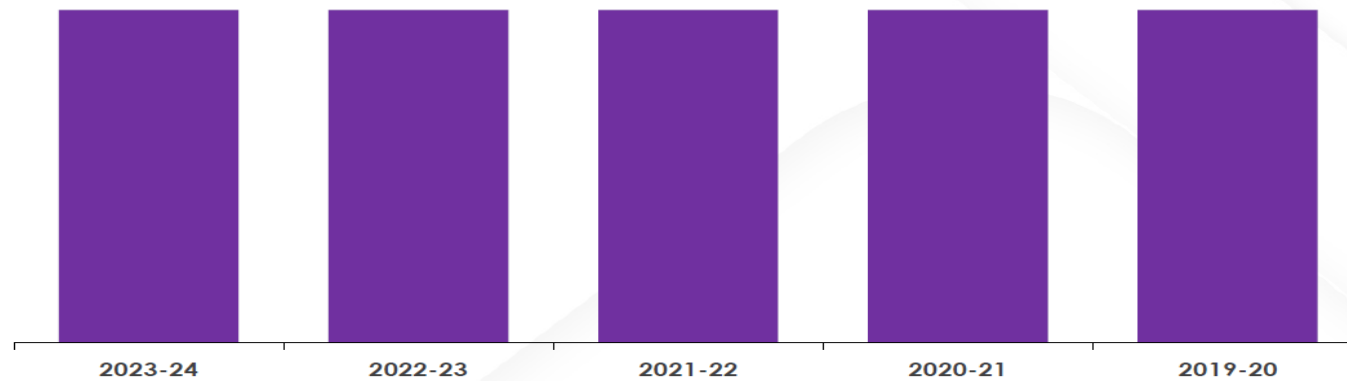
This overview underscores the municipality's progress in strengthening institutional frameworks while highlighting areas requiring urgent intervention for sustained development and improved service delivery outcomes.



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9. AUDITOR GENERAL REPORT: 2023/2024

Improvement in audit outcomes



The municipality has not improved in their audit outcomes. The continued material misstatements on financial statements, material findings on performance information and material findings on compliance hinders the obtainment of a desired audit outcome.

Audit outcomes are depicted as follows:

Qualified with findings

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AREAS QUALIFIED

Area	Detail	Root cause
Service charges	<ul style="list-style-type: none">I was unable to obtain evidence on whether indigent applicants have met the criteria set by council to qualify for the relevant rebates as indigents, as some of the debtors classified as indigents were deceasedDuring 2023, the municipality did not recognise all sale of water as required by GRAP 9, revenue from exchange transaction. Properties were identified for which water were not billed and recorded	Inadequate systems in place to maintain a reliable listing of indigent.
Trade payables	<ul style="list-style-type: none">I was unable to obtain sufficient appropriate audit evidence for trade payables balance due to the status of the accounting records.	There is a dispute in progress between the municipality and the creditor (Dept. Safety and Liaison).
Provision for impairment adjustment	<ul style="list-style-type: none">The municipality did not recognise all items of impairment included in general expenses in accordance with GRAP 104, Financial Instruments in the corresponding figure. The expenditure recognised did not agree to consumer debtors disclosure in note 6 and consumer debtors in note 5.	Prior year's information was not prepared in advance and management did not consider the impact of prior year for preparation of current year opening balance.
Irregular expenditure	<ul style="list-style-type: none">The municipality did not include all irregular expenditure in the notes to the financial statements, as required by section 125(2)(d) of the MFMA.	Audit action plans not being implemented to address prior year qualification paragraph.

AREAS QUALIFIED

1

Area	Detail	Root cause
Distribution losses	<ul style="list-style-type: none">The municipality did not recognise water and electricity losses in accordance with section 125(2)(d) of the MFMA.	Lack of maintaining adequate records of the number of water and electricity meters for own consumption.
Inventory	<ul style="list-style-type: none">During 2023, the municipality did not account for inventory in accordance with GRAP 12, Inventory. The municipality did not include all the costs incurred in bringing the inventory into its current location and condition as costs of extraction and infrastructure costs were not capitalised.	Audit action plans not being implemented to address prior year qualification paragraph.
Unauthorized expenditure	<ul style="list-style-type: none">The municipality did not accurately disclose unauthorised expenditure incurred as required by section 125(2)(d)(i) of the MFMA due to lack of appropriate systems.	Lack of appropriate systems the correct approved budget is used.
Cash Flow statements	<ul style="list-style-type: none">Management did not correctly prepare and disclose the net cash flows from operating and investing activities as required by standards of GRAP 2, cash flow statements.	Lack of proper systems in place to ensure there are no errors in determining the cash flow from the activities.

Weaknesses in performance planning and reporting

1 Findings: Completeness of relevant indicators

- An indicator to measure performance on the municipality's responsibility of providing basic services was omitted from the approved planning documents

2 Findings: Reporting

- Audit evidence not always available to support reported achievements.
- Material difference between supporting evidence provided and actual and reported achievements.
- Target not expressing specific level of performance that subject matter aims to achieve within a given period
- Targets not directly linked to the indicator

3 Quality of performance reports before and after audit



Before audit

After audit

With material findings

3 Impact

- Indicators not well defined, verifiable, specific or measurable consequently result in targets **not being achieved** or **not properly reported** which causes **delays in service delivery** to the communities.
- Indicators **not included in the planning documents** and/or **not prioritised impedes** on the ability to **fulfil its mandated service delivery objectives** which aims at improving the lived realities of citizens.
- Performance information that is **not credible hampers decision-making** on important matters, such as funding allocation for government programmes, where intervention or reprioritisation is needed and where accounting officers and authorities are not performing.

Achievement of planned targets

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Programmes selected for auditing:

- Basic service delivery and infrastructure development

Achievement of planned targets – Basic service delivery and infrastructure development

Targets achieved: 50%

Budget spent: 69%

Key service delivery indicator not achieved	Planned targets	Reported achievements
Report on the maintenance of streetlights	4 reports	0 reports
Reduce electricity losses from 60% to 20% percentage	20%	0
Report on the Drought Relief Boreholes Project	4 reports	1 report
Paving of roads and Stormwater in Wiid roads	1 report	1 report
Report quarterly on road maintenance	4 reports	3 reports
Develop an Infrastructure plan by 30 June 2024	1 plan	0
Reduce water losses from 68% to 30%	30%	0%
Report on DBSA progress on Road and Storm Water master plan	1	0
Report on the upgrading of the Wastewater Treatment Works	4 reports	2 reports
Report on the upgrading of the Wastewater Treatment Works- Phase 2	3 reports	0 reports
Report quarterly on maintenance of all the storm water channels	4 reports	0 reports

Non-compliance areas

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Subject matter	Non-compliance
Annual financial statements	<ul style="list-style-type: none">• The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of non-current assets, current assets, revenue, and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected and/or the supporting records were provided subsequently, but the uncorrected material misstatements resulted in the financial statements receiving a qualified audit opinion.• The 2022/23 annual report was not made public after being tabled in council, as required by section 127(5)(a)(i) of the MFMA.• The local community was not invited to submit representations in connection with the 2022/23 annual report, as required by section 127(5)(a)(ii) of the MFMA.• The council failed to adopt an oversight report containing the council's comments on the 2022/23 annual report, as required by section 129(1) of the MFMA.
Procurement and contract management	<ul style="list-style-type: none">• Some of the goods and services within the prescribed transaction values for formal written price quotations were procured without obtaining the required price quotations, in contravention of SCM Regulation 17(1)(a) and (c). Similar non-compliance was also reported in the prior year.• Some of the quotations were accepted from bidders who did not submit a declaration on whether they are employed by the state or connected to any person employed by the state, as required by SCM Regulation 13(c).• One of the contracts was extended or modified without the approval of a properly delegated official, in contravention of SCM Regulation 5. Similar non-compliance was also reported in the prior year.

Non-compliance areas

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Subject matter	Non-compliance
Expenditure management	<ul style="list-style-type: none"> • Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA. • Payments were made from the municipality's bank accounts without the approval of a properly authorised official, as required by section 11(1) of the MFMA. • Reasonable steps were not taken to prevent irregular expenditure, unauthorised expenditure and fruitless and wasteful expenditure
Conditional grants	<ul style="list-style-type: none"> • Performance in respect of programmes funded by the Municipal Infrastructure Grant was not evaluated within two months after the end of the financial year, as required by section 12(5) of the Division of Revenue Act (Act 5 of 2022).
Consequence management	<ul style="list-style-type: none"> • Unauthorised expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(a) of the MFMA. • Irregular and fruitless and wasteful expenditure incurred by the municipality were not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.
Strategic planning	<ul style="list-style-type: none"> • The IDP was not drafted considering the integrated development process and proposals submitted to it by the district municipality, as required by section 29(3)(b) of the MSA. • No key Performance Indicators were set in respect of the provision of basic water, sanitation, electricity and solid waste removal services, as required by section 43(2) of the MSA and municipal planning and performance management regulation 10(a). • Performance targets were not set for each of the KPIs for the financial year, as required by section 41(1)(b) of the MSA and municipal planning and performance management regulation 12(1). • The performance management system and related controls were inadequate as it did not describe how the performance planning, monitoring, measurement, review, reporting and improvement processes should be conducted, as required by municipal planning and performance management regulation 7(1).

Non-compliance areas

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Subject matter	Non-compliance
Revenue management	<ul style="list-style-type: none">• An effective system of internal control for revenue was not in place, as required by section 64(2)(f) of the MFMA.
Asset management	<ul style="list-style-type: none">• Capital assets were disposed of without the municipal council having, in a meeting open to the public, decided on whether the assets were still needed to provide the minimum level of basic municipal services.• Capital assets were permanently disposed of that were needed to provide the minimum level of basic municipal service, in contravention of section 14(1) of the MFMA.
Human resources management	<ul style="list-style-type: none">• Appropriate systems and procedures to monitor, measure and evaluate performance of staff were not developed and adopted, as required by section 67(1)(d) of the MSA.

Pressure on municipal finances

Unwanted expenditures

R195,317 million (2023: R192,876 million) irregular expenditure incurred.

Nature:

- Procurement without competitive bidding or quotation processes – R1,579 million
- Non-compliance with SCM processes – R242 194 ,17
- Other – R619 243,26

R62,883 million (2023: R53,572 million) fruitless and wasteful expenditure incurred

Eroding of funds and future obligations

- Amounts payable in future periods = R181,170 million (2023: R77,8 million)
- Creditor's payment period – 528 days (2023: 528 days)

Chapter 1

How have unwanted expenditure been dealt with		
Unauthorised expenditure	Irregular expenditure	Fruitless and wasteful expenditure
Money recovered or in process of recovery R0	Money recovered or in process of recovery R0	Money recovered or in process of recovery R0
Condoned R0	Condoned R0	Condoned R0
Written off R0	Written off R0	Written off R0
Not dealt with R261 475 532	Not dealt with R195 317 401	Not dealt with R62 883 394

Reasons for irregular expenditure not dealt with:

1. Not yet investigated – Backlog of cases from prior years due to lack of capacity to perform investigations

Grant management

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Grant underspending	Reported for 2023-24	Reported for 2022-23	Reported for 2021-22	Grant underspending	Reported for 2023-24	Reported for 2022-23	Reported for 2021-22
Water Services Infrastructure Grant (WSIG)				Municipal Infrastructure Grant (MIG)			
Budget: R8 540 000	Yes	Yes	Yes	Budget: R 9 685 000	Yes	Yes	Yes
Underspending: R749 582,66				Underspending: R4 906 612,15			

The underspending of the MIG and WSIG were also reported in the prior years. The municipality has not applied for the roll-over of the 2022-23 unspent conditional grants, as a result, in the current year there was an amount that was offset against the equitable share.

This is a negative indicator in the current financial year since the municipality also does not have sufficient funds to cash back the unspent conditional grants.

Chapter 1

1.7 STATUTORY ANNUAL REPORT PROCESS

No	Activity	Timeframe
1	Finalise the 4th quarter Report for previous financial year	October
2	Commence with the preparation of the annual report utilizing financial and non-financial information first reviewed as part of the budget and IDP analysis	
3	Municipal entities submit draft annual reports to MM	
4	Finalise first draft of the annual report incorporating finance and non-finance information on performance, audit reports and annual financial statements	December
5	Table in council the annual report of the municipality for the year ended 30 June	January
6	Make public the annual report and invite comments from the local community, submit report to the Auditor General, provincial treasury and provincial department responsible for local government	
7	Place the annual report on the municipal website	February
8	Consider and approve, reject or refer back the annual report at a council meeting	March
9	Adopt the oversight report providing comments on the annual report	
10	Discuss and respond to question on the annual report in council and committee meetings	
11	Submit minutes of meetings where the annual report was discussed to the provincial treasury and the department responsible for local government	April
12	Make public the oversight report	
13	Submit the annual report and the oversight report to the provincial legislature	
14	Report to council on the status of next three year budget, previous year's annual report and summarise overall findings of previous year's annual performance report	
T1.7		

CHAPTER 2 – GOVERNANCE

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

2.1 POLITICAL GOVERNANCE

INTRODUCTION TO POLITICAL GOVERNANCE

The Thembelihle Local Municipality, situated in the Northern Cape Province, operates under a political governance structure defined by South Africa's local government legislation. The municipality is classified as a Category B municipality, indicating that it shares municipal collective and legislative authority with the district municipality within which it resides.

Municipal Council Composition


The municipal council comprises eleven members elected through a mixed-member proportional representation system:

- **Ward Councilors:** Six councilors are elected directly in six wards through a first-past-the-post voting system.
- **Proportional Representation Councilors:** Five councilors are selected from party lists to ensure that the overall composition of the council reflects the proportion of votes each party received in the election.

In the municipal election held on 1 November 2021, the African National Congress (ANC) secured five seats, losing its previous majority but remaining the largest party in the council. The Economic Freedom Fighters (EFF) won three seats, the Democratic Alliance (DA) secured one seat, and two seats were taken by other parties (Siyathemba Community Movement, Freedom Front Plus).

Leadership Positions

The key leadership positions within the municipality are:

- **Mayor:** Mr. Marnus S. Visser
 - **Speaker:** Mr. Lifa J Mkosana
- 


- **Chief Whip:** Mr. T Yola
- **Municipal Manager:** Ms. KG Gaborone

Administrative Leadership

- **Municipal Manager:** Mr. KP Leserwane was seconded by COGSTA, acting as the chief accounting officer responsible for the overall administration of the municipality. His duties include implementing council decisions, managing municipal staff, and ensuring compliance with relevant legislation and policies.
- **Chief Financial Officer (CFO):** Mr. RJ Shuping acts in the position of CFO, overseeing the municipality's financial affairs. His responsibilities encompass budgeting, financial reporting, and ensuring the municipality's financial sustainability.
- **Senior Manager Corporate Services:** Mr. Trevin R. Oliphant holds this position and is responsible for corporate governance and council affairs.
- **Senior Manager Technical Services:** Mr. S. Marufuholdsd this position. He was responsible for infrastructure development and planning. He resigned effective 30 September 2024

Administrative Departments

The municipality's administration is organized into various departments, each led by a senior manager. These departments are tasked with specific functions to ensure efficient delivery service:

- **Corporate Services:** Manages human resources, legal services, and administrative support to the council and other departments.
 - **Technical Services:** Responsible for infrastructure development and maintenance, including water, sanitation, roads, and electricity.
 - **Community Services:** Oversees community development initiatives, health services, and recreational facilities.
 - **Financial Services:** Handles all financial matters, including revenue collection, expenditure management, and financial reporting.
- 

Integrated Development Plan (IDP)

The municipality's strategic planning is guided by the Integrated Development Plan (IDP), which outlines development priorities and objectives over a five-year period. The IDP serves as a blueprint for sustainable development and service delivery, ensuring alignment with community needs and legislative requirements.

Legislative Framework

The administrative functions of the Thembelihle Local Municipality are governed by several key pieces of legislation, including:

- **Municipal Structures Act, No. 117 of 1998:** Defines the structures and functions of municipalities.
- **Municipal Systems Act No. 32 of 2000:** Provides the core principles, mechanisms, and processes necessary for municipalities to function effectively.
- **Municipal Finance Management Act, No. 56 of 2003:** Establishes the principles and framework for financial management within municipalities.

These legislative instruments ensure that the municipality operates within the legal parameters set by the South African government, promoting transparency, accountability, and good governance.

2.2 COMPONENT B: INTERGOVERNMENTAL RELATIONS



INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

In South Africa, intergovernmental relations are structured to promote cooperative governance among the national, provincial, and local spheres of government. This framework is particularly relevant to municipalities like Thembelihle Local Municipality, ensuring alignment with national policies and facilitating effective service delivery.

2.3 NATIONAL INTERGOVERNMENTAL STRUCTURES

National Treasury: Provides support for the preparation of annual financial statements, annual reports, and SDBIP.

Department of Water Affairs: Provides support for water services development plan.

COGHSTA: Providing continuous support in IDP training, LGTAS, development of National Key Performance Indicators for local government.

Department of Environmental Affairs: Provides support for all environmental issues and tourism.

Department of Minerals & Energy: Providing support on broad based socio-economic empowerment charter for South African Mining (Social and Labor Plans).

2.4 PROVINCIAL INTERGOVERNMENTAL STRUCTURE



The Municipality is part of the Premier's Intergovernmental Forum and participates not only on Provincial Level but also on District Level in these and other Forums such as Water and Sanitation, Housing, Municipal Managers and Chief Financial Officers Forums.

IGR for all provincial and municipal departments - meetings are held on a quarterly basis.

IGR Technical Teams are held on a quarterly basis, which are the following:

- *Department of Education*
- *Department of Local government and Housing*
- *Department of Mineral and Energy*
- *Department of Economic Planning*
- *Department of Social Welfare & Health*
- *Department of SRACH*
- *Department of Environment*
- *Department of Community Safety*
- *Department of Agriculture and Rural Development.*

RELATIONSHIPS WITH MUNICIPAL ENTITIES

The Municipality does not have any Municipal Entities.

DISTRICT INTERGOVERNMENTAL STRUCTURES

All the Forums applicable at Provincial level are also applicable on District level, the following are a few examples:

- IGR Forum
- Municipal Managers Forum
- CFO Forum
- IDP Forum

Participation in these forums promotes integrated planning and budgeting in adjusting the alignment with district, provincial and national policy directives.



COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION


OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

There are systems in place to promote and enforce accountability, transparency and participation like public participation meetings which aim at consulting the community and involving them in decision making of the municipality.

The Municipality has the following responsibilities in terms of Accountability:

1. Frequent Engagements with communities
 - 1.1. At the start of each financial year the Municipal Council adopts an annual programme for Ward Committees.
 - 1.2. There are monthly ward committee meetings,
 - 1.3. Quarterly block meetings
 - 1.4. Ward Councilors Forum and
 - 1.5. Scheduled Council Meetings.
 - 1.6. In cases where a need arises the mayor convenes special council meetings
2. Managing Service Delivery Complaints
 - 2.1. Structures such as Community Development Workers were established to assist the Municipality in dealing with this.
3. Resolution Process
 - 3.1. Complaints are referred to the relevant departments and portfolios within the Municipality.
 - 3.2. Sector and Stakeholder briefing sessions are held.
 - 3.3. CDW's and members of the ward committees assist in the facilitation of processes and reporting.
4. Feedback Mechanisms
 - 4.1. This is done in terms of the formation and systems within the Municipality.

Due to political instability and vacancies in strategic positions the municipality could meet their responsibilities



PUBLIC MEETINGS

COMMUNICATION, PARTICIPATION AND FORUMS

Due to the political instability of the municipality meetings rarely quorate, the ones that did was disrupted by the community.

The municipality has 6 wards and only 5 ward committees are functional. Ward 6 is a farm ward and all attempts to establish a ward committee failed due to the non-availability of the farmers.

Name and purpose of meeting	Date	Community attendance
Council meets the people	12-19 February 2024	412 Over all wards

1. Public Communication and Participatory Initiatives
 - 1.1. At the beginning of each financial year the municipality approves the IDP/Budget Process Plan.
 - 1.2. The Office of the Mayor embarks on the IDP/Budget Public Participation Process- focus is on the Community needs and account for the priorities and commitments made in the previous financial year.
 - 1.3. The Office of the Mayor liaises with other Stakeholders formations on the IDP/Budgetary Processes- establishment of the IDP Forum, Representative Forum etc.
2. Planning for Public Meetings
 - 2.1. There are designated staff in the office of the Speaker to support and coordinate activities at the Ward level.
 - 2.2. All meetings are held after normal working hours and over weekends unless so determined by extraordinary circumstances.
 - 2.3. SDBIP – there is need for improvement
 - 2.4. Is to be improved by 70%

2.5. Community Structure which often participate in the processes are political parties, NGO's

2.6. Efficiency and Effectiveness of the Forums is enhanced through improved coordination, planning, mobilization, support, report and feedback.

3. Municipal Website

3.1. All Departments and Portfolio submit reports, programme, events and activities to the marketing and corporate communications department are to be posted on the website immediately after adoption and approval.

2.5 IDP PARTICIPATION AND ALIGNMENT

IDP Participation and Alignment Criteria	Yes / No
Does the municipality have impact income input output indicators	Yes
Does the IDP have priorities, objectives KPI's, 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 KPI's in the strategic plan	No
Do the IDP KPI's align to the Section 56 Managers	Yes
Do the IDP KPI lead to functional area KPI as per the SDBIP	Yes
Were the indicators communicated to the public	No
Were the four quarter aligned reports submitted within stipulated timeframe?	No

COMPONENT D: CORPORATE GOVERNANCE

OVERVIEW OF CORPORATE GOVERNANCE

During the 2023/2024 financial year there was no Fraud and Risk Management, and the municipality are in the process to ensure that this will be addressed. It will unfold as follows.

2.6 RISK MANAGEMENT

Risk Management at Thembelihle Local Municipality is a critical component of good governance and corporate accountability. It involves identifying, assessing, and mitigating risks that could impact the municipality's ability to deliver on its mandate of providing quality services to its residents. This function is partly covered by our shared service agreement with the Pixley ka Seme District Municipality. Here's an overview of the municipality's risk management practices:

2.6.1. Risk Management Framework

Thembelihle Local Municipality employs a structured Risk Management Framework aligned with the guidelines of the Municipal Finance Management Act (MFMA) and other applicable legislation. This framework ensures a consistent approach to risk identification, assessment, monitoring, and mitigation.

2.6.2. Key Elements of Risk Management

- **Risk Identification:** The municipality identifies potential risks that could affect its strategic, operational, and financial objectives. These risks are categorized into areas such as financial, operational, compliance, environmental, and reputational risks.
- **Risk Assessment:** Identified risks are analyzed based on their likelihood and potential impact, prioritizing those that pose the greatest threat to the municipality's objectives.

- **Risk Mitigation:** Strategies are developed to minimize or eliminate risks, including implementing controls, policies, and procedures.

2.6.3. Governance Structures

- **Risk Management Committee (RMC):** Thembelihle are in the process to establish this committee. It will oversee the municipality's risk management processes and ensure integration into all operations.
- **Internal Audit Unit:** Conducts audits to assess the effectiveness of risk management practices and compliance with policies. This is done by the Pixley ka Seme District Municipality.
- **Audit and Performance Audit Committee (APAC):** Provides independent oversight of risk management and internal controls.

2.6.4. Top Risks Identified

The municipality regularly identifies and updates its list of top risks. Typical risks may include:

- Financial constraints and budget shortfalls.
- Service delivery backlogs.
- Compliance with legislative mandates.
- Roads are in poor condition because of poor delivery service.
- No proper machinery and resources (human and otherwise) available for the maintenance of roads and stormwater.
- Non-compliant Land fill sites.
- Environmental challenges and climate change impacts.

2.6.5. Monitoring and Reporting

Risk management activities are continuously monitored, with regular reports submitted to the Council and Internal Audit, this function is in the office of the Municipal Manager.



The municipality is in the process of establishing a financial misconduct board and appointing a Risk and Compliance Officer that will also be located in the Office of the Municipal Manager.

By proactively managing risks, Thembelihle Local Municipality aims to safeguard resources, enhance operational efficiency, and maintain public trust.



COMPONENT D: CORPORATE GOVERNANCE

2.8 *SUPPLY CHAIN MANAGEMENT*

The SCM Policy has been developed and adopted by the council. It is reviewed annually. There have been improvements in the implementation of the SCM policy as per the SCM implementation checklist. Of the 21 compliance items listed on the SCM implementation checklist. All terms contracts entered into do not exceed three years.

The Municipality has amended the Supply Chain Management Policy to comply with the new Preferential Procurement Regulations that were implemented 16 January 2023.


Procedures, processes and documentation were reviewed and amended to comply with all the legal requirements. All officials required to meet the minimum required competency levels have completed their training. More junior staff also completed the training. All Audit findings were attended to, and action plans were implemented.

2.9 *BY-LAWS*

No by laws were passed during the period under review

2.10 *WEBSITES*

The municipal website *www.thembelihlemunicipality.gov.za* came online during July 2013 and is an integral part of a municipality's communication infrastructure and strategy. It serves as a tool for community participation, improves stakeholder involvement and facilitates stakeholder monitoring and evaluation of municipal performance. Section 75 of the MFMA requires that the municipalities place key documents and information on their website, including the IDP, the annual budget, adjustments budgets and budget related documents and policies.



Municipal Website : Content and Currency of Material		
Documents published on the Municipality's / Entity's Website	Yes / No	Publishing Date
Current annual and adjustments budgets and all budget-related documents	No	
All current budget-related policies	No	
The previous annual report 2022/23	No	
The annual report 2022/23 published/to be published	No	
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act 2023/24 and resulting scorecards	No	
All service delivery agreements 2023/24	No	
All long-term borrowing contracts 2023/24	No	
All supply chain management contracts above a prescribed value (give value) for 2023/24	No	
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during 2023/24	No	
Contracts agreed in 2023/24 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	No	
Public-private partnership agreements referred to in section 120 made in 2023/24	No	
All quarterly reports tabled in the council in terms of section 52 (d) during 2023/24	No	-
<i>Note: MFMA S75 sets out the information that a municipality must include in its website as detailed above. Municipalities are, of course encouraged to use their websites more extensively than this to keep their community and stakeholders abreast of service delivery arrangements and municipal developments.</i>		T2.10.1

2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

The Municipality did not in this financial year do a formal public satisfaction survey

Satisfaction Surveys Undertaken during: 2022/23 and 2023/24				
Subject matter of survey	Survey method	Survey date	No of people included in survey	Survey results indicating satisfaction or better (%)*
Overall satisfaction with:	No survey has been done	N/A	N/A	N/A
(a) Municipality	No survey has been done	N/A	N/A	N/A
(b) Municipal Service Delivery	No survey has been done	N/A	N/A	N/A
(c) Mayor	No survey has been done	N/A	N/A	N/A
Satisfaction with:				
(a) Refuse Collection	No survey has been done	N/A	N/A	N/A
(b) Road Maintenance	No survey has been done	N/A	N/A	N/A
(c) Electricity Supply	No survey has been done	N/A	N/A	N/A
(d) Water Supply	No survey has been done	N/A	N/A	N/A
(e) Information supplied by municipality to the public	No survey has been done	N/A	N/A	N/A
(f) Opportunities for consultation on municipal affairs	No survey has been done	N/A	N/A	N/A
* The percentage indicates the proportion of those surveyed that believed that relevant performance was at least satisfactory				T2.11.2

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

The Thembelihle Local Municipality, situated in the Pixley ka Seme District of the Northern Cape Province, encompasses towns such as Hopetown, Strydenburg, and Orania.

3.1 Municipal Functions


Thembelihle Local Municipality operates under the mandates outlined in the Municipal Structures Act, No.117 of 1998, which assigns specific powers and functions to local governments.

These functions include:

- **Service Delivery:** Provision of basic services such as water, electricity, sanitation, and waste management to residents.
- **Infrastructure Development:** Maintenance and development of local roads, public facilities, and community amenities.
- **Local Economic Development (LED):** Implementation of strategies to promote economic growth and development within the municipality.
- **Spatial Planning and Land Use Management:** Development and enforcement of spatial development frameworks and land use schemes in accordance with the Spatial Planning and Land Use Management Act, 2013 (Act 16 of 2013).
- **Environmental Management:** Ensuring sustainable environmental practices and compliance with environmental legislation.

3.2 Population and demographics

According to the 2022 data, the Thembelihle Local Municipality has a population of approximately 22,542 residents. This reflects an increase from the 2011 Census, which reported a population of 15,701. The municipality covers an area of 8,023 square kilometers, resulting in a population density of approximately 2.8 persons per square kilometer. The principal town is Hopetown.



The demographic composition includes 71% Colored, 15% Black African, and 13% White residents.

The main spoken language is Afrikaans, spoken by 89% of residents, followed by isiXhosa (5%), English, and Setswana (1% each).



3.3 CHALLENGES FACING THEMBELIHLE MUNICIPALITY

Topic	Description	Challenges	Action Proposed/Taken
Infrastructure	<p>The formalization and installation of internal services in the Goutrou and Hillside areas has been done without considering the bulk services for water and wastewater as the existing infrastructure does not have capacity.</p> <p>Water network in poor condition due to old asbestos cement pipe network</p> <p>Sanitation supply problematic with basic services to informal areas in Strydenburg and Hopetown. The emptying of VIP toilets proves to be a very expensive operation considering that the municipality has only 1 Honey Sucker which is currently un-roadworthy.</p>	<p>Replacement of asbestos cement pipes in the water network needs to be expedited to prevent pipe bursts and lost water as well as disruption of service to residents. This will be achieved through the WSIG grant in the future funding allocations</p> <p>Replacement of water and electrical meters needs to be done as the water losses are at 78%</p> <p>Informal areas in Strydenburg need to be serviced with basic sanitation.</p> <p>Sector Master Plans to identify areas of maintenance and development are still outstanding,</p>	<p>Assistance with funding to replace the A/C network was applied for and the Business Plan was approved under WSIG.</p> <p>MEC's office was informed about the insufficient bulk infrastructure for water and wastewater.</p> <p>Funding for sustainable sanitation to areas without sanitation is being addressed through WSIG grant as per the projects report attached.</p> <p>Funding for upgrading of roads and their rehabilitation was applied for through MIG and EPWP. A portion of EPWP grant funding is being utilized for</p>

Topic	Description	Challenges	Action Proposed/Taken
	<p>Road networks are in poor condition in both towns.</p> <p>Poor stormwater drainage systems.</p> <p>Electricity supply system operational but very little is being done regarding maintenance as the municipality currently does not allocate the gazette budget to the electrical section on a yearly basis. Rotten electrical poles are falling down and there is no replacement being done due to non-availability of money</p>	including the Spatial Development Framework that should guide the preparation of the Master Plans	<p>rehabilitation of Wiid and Church Streets through paving and road patching</p> <p>Applications were submitted to DBSA, and they appointed a Service Provider to deal with the development of the SDF and the development of the Master Plans.</p>
Indigent Policy		Indigent register needs to be updated	The current Indigent Register is totaling about 833 which is not correct and is affecting revenue generation in Thembelihle. Municipality is designing a system that will address the proper registering of indigents.

Topic	Description	Challenges	Action Proposed/Taken
Free Basic Services	<p>Free basic water provided to 833 households. 879 households not benefiting (although they have access to street taps)</p> <p>Waterborne sanitation to 833 households.</p> <p>Minimum sanitation provided to 731 households.</p> <p>479 households not benefiting (informal).</p> <p>833 households receiving free basic electricity</p> <p>833 households benefiting from waste removal services</p>	<p>Basic sanitation needs to be provided for all residents.</p> <p>Many require this service to not accept VIP technology.</p> <p>These technologies are also expensive for the municipality to maintain (Thembelihle has only one vacuum tanker to service both Strydenburg and Hopetown).</p>	<p>Funding required for sanitation and waste removal plant and equipment</p> <p>Review of minimum sanitation services (VIP latrines not socially acceptable) and the costs of pit emptying are extremely high and taxing on the municipality) Pour-flash and Dry Sanitation units have been considered and are being constructed through the WSIG grant funding.</p>

Topic	Description	Challenges	Action Proposed/Taken
Payment for services	Low percentage of payment for services	<p>Waste removal 18%</p> <p>Water 20%</p> <p>Electricity 98%</p> <p>Sanitation 20%</p> <p>Property rates and taxes 63%</p> <p>Total payment including property rates and taxes 58%</p>	<p>Political intervention to assist with implementing the Credit Control Policy</p> <p>The municipality should implement the SSEG By-laws and Implement the SSEG Policy in order to curb losses due to the customers who are going off the grid.</p> <p>Smart metering for both electricity and water should be considered</p>
Refuse Removal & Landfill Sites	Hopetown & Strydenburg Landfill Sites	<p>Hopetown and Strydenburg Landfill Sites do not comply with legal requirements. Fencing of Strydenburg Landfill Site was done but the fencing was vandalized and stolen.</p> <p>Hopetown does not have a legal landfill-site. The land fill site that was constructed in Hopetown</p>	Application for the Upgrading of the unlicensed landfill site was done and submitted but there hasn't been any response from the department of Environmental Affairs

Topic	Description	Challenges	Action Proposed/Taken
		<p>around 2010 still lies idle since it could not be registered as it does not meet the minimum requirements for registration.</p> <p>There is no staff component for landfill sites.</p> <p>There is no budget allocation towards landfill sites. The budget is always unfunded</p>	
Staffing Challenges	Hopetown and Strydenburg	There are a lot of employees that were employed with the capacity to do the required work in the positions in which they were appointed. This has resulted in having a high staff turnover without productivity.	<p>Job evaluation must be prioritized, and council should make follow-up with management on the issue since this is promised year in and year out without anything being done.</p> <p>Currently use of CWP and EPWP workers is being made to make sure that maintenance works are being done.</p>

Topic	Description	Challenges	Action Proposed/Taken
		<p>The Roads and Stormwater section do not have any staff component at all</p> <p>The Water Treatment Works Employees are all termed as Senior Supervisor despite differing qualifications and work experience, and this poses a serious threat on the management of water services.</p>	<p>A Qualifying Plant Supervisor must be appointed from amongst the current Process Controllers through additional duties being delegated.</p> <p>Training and refresher courses must be rolled out to capacitate staff.</p>
Budget Allocation	Technical Department	<p>The budget allocations to sectors are always unrealistic and if realistic budget is drafted, it will be disregarded as it will be unfunded.</p> <p>The Electrical section has a legislated budget but has never got the money due to the fact that the municipality is running on unfunded budget year in year out</p>	<p>The Technical Department assisted in identifying prime pieces of land that belong to the municipality that can either be sold or rented to generate income. The council was shown the errors and plots but there seems to be complacency in implementing these income generating projects</p>

COMPONENT G: CORPORATE POLICY OFFICES AND OTHER SERVICES

INTRODUCTION TO CORPORATE SERVICES

Corporate services provide support services to all departments and employees, as well as political offices, i.e., the office of the speaker and the office of the executive mayor.

It provides needed support services based on specialized knowledge, best practices, to advise and serve internal directorates on issues of governance and external clients.

4 FINANCIAL SERVICES

3.3 INTRODUCTION

The Municipal Manager, as the Accounting Officer of the Municipality is required by Section 72 of the Municipal Finance Management Act to submit a report in a prescribed format to the Mayor, National Treasury as well as Provincial Treasury of the Municipality by 25 January each year, reviewing the financial performance of the Municipality for the first six months of the financial year.

This mid-year report is an accounting tool in the in-year reporting cycle. As part of the review, in terms of Section 72(3), the Accounting Officer needs to make recommendations as to whether the SDBIP and annual budget (both capital and operational) need to be adjusted.

Section 54(f) of the MFMA requires the mayor to consider and submit the mid-year report to Council.

A Special Council Meeting will be held in January 2025 to consider the Mid-Year Budget and Performance Assessment Report, and the following resolution was taken on this matter:



Thembelihle Local Municipality Mid-year Budget and Performance Report: 2023/24

NC076 Thembelihle - Table C1 Monthly Budget Statement Summary - 06 December

Description	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	7,501	16,033	16,033	477	5,310	9,017	(2,707)	-34%	16,033
Service charges	24,963	36,318	36,318	2,440	14,285	18,159	(3,874)	-21%	36,318
Investment revenue	381	2,674	2,674	17	98	1,337	(1,240)	-93%	2,674
Transfers and subsidies - Operational	74,337	43,898	43,898	12,338	30,464	21,949	8,515	0	43,898
Other own revenue	10,627	19,411	19,411	915	6,511	9,706	(3,195)	-33%	-
Total Revenue (excluding capital transfers and contributions)	117,809	118,334	118,334	16,188	56,667	59,167	(2,500)	-4%	118,334
Employee costs	38,933	40,200	40,200	4,478	21,321	20,100	1,221	6%	40,200
Remuneration of Councilors	6,011	5,031	5,031	657	3,292	2,516	776	31%	5,031
Depreciation and amortisation	14,186	10,836	10,836	-	-	5,418	(5,418)	-100%	10,836
Interest	18,095	3,710	3,710	40	1,876	1,855	21	1%	3,710
Inventory consumed and bulk purchases	20,158	27,362	27,362	76	9,644	13,681	(4,037)	-30%	27,362
Transfers and subsidies	96	96	96	-	49	48	1	2%	96
Other expenditure	41,922	30,580	30,580	2,035	14,467	15,290	(822)	-5%	30,580
Total Expenditure	139,402	117,816	117,816	7,286	40,649	48,908	(8,259)	-14%	117,816
Surplus/Deficit	(21,593)	219	219	8,902	6,018	259	5,758	2219%	219
Transfers and subsidies - capital (monetary allocations)	12,706	23,764	23,764	-	3,642	11,882	(8,240)	-69%	23,764
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-
Surplus/Deficit after capital transfers & contributions	(8,888)	24,283	24,283	8,902	9,659	12,142	(2,483)	-20%	24,283
Share of surplus/(deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	(8,888)	24,283	24,283	8,902	9,659	12,142	(2,483)	-20%	24,283
Capital expenditure & funds sources									
Capital expenditure	(20,973)	23,764	23,764	-	3,167	11,882	(8,715)	-73%	23,764
Capital transfers recognised	(20,973)	23,764	23,764	-	3,167	11,882	(8,715)	-73%	23,764
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	-	-	-	-	-	-
Total sources of capital funds	(20,973)	23,764	23,764	-	3,167	11,882	(8,715)	-73%	23,764
Financial position									
Total current assets	69,124	12,081	12,081		47,843				12,081
Total non current assets	285,857	309,435	309,435		287,994				309,435
Total current liabilities	134,349	165,079	165,079		242,340				165,079
Total non current liabilities	87,990	2,476	2,476		10,438				2,476
Community wealth/Equity	112,476	163,972	163,972		83,069				163,972
Cash flows									
Net cash from/(used) operating	86,512	22,480	22,480	7,897	26,016	19,413	(6,603)	-34%	22,480
Net cash from/(used) investing	(13,077)	(23,764)	(23,764)	-	(3,642)	(11,882)	(8,240)	69%	(23,764)
Net cash from/(used) financing	-	(1,206)	(1,206)	(4,478)	(21,321)	(643)	20,678	-3215%	(1,206)
Cash/cash equivalents at the month/year end	77,714	4,304	4,304	3,219	1,267	13,763	12,496	91%	(2,357)
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-180 Days	181-180 Days	181 Days-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	6,478	2,187	2,015	3,536	1,865	1,878	1,777	119,255	138,990
Creditors Age Analysis									
Total Creditors	280	2,546	3,940	3,484	4,369	3,034	11,488	179,415	208,566

CAPITAL BUDGET

The capital budget consists of spending on movable assets to the amount of zero rand and Infrastructure assets of R 30 439 000.00 The Infrastructure assets are financed from Grants received from National and Provincial Departments (R28 839 000)

The following infrastructure projects are underway:

Thembelihle Local Municipality Mid-year Budget and Performance Report: 2023/24

Expenditure for 2022/23

Project Number	Grant type	Project Name	Budget Amount	Actual Amount
	MIG	REFURBISHMENT OF HOPETOWN WASTEWATER TREATMENT WORKS-PHASE 2	R9 685 000	R 4 778 387.84
	WSIG	REFURBISHMENT OF WASTEWATER TREATMENT WORKS-stride	R8 540 000	R 7 790 417.34

A concerted effort has been instituted by management to ensure that capital expenditure is escalated, it is envisaged that the Capital budget will be spent in total before the end of June 2025.

Capital expenditure & funds sources										
Capital expenditure	(20,973)	23,764	23,764	-	3,167	11,882	(8,715)	-73%	23,764	
Capital transfers recognised	(20,973)	23,764	23,764	-	3,167	11,882	(8,715)	-73%	23,764	
Borrowing	-	-	-	-	-	-	-		-	
Internally generated funds	-	-	-	-	-	-	-		-	
Total sources of capital funds	(20,973)	23,764	23,764	-	3,167	11,882	(8,715)	-73%	23,764	

OPERATING BUDGET

INCOME

From the various budget tables attached it is clear that the operating income will not be realized. The main contributing factors are the following:

- The revenue from Service Charges will not be realized due to two main contributing factors, namely, (1) the water and electricity service charges are not cost reflective, resulting in inadequate revenue generation, (2) low payment percentage of the consumers. Capacity challenges are being experienced within the Credit Control Section. Policy review and implementation together with work stream alignment will improve the collection of outstanding debt. This is a serious concern and will receive the necessary attention to improve the cash flow position of the Municipality.
- The budgeted revenue will be adjusted downwards when the Adjustment Budget is compiled.

Thembelihle Local Municipality Mid-year Budget and Performance Report: 2023/24

NC076 Thembelihle - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		15,101	18,349	18,349	1,644	9,274	9,174	99	1%	18,349
Service charges - Water		4,230	7,051	7,051	308	2,110	3,526	(1,415)	-40%	7,051
Service charges - Waste Water Management		3,685	4,031	4,031	319	1,901	2,015	(115)	-6%	4,031
Service charges - Waste management		1,947	6,887	6,887	169	1,000	3,444	(2,443)	-71%	6,887
Sale of Goods and Rendering of Services		137	373	373	3	122	186	(64)	-34%	373
Agency services		261	2,731	2,731	17	679	1,365	(687)	-50%	2,731
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		6,046	7,437	7,437	567	3,305	3,719	(414)	-11%	7,437
Interest from Current and Non Current Assets		381	2,674	2,674	17	98	1,337	(1,240)	-93%	2,674
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	132	132	-	-	66	(66)	-100%	132
Rental from Fixed Assets		642	988	988	62	336	494	(158)	-32%	988
Licence and permits		-	-	-	-	-	-	-	-	-
Operational Revenue		2,301	2,021	2,021	114	1,097	1,010	86	9%	2,021
Non-Exchange Revenue										
Property rates		7,501	16,033	16,033	477	5,310	8,017	(2,707)	-34%	16,033
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		97	263	263	-	11	131	(120)	-91%	263
Licence and permits		393	351	351	6	90	176	(85)	-49%	351
Transfers and subsidies - Operational		74,337	43,898	43,898	12,338	30,464	21,949	8,515	39%	43,898
Interest		1,254	3,185	3,185	147	871	1,593	(721)	-45%	3,185
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		199	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	1,931	1,931	-	-	965	(965)	-100%	1,931
Other Gains		(703)	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		117,809	118,334	118,334	16,188	56,667	59,167	(2,500)	-4%	118,334
Expenditure By Type										
Employee related costs		38,933	40,200	40,200	4,478	21,321	20,100	1,221	6%	40,200
Remuneration of councillors		6,011	5,031	5,031	657	3,292	2,516	776	31%	5,031
Bulk purchases - electricity		17,233	16,346	16,346	-	8,767	8,173	593	7%	16,346
Inventory consumed		2,924	11,015	11,015	76	877	5,508	(4,630)	-84%	11,015
Debt impairment		-	-	-	-	-	-	-	-	-
Depreciation and amortisation		14,186	10,836	10,836	-	-	5,418	(5,418)	-100%	10,836
Interest		18,095	3,710	3,710	40	1,876	1,855	21	1%	3,710
Contracted services		9,383	8,248	8,248	544	2,243	4,124	(1,881)	-46%	8,248
Transfers and subsidies		96	96	96	-	49	48	1	2%	96
Irrecoverable debts written off		15,904	5,000	5,000	-	-	2,500	(2,500)	-100%	5,000
Operational costs		16,572	17,332	17,332	1,490	12,224	8,666	3,558	41%	17,332
Losses on Disposal of Assets		0	-	-	-	-	-	-	-	-
Other Losses		63	-	-	-	-	-	-	-	-
Total Expenditure		139,402	117,815	117,815	7,286	50,649	58,908	(8,258)	-14%	117,815
Surplus/(Deficit)		(21,592)	519	519	8,902	6,018	259	5,758	0	519
Transfers and subsidies - capital (monetary allocations)		12,706	23,764	23,764	-	3,642	11,882	(8,240)	(0)	23,764
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(8,886)	24,283	24,283	8,902	9,659	12,142	(2,482)	(0)	24,283
Income Tax		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		(8,886)	24,283	24,283	8,902	9,659	12,142	(2,482)	(0)	24,283
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		(8,886)	24,283	24,283	8,902	9,659	12,142	(2,482)	(0)	24,283
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		(8,886)	24,283	24,283	8,902	9,659	12,142	(2,482)	(0)	24,283

Thembelihle Local Municipality Mid-year Budget and Performance Report: 2023/24

EXPENDITURE

The pro-rata operating expenditure is in line with the mid-year budget with the exception of four expenditure sections that are noted below:

- The Minister of Finance announced certain cost cutting measures and at a municipal level, the same measures should be implemented. The municipal spending is an integral part of the national spending, and all measures should be taken to minimize the spending on “nice to have” items and non-priority spending. The focus should be on affordable quality service delivery issues.
- Depreciation, debt impairment and irrecoverable debt cost are non-cashed expenditure items that are calculated and accounted for at year end, therefore no expenditure is reported.
- The Eskom account for bulk purchases of electricity is under investigating by the procurement staff of the municipality, resulting in the bulk purchases showing under spending.
- The budgeted expenditure will be adjusted when the Adjustment Budget is compiled

Expenditure By Type									
Employee related costs	38,933	40,200	40,200	4,478	21,321	20,100	1,221	6%	40,200
Remuneration of councillors	6,011	5,031	5,031	657	3,292	2,516	776	31%	5,031
Bulk purchases - electricity	17,233	16,346	16,346	-	8,767	8,173	593	7%	16,346
Inventory consumed	2,924	11,015	11,015	76	877	5,508	(4,630)	-84%	11,015
Debt impairment	-	-	-	-	-	-	-	-	-
Depreciation and amortisation	14,186	10,836	10,836	-	-	5,418	(5,418)	-100%	10,836
Interest	18,095	3,710	3,710	40	1,876	1,855	21	1%	3,710
Contracted services	9,383	8,248	8,248	544	2,243	4,124	(1,881)	-46%	8,248
Transfers and subsidies	96	96	96	-	49	48	1	2%	96
Irrecoverable debts written off	15,904	5,000	5,000	-	-	2,500	(2,500)	-100%	5,000
Operational costs	16,572	17,332	17,332	1,490	12,224	8,666	3,558	41%	17,332
Losses on Disposal of Assets	0	-	-	-	-	-	-	-	-
Other Losses	63	-	-	-	-	-	-	-	-
Total Expenditure	139,402	117,815	117,815	7,286	50,649	58,908	(8,258)	-14%	117,815

Thembelihle Local Municipality Mid-year Budget and Performance Report: 2023/24

BUDGET PERFORMANCE ANALYSIS

1.1. OPERATIONAL EXPENDITURE AND REVENUE PERFORMANCE

NC076 Thembelihle - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M06 December

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
Governance and administration		96,148	77,764	77,764	14,114	44,136	38,882	5,254	14%	77,764
Executive and council		36,145	37,699	37,699	10,954	26,459	18,849	7,610	40%	37,699
Finance and administration		60,003	40,066	40,066	3,160	17,677	20,033	(2,356)	-12%	40,066
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		1,043	1,090	1,090	-	-	545	(545)	-100%	1,090
Community and social services		1,043	1,090	1,090	-	-	545	(545)	-100%	1,090
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		5,039	16,089	16,089	54	716	8,045	(7,329)	-91%	16,089
Planning and development		4,778	13,347	13,347	37	37	6,673	(6,636)	-99%	13,347
Road transport		261	2,742	2,742	17	679	1,371	(683)	-51%	2,742
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		28,286	47,155	47,155	2,020	15,456	23,577	(8,121)	-34%	47,155
Energy sources		11,420	19,580	19,580	1,214	7,056	9,790	(2,734)	-28%	19,580
Water management		10,324	14,772	14,772	232	4,998	7,386	(2,388)	-32%	14,772
Waste water management		3,685	4,606	4,606	319	1,901	2,303	(402)	-17%	4,606
Waste management		2,856	8,198	8,198	254	1,502	4,099	(2,597)	-63%	8,198
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	130,516	142,099	142,099	16,188	60,309	71,049	(10,741)	-15%	142,099
Expenditure - Functional										
Governance and administration		76,595	48,274	48,274	4,565	26,394	24,137	2,257	9%	48,274
Executive and council		10,321	9,583	9,583	1,055	5,223	4,791	432	9%	9,583
Finance and administration		66,274	38,692	38,692	3,510	21,171	19,346	1,826	9%	38,692
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		1,864	1,361	1,361	221	1,202	680	522	77%	1,361
Community and social services		1,864	1,361	1,361	221	1,202	680	522	77%	1,361
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		15,047	14,568	14,568	981	5,430	7,284	(1,854)	-25%	14,568
Planning and development		6,384	10,948	10,948	626	3,652	5,474	(1,822)	-33%	10,948
Road transport		8,664	3,620	3,620	355	1,778	1,810	(32)	-2%	3,620
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		45,929	53,813	53,813	1,520	17,623	26,806	(9,183)	-34%	53,813
Energy sources		32,301	26,398	26,398	192	10,680	13,199	(2,520)	-19%	26,398
Water management		9,390	19,468	19,468	847	4,660	9,734	(5,074)	-52%	19,468
Waste water management		1,189	3,381	3,381	93	623	1,690	(1,067)	-63%	3,381
Waste management		3,050	4,365	4,365	388	1,660	2,183	(523)	-24%	4,365
Other		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	139,436	117,815	117,815	7,286	50,649	58,908	(8,258)	-14%	117,815
Surplus/ (Deficit) for the year		(8,921)	24,283	24,283	8,902	9,659	12,142	(2,482)	-0.204459	24,283

SERVICE DELIVERY AND PERFORMANCE ANALYSIS

CREATING A CULTURE OF PERFORMANCE

PERFORMANCE FRAMEWORK

Performance management is prescribed by chapter 6 of the Municipal Systems Act, Act 32 of 2000 and the Municipal Planning and Performance Management Regulations, 796 of August 2001. Section 7 (1) of the aforementioned regulation states that “A Municipality’s Performance Management System entails a framework that describes and represents how the municipality’s cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organized and managed, including determining the responsibilities of the different role players.” This framework, *inter alia*, reflects the linkage between the IDP, Budget, SDBIP and individual and service provider performance. The municipality adopted a performance management framework that was approved by Council.

IMPLEMENTATION OF PERFORMANCE MANAGEMENT

The IDP for 2023/24 was compiled and approved by the council with the budget for 2023/24 Council on 29 June 2023. The Organisational performance is evaluated by means of a municipal scorecard at Organisational which is linked to the SDBIP at Departmental level.

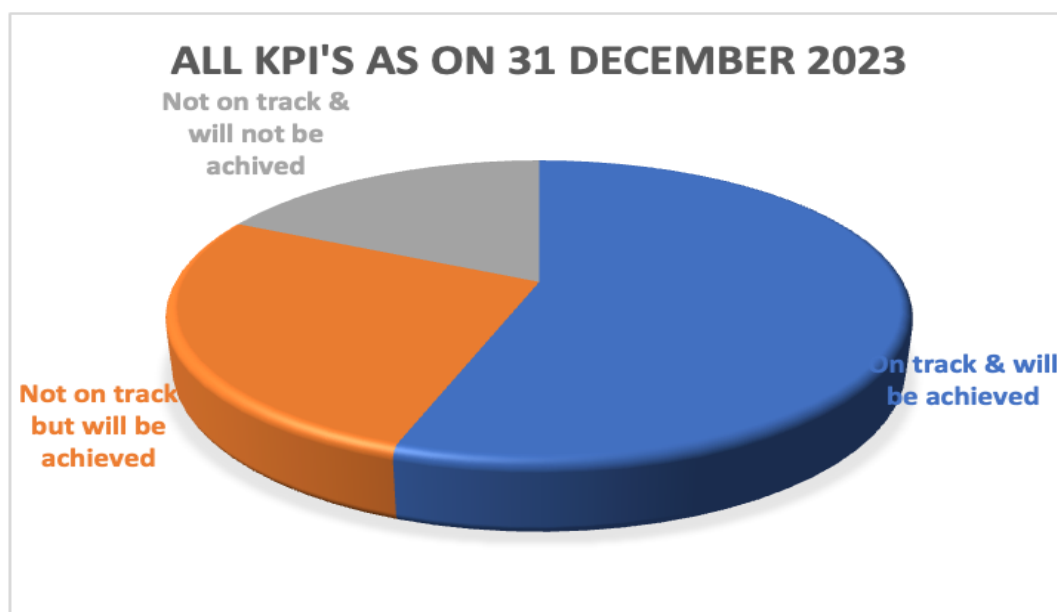
The SDBIP is a plan that converts the IDP and budget into measurable criteria on how, where and when the strategies, objectives and normal business process of the municipality are implemented. It also allocates responsibility to directorates to deliver the services in terms of the IDP and budget.

1.1.1. MONITORING OF PERFORMANCE

The SDBIP was as the source document for the departmental scorecards, these scorecards formed part of the performance agreements of the senior managers of the municipality. The municipality then monitors the progress on execution of these scorecards on a quarterly basis, of which two, the mid-term and final evaluation are formal, the other two are informal.

1.1.2.OVERALL SERVICE DELIVERY PERFORMANCE

All KPI's	
On track & will be achieved	31
Not on track but will be achieved	15
Not on track & will not be achieved	10



SUMMARY AND CHALLENGES

The early indications are that the performance against the output of the departments as captured in the Service Delivery Budget Implementation Plan is not on track but will be achieved. The Municipality are still struggling with insufficient funding to address backlogs such as sanitation and housing.

Attached as Appendix B 1- 4 is the unaudited scorecard of the departments. The Municipality has three departments:

- Municipal Manager
- Technical and Infrastructure Development
- Corporate and Community Services
- Finance

The Municipality is preparing an adjustment budget, and this indicates that the SDBIP will also be adjusted. The Municipality will then consider the revision of the KPI's that are of the list of

“not on track and will not be achieved” in the scorecard. This process will be completed by 28 February 2024.

2. FINANCIAL PERFORMANCE ANALYSIS

2.1. CASH MANAGEMENT

Revenue is collected when it is due and banked promptly.

- Payments are made, including transfers, no earlier than necessary, with due regard for efficient, effective and economical delivery and the municipality's normal terms for account payments.
- Debtors are perused with appropriate sensitivity and rigor to ensure that amounts receivable by the municipality are collected and banked promptly.
- Bank reconciliation is performed on a monthly basis to detect any unauthorized entries.

2.2. OUTSTANDING DEBTORS

As per the outstanding debtor balances below the outstanding debtors as 31 December 2024, analyzing age of debtors by income source and number of days outstanding.

Outstanding debtors to the amount of R 132 010 603.80 is a serious concern for the municipality. It is evident that the debt collection measures must be instituted as a matter of urgency

NC076 Thembelihle - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 December

Description	NT Code	Budget Year 2024/25											
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	1,339	593	490	490	457	493	483	39,321	43,666	41,244	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	1,948	456	424	550	275	203	189	9,995	14,042	11,213	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	1,555	410	397	1,812	465	521	464	15,818	21,443	19,081	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	1,011	457	442	426	418	412	401	30,151	33,718	31,808	-	-
Receivables from Exchange Transactions - Waste Management	1600	560	257	249	245	242	238	232	17,696	19,719	18,654	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	15	5	5	5	5	5	5	670	716	691	-	-
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	50	9	8	7	2	5	2	5,603	5,687	5,620	-	-
Total By Income Source	2000	6,478	2,187	2,015	3,536	1,865	1,878	1,777	119,255	138,990	128,310	-	-
2023/24 - totals only		6730535	3986736	2960061	2817555	3496104	2233416	2209146	99152148	123,586	109,908	0	0
Debtors Age Analysis By Customer Group													
Organs of State	2200	779	98	102	1,526	200	264	241	7,659	10,869	9,890	-	-
Commercial	2300	254	85	45	29	30	19	18	1,740	2,220	1,835	-	-
Households	2400	5,437	2,000	1,865	1,978	1,631	1,593	1,514	109,725	125,744	116,441	-	-
Other	2500	7	3	3	3	4	3	3	131	158	144	-	-
Total By Customer Group	2600	6,478	2,187	2,015	3,536	1,865	1,878	1,777	119,255	138,990	128,310	-	-

NC076 Thembelihle - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December

Description	NT Code	Budget Year 2024/25									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
R thousands											
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	–	2,068	1,660	2,208	2,860	2,742	6,992	145,553	164,083	155,317
Bulk Water	0200	–	–	–	–	–	–	–	6	6	6
PAYE deductions	0300	–	–	–	–	–	–	–	–	–	–
VAT (output less input)	0400	–	–	–	–	–	–	–	–	–	–
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	–	–
Loan repayments	0600	–	–	–	–	–	–	–	–	–	–
Trade Creditors	0700	267	415	468	302	857	214	2,842	13,386	18,752	21,210
Auditor General	0800	–	–	1,813	973	651	73	559	17,223	21,292	13,683
Other	0900	14	63	–	–	1	4	1,105	3,247	4,434	3,099
Medical Aid deductions										–	
Total By Customer Type	1000	280	2,546	3,940	3,484	4,369	3,034	11,498	179,415	208,566	193,314

Cash flow challenges are being experienced due to the debt collection challenges, resulting in payments of creditors that cannot be paid within 30 days as legislated by the MFMA

3. ADJUSTMENT BUDGET

According to the mid-year information it is evident that an Adjustment Budget should be compiled in order to make provision for the reduced operating income. The operating expenditure should also be reduced to such an extent that the adjusted income should be sufficient to fund the expenditure.

The cost-cutting measures of the Minister of Finance will also be taken into consideration when adjustments are made to the budget.

4. ANNUAL REPORT

The Annual Report for the 2023/24 financial year is covered in a separate report to Council and will be tabled before 31 January 2025.

As prescribed in section 72(1)(a)(iii) of the MFMA the Accounting officer must assess the performance of the municipality in the first 6 months taking into account the past year's Annual Report, and progress on resolving the problems identified in the Annual Report. The council has appointed the MPAC to compile an oversight report. This report will include a summary of comments and conclusions on the Annual Report of the municipality.

7.1 PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

This component includes property; legal; risk management and procurement services.

INTRODUCTION TO PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

7.1.1 LEGAL SERVICES

The Municipality does not have a separate division with personnel to attend to legal services. The Legal Services division/function delivers a supporting function to all directorates in the municipality. The division forms part of the Office of the Municipal Manager. This office handles all requests for legal advice and legal aid in respect of municipal matters. Some of these services are also outsourced or contracted.

This office is also responsible for the contracts of the municipality. A number of new contracts were concluded and contracts that expired were renewed.

7.1.2 RISK MANAGEMENT

Risk Management is the identification, assessment, and prioritization of risks through a structured and systematic process followed by coordinated and economical application of resources to minimize, monitor, and control the probability and/or impact of risks. When properly executed risk management can provide reasonable assurance to Council and management that the municipality will be successful in achieving its objectives and goals. Managing business risks associated with in the municipality is an ongoing process involving different levels within the organization. Even though risks identified may have a low likelihood of occurring or controls are in place mitigating the risks, a continuous approach of monitoring and testing of controls needs to be done by management supported by the internal audit function.



CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE

(PERFORMANCE REPORT PART II)

The main purpose of Organization Development is to provide training and development interventions with the aim of increasing the competencies of officials so that services can be rendered effectively

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Name	EMPLOYEES				
	2022/2023	2023/2024			
	Employees No.	Approved Posts	Employees No.	Vacancies No.	Vacancy %
Mayoral and Speakers Office	5	6	5	1	16.66%
Municipal Managers Office	3	7	5	2	28%
Finance Department	19	26	19	6	26.92%
Corporate Services Department	27	40	28	12	5%
Technical Department	41	80	45	35	43.75%

Total	95	159	102		
Headings follow the order of services as set out in chapter 3. Service totals should equate to those included in Chapter 3 employee.					
Employee and Approved posts numbers are on 30 June 2024.					

Vacancy Rate			
Designations	Total Approved Post No	Vacancies (Total time that vacancies exist using fulltime equivalent) No	Vacancies
Municipal Manager	1	0	0
CFO	1	0	0
Other S57 Managers (Excluding Finance Posts)	2	2	2
Other S57 Managers (Finance Posts)	0	0	0
Police Offices	0	0	0
Fire Fighters	0	0	0
Senior Management Level 13-15 (Excluding Finance Post)	7	0	1
Highly Skilled Supervision Supervision Level 9-12 (Excluding Finance Posts)	2	0	0
	4	0	0

Highly Skilled Supervision Level 9-12 (Finance Posts)			
Total	15	0	1

Note * For posts which are established and funded in the approved budget or adjustment budget (were Changes in employee provision have been made). Full-time equivalents are calculated by taking the total number of workings days last (excluding weekends and public holidays) while a post remains vacant and adding together all such days last 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.

Turn-over Rate			
Details	Total appointments as of beginning of Financial Year	Terminations during the Financial Year	Turn-Over Rate
2023/2024	8	3	75%

COMMENT ON VACANCIES AND TURNOVER

The position of Municipal Manager became vacant as of January 2022. The municipality has since advertised the position to be filled in the 2023/2024 financial year.

Because Thembelihle Local Municipality is a rural municipality, it is difficult to obtain the appropriate internal staff to fill the vacancy. This position has been vacant for longer than six months. Give reasons for the turnover rate experienced by your municipality. Vacancies are recorded on a software system and the rate has no reason for concern. Finally, the organogram was approved by Council. This will mean that the organogram will have to be reloaded onto the software system and carefully monitored with our software system to ensure that there are no discrepancies.

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

The primary objective of Human Resource Management is to render an innovative Human Resource service that addresses both skills development and administrative function as approved in the staff establishment.

4.2 POLICIES

The Human Resource Section regularly reviews existing policies and procedures in addressing all human resource related matters and any challenges faced by the Municipality. One of our biggest challenges remains the recruitment and retention of skilled technical staff in order to meet the Municipality's objectives as set out in the IDP. Recruitment includes headhunting technical staff based on the provisions of the recruitment and selection policy.

COMMENT ON WORKFORCE POLICY DEVELOPMENT

Municipalities fall under the scope of the South African Local Government Association (SALGA); accordingly, the policy environment for municipalities, including Thembelihle Local Municipality, is regulated by the South African Local Government Bargaining Council (SALGABC) agreements. Given that municipalities exercise legislative and executive authority in terms of Chapter 7 of the Constitution of the Republic of South Africa (1996, as amended), read in conjunction with the legislative framework on co-operative governance, municipalities adopt policies and procedures to regulate the policy lacuna of the SALBC framework, for instance section 151(3) of the Constitution provides that “a Municipality has the right to govern on its own initiative, the local affairs of its community, subject to national and provincial legislation...”. Accordingly, the policy schedule referred to under 4.2.1 reflects this dialectical interrelationship between policies adopted by the SALBC and the municipality for the applicable period. The local government legislative framework, including but not limited to the following legislation regulates other policies:

-
- Constitution of the Republic of South Africa (Act No. 108 of 1996, as amended)
 - Local Government: Municipal Finance Management Act (Act No. 56 of 2003) (referred to hereafter as the MFMA)
 - Local Government: Municipal Structures Act (Act No. 117 of 1998)
 - Local Government: Municipal Systems Act (Act No. 32 of 2000, as amended)
 - Employment Equity Act (Act No. 55 of 1998)
 - Basic Condition of Employment Act (Act No. 75 of 1997, as amended)
 - Labor Relations Act (Act No 66 of 1995, as amended)
 - Occupational Health and Safety Act (Act No. 85 of 1993, as amended)
 - Skills Development Act (Act No. 97 of 1998, as amended)

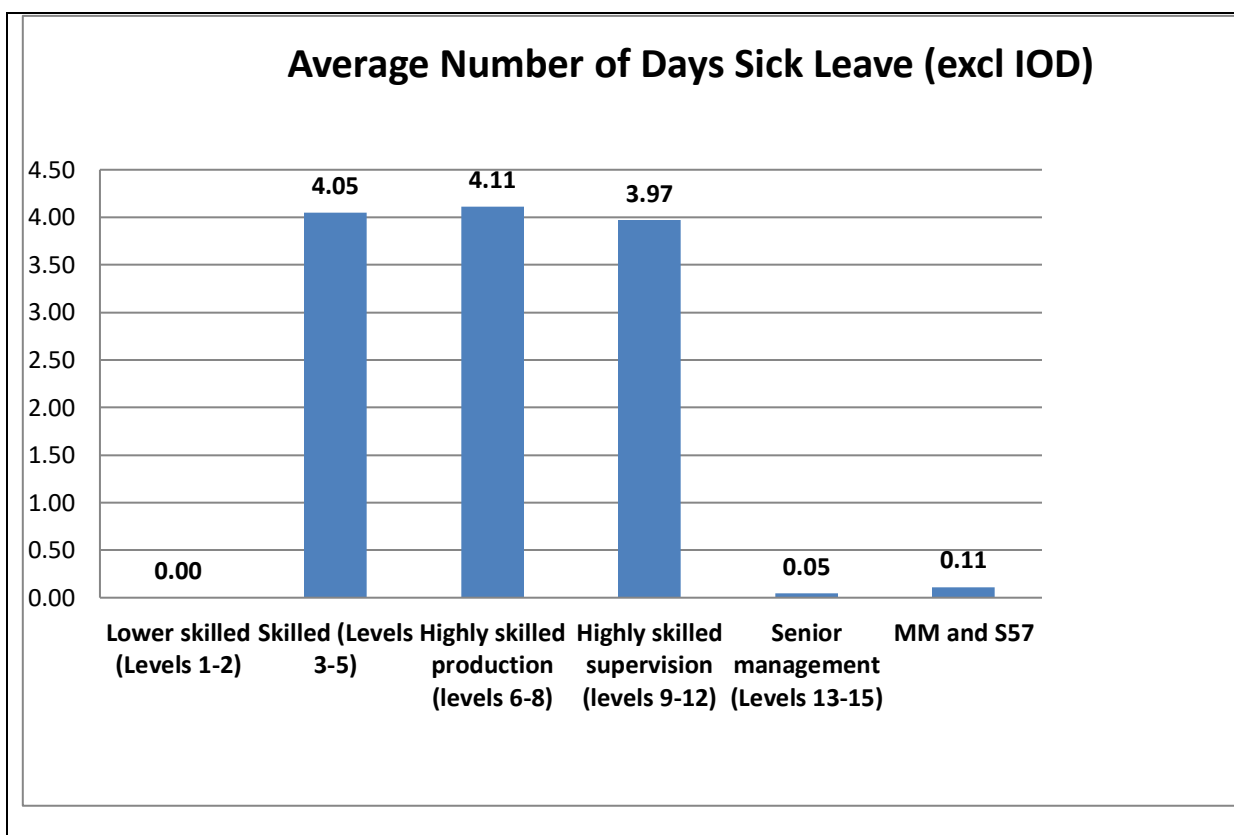
HR Policies and Plans				
	Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
		%	%	
1	Affirmative Action	100%	100%	
2	Attraction and Retention	Draft	100%	
3	Code of Conduct for employees	100%	100%	
4	Delegations, Authorisation & Responsibility	100%	100%	
5	Disciplinary Code and Procedures	100%	100%	
6	Essential Services		100%	
7	Employee Assistance / Wellness	100%	100%	
8	Employment Equity	100%	100%	
9	Exit Management		100%	
10	Grievance Procedures	100%	100%	
11	HIV/Aids	100%	100%	
12	Human Resource and Development	Draft	Draft	
13	Information Technology		100%	
14	Job Evaluation	100%	100%	
15	Leave	100%	100%	
16	Occupational Health and Safety	Use the Act	Use the Act	
17	Official Housing			
18	Official Journeys	100%	100%	
19	Official transport to attend Funerals			
20	Official Working Hours and Overtime	100%	100%	
21	Organisational Rights	Collective Agreement	100%	
22	Payroll Deductions	Collective Agreement	Collective Agreement	
23	Performance Management and Development	100,00%	100%	
24	Recruitment, Selection and Appointments	100%	100%	
25	Remuneration Scales and Allowances	Collective Agreement	Collective Agreement	
26	Resettlement			
27	Sexual Harassment	Draft	Draft	
28	Skills Development	100%	100%	
29	Smoking		100%	
30	Special Skills		100%	
31	Work Organisation		100%	
32	Uniforms and Protective Clothing	Use Act	Use Act	
33	Asset Management	100%	100%	
34	Ward Committee	100%	100%	
Use name of local policies if different from above and at any other HR policies not listed.				T4.2.1

4.3 INJURIES, SICKNESS AND SUSPENSIONS

In terms of injury on duty SPM is unable to prematurely calculate injuries on duty (IOD) for any future injuries.

Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	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
Lower skilled (Levels 1-2)	0	0%	0	0	0,00	
Skilled (Levels 3-5)	510	95%		77	4,05	
Highly skilled production (levels 6-8)	518	65%		35	4,11	
Highly skilled supervision (levels 9-12)	500	55%		10	3,97	
Senior management (Levels 13-15)	6	0%		1	0,05	
MM and S57	14	10%		3	0,11	
Total	1548	38%	0	126	12,29	0
* - Number of employees in post at the beginning of the year						
*Average is calculated by taking sick leave in column 2 divided by total employees in column 5						

T4.3.2



T4.3.3

COMMENT ON INJURY AND SICK LEAVE

An occupational injury is a personal injury, disease or death resulting from an occupational accident. Occupational injury will influence the loss of man hours according to the seriousness of the injury/disease and can be costly to the municipality based on the financial and productivity performance. The number of days of sick leave taken by employees has service delivery and cost implications. The monitoring of sick leave identifies certain patterns or trends. Once these patterns are identified, corrective action can be taken.

Number and Period of Suspensions and Disciplinary Matters				
Position	Nature of Alleged Misconduct	Date of	Details of disciplinary action taken or status of Case and Reasons why not finalized	Date Finalized
Senior Supervisor: Water	Absent from duty without permission for leave	14-Jun-24	Twelve months final written warning	May-25

COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT

There is a tendency by the accused employees to contest their cases in the SALGBC and Labor Court. No disciplinary cases of financial misconduct took place in the municipality according to Section 171 – 173 of the MMFA.

4.4 PERFORMANCE REWARDS

The performance of the year 2023/2024 did not take place due to no policy in place.

Performance Rewards By Gender					
Designations	Beneficiary profile				
	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards Year 1 R' 000	Proportion of beneficiaries within group %
Lower skilled (Levels 1-2)	Female	0	0	0	
	Male	0	0	0	
Skilled (Levels 3-5)	Female	0	0	0	
	Male	0	0	0	
Highly skilled production (levels 6-8)	Female	0	0	0	
	Male	0	0	0	
Highly skilled supervision (levels 9-12)	Female	0	0	0	
	Male	0	0	0	
Senior management (Levels 13-15)	Female	0	0	0	
	Male	0	0	0	
MM and S57	Female	0	0	0	
	Male	0	0	0	
Total					
Has the statutory municipal calculator been used as part of the evaluation					Yes/No
<p>Note: MSA 2000 S51(d) requires that ... 'performance plans, on which rewards are based should be aligned with the IDP'... (IDP objectives and targets are set out in Chapter 3) and that Service Delivery and Budget Implementation Plans (developed under MFMA S69 and Circular 13) should be consistent with the higher level IDP targets and must be incorporated appropriately in personal performance agreements as the basis of performance rewards. Those with disability are shown in brackets '(x)' in the 'Number of beneficiaries' column as well as in the numbers at the right hand side of the column (as illustrated above).</p>					

T4.4.1

COMMENT ON PERFORMANCE REWARDS

The municipality does not budget for performance awards; however, the Reward and Incentive Policy is in a draft format. After thorough consultation the policy will be presented to committees of Council for approval.

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

The Municipal Systems Act, 2000 Section 68 (1) requires the municipality to develop human resource capacity to a level that enables them to perform their functions and exercise their powers in an economical, effective, efficient and accountable way.

During this year the relationship with LGSETA has improved, however, the major challenge is with the implementation of training and development in the inability of the LGSETA to communicate the amount of grant payments to be received as well as when such payments will be made which hampers the effective planning and implementation of training. This indirectly affects the perception and attitude of the officials towards training. The problem of employees not attending training once being nominated was discussed on several occasions. The trend however remains unchanged. The emphasis on future training is still to implement PIVOTAL training that is aimed at participants receiving fully accredited qualifications relevant to the work they are doing. The LGSETA has not yet communicated and/or

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D1. Employee Movement Between 1 May 2023 - 30 April 2024

Number of new Employee Recruits By Occupation Category, Gender, Population Group, Disability and Age																											
Occupation Category	Ofc Code	Occupation	FA	FC	FI	FW	MA	MC	MI	MW	Total	DA	DC	DI	DW	Total	< 35	35 - 55	55 >	Total	Non SA	Neve r Work ed	Grad uate s	< 35	35 - 55	55 >	
LEGISLAT ORS	2021-111101-9	Mayor	0	0	0	0	1	0	0	0	1	0	0	0	0	0	0	1	0	1	0	1	0	0	0	0	
LEGISLATORS Totals			0	0	0	0	1	0	0	0	1	0	0	0	0	0	0	1	0	1	0	1	0	0	0	0	
MANAGER S	2021-111203-5	Municipal Manager	0	0	0	0	1	0	0	0	1	0	0	0	0	0	0	0	1	1	0	1	0	0	0	0	
MANAGERS Totals			0	0	0	0	1	0	0	0	1	0	0	0	0	0	0	0	1	1	0	1	0	0	0	0	
CLERICAL SUPPORT WORKERS	2021-431101-6	Accounting Clerk	1	0	0	0	0	0	0	0	1	0	0	0	0	0	0	1	0	0	1	0	1	0	0	0	
CLERICAL SUPPORT WORKERS	2021-441601-6	Human Resources Systems Administrator	1	0	0	0	0	0	0	0	1	0	0	0	0	0	0	1	0	1	0	1	0	0	0	0	
CLERICAL SUPPORT WORKERS	2021-432101-15	Supply Clerk / Assistant / Officer / Scheduler	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	1	0	0	1	0	1	0	0	0	
CLERICAL SUPPORT WORKERS Totals			2	0	0	0	0	1	0	0	3	0	0	0	0	0	2	1	0	3	0	3	0	0	0	0	
PLANT AND MACHINE OPERATORS AND ASSEMBLERS	2021-711201-37	Plant Operator	0	0	0	0	1	0	0	0	1	0	0	0	0	0	0	0	1	1	0	1	0	0	0	0	
PLANT AND MACHINE OPERATORS AND ASSEMBLERS Totals			0	0	0	0	1	0	0	0	1	0	0	0	0	0	0	0	1	1	0	1	0	0	0	0	
Totals			2	0	0	0	3	1	0	0	6	0	0	0	0	0	2	2	2	6	0	6	0	0	0	0	

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F6. List of learning interventions by name - Employed

LGSETA Strategic Focus Area	Municipal Key Performance Area	Skills Gap	Type of learning intervention	Qualification/Trade Title	SAQA/Trade ID	Learnership Code	Learnership Title	Name of learning intervention (Other)	Work Experience	NQF Level	Funded By	Number trained in this learning intervention
Enhancing Good Governance, Leadership and Management Capabilities	Good Governance and the linking of democracy	Public and Development Sector Monitoring and Evaluation	Bursary	Diploma in Public Management and Administration	60050					NQF Level 6	LGSETA - Discretionary Grant funds	0
Promoting Sound Financial Viability and Management & Financial Viability	Municipal Financial Viability and Management	Auditing and Financial Management	Bursary	Bachelor of Accounting	72824					NQF Level 7	LGSETA - Discretionary Grant funds	0
Promoting Sound Financial Viability and Management & Financial Viability	Municipal Financial Viability and Management	Auditing and Ethics	Bursary							NQF Level 7	LGSETA - Discretionary Grant funds	0
Promoting Sound Financial Viability and Management & Financial Viability	Municipal Financial Viability and Management		Learnership	Certificate: Municipal Financial Management	48965	14Q140030181666	National Certificate in Municipal Finance Management Level 6			NQF Level 6	LGSETA - Discretionary Grant funds	0
Enhancing Good Governance, Leadership and Management Capabilities	Good Governance and the linking of democracy	Financial Management and Reporting	Learnership	Certificate: Municipal Financial Management	48965	14Q140030181666	National Certificate in Municipal Finance Management Level 6			NQF Level 6	LGSETA - Discretionary Grant funds	0

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F1. Reporting on Training Expenditure for 1 May 2023 - 30 April 2024

Reporting on Training Expenditure						
Funding Source	Planned Training Budget - Employed	Planned Training Budget - Unemployed	Actual Expenditure - Employed	Actual Expenditure - Unemployed	Committed Expenditure - Employed	Committed Expenditure - Unemployed
Mandatory Grant Funds	13644	0			0	0
Outstanding Mandatory Grant funds from previous year	0	0			0	0
Discretionary Grants funds	1197000	369800			0	0
Additional funding (Municipality/entity, donor funds, other government funds etc)						
Totals	1210644	369800	0	0	0	0

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COMMENT ON SKILLS' DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY REGULATIONS:

All staff that are indicated as in progress shall complete the MFMP training, ahead of the expiry date of the exemption. The municipality provides all the necessary resources to ensure that staff complete the training on time.

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

INTRODUCTION TO WORKFORCE EXPENDITURE

The employee expenditure is based on the approved Organisational structure in terms of Council Resolution. Vacant funded positions were identified Organisational structure. Unfunded vacant positions were not considered in the Organisational structure except in a case where vacancy rate had to be calculated. Positions in the organogram were not funded. Employee benefits are determined through the Recruitment and Selection Policy. The municipality remunerates its employees using the Tuned Assessment of Skills and Knowledge (TASK). The total remuneration is determined by the level of the position. It can be seen from the table below that the spending on employee costs had increased significantly from 2023 to 2024 as a result of the above.

COMMENT ON WORKFORCE EXPENDITURE:

The realization of the vision of the municipality, that of offering affordable services to the people depends on the optimal usage of human resource capital as employed by the municipality.

For the type and quality of work performed, strong supervisory controls are a prerequisite to successful delivery of service in a cost-effective manner. Further to this, management has realized that consequence management is integral to the gains needed in as far as quality, turnaround time and serving people. Employee earnings have significantly improved, and this contributes to attraction and retention of skills. To ensure consistency and cost containment, it is becoming imperative that the municipality develops a remuneration policy for Senior Managers, professionals and Engineers. The policy must also cover employee benefits that are being offered to all staff and councilors of the municipality. Due to liquidity constraints, management implemented controls in the filling of vacancies in the organization. This has seen better control over the growth of the employee budget for the period. In implementing this strategy, a differentiation is made amongst critical managerial, critical professional and

service delivery related positions to ensure that we meet the needs of the customers and fulfil our mandate of providing access to basic services

Number Of Employees Whose Salaries Were Increased Due To Their Positions Being Upgraded		
Beneficiaries	Gender	Total
Lower skilled (Levels 1-2)	Female	0
	Male	0
Skilled (Levels 3-5)	Female	0
	Male	0
Highly skilled production (Levels 6-8)	Female	0
	Male	0
Highly skilled supervision (Levels 9-12)	Female	0
	Male	0
Senior management (Levels 13-16)	Female	0
	Male	0
MM and S 57	Female	0
	Male	0
Total		0
Those with disability are shown in brackets '(x)' in the 'Number of beneficiaries' column as well as in the numbers at the right hand side of		T4.6.2

Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation				
Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
N/A				
				T4.6.3

Employees appointed to posts not approved				
Department	Level	Date of appointment	No. appointed	Reason for appointment when no established post exist
N/A				
				T4.6.4

COMMENT ON UPGRADED POSTS AND THOSE THAT ARE AT VARIANCE WITH NORMAL PRACTICE

The municipality does not upgrade positions. The level of positions changes due to the outcome of the Job Evaluation process. The municipality has no employees who were appointed in positions that are not on the approved staff establishment of the municipality. The municipality does not upgrade posts as it is not normal practice.

Accessibility indicators	Explore whether the intended beneficiaries can 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 the 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 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 Key performance indicators	After consultation with MECs for local government, the Minister may prescribe general 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 Key performance areas	<ul style="list-style-type: none"> • 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 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 output has been achieved (policy developed, presentation delivered, service rendered)
Performance Information	Generic terms for non-financial information about municipal services and activities. It can also be used interchangeably with performance measures.
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 their 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 appropriate for the purpose of a specific department or functional area.</p> <p>Section 1 of the MFMA defines a "vote" as:</p> <p><i>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</i></p> <p><i>b) which specifies the total amount that is appropriate for the purposes of the department or functional area concerned</i></p>

APPENDIX A1: TABLE C1: QUARTERLY BUDGET STATEMENT: DECEMBER 2024

NC076 Thembelihle - Table C1 Monthly Budget Statement Summary - 006 December

Description	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	7,501	16,033	16,033	477	5,310	8,017	(2,707)	-34%	16,033
Service charges	24,963	36,318	36,318	2,440	14,285	18,159	(3,874)	-21%	36,318
Investment revenue	381	2,674	2,674	17	98	1,337	(1,240)	-93%	2,674
Transfers and subsidies - Operational	74,337	43,898	43,898	12,338	30,464	21,949	8,515	0	43,898
Other own revenue	10,627	19,411	19,411	915	6,511	9,706	(3,195)	-39%	-
Total Revenue (excluding capital transfers and contributions)	117,809	118,334	118,334	16,188	56,667	59,167	(2,500)	-4%	118,334
Employee costs	38,933	40,200	40,200	4,478	21,321	20,100	1,221	6%	40,200
Remuneration of Councilors	8,011	5,031	5,031	657	3,292	2,516	776	31%	5,031
Depreciation and amortisation	14,186	10,836	10,836	-	-	5,418	(5,418)	-100%	10,836
Interest	18,095	3,710	3,710	40	1,876	1,855	21	1%	3,710
Inventory consumed and bulk purchases	20,158	27,362	27,362	76	9,644	13,681	(4,037)	-30%	27,362
Transfers and subsidies	96	96	96	-	49	48	1	2%	96
Other expenditure	41,922	30,580	30,580	2,035	14,467	15,290	(822)	-5%	30,580
Total Expenditure	139,402	117,815	117,815	7,286	50,649	58,908	(8,259)	-14%	117,815
Surplus/(Deficit)	(21,592)	519	519	8,902	6,018	259	5,758	2219%	519
Transfers and subsidies - capital (monetary allocations)	12,706	23,764	23,764	-	3,642	11,882	(8,240)	-69%	23,764
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(8,886)	24,283	24,283	8,902	9,659	12,142	(2,482)	-20%	24,283
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	(8,886)	24,283	24,283	8,902	9,659	12,142	(2,482)	-20%	24,283
Capital expenditure & funds sources									
Capital expenditure	(20,973)	23,764	23,764	-	3,167	11,882	(8,715)	-73%	23,764
Capital transfers recognised	(20,973)	23,764	23,764	-	3,167	11,882	(8,715)	-73%	23,764
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	-	-	-	-	-	-
Total sources of capital funds	(20,973)	23,764	23,764	-	3,167	11,882	(8,715)	-73%	23,764
Financial position									
Total current assets	69,124	12,091	12,091	-	47,843	-	-	-	12,091
Total non current assets	265,657	309,435	309,435	-	287,994	-	-	-	309,435
Total current liabilities	134,349	165,079	165,079	-	242,340	-	-	-	165,079
Total non current liabilities	87,990	2,476	2,476	-	10,438	-	-	-	2,476
Community wealth/Equity	112,476	163,972	163,972	-	83,059	-	-	-	163,972
Cash flows									
Net cash from (used) operating	88,512	22,480	22,480	7,697	26,016	19,413	(6,603)	-34%	22,480
Net cash from (used) investing	(13,077)	(23,764)	(23,764)	-	(3,642)	(11,882)	(8,240)	69%	(23,764)
Net cash from (used) financing	-	(1,286)	(1,286)	(4,478)	(21,321)	(643)	20,678	-3215%	(1,286)
Cash/cash equivalents at the month/year end	77,714	4,304	4,304	3,219	1,267	13,763	12,496	91%	(2,357)
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	6,478	2,187	2,015	3,536	1,865	1,878	1,777	119,255	138,990
Creditors Age Analysis									
Total Creditors	280	2,546	3,940	3,484	4,369	3,034	11,488	179,415	208,566



APPENDIX A 3: TABLE C3: QUARTERLY BUDGET STATEMENT: FINANCIAL PERFORMANCE: DECEMBER 2023



NC076 Thembelihle - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 December

Vote Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - Executive Council		36,145	37,699	37,699	10,954	26,459	18,849	7,610	40.4%	37,699
Vote 2 - Public Safety		-	-	-	-	-	-	-		-
Vote 3 - Office of Financial Management		27,690	27,830	27,830	2,045	11,000	13,915	(2,915)	-21.0%	27,830
Vote 4 - Corporate Services		8,507	11,508	11,508	697	4,925	5,754	(829)	-14.4%	11,508
Vote 5 - Road Transport		6,908	10,905	10,905	37	37	5,453	(5,415)	-99.3%	10,905
Vote 6 - Community & Social Services		-	-	-	-	-	-	-		-
Vote 7 - Planning & Development		(703)	511	511	-	-	255	(255)	-100.0%	511
Vote 8 - Budget & Treasury		30,273	-	-	-	(4)	-	(4)	#DIV/0!	-
Vote 9 - Electricity		2,407	19,580	19,580	1,444	8,217	9,790	(1,573)	-16.1%	19,580
Vote 10 - Water		12,737	21,232	21,232	437	6,268	10,616	(4,348)	-41.0%	21,232
Vote 11 - Waste Water Management		3,696	4,637	4,637	320	1,905	2,318	(414)	-17.8%	4,637
Vote 12 - Waste Management		2,856	8,198	8,198	254	1,502	4,099	(2,597)	-63.4%	8,198
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-		-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-		-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-		-
Total Revenue by Vote	2	130,516	142,099	142,099	16,188	60,309	71,049	(10,741)	-15.1%	142,099
Expenditure by Vote	1									
Vote 1 - Executive Council		10,321	9,583	9,583	1,055	5,223	4,791	432	9.0%	9,583
Vote 2 - Public Safety		-	-	-	-	-	-	-		-
Vote 3 - Office of Financial Management		38,706	26,126	26,126	2,456	15,853	13,063	2,790	21.4%	26,126
Vote 4 - Corporate Services		16,573	17,273	17,273	1,624	8,246	8,637	(391)	-4.5%	17,273
Vote 5 - Road Transport		6,359	12,241	12,241	626	3,698	6,121	(2,423)	-39.6%	12,241
Vote 6 - Community & Social Services		(0)	-	-	-	-	-	-		-
Vote 7 - Planning & Development		-	34	34	-	-	17	(17)	-100.0%	34
Vote 8 - Budget & Treasury		22,472	78	78	6	19	39	(20)	-52.1%	78
Vote 9 - Electricity		32,301	26,374	26,374	192	10,680	13,187	(2,507)	-19.0%	26,374
Vote 10 - Water		8,468	18,381	18,381	847	4,660	9,191	(4,530)	-49.3%	18,381
Vote 11 - Waste Water Management		1,185	3,360	3,360	93	611	1,680	(1,069)	-63.6%	3,360
Vote 12 - Waste Management		3,050	4,365	4,365	388	1,660	2,183	(523)	-24.0%	4,365
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-		-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-		-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-		-
Total Expenditure by Vote	2	139,436	117,815	117,815	7,286	50,649	58,908	(8,258)	-14.0%	117,815
Surplus/ (Deficit) for the year	2	(8,921)	24,283	24,283	8,902	9,659	12,142	(2,482)	-20.4%	24,283

APPENDIX A 4: TABLE C4: QUARTERLY BUDGET STATEMENT: FINANCIAL PERFORMANCE (REVENUE & EXPENDITURE): DECEMBER 2023

NC076 Thembelihle - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		15,101	18,349	18,349	1,644	9,274	9,174	99	1%	18,349
Service charges - Water		4,230	7,051	7,051	308	2,110	3,526	(1,415)	-40%	7,051
Service charges - Waste Water Management		3,685	4,031	4,031	319	1,901	2,015	(115)	-6%	4,031
Service charges - Waste management		1,947	6,887	6,887	169	1,000	3,444	(2,443)	-71%	6,887
Sale of Goods and Rendering of Services		137	373	373	3	122	186	(64)	-34%	373
Agency services		261	2,731	2,731	17	679	1,365	(687)	-50%	2,731
Interest		—	—	—	—	—	—	—	—	—
Interest earned from Receivables		6,046	7,437	7,437	567	3,305	3,719	(414)	-11%	7,437
Interest from Current and Non Current Assets		381	2,674	2,674	17	98	1,337	(1,240)	-93%	2,674
Dividends		—	—	—	—	—	—	—	—	—
Rent on Land		—	132	132	—	—	66	(66)	-100%	132
Rental from Fixed Assets		642	988	988	62	336	494	(158)	-32%	988
Licence and permits		—	—	—	—	—	—	—	—	—
Operational Revenue		2,301	2,021	2,021	114	1,097	1,010	86	9%	2,021
Non-Exchange Revenue										
Property rates		7,501	16,033	16,033	477	5,310	8,017	(2,707)	-34%	16,033
Surcharges and Taxes		—	—	—	—	—	—	—	—	—
Fines, penalties and forfeits		97	263	263	—	11	131	(120)	-91%	263
Licence and permits		393	351	351	6	90	176	(85)	-49%	351
Transfers and subsidies - Operational		74,337	43,898	43,898	12,338	30,464	21,949	8,515	39%	43,898
Interest		1,254	3,185	3,185	147	871	1,593	(721)	-45%	3,185
Fuel Levy		—	—	—	—	—	—	—	—	—
Operational Revenue		199	—	—	—	—	—	—	—	—
Gains on disposal of Assets		—	1,931	1,931	—	—	965	(965)	-100%	1,931
Other Gains		(703)	—	—	—	—	—	—	—	—
Discontinued Operations		—	—	—	—	—	—	—	—	—
Total Revenue (excluding capital transfers and contributions)		117,809	118,334	118,334	16,188	56,667	59,167	(2,500)	-4%	118,334
Expenditure By Type										
Employee related costs		38,933	40,200	40,200	4,478	21,321	20,100	1,221	6%	40,200
Remuneration of councillors		6,011	5,031	5,031	657	3,292	2,516	776	31%	5,031
Bulk purchases - electricity		17,233	16,346	16,346	—	8,767	8,173	593	7%	16,346
Inventory consumed		2,924	11,015	11,015	76	877	5,508	(4,630)	-84%	11,015
Debt impairment		—	—	—	—	—	—	—	—	—
Depreciation and amortisation		14,186	10,836	10,836	—	—	5,418	(5,418)	-100%	10,836
Interest		18,095	3,710	3,710	40	1,876	1,855	21	1%	3,710
Contracted services		9,383	8,248	8,248	544	2,243	4,124	(1,881)	-46%	8,248
Transfers and subsidies		96	96	96	—	49	48	1	2%	96
Irrecoverable debts written off		15,904	5,000	5,000	—	—	2,500	(2,500)	-100%	5,000
Operational costs		16,572	17,332	17,332	1,490	12,224	8,666	3,558	41%	17,332
Losses on Disposal of Assets		0	—	—	—	—	—	—	—	—
Other Losses		63	—	—	—	—	—	—	—	—
Total Expenditure		139,402	117,815	117,815	7,286	50,649	58,908	(8,258)	-14%	117,815
Surplus/(Deficit)		(21,592)	519	519	8,902	6,018	259	5,758	0	519
Transfers and subsidies - capital (monetary allocations)		12,706	23,764	23,764	—	3,642	11,882	(8,240)	(0)	23,764
Transfers and subsidies - capital (in-kind)		—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after capital transfers & contributions		(8,886)	24,283	24,283	8,902	9,659	12,142	(2,482)	(0)	24,283
Income Tax		—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after income tax		(8,886)	24,283	24,283	8,902	9,659	12,142	(2,482)	(0)	24,283
Share of Surplus/Deficit attributable to Joint Venture		—	—	—	—	—	—	—	—	—
Share of Surplus/Deficit attributable to Minorities		—	—	—	—	—	—	—	—	—
Surplus/(Deficit) attributable to municipality		(8,886)	24,283	24,283	8,902	9,659	12,142	(2,482)	(0)	24,283
Share of Surplus/Deficit attributable to Associate		—	—	—	—	—	—	—	—	—
Intercompany/Parent subsidiary transactions		—	—	—	—	—	—	—	—	—
Surplus/ (Deficit) for the year		(8,886)	24,283	24,283	8,902	9,659	12,142	(2,482)	(0)	24,283

APPENDIX A 5: TABLE C5: QUARTERLY BUDGET STATEMENT: CAPITAL EXPENDITURE (MUNICIPAL VOTE, STANDARD CLASSIFICATION & FUNDING); DECEMBER 2023

NC076 Thembelihle - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 December										
Vote Description	Ref	2023/24 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Budget Year 2024/25 YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - Executive Council		—	—	—	—	—	—	—	—	—
Vote 2 - Public Safety		—	—	—	—	—	—	—	—	—
Vote 3 - Office of Financial Management		542	—	—	—	—	—	—	—	—
Vote 4 - Corporate Services		—	—	—	—	—	—	—	—	—
Vote 5 - Road Transport		(21,515)	21,764	21,764	—	3,167	10,882	(7,715)	-71%	21,764
Vote 6 - Community & Social Services		—	—	—	—	—	—	—	—	—
Vote 7 - Planning & Development		—	—	—	—	—	—	—	—	—
Vote 8 - Budget & Treasury		—	—	—	—	—	—	—	—	—
Vote 9 - Electricity		—	—	—	—	—	—	—	—	—
Vote 10 - Water		—	—	—	—	—	—	—	—	—
Vote 11 - Waste Water Management		—	—	—	—	—	—	—	—	—
Vote 12 - Waste Management		—	—	—	—	—	—	—	—	—
Vote 13 - [NAME OF VOTE 13]		—	—	—	—	—	—	—	—	—
Vote 14 - [NAME OF VOTE 14]		—	—	—	—	—	—	—	—	—
Vote 15 - [NAME OF VOTE 15]		—	—	—	—	—	—	—	—	—
Total Capital Multi-year expenditure	4,7	(20,973)	21,764	21,764	—	3,167	10,882	(7,715)	-71%	21,764
Single Year expenditure appropriation	2									
Vote 1 - Executive Council		—	—	—	—	—	—	—	—	—
Vote 2 - Public Safety		—	—	—	—	—	—	—	—	—
Vote 3 - Office of Financial Management		—	—	—	—	—	—	—	—	—
Vote 4 - Corporate Services		—	—	—	—	—	—	—	—	—
Vote 5 - Road Transport		—	—	—	—	—	—	—	—	—
Vote 6 - Community & Social Services		—	—	—	—	—	—	—	—	—
Vote 7 - Planning & Development		—	—	—	—	—	—	—	—	—
Vote 8 - Budget & Treasury		—	—	—	—	—	—	—	—	—
Vote 9 - Electricity		—	2,000	2,000	—	—	1,000	(1,000)	-100%	2,000
Vote 10 - Water		—	—	—	—	—	—	—	—	—
Vote 11 - Waste Water Management		—	—	—	—	—	—	—	—	—
Vote 12 - Waste Management		—	—	—	—	—	—	—	—	—
Vote 13 - [NAME OF VOTE 13]		—	—	—	—	—	—	—	—	—
Vote 14 - [NAME OF VOTE 14]		—	—	—	—	—	—	—	—	—
Vote 15 - [NAME OF VOTE 15]		—	—	—	—	—	—	—	—	—
Total Capital single-year expenditure	4	—	2,000	2,000	—	—	1,000	(1,000)	-100%	2,000
Total Capital Expenditure		(20,973)	23,764	23,764	—	3,167	11,882	(8,715)	-73%	23,764
Capital Expenditure - Functional Classification										
Governance and administration		—	—	—	—	—	—	—	—	—
Executive and council		—	—	—	—	—	—	—	—	—
Finance and administration		—	—	—	—	—	—	—	—	—
Internal audit		—	—	—	—	—	—	—	—	—
Community and public safety		—	—	—	—	—	—	—	—	—
Community and social services		—	—	—	—	—	—	—	—	—
Sport and recreation		—	—	—	—	—	—	—	—	—
Public safety		—	—	—	—	—	—	—	—	—
Housing		—	—	—	—	—	—	—	—	—
Health		—	—	—	—	—	—	—	—	—
Economic and environmental services		4,402	9,705	9,705	—	—	4,853	(4,853)	-100%	9,705
Planning and development		4,402	9,705	9,705	—	—	4,853	(4,853)	-100%	9,705
Road transport		—	—	—	—	—	—	—	—	—
Environmental protection		—	—	—	—	—	—	—	—	—
Trading services		(25,376)	14,059	14,059	—	3,167	7,030	(3,863)	-55%	14,059
Energy sources		—	2,000	2,000	—	—	1,000	(1,000)	-100%	2,000
Water management		(25,413)	12,059	12,059	—	3,167	6,030	(2,863)	-47%	12,059
Waste water management		37	—	—	—	—	—	—	—	—
Waste management		—	—	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—
Total Capital Expenditure - Functional Classification	3	(20,973)	23,764	23,764	—	3,167	11,882	(8,715)	-73%	23,764
Funded by:										
National Government		(20,973)	23,764	23,764	—	3,167	11,882	(8,715)	-73%	23,764
Provincial Government		—	—	—	—	—	—	—	—	—
District Municipality		—	—	—	—	—	—	—	—	—
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Departm Agencies, Households, Non-profit institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		—	—	—	—	—	—	—	—	—
Transfers recognised - capital		(20,973)	23,764	23,764	—	3,167	11,882	(8,715)	-73%	23,764
Borrowing	6	—	—	—	—	—	—	—	—	—
Internally generated funds		—	—	—	—	—	—	—	—	—
Total Capital Funding		(20,973)	23,764	23,764	—	3,167	11,882	(8,715)	-73%	23,764

APPENDIX A 6: TABLE C6: QUARTERLY BUDGET STATEMENT: FINANCIAL POSITION: DECEMBER 2023

NC076 Thembelihle - Table C6 Monthly Budget Statement - Financial Position - M06 December

Description	Ref	2023/24	Budget Year 2024/25			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		220	8,335	8,335	815	8,335
Trade and other receivables from exchange transactions		20,975	3,754	3,754	27,948	3,754
Receivables from non-exchange transactions		9,542	—	—	(11,271)	—
Current portion of non-current receivables		—	—	—	—	—
Inventory		53	2	2	13	2
VAT		38,385	—	—	30,389	—
Other current assets		(51)	—	—	(51)	—
Total current assets		69,124	12,091	12,091	47,843	12,091
Non current assets						
Investments		—	—	—	—	—
Investment property		22,727	23,148	23,148	22,038	23,148
Property, plant and equipment		240,582	286,252	286,252	256,918	286,252
Biological assets		—	—	—	—	—
Living and non-living resources		—	—	—	—	—
Heritage assets		2,305	—	—	8,970	—
Intangible assets		43	36	36	67	36
Trade and other receivables from exchange transactions		—	—	—	—	—
Non-current receivables from non-exchange transactions		—	—	—	—	—
Other non-current assets		—	—	—	—	—
Total non current assets		265,657	309,435	309,435	287,994	309,435
TOTAL ASSETS		334,781	321,527	321,527	335,836	321,527
LIABILITIES						
Current liabilities						
Bank overdraft		—	—	—	—	—
Financial liabilities		2,711	(1,286)	(1,286)	4,222	(1,286)
Consumer deposits		816	783	783	802	783
Trade and other payables from exchange transactions		106,736	148,519	148,519	197,237	148,519
Trade and other payables from non-exchange transactions		5,518	—	—	12,529	—
Provision		5,134	13,567	13,567	12,055	13,567
VAT		13,433	3,497	3,497	15,495	3,497
Other current liabilities		—	—	—	—	—
Total current liabilities		134,349	165,079	165,079	242,340	165,079
Non current liabilities						
Financial liabilities		1,668	2,476	2,476	2,909	2,476
Provision		78,508	—	—	—	—
Long term portion of trade payables		—	—	—	—	—
Other non-current liabilities		7,813	—	—	7,529	—
Total non current liabilities		87,990	2,476	2,476	10,438	2,476
TOTAL LIABILITIES		222,339	167,555	167,555	252,778	167,555
NET ASSETS	2	112,442	153,972	153,972	83,059	153,972
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		112,476	153,972	153,972	83,059	153,972
Reserves and funds		—	—	—	—	—
Other		—	—	—	—	—
TOTAL COMMUNITY WEALTH/EQUITY	2	112,476	153,972	153,972	83,059	153,972

APPENDIX A 7: TABLE C7: QUARTERLY BUDGET STATEMENT: CASH FLOW: DECEMBER 2023

NC076 Thembelihle - Table C7 Monthly Budget Statement - Cash Flow - M06 December

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		4,975	10,421	10,421	243	4,298	5,211	(913)	-18%	10,421
Service charges		19,177	29,992	29,992	2,054	12,642	14,996	(2,354)	-16%	29,992
Other revenue		3,466	–	–	249	2,591	–	2,591	#DIV/0!	–
Transfers and Subsidies - Operational		40,288	43,387	43,387	11,027	30,746	21,693	9,053	42%	43,387
Transfers and Subsidies - Capital		18,225	23,764	23,764	–	8,229	11,882	(3,653)	-31%	23,764
Interest		7,364	10,112	10,112	714	4,176	5,056	(880)	-17%	10,112
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		(6,982)	(90,607)	(90,607)	(6,589)	(36,666)	(37,130)	(465)	1%	(90,607)
Interest		–	(4,589)	(4,589)	–	–	(2,295)	(2,295)	100%	(4,589)
Transfers and Subsidies		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) OPERATING ACTIVITIES		86,512	22,480	22,480	7,697	26,016	19,413	(6,603)	-34%	22,480
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		–	–	–	–	–	–	–		–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
Payments										
Capital assets		(13,077)	(23,764)	(23,764)	–	(3,642)	(11,882)	(8,240)	69%	(23,764)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(13,077)	(23,764)	(23,764)	–	(3,642)	(11,882)	(8,240)	69%	(23,764)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits		–	–	–	(4,478)	(21,321)	–	(21,321)	#DIV/0!	–
Payments										
Repayment of borrowing		–	(1,286)	(1,286)	–	–	(643)	(643)	100%	(1,286)
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	(1,286)	(1,286)	(4,478)	(21,321)	(643)	20,678	-3215%	(1,286)
NET INCREASE/ (DECREASE) IN CASH HELD		73,436	(2,571)	(2,571)	3,219	1,053	6,888			(2,571)
Cash/cash equivalents at beginning:		4,278	6,875	6,875		214	6,875			214
Cash/cash equivalents at month/year end:		77,714	4,304	4,304	3,219	1,267	13,763			(2,357)

APPENDIX B 1: SCORECARD MUNICIPAL MANAGER

2023/2024 (MUNICIPAL MANAGER) ORGANISATIONAL SCORECARD															
National KPA	Strategic Objective	IDP Programme	IDP Reference Number	Key Performance Indicator (KPI)	Baseline as at 30 June 2023	Annual Overall Target Output 2022/23	Annual Target	Annual Overall Target Output 2023/24	Qtr. Ending 30 September 2023- Actual	Qtr. Ending 31 December 2023- Actual	Qtr. Ending 31 March 2024- Actual	Qtr. Ending 30 June 2024- Actual	Challenges	Corrective Action	Portfolio of Evidence
KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Improve the communication and liaison with communities and stakeholders in order to improve service delivery and harmony in the municipality	Public Participation	MM1	Attend quarterly Intergovernmental Forums	4 Meetings	0	4	2	The Technical Intergovernmental forum meeting was attended on the 13 Of September.	IGR Forum meeting was not attended.	Technical Intergovernmental forum was attended on the 20th of March.	IGR meeting was not attended.	None	None	Invitation to Intergovernmental Forums, Agenda and Attendance Register
			MM 2	Convene Quarterly Council meets the people meetings	1 Council meets the people meetings	1	4	1	Target not achieved	Target not met.	Target not met.	Council met with the people during the IDP consultation .	Not achieved due to the unavailability of councillors.	The Whip of Council will be advised to take corrective action against councillors who fail to exercise their duties.	Attendance Register of All Councillors, Programme, List of findings and Plan of action
			MM 3	Report quarterly on the functioning of Ward Committee's	0	2	4	0	Target not achieved.	Target not met.	Target not met.	Target not met.	Clashing of priorities and incomplete senior management composition affected the delivery on this target.	Vacant senior management positions to be filled on an acting capacity.	Quarterly Reports
KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Improve the communication and liaison with communities and stakeholders in order to improve service delivery	Public Participation	MM 4	Ward Councillors community Feedback Meeting	New	N/A	4	0	Target not achieved.	Target not met.	Target not met.	Target not met.	Not achieved due to the unavailability of councillors.	The Whip of Council will be advised to take corrective action against councillors who fail to	Notice, Agenda, Attendance Register

2023/2024 (MUNICIPAL MANAGER) ORGANISATIONAL SCORECARD															
National KPA	Strategic Objective	IDP Programme	IDP Reference Number	Key Performance Indicator (KPI)	Baseline as at 30 June 2023	Annual Overall Target Output 2022/23	Annual Target	Annual Overall Target Output 2023/24	Qtr Ending 30 September 2023- Actual	Qtr Ending 31 December 2023- Actual	Qtr Ending 31 March 2024- Actual	Qtr Ending 30 June 2024- Actual	Challenges	Corrective Action	Portfolio of Evidence
														exercise their duties.	
			3.4.9	Provide an overview Report on the functioning of Council during the current term of council	0	0	1	0	N/A	N/A	N/A	Target not met	Other pressing organization al issues took precedence.	Better planning and prioritisation.	Overview Report
KPA 4: MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	To ensure a municipality that is stable and has organisational discipline through the review of the organisational structure, staff establishment, PMS and recruitment and selection strategy of the municipality	Monitoring and Reporting	MM 5	Support the section 79 Portfolio Committee convenes quarterly meetings	0	0	4	0	Target not met	Target not met.	Target not met	Target not met	Not achieved due to the unavailability of councillors.	The Whip of Council will be advised to take corrective action against councillors who fail to exercise their duties.	Section 79 Reports Submitted
			MM 6	Convene Strategic Session by 25 February 2024	New	0	4	0	N/A	N/A	Target not met	N/A	Not achieved due to financial constraints.	Better planning and budgeting to be implemented in the next financial year for a strategic planning session"	Minutes of meeting Reviewed IDP

2023/2024 (MUNICIPAL MANAGER) ORGANISATIONAL SCORECARD

National KPA	Strategic Objective	IDP Programme	IDP Reference Number	Key Performance Indicator (KPI)	Baseline as at 30 June 2023	Annual Overall Target Output 2022/23	Annual Target	Annual Overall Target Output 2023/24	Qtr Ending 30 September 2023- Actual	Qtr Ending 31 December 2023- Actual	Qtr Ending 31 March 2024- Actual	Qtr Ending 30 June 2024- Actual	Challenges	Corrective Action	Portfolio of Evidence
			MM 7	Report quarterly to Council on the functioning of all Departments	0	0	4	0	Target not achieved.	Target not met	Target not met.	Target not met.	Incomplete senior management composition affected the delivery on this target. No departmental reports were submitted by the senior managers. This hampered the compilation of the report to Council.	Vacant senior management positions to be filled on an acting capacity. Senior managers to be encouraged to compile and submit their departmental reports.	Quarterly Report
KPA 4: MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	To ensure a municipality that is stable and has organisational discipline through the review of the organisational structure, staff establishment, PMS and recruitment and selection strategy of the municipality	Implement the approved Customer Services Systems in Department	MM 8	Municipal Support Intervention Plan (Service Delivery Report)	New	N/A	4	0	Target not met.	Target not met.	Target not met.	Target not met.	Other pressing organizational issues took precedence over MSIP.	Better planning and prioritisation.	Quarterly Reports
		Monitoring and Reporting	MM 9	Establish ITC Steering Committee Meeting	New	N/A	1	0	Target not achieved.	N/A	N/A	N/A	Incomplete senior management composition affected the delivery on this target.	Vacant senior management positions to be filled on an acting capacity.	Names of Committee Members, Minutes

2023/2024 (MUNICIPAL MANAGER) ORGANISATIONAL SCORECARD															
National KPA	Strategic Objective	IDP Programme	IDP Reference Number	Key Performance Indicator (KPI)	Baseline as at 30 June 2023	Annual Overall Target Output 2022/23	Annual Target	Annual Overall Target Output 2023/24	Qtr Ending 30 September 2023- Actual	Qtr Ending 31 December 2023- Actual	Qtr Ending 31 March 2024- Actual	Qtr Ending 30 June 2024- Actual	Challenges	Corrective Action	Portfolio of Evidence
			MM 10	Convene ITC Steering Committee Meeting	New	N/A	4	0	Target not met	Target not met	Target not met	Target not met.	Other pressing organization al issues took precedence over ICT matters	Better planning and prioritisation.	Minutes of the meeting
			MM 11	IDP Steering committee	New	N/A	4	0	Target not met.	Target not met.	Target not met.	Target not met.	Not achieved due to the unavailability of councillors.	The Whip of Council will be advised to take corrective action against councillors who fail to exercise their duties.	Minutes of the meeting
			MM 12	Budget Committee Meeting	New	N/A	4	0	Target not met.	Target not met.	Target not met.	Target not met.	Not achieved due to the unavailability of councillors.	The Whip of Council will be advised to take corrective action against councillors who fail to exercise their duties.	Minutes of the meeting

APPENDIX B 2: SCORECARD TECHNICAL AND INFRASTRUCTURE DEVELOPMENT SERVICES

2023/2024 (DIRECTOR/MANAGER: INFRASTRUCTURE SERVICES) ORGANISATIONAL SCORECARD															
National KPA	Strategic Objective	IDP Programme	IDP Reference Number	Key Performance Indicator (KPI)	Baseline as at 30 June 2023	Annual Overall Target Output 2022/23	Annual Target	Annual Overall Target Output 2023/24	Qtr Ending 30 September 2023- Actual	Qtr Ending 31 December 2023- Actual	Qtr Ending 31 March 2024- Actual	Qtr Ending 30 June 2024- Actual	Challenges	Corrective Action	Portfolio of Evidence
KPA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	To ensure 100% service delivery within the municipality by developing all (100%) sector plans and thereby ensuring that the residents of the municipality are well serviced	To improve water quality and continuity of water services to residents	TS 04	100 Percentage of drinking water samples complying to SANS241	0	78%	0%	100%	100 Percentage of the drinking water samples for quarter 1 comply with SANS241	100 Percentage of the drinking water samples for quarter 2 comply with SANS241	100 Percentage of the drinking water samples for quarter 3 comply with SANS241	100 Percentage of All drinking water samples comply with SANS241	Hopetown January and March drinking water failures because of faulty chlorine dosing regulators	Chlorine regulators will be repaired in March	Test Lab Results
			TS 04	Report quarterly on drinking water as per SANS241 requirements for all water sampling points	0	N/A	4	4	A report and test labs were submitted to the District and MM on the quality of the drinking water.	A report and test labs submitted on the water samples.	A report and test labs submitted on the failures of drinking water samples.	A report and test labs were submitted to the District and MM on the quality of the drinking water.	None	None	Test Lab Results, Report on the Water as per the SANS241
			TS 03	Reduce water losses from 68% to 30%	75%		0.3	59%	Water losses reduced to 56.7%	Water losses reported above 60%.	Water losses above 60%	Water losses could not be reduced to below 60%.	Water network in poor condition due to old asbestos cement pipe network Replacement of water and electrical meters needs to be done as the water losses are above 60%	Replacement of water and electrical meters needs to be done Assistance with funding to replace A/C network was applied for and the Business Plan was approved under WSIG. Funding for sustainable sanitation to areas without sanitation is being addressed through WSIG grant as per the projects report attached. MEC's office was informed about the insufficient bulk infrastructure for water and waste water	Calculation of water losses, Summary of kilo litres purified and amount of kilo litres sold
						Water losses at 74%									
			TS 03	Report quarterly on water losses	0	N/A	4	4	A report was developed on the water losses.	A report on the water losses with challenges was compiled	A report on the water losses with challenges was compiled	A report on the water losses was submitted	Water losses still very high.	None	Calculation of water losses, Summary of kilo liters purified and amount of kilo liters sold

2023/2024 (DIRECTOR/MANAGER: INFRASTRUCTURE SERVICES) ORGANISATIONAL SCORECARD															
National KPA	Strategic Objective	IDP Programme	IDP Reference Number	Key Performance Indicator (KPI)	Baseline as at 30 June 2023	Annual Overall Target Output 2022/23	Annual Target	Annual Overall Target Output 2023/24	Qtr Ending 30 September 2023- Actual	Qtr Ending 31 December 2023- Actual	Qtr Ending 31 March 2024- Actual	Qtr Ending 30 June 2024- Actual	Challenges	Corrective Action	Portfolio of Evidence
										and submitted.	and submitted.				
KPA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	To ensure 100% service delivery planning within the municipality by developing all (100%) sector plans and thereby ensuring that the residents of the municipality are well serviced	To improve sanitation quality and continuity of services to residents	TS 09	Report on the maintenance of Road & Stormwater channels	Nil	1 Quarterly reports	4 Quarterly reports	0 Reports	Target not met due to lack of resources.	No report	No report, no work was done due to bugetory issues.	No report, no work was done due to bugetory issues.	No report, no work was done due to bugetory issues. There is no human resources allocated to the section.	This KPI was delayed due to funding constraints, the municipality will explore additional funding sources to implement maintenance. Furthermore, staff will be allocated to the roads & maintenance department.	Quarterly reports on the maintenance of roads & stormwaters.
			TS 08	Report on DBSA progress on Road and Storm Water master plan	0	2 Report	1	0	N/A	Target not met.	N/A	N/A	No report, no work was done due to bugetory issues.	Municipality will enforce regular reporting by DBSA so that the municipality can compile their report.	Progress report from DBSA on road and storm water master plan
			TS 12	Report on the maintenance of streetlights	0	2 Quarterly reports of streetlights	4	0	Target not met.	Target not met.	Target not met.	Target not met.	Despite appointing qualified electrical officials in Thembelihle with the responsibility to maintain municipal electrical infrastructure, the municipality has not empowered these officials to perform such work in terms of training them for Working-at-height, Medium Voltage and First Aid. TLM remains non-compliant with various statutory	Statutory required training. Tools and Equipment (Cherry picker). Spares. Budget.	Report on the maintenance of streetlights

2023/2024 (DIRECTOR/MANAGER: INFRASTRUCTURE SERVICES) ORGANISATIONAL SCORECARD

National KPA	Strategic Objective	IDP Programme	IDP Reference Number	Key Performance Indicator (KPI)	Baseline as at 30 June 2023	Annual Overall Target Output 2022/23	Annual Target	Annual Overall Target Output 2023/24	Qtr Ending 30 September 2023- Actual	Qtr Ending 31 December 2023- Actual	Qtr Ending 31 March 2024- Actual	Qtr Ending 30 June 2024- Actual	Challenges	Corrective Action	Portfolio of Evidence
													required trainings and refreshers as well as Department of Employment and Labour prohibition notices. In addition, according to a 2023 independant study commissioned by the COGHSTA PMU office concerning TLM electrical infrastructure, 90% of electrical poles in TLM are rotten and cannot be climbed safely with a ladder or climbing shoes (for which training is also required). Despite repeated requisitions to buy or at least hire a Cherrypicker (for which training is also required) as the only means by which these rotten poles can be accessed, nothing was supplied for the last three years. Additionally, the current ESKOM tariff book gives total costs to maintain (not operate) high mast lights. When this cost is calculated for all high mast lights inTLM, the total is allready far above the total budget for		

2023/2024 (DIRECTOR/MANAGER: INFRASTRUCTURE SERVICES) ORGANISATIONAL SCORECARD															
National KPA	Strategic Objective	IDP Programme	IDP Reference Number	Key Performance Indicator (KPI)	Baseline as at 30 June 2023	Annual Overall Target Output 2022/23	Annual Target	Annual Overall Target Output 2023/24	Qtr Ending 30 September 2023- Actual	Qtr Ending 31 December 2023- Actual	Qtr Ending 31 March 2024- Actual	Qtr Ending 30 June 2024- Actual	Challenges	Corrective Action	Portfolio of Evidence
													streetlights which does not include repairs and maintenance of the nearly 400 streetlights or building lighting. These factors prevent any maintenance of streetlights being done for the last several years.		
KPA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	To ensure 100% service delivery planning within the municipality by developing all (100%) sector plans and thereby ensuring that the residents of the municipality are well serviced	To improve electrical infrastructure and related services of the municipality	TS 05	Report quarterly on electricity losses	0	N/A	4	0	Report detailing the electrical losses was submitted.	Target not met.	Target not met.	Target not met.	I have not seen any report stating that there is a 60% electricity loss. In terms of the Debt Relief program of Treasury, TLM cannot reduce electricity losses unless it installs its own bulk check meters to verify ESKOM billing, budgets for projects such as: proper maintenance of electrical Infrastructure (annual servicing of transformers, timeous and preventative trimming trees from overhead lines, etc.) and conduct regular meter audits to identify, fine and curb consumers tampering with metering equipment. In this regard,	Install municipal bulk check meters at ESKOM Points of Supply. Sufficiently budget for electrical Repairs and Maintenance. Continuous clearing of trees in overhead conductors. Correct tariffs (incl SSEG approvals). Promulgate updated TLM Electrical Bylaws. Comply with statutory training requirements. Capacitate electrical section with correct resources (personnel, tools, materials, spares and transport).	Calculation of Electricity losses, summary of billing report

2023/2024 (DIRECTOR/MANAGER: INFRASTRUCTURE SERVICES) ORGANISATIONAL SCORECARD

National KPA	Strategic Objective	IDP Programme	IDP Reference Number	Key Performance Indicator (KPI)	Baseline as at 30 June 2023	Annual Overall Target Output 2022/23	Annual Target	Annual Overall Target Output 2023/24	Qtr Ending 30 September 2023- Actual	Qtr Ending 31 December 2023- Actual	Qtr Ending 31 March 2024- Actual	Qtr Ending 30 June 2024- Actual	Challenges	Corrective Action	Portfolio of Evidence
													Finances and the billing system must play an important role by monitoring consumption patterns and timeously requesting visits by Electrical officials to inspect metering equipment for tampering. Alternatively, metering equipment needs to be upgraded to a fully prepaid system (smart meters preferred, able to be automatically or remotely monitored/controlled from a central point by the Electrical Department). Correct tariffs are critical, especially demand charges for business/commercial consumers and with the exponential growth in SSEG systems for both business/commercial and residential consumers. SSEG systems must be approved by TLM according to Policy and in this regard it is essential that the TLM electrical bylaws must be amended		

2023/2024 (DIRECTOR/MANAGER: INFRASTRUCTURE SERVICES) ORGANISATIONAL SCORECARD

National KPA	Strategic Objective	IDP Programme	IDP Reference Number	Key Performance Indicator (KPI)	Baseline as at 30 June 2023	Annual Overall Target Output 2022/23	Annual Target	Annual Overall Target Output 2023/24	Qtr. Ending 30 September 2023- Actual	Qtr. Ending 31 December 2023- Actual	Qtr. Ending 31 March 2024- Actual	Qtr. Ending 30 June 2024- Actual	Challenges	Corrective Action	Portfolio of Evidence
													and approved urgently. Draft supplied to MTS almost two years ago. Meters must be installed at all municipal installations and read regularly to ensure that electricity consumed is accounted for. The recent TID Rollover project concerning prepaid electricity meters done by Inzalo will go a long way in identifying tampered meters. The political will to fine all consumers with tampered meters and implement appropriate corrective measures (including regular meter audits of credit meters as well) will contribute hugely.		
			TS 05	Reduce electricity losses from 60% to 20% percentage (Number of Kilowatts sold)/(number of Kilowatts) x 100)	68%	0 Quarterly reports on electricity losses	20%	28%	Target not met, electrical losses above 20%	Target not met.	Target not met.	Target not met.	I have not seen any report stating that there is a 60% electricity loss. In terms of the Debt Relief program of Treasury, TLM cannot reduce electricity losses unless it installs its own bulk check meters to verify ESKOM billing,	Install municipal bulk check meters at ESKOM Points of Supply. Sufficiently budget for electrical Repairs and Maintenance. Continuous clearing of trees in overhead conductors. Correct tariffs (jgc\SSEG approvals). Promulgate updated TLM	Calculation of Electricity losses, summary of billing report

2023/2024 (DIRECTOR/MANAGER: INFRASTRUCTURE SERVICES) ORGANISATIONAL SCORECARD

National KPA	Strategic Objective	IDP Programme	IDP Reference Number	Key Performance Indicator (KPI)	Baseline as at 30 June 2023	Annual Overall Target Output 2022/23	Annual Target	Annual Overall Target Output 2023/24	Qtr. Ending 30 September 2023- Actual	Qtr. Ending 31 December 2023- Actual	Qtr. Ending 31 March 2024- Actual	Qtr. Ending 30 June 2024- Actual	Challenges	Corrective Action	Portfolio of Evidence
													budgets for projects such as: proper maintenance of electrical Infrastructure (annual servicing of transformers, timeous and preventative trimming trees from overhead lines, etc.) and conduct regular meter audits to identify, fine and curb consumers tampering with metering equipment. In this regard, Finances and the billing system must play an important role by monitoring consumption patterns and timeously requesting visits by Electrical officials to inspect metering equipment for tampering. Alternatively, metering equipment needs to be upgraded to a fully prepaid system (smart meters preferred, able to be automatically or remotely monitored/controlled from a central point by the Electrical Department). Correct	Electrical Bylaws Comply with statutory training requirements. Capacitate electrical section with correct resources (personnel, tools, materials, spares and transport).	

2023/2024 (DIRECTOR/MANAGER: INFRASTRUCTURE SERVICES) ORGANISATIONAL SCORECARD															
National KPA	Strategic Objective	IDP Programme	IDP Reference Number	Key Performance Indicator (KPI)	Baseline as at 30 June 2023	Annual Overall Target Output 2022/23	Annual Target	Annual Overall Target Output 2023/24	Qtr Ending 30 September 2023- Actual	Qtr Ending 31 December 2023- Actual	Qtr Ending 31 March 2024- Actual	Qtr Ending 30 June 2024- Actual	Challenges	Corrective Action	Portfolio of Evidence
													tariffs are critical, especially demand charges for business/commercial consumers and with the exponential growth in SSEG systems for both business/commercial and residential consumers. SSEG systems must be approved by TLM according to Policy and in this regard it is essential that the TLM electrical bylaws must be amended and approved urgently. Draft supplied to MTS almost two years ago. Meters must be installed at all municipal installations and read regularly to ensure that electricity consumed is accounted for. The recent TID Rollover project concerning prepaid electricity meters done by Inzalo will go a long way in identifying tampered meters. The political will to fine all consumers with tampered meters and implement		

2023/2024 (DIRECTOR/MANAGER: INFRASTRUCTURE SERVICES) ORGANISATIONAL SCORECARD

National KPA	Strategic Objective	IDP Programme	IDP Reference Number	Key Performance Indicator (KPI)	Baseline as at 30 June 2023	Annual Overall Target Output 2022/23	Annual Target	Annual Overall Target Output 2023/24	Qtr Ending 30 September 2023- Actual	Qtr Ending 31 December 2023- Actual	Qtr Ending 31 March 2024- Actual	Qtr Ending 30 June 2024- Actual	Challenges	Corrective Action	Portfolio of Evidence
													appropriate corrective measures (including regular meter audits of credit meters as well) will contribute hugely.		
KPA 1- BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	To ensure 100% service delivery planning within the municipality by developing all (100%) sector plans and thereby ensuring that the residents of the municipality are well serviced	To improve sanitation quality and continuity of services to residents	3.4.5	Report on the Drought Relief Boreholes Project	0	3 Quarterly reports	4	1	Drought Relief Boreholes project reported on the quarterly progress report.	The Drought Relief Boreholes project is reported on the projects progress report on the Service Delivery Report	Progress on the Drought Relief reported as part of the progress report on all capital projects.	No report on the Drought Relief Boreholes Project	The contractor did not come back to site as he claims that he is being owed by the Department for the works he did. The department has been engaged on several times regarding this matter to no success.	Replacing Kraaikuil and Yellow pump boreholes. Completing of snag list	Report on Drought Relief of boreholes
			TS 15	Paving of roads and Stormwater in Wiid roads	2	97% completion of the paving of Wiid Street	1	1	*Paving of 255m is completed	N/A	N/A	N/A	Overspending was caused by the buying of materials from the current financial year. The materials were supposed to have been bought during the previous financial year. The section could not be completed as paving materials got finished.	15m length is to be completed once the municipality secure materials	Report on the paving of Wiid roads, Snag list
			TS 09	Report quarterly on road maintenance	0	N/A	4	3	Road maintenance on reported on the main progress report.	Report submitted on the road maintenance.	Wiid Street project completed in December 2023	Wiid Street project completed in December 2023	None	None	Report on the Road Maintenance
			TS 11	Report quarterly on maintenance of all the storm water channels	0	1 Quarterly reports	4	0	Target not met.	Target not met due to insufficient staff employed.	Target not met.	No report, no work was done due to budgetary issues.	No report, no work was done due to budgetary issues.	This KPI was delayed due to funding constraints, the municipality will explore additional funding sources to	Report on maintenance of all the storm water channels

2023/2024 (DIRECTOR/MANAGER: INFRASTRUCTURE SERVICES) ORGANISATIONAL SCORECARD

National KPA	Strategic Objective	IDP Programme	IDP Reference Number	Key Performance Indicator (KPI)	Baseline as at 30 June 2023	Annual Overall Target Output 2022/23	Annual Target	Annual Overall Target Output 2023/24	Qtr Ending 30 September 2023- Actual	Qtr Ending 31 December 2023- Actual	Qtr Ending 31 March 2024- Actual	Qtr Ending 30 June 2024- Actual	Challenges	Corrective Action	Portfolio of Evidence
														implement maintenance. Furthermore, staff will be allocated to the roads & maintenance department	
KPA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	To provide spatial framework for future developmental purposes.	To provide spatial framework for future developmental purposes.	TS 01	Develop an Infrastructure plan by 30 June 2024	1	1	1	1	N/A	N/A	N/A	WSIG infrastructure was developed.	N/A	N/A	Developed Plan and Council Resolution of approval
			TS 17	Develop a SPLUMA By-law	0	0	1	0	N/A	N/A	N/A	SPLUMA by laws developed.			Developed SPLUMA By-laws and council resolution
			3.4.9	Quarterly process building plans on a register and	0	N/A	4	4	Building plans register developed and submitted.	Housing Business Plans processed on a register.	Housing Business Plans processed on a register and reported on.	Housing Business Plans were submitted	None	None	Building plan register
KPA 4: MUNICIPAL TRANSFORMATION & INSTITUTIONAL	To ensure a municipality that is stable and has organisational discipline	Develop an operation and maintenance plan for the department	TS 02	Develop and submit an Operational and Maintenance plan to Council by 30 March 2024 for approval	0	0	1	0	N/A	N/A	Operational and Maintenance plan was developed but could not be submitted to Council.	N/A	Only special council meetings were held during the quarter.	The Operational and Maintenance report will be part of the agenda in the next council meeting.	Developed Plan and resolution of Council

2023/2024 (DIRECTOR/MANAGER: INFRASTRUCTURE SERVICES) ORGANISATIONAL SCORECARD

National KPA	Strategic Objective	IDP Programme	IDP Reference Number	Key Performance Indicator (KPI)	Baseline as at 30 June 2023	Annual Overall Target Output 2022/23	Annual Target	Annual Overall Target Output 2023/24	Qtr Ending 30 September 2023- Actual	Qtr Ending 31 December 2023- Actual	Qtr Ending 31 March 2024- Actual	Qtr Ending 30 June 2024- Actual	Challenges	Corrective Action	Portfolio of Evidence
			TS 13	Report on the Electrification Turnkey Project- Hillside Settlement	0	N/A	4	0	No progress made on the Electrification Turnkey Project Hillside phase 1	No progress made on the Electrification Turnkey Project Hillside phase 1	No progress made on the Electrification Turnkey Project Hillside phase 1	No progress made on the Electrification Turnkey Project Hillside phase 1	*99 Connections not attended to by the contractor, part of forensic investigation. *Replanted poles are in the way of contractor of Goutrou, 1512 for trenching for civil services *Contractor was paid in advance but could not complete the scope of work he was supposed to achieve	An Application for Electrification funding for Hillside will be submitted to assist with completing the works.	Report on the progress of the Electrification Turnkey Project
			TS 14	Report on the progress of phase 2 of the Outfall Sewer	0	N/A	3	0	No report submitted.	Target not met, no work done, therefore no report was submitted.	N/A	Target not met, no work done, therefore no report was submitted.	*Contractor could not fulfil his duties and termination was made *Legal action had to be taken against the contractor *Budget maintenance for the project was not approved by COGHSTA.	Outstanding works to be put on tender, Project will be completed with municipality's own funds	Report on progress
			TS 16	Report on the upgrading of the Wastewater Treatment Works	0	N/A	4	2	3 Reports from July 2023 -Sept 2023 submitted on the progress of the Wastewater Treatment. A Tender was advertised by the municipality to appointment a service provider in Q1.	Report on the WWTW about the appointment & Site establishment was fully completed in December 2023.	N/A	Report submitted from the contractor on the work performed and completion.	The BEC sat and recommended a contractor to the BAC. No appointment has been made	Appointment to be made in the next quarter.	Service provider appointment.3 Progress reports

2023/2024 (DIRECTOR/MANAGER: INFRASTRUCTURE SERVICES) ORGANISATIONAL SCORECARD															
National KPA	Strategic Objective	IDP Programme	IDP Reference Number	Key Performance Indicator (KPI)	Baseline as at 30 June 2023	Annual Overall Target Output 2022/23	Annual Target	Annual Overall Target Output 2023/24	Qtr Ending 30 September 2023- Actual	Qtr Ending 31 December 2023- Actual	Qtr Ending 31 March 2024- Actual	Qtr Ending 30 June 2024- Actual	Challenges	Corrective Action	Portfolio of Evidence
			TS 17	Report on the upgrading of the Wastewater Treatment Works- Phase 2	0	3 Quarterly reports on WWTW	3	0	N/A	Report submitted on the Wastewater Treatment Works in November 2023.	Report submitted on WWTW phase 2	Progress report on the WWTW phase 2 was submitted.			4 Progress reports, completion certificate and snag list
			TS 14	Monitor the completion of 50 Household connections in the Hillside Settlement	0	N/A	50 Households	0 Households	N/A	N/A	N/A	The completion on the 50 households connections could not be completed due to the Electrification Project phase 1 not yet completed.	Electrification of Hillside phase 1 not progressing.	Application for Electrification funding for Hillside was done, progress to continue in the new financial year.	Connections for the 50 Households in Hillside
KPA 4: MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	To ensure a municipality that is stable and has organisational discipline through the review of the organisational structure, staff establishment, PMS and recruitment and selection	Monitoring and Reporting	3.4.9	Conduct monthly visits to the Satellite office	0	4 Site visits	12	0	Conducted site visits to Strydenburg .	Conducted monthly site visits to Strydenburg .	Site visits conducted for the quarter.	Site visits to Strydenburg were conducted.			Attendance Registers and or Weekly planner
			3.4.7	State of the Department Report	0	2 Quarterly reports	4	4	Departmental report relating to the quarter have been submitted.	Report submitted on the state of the Department.	Departmental was submitted for the quarter.	Departmental report submitted for the quarter.	Challenges included in the report.	None	Quarterly Reports submitted to the Municipal Manager and signed
		Improvement of discipline	TS 013	Review the validity of existing Bylaws by 30 June 2024	0	By-laws reviewed	1	0	N/A	N/A	N/A	Bylaws reviewed.	N/A	N/A	By-laws reviewed
			3.4.9	Report on all JOB Creation Activities	0	<u>3 reports</u> on the EPWP programmes	4	4	Job creation reported on the progress report submitted.	Submitted a report on the jobs created through the	Jobs created through the capital projects. Beneficiary	Jobs created through the capital projects. Beneficiary	None	None	Report on Job Creation

2023/2024 (DIRECTOR/MANAGER: INFRASTRUCTURE SERVICES) ORGANISATIONAL SCORECARD															
National KPA	Strategic Objective	IDP Programme	IDP Reference Number	Key Performance Indicator (KPI)	Baseline as at 30 June 2023	Annual Overall Target Output 2022/23	Annual Target	Annual Overall Target Output 2023/24	Qtr Ending 30 September 2023- Actual	Qtr Ending 31 December 2023- Actual	Qtr Ending 31 March 2024- Actual	Qtr Ending 30 June 2024- Actual	Challenges	Corrective Action	Portfolio of Evidence
										capital projects.	lists report compiled and submitted.	lists report developed.			

APPENDIX B 3: SCORECARD CORPORATE SERVICES DEPARTMENT

2023/2024 (DIRECTOR/MANAGER: CORPORATE SERVICES) ORGANISATIONAL SCORECARD															
National KPA	Strategic Objective	IDP Programme	IDP Reference	Key Performance Indicator (KPI)	Baseline as at 30 June 2023	Annual Overall Target Output 2022/23	Annual Target	Annual Overall Target Output 2023/24	Qtr Ending 30 September 2023- Actual	Qtr Ending 31 December 2023- Actual	Qtr Ending 31 March 2024- Actual	Qtr Ending 30 June 2024- Actual	Challenges	Corrective Action	Portfolio of Evidence
KPA 4: MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	To ensure a municipality that is stable and has organisational discipline through the review of the organisational structure, staff establishment, PMS and recruitment and selection strategy of the municipality	Improvement of Consequence Management in the Municipality	437	Contract Management Report	2	N/A	4	0			Target not met	Target not met	No report submitted		Quarterly Report
			CS007	Compile the SDBIP for the 2023/2024 financial year and present to council	1 SDBIP for the 2022/2023	0 SDBIP Approved by the Mayor	1	1			SDBIP for 2023/24 compiled and submitted.	N/A	None	None	Council Resolution and complete SDBIP
			MC52	Develop and facilitate the signing of Performance Agreements/Plans for Municipal Manager and all Section 57 Managers 2023/2024	4 signed of Performance Agreements/Plans for Municipal Manager and all Section 57 Managers 2022/2023	3 Signed Senior Performance Agreements	4				N/A	N/A	N/A	N/A	Signed Performance Agreements
			MC53	Develop the Employment Equity Plan	0	0 Employment Equity Plan	1	0			N/A	Target not met	The Employment Equity plan was not developed.	N/A	Developed Employment Equity Plan
			CS06	Report on Legal & Labour Related Cases	2 Reports	2 Labour case reports	2	1			N/A	A report with all labour related cases was submitted to the Municipal Manager.	None	None	Updated report on Labour Related Cases

2023/2024 (DIRECTOR/MANAGER: CORPORATE SERVICES) ORGANISATIONAL SCORECARD

National KPA	Strategic Objective	IDP Programme	IDP Reference	Key Performance Indicator (KPI)	Baseline as at 30 June 2023	Annual Overall Target Output 2022/23	Annual Target	Annual Overall Target Output 2023/24	Qtr Ending 30 September 2023- Actual	Qtr Ending 31 December 2023- Actual	Qtr Ending 31 March 2024- Actual	Qtr Ending 30 June 2024- Actual	Challenges	Corrective Action	Portfolio of Evidence
KPA 2: LOCAL ECONOMIC DEVELOPMENT	Contribution to the creation of communities where residents and visitors can work, live and play without threat to themselves or their properties	Management of commonage, parks, gardens and open spaces	3 . 4 . . 8	Report quarterly on compliance with the Commonage Lease agreement	4 reports Commonage Lease agreement	3 Reports on Commonage Lease agreement	3	0			Target not achieved.	Commonage lease report submitted.	None	None	Report of Commonage
KPA 4: MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	To ensure a municipality that is stable and has organisational discipline through the review of the organisational structure, staff establishment, PMS and recruitment and selection strategy of the municipality	Employee Wellness	C S 0 0 5 5	Convene 4 x Local Labour Forum meetings	4 Local Labour Forum meetings convened	1 Local Labour Forum meetings	4	5			3 Meetings were held for the quarter	2 LLF meetings held on the 1 April & 30 April 2024	None	None	Invitation, Agenda and Attendance Register
		Monitoring and Reporting	3 . 4 . 9	Annually Review the Organogram and submit to council	0	0 Reviewed Organogram	1	0			Target not achieved	N/A	Council did not review the organogram.	N/A	1 Reviewed Organogram and council resolution
			3 . 4 . 9	State of the Department Report	0	1 Departmental report	4	0			Target not achieved	Target not met	No report was submitted.		Signed departmental report by the Municipal Manager.

2023/2024 (DIRECTOR/MANAGER: CORPORATE SERVICES) ORGANISATIONAL SCORECARD

National KPA	Strategic Objective	IDP Programme	IDP Reference	Key Performance Indicator (KPI)	Baseline as at 30 June 2023	Annual Overall Target Output 2022/23	Annual Target	Annual Overall Target Output 2023/24	Qtr Ending 30 September 2023- Actual	Qtr Ending 31 December 2023- Actual	Qtr Ending 31 March 2024- Actual	Qtr Ending 30 June 2024- Actual	Challenges	Corrective Action	Portfolio of Evidence
			1 2 s a t e l l i t e v i s i t s	Conduct monthly visits to the Satellite office	12 satellite visits		12	1			Only one site visit was conducted.	Target not achieved	Other operational priorities took precedence over site visits.	Better planning for site visits .	Attendance Registers or Weekly planner
			3 4 . 3	Provide monthly reports on law enforcement activities	0	6 monthly recons	12	6			3 Reports for Jan, Feb & Mar submitted on the traffic activities.	Reports for Apr, May & June submitted on the traffic activities.	None	None	Monthly Reports per Traffic Officer
			3 4 . 9	Final review and approval of Organogram by 30 June 2024	0	0 Council approved Organogram	1	1			N/A	The municipal's organogram was submitted for final review & approval.	None	None	Final Organogram and council resolution

KPA 3: MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	To ensure that the municipality is self-sustainable and accountable financially by attaining a clean audit.	Skills Development and Training	3 4 6	Submit Annual Training Report to the Municipal Manager	1	1 Annual Training Report	1	N/A		N/A	The Annual Training Report forms part of the Workskills Plan that was	None	None	1 Annual Training Report
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2023/2024 (DIRECTOR/MANAGER: CORPORATE SERVICES) ORGANISATIONAL SCORECARD															
National KPA	Strategic Objective	IDP Programme	IDP Reference	Key Performance Indicator (KPI)	Baseline as at 30 June 2023	Annual Overall Target Output 2022/23	Annual Target	Annual Overall Target Output 2023/24	Qtr Ending 30 September 2023- Actual	Qtr Ending 31 December 2023- Actual	Qtr Ending 31 March 2024- Actual	Qtr Ending 30 June 2024- Actual	Challenges	Corrective Action	Portfolio of Evidence
												submitted to the MM.			
			C04	Submission of the Workplace Skill Pan (WSP) Report by 30 April	1 Workplac e Skill Pan (WSP)	1 Workplac e Skills plan 22/23	1	1			N/A	Workplace Skills Plan submitted for 2024-25	None	None	Workplace Skill Plan Report 23/24
KPA 4: MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	To ensure a municipality that is stable and has organisational discipline through the review of the organisational structure, staff establishment, PMS and recruitment and selection strategy of the municipality	Monitoring and Reporting	MC01	Compilation and submission of annual report 22/23 to council by 31 January 2024	0	0 Annual Report 21/22	1	0			No annual report was compiled.	N/A	No annual report was compiled.	N/A	Annual Report and Council Resolution
			CS01	Develop a credible Integrated Development Plan and submit to council by 31 March 2024	0	IDP 2022/23	1	1			An IDP draft was developed and submitted to Council for adoption.	N/A	None	None	Council Resolution and drafted IDP
			CS04	Convene 4 x Training committee meetings	0	1 training meetings	1	0			Target not achieved	Target not met	No training committee meeting convened.		Training Agenda and Attendance Register
			CS02	Convene 3 x IDP Representative forum meetings per annum	2 IDP Represent ative forum meetings held	6 forum meetings	3	6			There was only one IDP Representat ion Forum that was held.	IDP consultations were held in all six wards.	Competing priorities prevented the meetings from occurring during the quarter.	Meetings to be schedule in the next quarter	Number of IDP Representati ve meetings held

2023/2024 (DIRECTOR/MANAGER: CORPORATE SERVICES) ORGANISATIONAL SCORECARD

National KPA	Strategic Objective	IDP Programme	IDP Reference	Key Performance Indicator (KPI)	Baseline as at 30 June 2023	Annual Overall Target Output 2022/23	Annual Target	Annual Overall Target Output 2023/24	Qtr Ending 30 September 2023- Actual	Qtr Ending 31 December 2023- Actual	Qtr Ending 31 March 2024- Actual	Qtr Ending 30 June 2024- Actual	Challenges	Corrective Action	Portfolio of Evidence
			MCS4	Compilation and submission of Annual Performance Report 22/23 to council by 31 August 2023	APR 21/22	APR 21/22	1	0			N/A	N/A	N/A	N/A	Annual Performance Report
KPA 2: LOCAL ECONOMIC DEVELOPMENT	Contribution to the creation of communities where residents and visitors can work, live and play without threat to themselves or their properties	Sport & Recreation	342	Develop a Library Business Plan	Library Business Plan	1 Library business plan 22/23	1	1			Library Business Plan was developed.	N/A	None	None	Developed Library Business plan 23/24
KPA 4: MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	To ensure a municipality that is stable and has organisational discipline through the review of the organisational structure, staff establishment, PMS and recruitment and selection strategy of the municipality	Implement the approved Customer Services Systems in Department: Administration	C6012	Customer Care Register	Customer Care Register	0 Customer care register 21/22	4	0			No register submitted.	Target not met	No register submitted.		Maintained customer care register
KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Improve the communication and liaison with communities and stakeholders in order to improve service delivery and harmony in the municipality	Public Participation	C6014	Report quarterly to Municipal Manager on the implementation of council resolutions	Council resolutions	0 reports submitted to council	3	0			No report developed on the implementation of Council resolution.	Target not met	Council only sat for special meeting, no general council meeting.		Quarterly Report

APPENDIX B 4: SCORECARD FINANCE SERVICES DEPARTMENT

2023/2024 (CHIEF FINANCIAL OFFICER) ORGANISATIONAL SCORECARD															
National KPA	Strategic Objective	IDP Programme	IDP Reference Number	Key Performance Indicator (KPI)	Baseline as at 30 June 2023	Annual Overall Target Output 2022/23	Annual Target	Annual Overall Target Output 2023/24	Qtr Ending 30 September 2023- Actual	Qtr Ending 31 December 2023- Actual	Qtr Ending 31 March 2024- Actual	Qtr Ending 30 June 2024- Actual	Challenges	Corrective Action	Portfolio of Evidence
KPA 3: MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	To ensure that the municipality is self-sustainable and accountable financially by attaining a clean audit.	Budget and Financial Reporting	CFO 1	Data String Submission to NT Portal	4	4	4	2			Data strings submitted on the NT portal for the quarter.	Data strings submitted on the NT portal for the quarter.	None	None	NT submission status report
			CFO 2	Timeously submission of Mid-year report to Council. National & Provincial Treasury, Mayor as per MFMA requirement	1	1 Approved Mid-year report	1	1			The <u>Mid-year</u> report was submitted in timely manner to Council, Mayor & Treasury.	N/A	N/A	N/A	Mid-Year report and Council Resolution Approving the Mid-Year Performance Report
			CFO 3	Report on progress made in implementing the audit action plan	0	2 Reports	2	1			N/A	The implementation of the audit action plan currently reported by the Finance Department.	The Finance Department compiled the audit action plan and undertook measures to address the identified findings. However, the Corporate and Technical Services Department did not take action to resolve their findings or submit their progress reports.	The AAP will be part of the performance targets of the senior managers.	Progress Report

2023/2024 (CHIEF FINANCIAL OFFICER) ORGANISATIONAL SCORECARD

National KPA	Strategic Objective	IDP Programme	IDP Reference Number	Key Performance Indicator (KPI)	Baseline as at 30 June 2023	Annual Overall Target Output 2022/23	Annual Target	Annual Overall Target Output 2023/24	Qtr. Ending 30 September 2023- Actual	Qtr. Ending 31 December 2023- Actual	Qtr. Ending 31 March 2024- Actual	Qtr. Ending 30 June 2024- Actual	Challenges	Corrective Action	Portfolio of Evidence
KPA 3: MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	To ensure that the municipality is self-sustainable and accountable financially by attaining a clean audit.	Budget and Financial Reporting	CFO 08	Provide a register of all indigent households with access to free basic services	0	4	4	2			1 Register Report submitted on all indigent households.	A Register report with all indigent households was compiled and submitted.	None	None	Indigent register
			3.4.7	Report Quarterly on Spending of Conditional Grants	0	4 Quarterly Grants reports	4	2			The following grant reports were submitted for the quarter: FMG, MIG & WSIG	Submission made on the spending of the following grants: FMG, MIG & WSIG	None	None	Report on spending of conditional grants
			3.4.7	Draft the Annual Budget and review the Financial Policies by 31 March 2024	0	1 Draft Budget	1	1			The Draft Annual budget & policies report were submitted on the 28th of March 2024	N/A	N/A	N/A	1 Draft Budget to Council and Financial Policies
	To ensure that the municipality is self-sustainable and accountable financially by attaining a clean audit.	Budget and Financial Reporting	CFO 4	Timeously approval of Annual Budget per MFMA requirement.	1	1	1	1			N/A	The Final Budget was approved as per the MFMA requirements.	None	None	Final Annual budget and Council Resolution by end of May 2024
			CFO 5	Prepare and submit an Adjustment Budget to Council by 28 February 2024	1	1	1	1			The Adjustment budget was submitted to Council on the 28th of February 2024.	N/A	N/A	N/A	Adjustment Budget and Council Resolution
			CFO 6	Submit an application for approval of electricity tariffs to NERSA	0	1	1	1			N/A	The NERSA tariffs application was submitted for approval	None	None	Application submitted to NERSA and Approval letter

2023/2024 (CHIEF FINANCIAL OFFICER) ORGANISATIONAL SCORECARD

National KPA	Strategic Objective	IDP Programme	IDP Reference Number	Key Performance Indicator (KPI)	Baseline as at 30 June 2023	Annual Overall Target Output 2022/23	Annual Target	Annual Overall Target Output 2023/24	Qtr Ending 30 September 2023- Actual	Qtr Ending 31 December 2023- Actual	Qtr Ending 31 March 2024- Actual	Qtr Ending 30 June 2024- Actual	Challenges	Corrective Action	Portfolio of Evidence
			4.3.8	Draft Audit Action plan and submit for approval	1	1 Audit action plan	1	1			The draft audit action plan was compiled and submitted for approval.	N/A	N/A	N/A	1 Audit Action Plan
			CFO 8	Invite all I indigent households to apply for support and submit report to council twice a year on applications received	0	1	2	1			N/A	The community was encouraged to apply for indigent applications in all council meets the people meetings	The community was encouraged to apply for indigent applications in all council meets the people meetings. However, minutes of these meetings were not taken.	Minutes of all council meets the people to be kept. Report to be furnished to council bi-annually.	Indigent register submitted to council

2023/2024 (CHIEF FINANCIAL OFFICER) ORGANISATIONAL SCORECARD

National KPA	Strategic Objective	IDP Programme	IDP Reference Number	Key Performance Indicator (KPI)	Baseline as at 30 June 2023	Annual Overall Target Output 2022/23	Annual Target	Annual Overall Target Output 2023/24	Qtr Ending 30 September 2023- Actual	Qtr Ending 31 December 2023- Actual	Qtr Ending 31 March 2024- Actual	Qtr Ending 30 June 2024- Actual	Challenges	Corrective Action	Portfolio of Evidence
KPA 4: MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	To ensure a municipality that is stable and has organisational discipline through the review of the organisational structure, staff establishment, PMS and recruitment and selection strategy of the municipality	Budget Control & monitoring	3.4.9	Develop the schedule of key deadlines as per the MFMA and submit to council	1	1 schedule of key deadlines as per the MFMA	1	1			N/A	Key deadline schedule developed as per the MFMA	None	None	Schedule of Key Deadlines
KPA 3: MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	To ensure that the municipality is self-sustainable and accountable financially by attaining a clean audit.	Budget and Financial Reporting	CFO 9	Compilation and submission of Legislatively Compliant Annual Financial Statement	1	1	1	0			N/A	N/A	N/A	N/A	Proof of submission of AFS to the Auditor General and Compiled AFS
			CFO 9	Submission of Preliminary Annual Financial Statements to the Audit Committee	1	1	1	0			N/A	N/A	N/A	N/A	Draft AFS submitted to the Audit Committee

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			CFO 10	Submit Annual Financial Statement to Council for Adoption	1	1	1	0			N/A	N/A	N/A	N/A	Council Resolution Adopting the AFS
			3.4.4	Provide a monthly reconciliation on all Agency Fees Received	12	12	12	6			Monthly reconciliations were compiled on the agency fees.	Quarter 4 monthly reconciliations were compiled.	It has proven challenging to obtain the monthly statement of account from the Department of Transport, Safety, and Liaison	Municipality to engage the Department of transport, safety and liaison for a monthly statement of account.	Monthly Reconciliations
			CFO 13	Budget Funding Plan	New	N/A	4	0			No budget funding plan was developed	No budget funding plan compiled.	No budget funding plan was developed, but rather a revenue enhancement strategy was developed.	Budget funding plan to be developed during the 2024/25 adjustment budget process.	Quarterly Reports
			EXP 01	Submit Monthly Recons for Salaries and Wages	New	N/A	12	6			PC02 report submitted on the salaries & wages reconciliation.	Monthly Salaries & Wages PC02 recon submitted.	None	None	Salaries & Wages Reconciliations

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KPA 4: MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	To ensure a municipality that is stable and has organisational discipline through the review of the organisational structure, staff establishment, PMS and recruitment and selection strategy of the municipality	Budget Control & monitoring	SCM 02	Reduce 20% of Irregular Expenditure Per Year	New	N/A	20%	0%			Irregular expenditure could not be reduced by 5%.	Irregular expenditure could not be reduced by 5%	The Municipal Public Accounts Committee was consistently unavailable to convene a meeting.	The Whip of Council will be advised to take corrective action against councillors who fail to exercise their duties.	Report on the reduction of irregular expenditure
			CFO 11	Reconciliations on the cost of Distribution losses (Water & Electricity)	4	4	4	2			1 Distribution losses report submitted	Reconciliation report compiled for the distribution losses for Water & Electricity.	Water losses are still very high, more measures need to be put in place.	None	Reconciliation on distribution losses <u>Water & Electricity</u>
			CFO 07	Achieve a collection rate of 70% per	0	39%	70% collection rate	33%			The municipality received a 33% collection during Q3.	Collection rate below 70%	Eskom is still supplying electricity in major areas within the municipality.	Municipality to engage Eskom regarding the possibility of implementing credit control on behalf of the municipality in Eskom supplied areas.	Calculation report on the collection rate
			CFO 07	Report quarterly on the collection rate	6	4	4	2			The collection rate report was submitted for the quarter.	The collection rate report was submitted for the quarter.	None	None	Report on a 70 % collection rate

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			CFO 12	Report on Revenue Enhancement	0	1	2	0			N/A	No report was developed for submission.	The strategy was developed however there was no report on progress.	Report on the strategy will be incorporated as part of the quarterly finance report.	Report on revenue enhancement
KPA 4: MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	To ensure a municipality that is stable and has organisational discipline through the review of the organisational structure, staff establishment, PMS and recruitment and selection strategy of the municipality	Improvement of discipline among staff	SCM 01	SCM Reports Submitted to Council	New	N/A	4	0			Reports could not be submitted to Council.	SCM reports were compiled but could not be presented to Council.	Reports were compiled, however, there was no general council meeting convened. Only special council meetings were convened with specific items approved by the office of the Speaker for deliberation in those special meetings.	Council portfolio committees must sit quarterly. Their report must then be submitted to the general council meeting. The Whip of Council will be advised to take corrective action against councillors who fail to exercise their duties.	Submit Signed Reports & Council Resolution

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			SCM 02	Submit Deviations Reports to Council	New	N/A	4	0			Reports couldn't be submitted to Council.	Deviation report was compiled but could not be presented to Council.	Reports were compiled, however, there was no general council meeting convened. Only special council meetings were convened with specific items approved by the office of the Speaker for deliberation in those special meetings.	Council portfolio committees must sit quarterly. Their report must then be submitted to the general council meeting. The Whip of Council will be advised to take corrective action against councillors who fail to exercise their duties.	Submit Signed Deviation Reports & Council Resolution
			SCM 03	Reduce 20% of Irregular Expenditure Per Year	New	N/A	20%	0%			Irregular expenditure could not be reduced by 5%.	Irregular expenditure could not be reduced by 5%	The Municipal Public Accounts Committee was consistently unavailable to convene a meeting.	The Whip of Council will be advised to take corrective action against councillors who fail to exercise their duties.	Signed Quarterly Report
		Monitoring and Reporting	3.4.7	State of the Department Report	0	1	3	0			No Departmental report submitted.	No departmental report submitted	Internal delays in preparing, reviewing, & finalizing the report was the cause to miss the submission deadline. Challenges in gathering &	Implement control measures to ensure that the financial system is closed in a timely manner to facilitate	Report to the Municipal Manager

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													verifying the necessary data have delayed the report's preparation as well.	the extraction of reports.	
			3.4.9	Conduct monthly visits to the Satellite office	0	3	12	0			There was no satellite site visit conducted.	No site visits were conducted for the quarter.	Other operational priorities took precedence over site visits. Competing priorities conflicts prevented the visits from being arranged.	Better planning of schedules and activities.	Attendance Register and or Weekly planner