

# MOHOKARE LOCAL MUNICIPALITY ANNUAL REPORT 2023/2024

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# VOLUME I

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## CHAPTER 1 MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

### COMPONENT A: MAYOR'S FOREWORD



**Vision:** To be a community-driven municipality that ensures sustainable quality service delivery applying principles of good governance.

**Mission:** A performance-driven municipality that utilises its resources to respond to community needs.

**Slogan:** Re aha Motse

On behalf of the Council of Mohokare Local Municipality, I hereby present this Annual Report for the financial year 2023/2024. The report will fundamentally provide our stakeholders and communities with an insight in the performance and achievements, including the challenges of the area. The mandate of Mohokare Local Municipality is given by the Constitution of South Africa, Chapter 7 as the local sphere of Government. Our Specific mandate is extracted from the stakeholders' consultations, and broader community meetings we embarked upon during the IDP sessions and regular quarterly Imbizos.

The Annual Report for the 2023/2024 financial year provides an opportunity to report on the progress made thus far, the Council of Mohokare is continuously working towards the attainment of the strategic vision of being the best municipality, that provides quality services towards the communities. The municipality was able to develop, and adopt its Integrated Development Plan according to the required legislative framework, the municipal budget was prepared accordingly and adopted within the specified timeframes.

Over the year, the institution faced a number of obstacles which included:

- Ensure stability in the institution during this transition phase and to also guarantee that service delivery is not thwarted in any way possible;
- Balancing of the budget, with a slowdown in revenue collection;
- Aging infrastructure and lack of yellow fleet;
- Prolonged labour unrests; and
- Non-payment of 3rd parties of our employees.

It is anticipated that in the forthcoming financial year, the following robust measures amongst other will be discharged accordingly:

- Implementing a sound financial management under current shrinking revenue collection;
- Delivering Municipal services to the best of its abilities;
- Enhancing political and administrative stability;

- Improve revenue collection to sustain municipal service delivery targets.

Mohokare Local Municipality is committed to tangible and visible deliverables to better the lives of residents, providing dignified service delivery and sustainable economic growth with its communities at the center of development.

I am thankful to Council, Management and employees at large for the commitment, passion and hard work during the year under review amidst strenuous barriers the institution is faced with.

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**T.D. MOCHECHEPA**

**MAYOR**

## COMPONENT A MUNICIPAL MANAGER'S OVERVIEW



It is my honour to present the Annual Report for the Mohokare Local Municipality for the financial year ending 30 June 2024, in accordance with the requirements of the Local Government: Municipal Finance Management Act (MFMA), No. 56 of 2003, and the Municipal Systems Act, No. 32 of 2000.

This report provides a comprehensive account of the municipality's performance against the targets and objectives set out in the Integrated Development Plan (IDP), the Service Delivery and Budget Implementation Plan (SDBIP), and the approved annual budget. It reflects the municipality's ongoing commitment to transparency, accountability, and good governance.

### 1. Institutional Performance Overview

Despite a challenging economic and service delivery environment, the municipality made notable progress in delivering on its mandate. Key achievements during the reporting period include:

- Successful implementation of several capital projects in line with the IDP priorities, particularly in the areas of infrastructure development, basic service delivery, and community development.
- Improved financial controls and revenue collection efforts, which contributed to a more stable financial position.
- Strengthened institutional capacity through targeted skills development initiatives and compliance with audit and legislative requirements.

### 2. Service Delivery and Key Achievements

- Increased access to basic services such as water, sanitation, electricity, and waste management.
- Rehabilitation and maintenance of critical infrastructure, including roads and storm-water systems.
- Expanded community outreach and stakeholder engagement through ward committees and public participation processes.

### 3. Financial Management

The municipality continued to work towards sound financial governance. While areas for improvement remain, the financial statements for the period reflect a concerted effort towards achieving clean and accountable administration. Compliance with the MFMA and National Treasury guidelines remains a priority.

#### **4. Governance and Oversight**

Council and its oversight structures, including the Municipal Public Accounts Committee (MPAC) and Audit Committee, continued to play an active role in ensuring accountability and effective performance monitoring. The support and cooperation of all political and administrative stakeholders have been critical in achieving this progress.

#### **5. Challenges and Areas for Improvement**

The municipality continues to face challenges such as:

- Aging infrastructure and limited capital funding;
- High levels of unemployment and poverty within communities;
- Persistent revenue collection constraints;
- Capacity constraints in critical departments.

Plans are in place to mitigate these challenges through strategic partnerships, improved planning, and a focus on clean administration.

#### **6. Appreciation**

I wish to extend my sincere appreciation to the Mayor, the Speaker, the Council, and all officials for their leadership, oversight, and commitment to service delivery. Special thanks also go to the communities we serve for their continued patience, support, and participation. This report is a testament to our collective efforts to build a capable, responsive, and developmental local government.

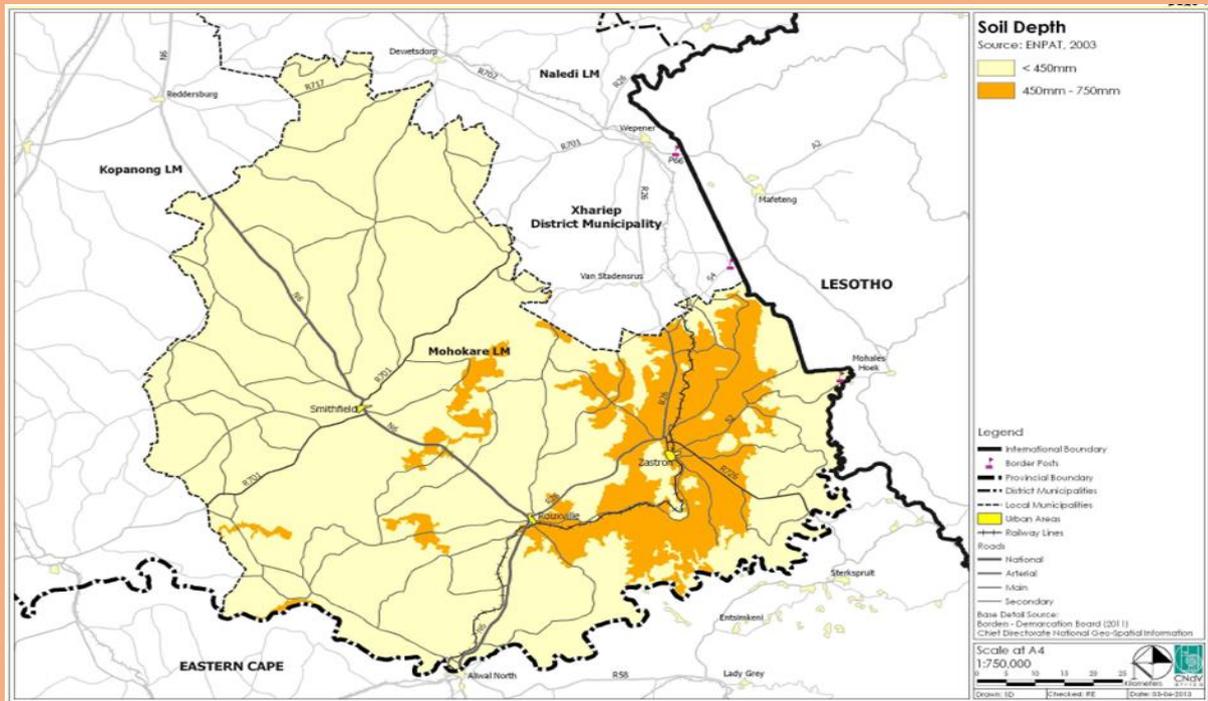
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**M.S. MOHALE**

**ACTING MUNICIPAL MANAGER**

## MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

Mohokare Local Municipality is situated in the Xhariep District (Free State Province), measures 8 748,53 km and comprises of three main towns i.e. Zastron, Rouxville and Smithfield and surrounding farm areas.



Mohokare's population growth rate according to Statistics South Africa, is 0,8%, this is indicative of the fact that during the Census survey conducted in 2011, the total estimated population was + 34 146, which has now increased to +36 968 according to Census 2022

### KEY STATISTICS IN SUMMARY FOR MOHOKARE LOCAL MUNICIPALITY ARE AS FOLLOWS:

**Table 1: Distribution of population group in Mohokare Local Municipality**

	Census 2011	Census 2022
Population group	Total	Total
Black African	31018	33169
Coloured	769	716
Indian/Asian	93	98
White	2205	2948
Other	61	27
<b>Overall Total</b>	<b>34146</b>	<b>36958</b>

Data source: Statistics South Africa, Census 2011 and Census 2022

## **DEMOGRAPHIC PROFILE**

- The population of the Mohokare Municipality is increasing by 4.96%. This could indicate that the municipality is not a desirable location for migrants due to a lack of employment opportunities and resultant poor social facilities (health care and education).
- Dedicated action is required to increase employment opportunities and the provision of social facilities.
- Upgrading of informal areas should be a priority as these areas are receiving the bulk of the population growth.
- The majority of the population is between 15 and 65 years of age, a relatively young population and a fairly large labour force. Education and employment should be geared towards accommodating the specific needs of this age group.
- Poverty alleviating initiatives are required to assist the large number of female headed households given the likelihood of these households being poorer than male headed households.
- The urban population in the municipality is growing. This necessitates careful planning to guide this growth in a sustainable and integrated manner.
- Zastron is the main administrative town, have the highest population and attracted the most growth; higher order services and facilities should be located here.

## **HEALTH**

- Ensure that new health facilities are erected in line with the NSDP principles, i.e. where there is economic growth potential and where people are located.
- The municipality's distribution of health facilities appears to be rationally located in relation to its population concentrations (Zastron, Rouxville and Smithfield). However, the service that these facilities provide should be improved.

### **Mohokare Local Municipality has the following health facilities within its jurisdiction:**

<b>Name of town</b>	<b>Name of Hospital</b>	<b>Name of Clinic</b>
Zastron	Embekweni Hospital	Matlakeng Clinic
Rouxville/Roleleathunya	-	Winne Mandela Clinic
Smithfield/Mofulatshepe	Stoffel Coetzee Provincial Hospital	Thembaletu Medical Clinic

- The northern most parts of Roleleathunya in Rouxville and eastern most parts of Mofulatshepe in Smithfield and eastern parts of Matlakeng are the most in need of health facilities, given the distance that people have to walk.
- It appears based on the population thresholds that there are sufficient health facilities in all three settlements, ironically, there is an over provision at Zastron and Smithfield.
- There is a need to provide more facilities in Rouxville and Smithfield, given the distance to the existing facilities, i.e. more than 1km or improve transport access to the existing facilities, for example by providing cycling facilities.

## **EDUCATION**

- In 2011 only 39.81% of the population completed education at levels higher than primary school.
- Higher levels of education are required. Only 3.77% of population have a tertiary education. To address the low educational levels, Motheo Technical Vocational Education and Training (TVET) College has opened a satellite campus in Zastron in the Xhariep District to assist in developing skills needed to empower people to be employable and to generate their own income.
- Ensure that new schools are erected in line with the NSDP principles, e.g. The Mooifontein Primary School which was constructed and completed in 2020 in Matlakeng at Refengkhotso location.
- Transport opportunities, for example, cycle ways, need to be provided to assist in providing leaner access to schools.

- There is an over provision of all types of educational facilities given the Education standards, in each of the settlements. However, this assessment is not based on walking distances but is purely based on population thresholds.

### **EMPLOYMENT, OCCUPATION AND INCOME LEVELS**

- About 73% of the population earn below R3 200.00 per month.
- Of the three main settlements, Zastron has the highest income levels.
- A very high unemployment rate is experienced in all three main settlements.
- The total economically active population declined between 2001 and 2011 by 8%.
- Initiatives should be created where manufacturing; wholesale and retail and community, social and personal services are grown as these are the sectors currently contributing the most to employment generation.
- The fastest growing sectors for GVA (average annual percentage growth) between 2001 and 2019 are:
  - Electricity gas and water (22.55%);
  - Manufacturing (10.39%); and,
  - Finance, insurance, real estate and business services (9.98%)
- Similarly, the following tertiary sectors should also be supported as they are the highest sector contributors to the GVA of the area:
  - Finance, insurance, real estate and business services (25.53%);
  - Government services (17.24%); and,
  - Community, social and personal services (15.23%).
- The GVA of the municipality is mostly generated by the tertiary sector. This sector contributes 75.73% to the GVA, is currently growing and should be encouraged to grow.
- Given the decline of the GVA contributions in primary sectors and a growth in the secondary and tertiary sectors, more emphasis from the former to the latter is observed in the economy. This has implications for the lower skill level employees who now need to improve their skills levels to stay competitive in the secondary and tertiary job markets, or look for work elsewhere.

### **PROPERTY MARKET PATTERNS AND GROWTH PRESSURES**

- A decrease of 20,68% occurred in the number of new residential buildings over the period 2007 to 2008, after which activities decreased to zero in both 2009 and 2010. This is either due to no statistics reporting or a decline in economic activities.
- There are improving levels of operating income. An increase in operating expenditure has occurred as well as the emergence of declining (negative) trends related to non-payment of property rates and service charges. These must be addressed in a proactive manner and positive payment trends should be re-enforced (this is a critical point and of utmost importance);
- A large number of illegally built buildings are not being recorded in the municipal system.

Taking the above background information into account, the main challenges experienced in Mohokare can be summarized as follows:

- Challenges in provision of basic service delivery;
- Inability to implement the Debt Management and Credit Control Policy due to the high unemployment rate of the region in conjunction with the low average monthly income per household resulting in the inability of consumers to pay for basic services;
- Deteriorating infrastructure causing interruptions in service delivery;
- Constant breakdowns of Municipal Fleet (including yellow fleet) due to ageing and high mileage on all forms of vehicles;
- The Municipality remains grant dependant due to the inability of consumers to pay for services rendered to them;
- Lack of a proper Performance Management System;

- Need to strengthen and improve the functioning of the Administration of the Municipality;
- Financial Management in order to ensure that funds are applied for their intended use.

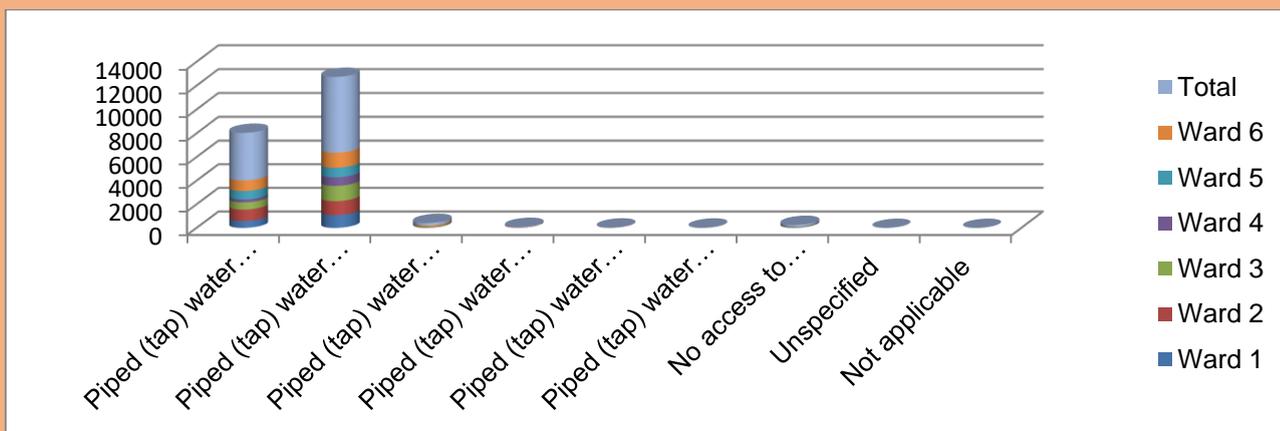
Considering the above challenges which negatively affect financial viability, sustainability and creating inherent obstacles to effective delivery of services to communities, the development of a Turnaround Strategy deemed to be a critical way forward for Municipality.

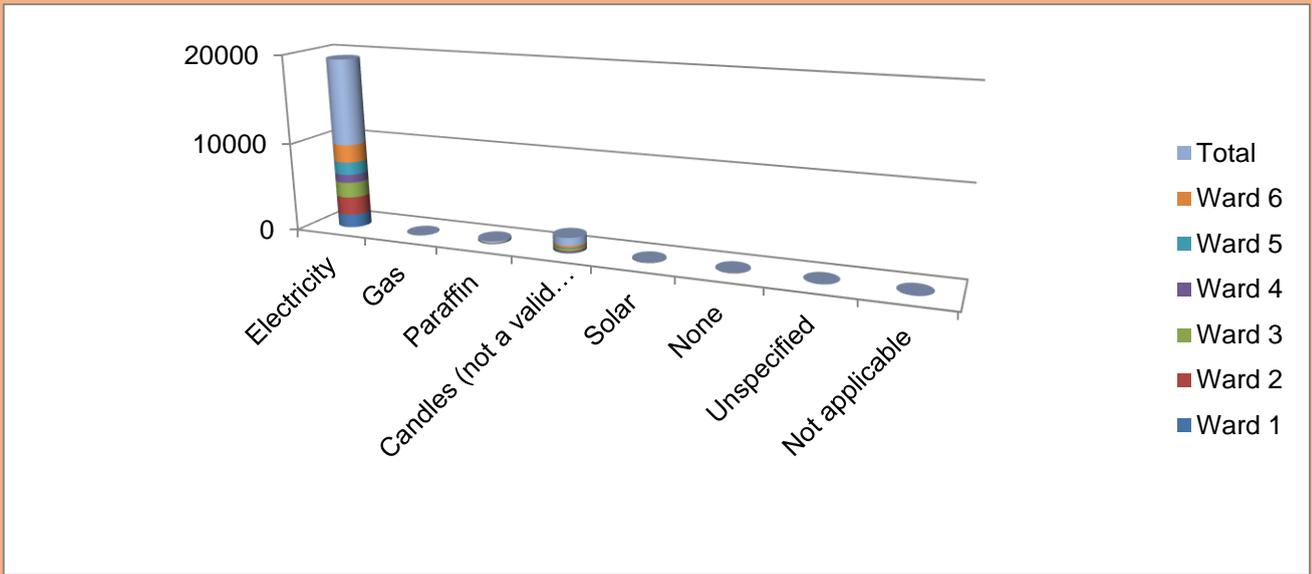
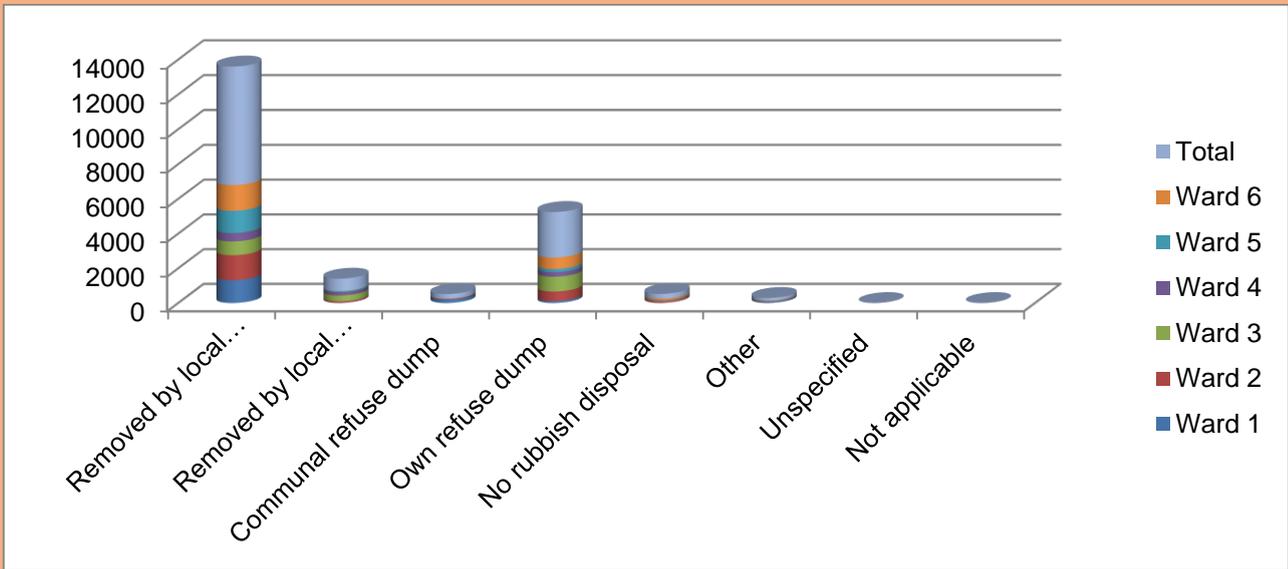
## SERVICE DELIVERY OVERVIEW

Mohokare Local Municipality provides affordable and acceptable quality of basic services to different categories within its area of jurisdiction. The provision of such services is a directive from different pieces of legislation which delegates powers and function to Local Authority. The following services are rendered to different categories of consumers which includes commercial businesses, schools, hospitals, formal and informal settlements.

Type of services rendered by the Municipality:

- Portable water services
- Sanitation services
- Roads and storm water services
- Refuse removal services
- Electricity services





The municipality faced and is still facing draught challenges as far as raw water supply is concerned. Although all the households have access to water supply, the raw water supply was a challenge due to the draught. The eradication of buckets still can't be concluded due to the Bucket Eradication Programme (BEP) that is on hold.

## **FINANCIAL HEALTH OVERVIEW**

Mohokare is a highly grant dependent municipality with a high number of indigent households, as a result the municipality cannot generate sufficient income to fund its operations adequately. Endeavors are being made through the assistance of other government departments and government entities to assist the municipality in turning around its financial viability and improving its cash flow management.

In the current year the annual financial statements were prepared in accordance with the Standards of Generally Recognized Accounting Practice (GRAP) issued by the Accounting Standards Board in accordance with section 122 (3) of the Municipal Finance Management Act (Act 56 of 2003).

### **Pricing of Services**

In order to remain financially viable and sustainable, the municipality must generate sufficient resources. As limited scope exists to generate alternative revenue, it is necessary to increase rates and tariffs annually.

The determining of tariffs is the responsibility of Council, as per the provision of the Local Government Municipal Systems Act. Affordability was an important factor when considering the rates and tariff increases. Consideration was also given to the alignment between the resources of the municipality, level of service and customer expectations.

However, it is still evident that the tariff setting needs to be prioritized in order to be reflective of the cost of providing the services.

### **Rates**

The rates increased by 6% during the year under audit.

### **Service Charges**

Water loss caused an increase in maintenance of ageing infrastructure and the roll out of infrastructure to new areas / developments. These maintenances largely also included sewerage unblocking and repairs on the refuse compactor truck.

### **Indigents**

The number of indigents is currently at 1682 for the year under audit and in order to provide free services to residents who cannot afford to pay. This has also contributed to the need to increase tariffs as the cost of providing the service is too high.

The cost of the indigents was funded from the equitable share allocated to Council by National Treasury in terms of the Division of Revenue Act.

### **General**

The following service delivery challenges also influenced the levels of tariffs and service charges for the municipality:

- The developmental challenge to address the service delivery backlogs in all towns of the municipality.
- The declining local economy will be insufficient to absorb the unemployed and this will have a service delivery impact and harm the ability of the municipality to sustain its revenue base to finance extended services.
- Incomplete projects that has caused a financial constraint as the cost of service provision has increased due to poor maintenance.

The other general contributory factors for the increase in levels of rates and service charges were:

- Salary increase of 5.4% with effect from 1 July 2023
- Provision for the filling of critical vacancies;
- Rollout of infrastructure and the provision of basic services; and
- Increased maintenance of network and structures.

### **Intervention measures planned for 2023/2024 government debt**

Over the years Mohokare Local Municipality has developed a good relationship with the Provincial and National Governments. There have been notable successes in recovering outstanding debts; however, there is still a number of unresolved issues. We expect this relationship to yield fruit in the form of increased payments for services rendered.

A debt forum has been established by the provincial treasury in order to facilitate resolving the unresolved issues in respect of government debt.

Secondly, categorization of debtors per:

- Department:
- Business:
- Households:

One of the most pertinent issues is the debt accumulated over a number of years. The total outstanding debt is standing at R493 million, with a collection rate of 19%. This significant increase in the debt book is brought on by the Municipality having large areas where water is billed using estimates which were not reversed at year end. Furthermore, the debt book is significantly growing due to spiral illegal flats.

The municipality has also appointed a debt collector in order to increase on collection of the long outstanding debts and to ensure that its services are paid on time.

### **Council properties**

Council properties are not ratable as per the rates policy, however, there are residents who are residing in properties that are in the name of the municipality that needs to be reversed.

### **Arrest a debt**

The process of conducting road shows per wards to identify all qualifying indigents is being accelerated so that more customers are targeted. The main intention of the Municipality is to contain debt on customers so that it doesn't become too large to manage.

Embark on a process of putting maps of wards on the financial system of the municipality to print monthly accounts per ward; the intention is to involve Ward Councilors in the process of debt coverage by going door to door per ward.

The last resort will be recommendation to council to write-off the account of all affected households or insolvent business.

## Unemployment and National Credit Act

The recession had a negative impact on the collection of outstanding debts. Customers could not afford to pay outstanding amounts.

Certain consumers were granted extended terms to pay.

## Asset Register

A GRAP compliant asset register has been compiled and all finished infrastructure assets had been unbundled. The biggest challenge now is the maintenance of these assets and the asset register.

## Institutional Transformation

The municipality had succeeded into reviewing the IDP successful in-house. The municipality's budget is compiled per the format as prescribed by the MFMA.

## Key challenges facing the municipality

Mohokare Local Municipality's economy is very weak with only agricultural activities as its main economic activities and experiencing a high unemployment rate. The above factors place a large task on the Municipality to revive its economy in order to create job opportunities. The key challenges for the municipality are:

- To develop a coherent local economic development strategy to create job opportunities.
- To ensure sustainability of the Municipality through sound administration and financial management.
- Deepening participatory democracy and good governance.
- To enhance effective service delivery to the community.

Financial Overview: Year 2023 - 24			
Details	Original budget	Adjustment Budget	Actual
Income:			
Grants - Operational	96 733 000	96 733 000	73 379 000
Grants - Capital	49 603 000	47 184 000	18 598 374
Taxes, Levies and tariffs	166 682 431	139 837 334	151 528 998
Other	13 918 499	13 709 468	1 420 156
<b>Sub Total</b>	<b>326 936 930</b>	<b>297 463 802</b>	<b>244 926 528</b>
Less: Employee Costs	88 588 089	88 816 013	91 743 953
Less: Councillors Remuneration	5 326 732	5 519 666	5 568 897
Less: Debt Impairment	38 715 749	53 980 025	38 499 597
Less: Depreciation and Assets Impaimen	23 059 670	23 820 443	20 212 102
Less: Finance Charges	19 489 218	16 000 000	9 972 671
Less: Bulk Purchases	42 089 015	48 399 783	44 290 363
Less: Other Expenditure	65 283 442	74 284 850	98 844 936
<b>Sub Total</b>	<b>282 551 915</b>	<b>310 820 780</b>	<b>309 132 519</b>
<b>Surplus/(Deficit)</b>	<b>44 385 015</b>	<b>-13 356 978</b>	<b>-64 205 991</b>
			T 1.4.2

## COMMENT

### Income

- From the above it can be seen that the municipality received R92 million of revenue from grants compared to the R152 949 154 million (including electricity sales) derived from own operations.

### Expenditure

- The Non-Cash expenditure is not cash-backed. Depreciation, when cash backed, will enable additional expenditure on maintenance and replacement of assets at the end of their useful lives.

Operating Ratios	
Detail	%
Employee Cost	29.68%
Repairs & Maintenance	0.62%
Finance Charges & Impairment	15.68%

Total Capital Expenditure: 2021-22 to 2023-24			
Detail	2021/22	2022/23	2023/24
Original Budget	81,887,150	46,476,000	50,153,000
Adjustment Budget	78,522,150	46,586,000	51,433,000
Actual	42,883,868	9,822,530	23,557,865
T 1.4.4			

## AUDITOR GENERAL REPORT 2023/24 Financial Year

As required by section 188 of the Constitution of the Republic of South Africa, 1996 (Act No.108 of 1996) and section 4 of the Public Audit Act (Act No. 25 of 2004), the responsibility of the Auditor-General is to express an opinion on the municipality's financial statements, based on conducting an audit in accordance with International Accounting Standards.

The Mohokare Local Municipality has received a disclaimer audit opinion for the financial year which ended on 30 June 2024 on both the annual financial statements and the annual performance report.

**Reference is made to Annexure A for a detailed Report of the Auditor-General to the Free State Provincial Legislature and the council of Mohokare Local Municipality**

### STATUTORY ANNUAL REPORT PROCESS

According to legislation the Annual Report of a municipality must be tabled in the municipal council on or before 31 January each year. In order to enhance Council's Oversight function, the municipality should submit their Annual Report as soon as possible after the financial year end ideally this ought to be end of August.

The anticipated process for the creation, submission, review and approval for the 2023/2024 Annual Report is set out in the table below:

NO	ACTIVITY	TIMEFRAME
-1.	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period	July
2.	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3.	Finalise the 4th quarter Report for previous financial year	
4.	Submit draft Annual Report 2023/2024 to Internal Audit and Auditor-General	
5.	Municipal entities submit draft annual reports to MM	
6.	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	August
7.	Mayor tables the unaudited Annual Report	
8.	Municipality submits draft Annual Performance Report including consolidated annual financial statements to Auditor General	
9.	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
10.	Auditor General audits the Annual Report including consolidated Annual Financial Statements and Performance data	September – October
11.	Municipalities receive and start to address the Auditor General's comments	November

NO	ACTIVITY	TIMEFRAME
12.	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	
14.	Oversight Committee assesses Annual Report	
15.	Council adopts Oversight report	December
16.	Oversight report is made public	
17.	Oversight report is submitted to relevant provincial councils	
18.	Commencement of draft Budget/ IDP finalisation for next financial year	January

***Note that the annual performance report and the financial statements form part of the Annual Report.***

The Final Annual Report will be submitted to National and Provincial Treasuries', COGTA and Auditor General and to the Chairperson of the Oversight Committee in line with the National Treasury's guidelines.

Measures such as creation and capacitation of the performance management unit in the office of the municipal manager have been put in place to ensure appropriate monitoring and reporting.

## **CHAPTER 2 - GOVERNANCE**

### **COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE**

The primary role of the municipal council is that of political oversight of the municipality's functions and programs. The powers of local government as outlined in the Constitution of the Republic of South Africa Chapter 7, section 160(1) are vested in the municipal council, which has legislative and executive authority. The Municipal council is led by the Honourable Mayor while the administration is governed by the Municipal Manager who ensures that the decisions and policies of the council are implemented.

#### **Corporate Management Support – Council and Committees**

The Standing Rules and Orders of Mohokare Local Municipality govern that the Speaker must determine a schedule of the dates, times and venues of ordinary council meetings, and that the council must hold at least one ordinary meeting every three months.

The functions of the Council include:

The development and implementation of by-laws, the Integrated Development Plan (IDP), the budget and it also debates local government issues and can ratify or reject proposals. The council has adopted by-laws, policies and plans. It has subsequently appointed the committees in terms of the Municipal Structures Act No. 117 of 1998 dealing with vast responsibilities. These committees are section 79 and 80 committees in terms of the Local Government: Municipal Structures Act No. 117 of 1998.

In addition, council has also established the Audit and Performance Committee, Ward Committees and the Municipal Planning Tribunal (MPT) in terms Spatial Planning and Land Use Management Act (SPLUMA) (Act No. 16 of 2013).

In terms of section 18 (1) and (2) of the Local Government: Municipal Structures Act No. 117 of 1998, a municipal council must meet at least quarterly. However, during the period under review, the council only had one ordinary council meeting and the rest of the meetings were special. Such meetings are called by the Speaker in consultation with the Mayor as and when the need arises also taking in consideration compliance matters governed by municipal legislation. Senior management implements Council resolutions to achieve strategic objectives.

#### **POLITICAL GOVERNANCE**

Mohokare Local Municipality was established in terms of the provincial Gazette No. 14 of 28 February 2000 issued in terms of Section 21 of the Local Government Notice and Municipal Demarcation Act No.27 of 1998.

Mohokare is made up of three former Transitional Local Councils (TLC's) which are Zastron, Rouxville and Smithfield. The 2020/21 demarcation processes saw this municipality increase from having only 6 wards to 7 wards and this process brought about a gain of two more seats in the Council, meaning that Mohokare Local Municipality now has a total number of 13 public representatives constituting the council. This affected the change of the type of a council Mohokare was, as it is no longer a plenary type of a council, but an executive type of a council in terms of section 12 notice as promulgated by the MEC for Local Government.

Subsequent to the successfully held 01 November 2021, Local Government elections, the Council changed as outlined below:

No	Position	Name of Councillor
1.	Mayor (ANC PR Councillor)	Z.N. Mgawuli
2.	ANC PR Cllr	N.A. Adoons
3.	Ward 1 (ANC Councillor)	P.P. Mahapane
4.	Ward 2 (ANC Councillor)	T.D. Mochechepa
5.	Ward 3 (ANC Councillor)	T.J.November
6.	Ward 4 (ANC Councillor)	M.A. Letele
7.	Ward 5 (ANC Councillor)	D. Job
8.	Ward 6 (ANC Councillor)	R.J.Thuhlo
9.	Ward 7 (ANC Councillor)	T.E.Nai
10.	DA ( PR Councillor)	I.S. Riddle
11.	Vryheidsfront Plus ( PR Councillor)	J.Swart
12.	EFF ( PR Councillor)	M.N.Mkendani
13.	EFF ( PR Councillor)	B.J.Lobi

Councillors are elected by the local registered voters in their respective wards and represent their respective constituencies in local council. Mohokare has thirteen (13) seats with eight (8) Councillors from the ANC, one (1) from the DA, two (2) from the EFF, one (1) from Vryheidsfront Plus and one (1) Independent.

Refer to **Appendix A** where a full list of Councillors can be found (including committee allocations and attendance at council meetings).

### Introduction to political governance oversight

Mechanisms used for oversight purposes are the following current committees to which councillors are assigned to serve on these committees chaired by a nominated councillor as outlined below:

- **Section 79 Portfolio Committees**

Five council portfolio committees have been established in line with section 79 of Municipal Structures Act No. 117 of 1998 and their meeting schedule adopted by Council. These committees sit quarterly and the target is for each committee to sit four (4) times a year. Operations of the committees are also governed by the council Standing Rules and Orders. All five-portfolio committees have been established but failed to sit as per the approved Council schedule.

The following councillors served as chairpersons of the committees:

Initials and surname	S79 Committee
Cllr. T.E Nai	Finance
Cllr. T.D Mochechepa	Planning and Local Economic Development
Cllr. D. Job	Corporate Services Committee
Cllr. P.P Mahapane	Community Services
Cllr. T.J November	Technical Services

However, note should be taken that council established the section 80 committees on the 30 June 2023, which necessitated the changes of the chairpersons of the committees and the councillors allocations to the said committees.

## ▪ **Audit and Performance Committee**

The MFMA and the Municipal Planning and Performance Management Regulations require that the municipal council establish an Audit Committee consisting of a minimum of three members, where the majority of members are not employees of the municipality. No councillor may be a member of an Audit Committee. Council shall also appoint a Chairperson who is not an employee.

The Audit Committee of the municipality oversees financial, performance and compliance reporting, disclosures and the accounting policies within the municipality.

The Regulations gives municipalities the option to establish a separate Performance Audit Committee whereas the MFMA provides only for a single Audit Committee.

According to the regulations, the Performance Audit Committee must review the quarterly reports submitted to the committee by the Internal Audit Unit and the municipality's performance management system and make recommendations in this regard to the Council. The Audit Committee should meet at least four (4) times during a financial year submit an audit report to the municipal council.

The Audit Committee / Performance Audit Committee comprises of the following members:

<b>Initials and surname</b>	<b>Capacity</b>
Mr. N.S Salimani	Chairperson
Adv. J.C Weapond	Member
Mr X. Sikhakhane	Member

## ▪ **Risk Committee**

The Risk Committee emanates from the Risk Management Unit, which has been established in terms of the Public Sector Risk Management Framework of 1 April 2010.

The MFMA governs that a municipality must have effective, efficient and transparent systems of risk management as all activities of an organisation involve risk.

The development of this risk management is a systematic, timely and structured approach to risk management; anti-corruption and fraud prevention.

The following policies/documents guide the risk unit in its operations:

- Risk management strategy and policy; and
- Anti-fraud and corruption policy.

The Risk Committee comprises of the following members:

<b>Initials and surname</b>	<b>Capacity</b>
Mr. X Sikhakhane	Chairperson
Management (Senior & Middle)	Members
Internal Auditor	Member
Information Technology	Member

The risk committee was not functional during 2023/2024.

▪ **Municipal Public Accounts Committee (MPAC)**

The Municipal Public Accounts Committee (MPAC) was established on 2<sup>nd</sup> December 2021. The will assist council to hold the executive and municipal entities to account, and to ensure the efficient and effective use of municipal resources. By so doing, the MPAC would help to increase Council and public awareness of the financial and performance issues of the municipality and its entities.

The MPAC may engage directly with the public and consider public comments when received and will be entitled to request for documents or evidence from the Accounting Officer of a municipality. In addition, the committee is established to investigate unauthorised, irregular, fruitless and wasteful expenditure incurred by the municipality and make recommendations to Council.

The committee consists of the following members:

<b>Initials and Surname</b>	<b>Capacity</b>
Cllr N.A Adoons	Chairperson
Cllr P.P Mahapane	Member
Cllr T.J November	Member
Cllr N.M Mkendani	Member
Cllr I.S Riddle	Member

- **AGRI-Forum**

The Agri-Forum consists of a group of organised farmers meeting with municipal management on a regular basis. Chaired by the Mayor, the forum sits once quarterly and matters of mutual interest are shared between the municipality and the association of the farming component based in Mohokare Local Municipality. The aim of the forum is to enhance good relations between the two groups. **However, note should be taken that this forum was not functional during the year under review as there was no meetings held.**

- **Local Labour Forum**

Section 23 of the Constitution of the Republic of South Africa, Act 108 of 1996, lays the basis for good labour relations and collective bargaining. The Labour Relations Act, 66 of 1995 prescribes how this constitutional mandate can be achieved. The primary purpose of the Act was to change the law governing labour relations with specific focus on, amongst other things, promoting and facilitating collective bargaining at the workplace and at sectorial level.

The Workplace Organisational Rights Agreement governs the establishment and operations of the Local Labour Forum. The Local Labour Forum shall have the powers and functions of negotiating and/or consulting on the following matters

- Matters of mutual concern pertaining to the municipality and which do not form the subject matter of negotiations at the South African Local Government Bargaining Council (SALGBC)
- Matters referred to it by the SALGBC
- Minimum Service Level Agreements

Mohokare Municipality's Local Labour Forum has an approved meeting schedule however meetings were not held accordingly during the 2023/2024 financial period.

## **POLITICAL STRUCTURE**

### **Mayor**

Cllr. Z.N. Mgawuli

### **Speaker**

Cllr R.J. Thuhlo

### **Chief Whip**

Cllr. P.P. Mahapane

### **Honourable Councillors**

Cllr. T.D. Mochechepa

Cllr. T.J. November

Cllr. M.A. Letele

Cllr. D. Job

Cllr. T.E. Nai

Cllr. N.A. Adoons

Cllr. I.S. Riddle

Cllr. J. Swart

Cllr. B.J. Lobi

Cllr N.M. Mkendani



The Council is the policy maker, decision maker and the ultimate accountability for this structure is to the communities that they represent, therefore all business that Council undertakes is of the interest of its constituency, which are communities in Mohokare jurisdiction.

The Council implements its objectives by taking resolutions on how to improve people’s lives and the implementation of these resolutions is delegated to the Accounting Officer, who is the Municipal Manager.

For the 2023/24 financial year, the previous years’ resolutions were no longer applicable as at 30 June 2024:

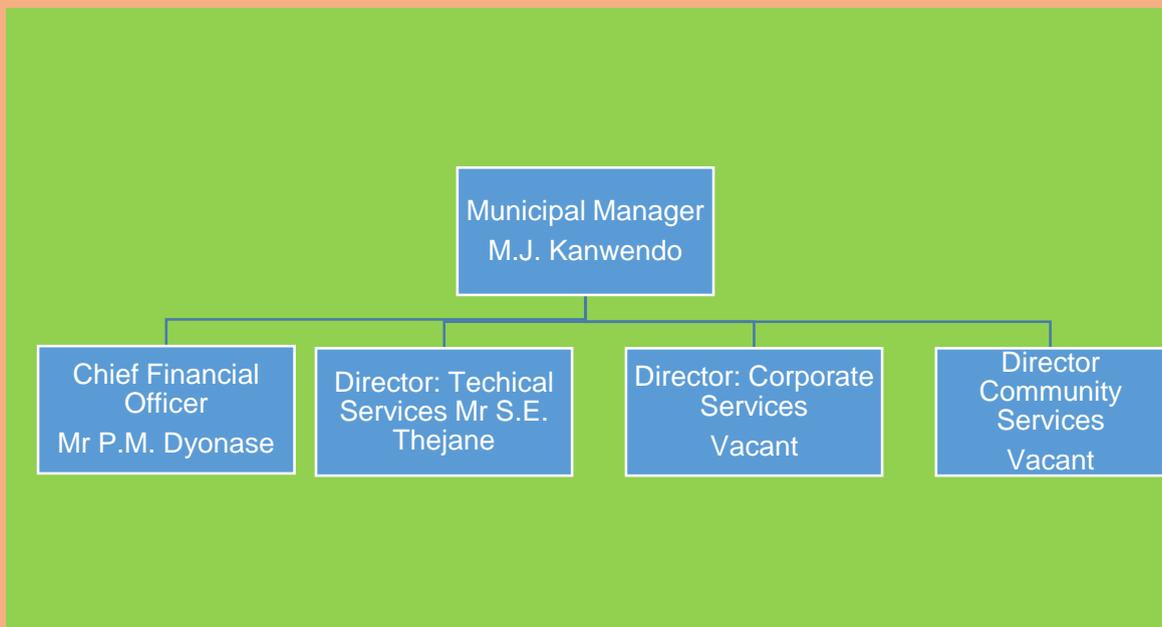
Date of Council meeting	Decision/resolution taken	Responsible directorate	Implemented/ Not	Reasons for deviation	Corrective action taken
-	-	-	-	-	-

### ADMINISTRATIVE GOVERNANCE STRUCTURE

Mohokare Local Municipality strives for improved service delivery and efficiency in customer care relations, in order to do these tasks the Municipality has an organizational -structure that talks to the needs of Council and the Powers and Functions of an Executive type of Council Municipality.

The Municipal Manager as the Accounting Officer has ensured that the organizational structure that will enable the implementation of service delivery tasks is reviewed.

The functional structure representing administrative governance is reflected as below:



As depicted by the diagram above, the administrative structure consists of the Accounting Officer (Administration Head) and 4 (four) section 56 managers (including acting) who report directly to the Municipal Manager.

**Reporting relationship and administrative functioning:**

- Directors report directly to the Municipal Manager functional issues that relate to their specific direct;
- Reporting occurs as per reporting lines and recognised communication structures (encouraging free flow of communications);
- Director compile/present reports to Council regarding own directorate monthly through section 79, who then recommends that these reports are approved/taken to EXCO/Council as deemed appropriate for final approval.
- Directors are required to meet the terms and conditions of performance management policy.
- Directors are required to ensure that all reporting occurs in terms of compliance and in respect of all internal controls and systems.

## **COMPONENT B: INTERGOVERNMENTAL RELATIONS**

### **INTERGOVERNMENTAL RELATIONS**

The Inter-Governmental Relations Framework Act 13 of 2005 seeks to establish a framework for the National, Provincial and Local governments to promote and facilitate intergovernmental Relations to provide for mechanisms and procedures to facilitate the settlement of intergovernmental disputes and to provide for matters connected herewith.

The municipality participates with various departments at national, provincial and district levels in fostering strategic partnerships and to advance its developmental objectives.

### **NATIONAL INTERGOVERNMENTAL STRUCTURES**

#### **Municipal Managers Forum**

The Municipal Manager's Forum established as a platform for Municipal Managers to share knowledge and experiences, it sits regularly as a platform that provides an opportunity for Municipal Managers to contribute to the strengthening of the sector by informing improvements in Local Government performance collaborate in addressing common concerns and technical input to policy and legislative processes. The forum also provided opportunities to collectively engage with key stakeholders in addressing key issues affecting Local Government.

### **PROVINCIAL INTERGOVERNMENTAL STRUCTURE**

The municipality is collaborating with various departments at provincial level.

The municipality participates in the SALGA IGR forum, Municipal Managers Forum, Integrated Development Plan forum, Performance Management Systems Forum, Job Evaluation Forum and is also involved in attending meetings called by Provincial COGTA and the office of the Premier.

The Job Evaluation Forum did not sit in the 2023/2024a financial year.

### **DISTRICT INTERGOVERNMENTAL STRUCTURES**

Informed by guiding legislation and policies related to IGR structures, Xhariep District Municipality established an IGR forum of which Mohokare as a Municipality is a member of this forum. The forum holds meetings quarterly to engage on issues pertaining to service delivery and to also foster strategic partnerships with government departments.

There are two structures of IGR the Political IGR and the Technical IGR i.e. the Political IGR is the structured for Mayors and Councilors and the technical structure for Municipal Managers and key managers and Officials.

## **COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION**

### **OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION**

Mohokare Municipality is committed to the development of a culture of municipal governance that complements formal representative government with a system of participatory governance. The Municipality has a legal obligation to establish appropriate mechanisms, processes and procedures to enable the local community to participate in its affairs.

Mohokare Municipality utilizes the community centered participatory approach which enables the involvement of communities in municipal planning which ensures the participation of the community in the development of their area to promote the promotion of public accountability.

Public participation is the main system through which the municipality practices a culture of stakeholder engagements and participation as required by the Constitution of the Republic of South Africa, Act 108 of 1996, and the Local Government: Municipal Systems Act 32 of 2000.

### **PUBLIC MEETINGS**

Mohokare has a public participation policy adopted by council, in terms of the Municipal Systems Act, Ward Councilors are required to hold at least one public meeting per ward per quarter. Councilors were encouraged to hold public meetings monthly to ensure continuous communication with their constituencies.

Mohokare Municipality engages with the public through the year on IDP/ Budget, by laws and various programmes and projects. The municipality has 7 Wards and 7 ward committees that are functional. The municipality publishes its public meetings utilizing the municipal website, notice boards and loud hailing to inform the community on public meetings to broaden its public participation.

There is also a stakeholder's forum chaired by the Mayor, constituted by all government departments offering services in the jurisdiction of Mohokare Local Municipality, this stakeholder forum holds monthly regular meetings and are well attended.

## IDP PARTICIPATION AND ALIGNMENT

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	YES
Does the IDP have priorities, objectives, KPIs, development strategies?	YES
Does the IDP have multi-year targets?	YES
Are the above aligned and can they calculate into a score?	YES
Does the budget align directly to the KPIs in the strategic plan?	YES
Do the IDP KPIs align to the Section 57 Managers	YES
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	YES
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	YES
Were the indicators communicated to the public?	YES
Were the four quarter aligned reports submitted within stipulated time frames?	YES

## INTEGRATED DEVELOPMENT PLANNING

Integrated Development Planning (IDP) is a process whereby a municipality prepares its strategic development plan for a five-year cycle directly linked to its term of Council. IDP is at the centre of system of developmental local government in South Africa and represents the driving force for making municipalities more strategic, inclusive, and responsive and performance driven in character.

The IDP is the principle strategic instrument which guides and informs all planning, budgeting and development in Mohokare Local Municipality. It seeks to integrate and balance the economy, ecological and social pillars of sustainability without compromising the institutional capacity required to implement and coordinate the efforts needed across sectors and relevant spheres of government.

## **COMPONENT D: CORPORATE GOVERNANCE**

On-going local government reforms have provided broad administrative frameworks for further improvements to occur. These include more stringent corporate governance requirements, greater flexibility and a focus on results and accountability.

### **RISK MANAGEMENT**

Risk Management is a systematic process to identify, evaluate and address risks on a continuous basis before such risks can impact negatively on the institution's service delivery capacity.

MFMA, section 62 (1)(c)(i) states that the Accounting Officer of a municipality is responsible for the municipality, and must for this purpose take all reasonable steps to ensure that the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control.

Treasury Regulations section 3.2.1 further prescribes that the Accounting Officer must ensure that a risk assessment is conducted regularly to identify emerging risks of the institution. A risk management strategy, which must include a fraud prevention plan, must be used to direct internal audit effort and priority, and to determine the skills required of managers and staff to improve controls and to manage these risks. The strategy must be clearly communicated to all officials to ensure that the risk management strategy is incorporated into the language and culture of the institution.

#### **Top 5 Risks**

- Non-payment of third parties;
- Shortage of staff;
- Official's morale is also low based on the fact that their Performance is not evaluated to determine if they need to be developed or not;
- Lack of controls or implementation thereof due to lack of monitoring within the departments; and
- Non-Implementation of the Credit Control & Debt Collection & Indigent policies.

### **ANTI-CORRUPTION AND FRAUD**

Transparency is the cornerstone of public sector accountability. Fraud prevention is concerned ultimately with the effective utilization of resources and the minimization of waste, abuse, mismanagement, fraud and corruption. Effective accountability mechanisms for the use of public funds act to bolster the fraud prevention environment. Measures to prevent fraud should be continually monitored, reviewed and developed particularly as new systems, benefit programs, contracting or arrangements are introduced or modified.

The following documents were not submitted to Risk Management for approval due to non- sitting of the committee.

- Fraud prevention plan in place.

## SUPPLY CHAIN MANAGEMENT

- The Mohokare SCM Policy is adopted and in line with Section 112 of the MFMA.
- The Mohokare SCM Policy is from the Model Policy (Treasury Guideline) which is in line with the SCM Regulations. The Policy was adopted by Council and also approved by Treasury.
- Goods or services must be procured by the municipality in accordance with authorized processes only. Threshold values for different procurement processes must be complied with. There are ranges of procurement processes within the SCM Policy of the Municipality which are in line with the Model Policy (Guideline). Performance management is also included in the Mohokare Supply Chain Policy.

## BY-LAWS

Sections 12 and 13 of the Municipal Systems Act, 2000 (as amended) govern the legislative procedures and publication of by-laws by the municipality in order to give effect to the municipality's policies.

No new by-laws were adopted during the year under review and no by-laws in existence were revised.

Section 10 (1) of the Establishment Notice of Mohokare LM (Provincial Notice 181 of 2000) reads as follows: "By-laws and resolutions (including standing delegations) of a disestablished municipality ... (a) Continue in force in the area in which they were applicable subject to any amendment or repeal by the competent municipality".

As a result, there are by-laws of the disestablished municipalities in Mohokare area of jurisdiction that are still valid in their respective areas until they have been repealed and replaced by Mohokare Municipality.

No new by-laws were promulgated during the financial year 2023/24.

By-laws Introduced during Year 0					
Newly Developed	Revised	Public Participation Conducted Prior to Adoption of By-Laws (Yes/No)	Dates of Public Participation	By-Laws Gazetted* (Yes/No)	Date of Publication
None	None	None	None	None	None
T2.9.1					

## MUNICIPAL WEBSITE

Mohokare Local Municipality website can be found at [www.mohokare.gov.za](http://www.mohokare.gov.za).

Municipal Website: Content and Currency of Material		
Documents published on the Municipality's Website	Yes/No	Publishing
Current annual and adjustments budgets and all budget-related	Yes	12/06/2023
All current budget-related policies	Yes	12/06/2023
The previous annual report (2021)	Yes	01/02/2023
The annual report (2022) published/to be published	No	
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (Year 0) and resulting	Yes	14/03/2023
All service delivery agreements (2023)	No	-
All long-term borrowing contracts (2023)	No	-
All supply chain management contracts above a prescribed value	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)	No	-
Contracts agreed in Year 0 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	No	-
All quarterly reports tabled in the council in terms of section 52 (d)	Yes	20/06/2023

## MUNICIPAL WEBSITE AND CONTENT

Section 21B of the Municipal Systems Act, requires all municipalities to establish their own official website. The website enables municipalities to deliver information to the public. This is essential for improving service delivery.

The municipal website is an integral part of the communication platform of the municipality that serves as a tool for communication participation, information dissemination, allows for access to significant information, stakeholder involvement and disclosure in line with the pieces of legislation including: Local Government Municipal Systems Act No 32 of 2000, Local Government Municipal Finance Management Act No 56 of 2003 and Municipal Property Rates Act No 6 of 2004.

Municipal Local Municipalities has established its own website that is managed and hosted internally, the website contains a newly developed structure, it is accessible, easy to use and it is regularly uploaded with key documentation and information as set out in Local Government Municipal Finance Management Act section 75 or any other applicable legislation. The website at the current stage does have a function of measuring the number of the public visiting the website, and at this time the website measured **101620** visits by end of 30<sup>th</sup> June 2024.

## **PUBLIC SATISFACTION ON MUNICIPAL SERVICES**

The municipality did not undertake community satisfaction surveys during the 2023/24 financial year.

The services used in the survey index were based on service delivery such as water, sanitation, electricity, municipal billing and roads.

## CHAPTER 3 - SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

Mohokare Local Municipality remains committed to service delivery within its jurisdiction.

The following are the services provided by the municipality throughout the 2023/2024 financial year:

1. Water Services
2. Sanitation Services
3. Roads and Storm Water Services
4. Electricity Services
5. Refuse Removal Services

### COMPONENT A: BASIC SERVICES

Town	Project Description	Project Value	Grant	Status	Financial Year
<b>Zastron</b>	Upgrading of the Zastron Water Treatment Works ( WTW ) Phase 02	R28 300 000.00	WSIG	Project revised business plan submitted to Dws to secure funds	2023/24
<b>Rouxville</b>	Upgrading of the Rouxville/Roleleathunya Water Treatment Works	R 140 000 000.00	RBIG	In construction	2023/24

Mohokare Local Municipality is currently billing 8072 household metered and excluding new sites allocated.

### WATER PROVISION

#### INTRODUCTION TO WATER PROVISION

The Municipality managed to implement and complete the following projects through infrastructure grants i.e. Municipal Infrastructure Grant, Water Services Infrastructure Grant & Regional Bulk Infrastructure Grant).

	Agriculture	Forestry	Industrial	Domestic	Unaccountable water losses
Year -1	0	0	0	1701826	161550.60
Year 0	0	0	0	2148547,84	173058,96
<b>Total Use of Water by Sector (cubic meters)</b>					
	Agriculture	Forestry	Industrial	Domestic	Unaccountable water
Year -1	0	0	0	1979300	113794
Year 0	0	0	0	1701826	161550.60

<b>Financial Performance 2023-24: Water Services</b>					
Details	2022-23	2023-24			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	50,658	69,337	27,739	63,028	127%
Expenditure:					
Employees	16,998	16,501	16,589	17,152	3%
Repairs and Maintenance	498	1,400	380	3,712	877%
Other	9,828	14,549	38,714	36,897	-5%
<b>Total Operational Expenditure</b>	27,324	32,450	55,683	57,761	4%
<b>Net Operational Expenditure</b>	(23,334)	(36,886)	27,945	(5,267)	-119%
<i>T 3.1.8</i>					

The Municipality budget is not sufficient to cover all Operations and maintenance (O&M) due to low collection of revenue. Therefore, the challenge will remain a serious obstacle for the municipality to address all the municipal needs.

The completion of all bulk water projects will assist in providing sustainable water supply in order to gain consumer confidence which will result in the community paying for municipal rates and taxes.

### **WASTE WATER (SANITATION) PROVISION**

The municipality has managed to address all most spillages within its jurisdiction however this continues of vandalism in all pump stations and also Waste Water Treatment Works at Zastron area plus 3 sewer pump stations in Matlakeng.

Thus the municipality has successfully registered a project under the Municipal Infrastructure Grant (MIG) for an amount of R 17,4 Million to upgrade the outfall sewer line and pump stations. The status of the project, the outfall sewer line is completed but waiting for the testing of the line after the mechanical (refurbishment of 3 pump stations) and electrical panels installation.

Mohokare LM has successfully appointed the consultant to re-designed the collapsed current sewer reticulation and also the contractor to implement the project of Zastron /Matlakeng. The construction of sewer network in Refengkgotso with an amount R 18,1 million. And also, the last project on the list which will address the spillages in Smithfield/Mofulatshepe. The upgrade of the waste water outfall sewer is in contraction.

<b>Financial Performance Year 2023-24: Sanitation Services</b>						<b>R'000</b>
<b>Details</b>	<b>202-23</b>	<b>2023-24</b>				
	<b>Actual</b>	<b>Original Budget</b>	<b>Adjustment Budget</b>	<b>Actual</b>	<b>Variance to Budget</b>	
<b>Total Operational Revenue</b>	14,269	13,863	12,596	19,744	57%	
Expenditure:						
Employees	8,299	8,380	8,333	8,619	3%	
Repairs and Maintenance	88	680	170	35	-79%	
Other	1,729	25,539	21,615	8,870	-59%	
<b>Total Operational Expenditure</b>	10,116	34,599	30,118	17,524	-42%	
<b>Net Operational Expenditure</b>	(4,153)	20,735	17,522	(2,220)	-113%	
					<b>T 3.2.8</b>	

## ELECTRICITY

The Municipality is the Electricity services authority and an Electricity services provider. It is responsible for all related electricity services within Mohokare Local Municipality areas.

Financial Performance 2023-24: Electricity Services						R'000
Details	2022-23	2023-24				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
<b>Total Operational Revenue</b>	33,156	52,488	40,000	43,782	9%	
Expenditure:				-		
Employees	614	633	638	837	31%	
Repairs and Maintenance	-	2,555	520	471	-9%	
Other	37,618	53,865	52,693	53,527	2%	
<b>Total Operational Expenditure</b>	38,233	57,053	53,851	54,835	2%	
<b>Net Operational Expenditure</b>	5,077	4,565	13,851	11,052	-20%	
T 3.3.7						

The Municipality is still experiencing challenges with regards to electricity services in the 2023/24 financial year. The following are the challenges:

1. There is no operation and maintenance plan in place, which should be created to ensure that all three towns have sustainable electrical services.
2. Old underground cables that must be replaced with overhead lines as soon as funds are available and authorized by DMRE (business plans submitted)
3. The absence of electrical power master plan to address the Municipality's future growth. But there is a general plan for electricity.

### **WASTE MANAGEMENT (THIS SECTION TO INCLUDE: REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING (COMMUNITY SERVICES))**

The above division is mainly responsible for removal of waste classified or meant for household and business purposes.

On daily basis once per week, a programme is been implemented and followed to ensure removal of refuse within our communities. However, this is sometimes not achieved due to mechanical failure of vehicles, inclement weather and shortage of Staff.

**Financial Performance 2023-24: Solid Waste Management Services**

R'000

Details	2022-23	2023-24		
	Actual	Original Budget	Adjustment Budget	Actual
<b>Total Operational Revenue</b>	7,549	13,249	7,491	12,592
Expenditure:				
Employees	5,862	5,717	5,807	5,945
Repairs and Maintenance	58	70	300	-
Other	2,943	1,084	14,459	7,764
<b>Total Operational Expenditure</b>	8,863	6,870	20,567	13,709
<b>Net Operational Expenditure</b>	1,314	(6,379)	13,076	1,118

Amongst key projects the Municipality has prioritized, Rouxville landfill site development through MIG, assistance for rehabilitation of Zastron Landfill site and management of Smithfield landfill site with assistance from Local Government Support (LGO), Xhariep District Municipality and Provincial EPWP Programmes as the Municipality is currently financially challenged to can address all challenges on its own.

**HOUSING**

Under this section, the Municipality facilitate provision of township establishment to planning division through data base received from each unit offices on the backlog for both sites and housing needs. In consultation with Free State department of Human Settlements, this process is facilitated through a register compiled from applications submitted. To date since 2021, only 48 housing units in Zastron, 12 in Rouxville and 16 in Smithfield were provided from which only few houses were built in Smithfield with other towns still no movement.

It suffices to report that, our Municipality depends on Provincial allocations and construction as we are not accredited to undertake that mammoth task. Other than provision of housing through the above, we still are responsible to make provision of sites for all purposes. To date, planning division has facilitated township establishment of +- 508 sites in Smithfield, 70 in Zastron and 854 in Rouxville.

Percentage of households with access to basic housing			
Year end	Total households (including in formal and informal settlements)	Households in formal settlements	Percentage of HHs in informal settlements
Year -3	10276	10276	100%
Year -2	10276	10276	100%
Year -1	10276	10276	100%
Year 0	10793	10276	100%
			T3.5.2

Housing Service Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 0		Year 1			Year 2	Year 3	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Indicators (i)	(ii)								
Development of Human Settlements Sector Plan	0	0	0	0	0	0	0	0	0

Financial Performance 2023-24: Housing Services						R'000
Details	2022-23	2023-24				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
<b>Total Operational Revenue</b>	688	724	735	736	0%	
Expenditure:	-			-		
Employees	1,160	1,242	1,231	1,214	-1%	
Repairs and Maintenance	-	-	-	-	0%	
Other	9	10	10	10	-4%	
<b>Total Operational Expenditure</b>	1,170	1,252	1,241	1,224	-1%	
<b>Net Operational Expenditure</b>	481	528	505	488	-3%	
					T 3.5.5	

The Municipality has no target or budget dedicated as we are non-accredited institution.

Regardless of municipal incapacity to undertake the program, we have not received any subsidy pertinent to housing needs.

### FREE BASIC SERVICES AND INDIGENT SUPPORT

Basic services are generally regarded to be, access to electricity, clean water within a reasonable distance of one's dwelling, basic sanitation, solid waste removal and access to and availability of roads. Free Basic Services (FBS) are allocated as part of the equitable share received annually and utilized for the benefit of the poor only.

The key purpose of the indigent policy subsidy is to ensure that households with no or lower income are not denied a reasonable service and on the contrary the Municipality is not financially burdened with non-payment of services. Provided that funds are available, the indigent subsidy policy should remain intact.

Registered indigent qualify for the following free basic services:

- 6kl of free water
- 50kwh of electricity
- 100% subsidy on sanitation tariff
- 100% subsidy on refuse removal tariff
- Up to R 120 000 of the market value of the property

Financial Performance 2023-24: Cost to Municipality of Free Basic Services Delivered					
Services Delivered	2022-23	2023-24			
	Actual	Budget	Adjustment Budget	Actual	Variance to Budget
Water	16,601	1,787	1,787	1,787	0%
Waste Water (Sanitation)	1,286	1,251	1,250	1,251	0%
Electricity	–	4,169	4,169	4,169	0%
Rates and Levies	36	5,678	5,678	19,311	240%
Waste Management (Solid Waste)	860	1,251	1,251	1,251	0%
Total	18,784	14,134	14,134	27,767	96%
					T 3.6.4

## COMPONENT B: ROAD TRANSPORT

The Municipality has managed to develop a road and storm water master plan and is currently developing a road maintenance plan. The above mentioned plans are aimed at assisting in the management of this critical infrastructure.

The Municipality has further acknowledged its challenges in the maintenance of roads due to lack of yellow fleet. This challenge is currently being counteracted by implementation of roads projects which is focusing on the construction of an access road.

### WASTEWATER (STORM WATER DRAINAGE)

The Municipality has been implementing roads projects in line with its road and storm-water master plan. The focus has been on access roads where the internal roads have been upgraded with block paving. Despite progress made thus far, the Municipality still faces challenges on maintenance of existing roads.

#### Challenges:

- Lack of yellow fleet for maintenance of roads
- Lack of proper storm-water channels which affects roads especially during rainy season
- Insufficient budget for maintenance purposes.

Gravel Road Infrastructure					Kilometers
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained	
Year -2	60	-	0		20
Year -1	60	-	0		10
Year 0	60	-	3,7		15
Tarred Road Infrastructure					Kilometers
	Total tarred roads	New tar roads	Existing tar roads re-tarred	Existing tar roads re-sheeted	Tar roads Maintained
Year -2	21	-	-	0	0
Year -1	21	-	-	0	0
Year 0	21	-	-	0	0
					T 3.7.3

Storm water Infrastructure				
				Kilometres
	Total Storm water Measures	New storm water measures	Storm water measures Upgraded	Storm water measures Maintained
Year -2	160	0.4	0	30
Year -1	166	1.3	0	26.76
Year 0	166	1.3	0	40

Cost of Construction/Maintenance			
R' 000			
	Storm water Measures		
	New	Upgraded	Maintained
Year -2	0	0	R110 000.00
Year -1	632,800	0	R 120 000.00
Year 0	2,337,396	0	R 158 400.00

The municipality is utilizing open channel drainage system in most of its areas and these are further implemented along the access road project. Maintenance is mostly done under the Public Works program of EPWP.

**Major maintenance works is done utilizing hired jet machines to unblock underground storm-water channels in certain sections within Mohokare Local Municipality**

## COMPONENT C: PLANNING AND DEVELOPMENT

### TOWN PLANNING

Town planning from a municipal perspective focuses on land use and the development thereof in such a way as to be sustainable, in other words, planning and development must be done as to enhance the environment for man and animal in a harmonious way as to be sure that future generations will be able to enjoy the legacy from their parents in a sustainable manner.

### MAIN ELEMENTS OF PLANNING STRATEGY

Manages the key performance areas and result indicators associated with the creation, regeneration, enhancement and management of public spaces through the provision of a professional management consultancy service disseminating advice and guidance on international best practice trends, design, specification, procurement and implementation sequences in respect of urban design and architectural projects and monitoring and reporting on the outcomes. For this to be possible, town planning has certain policy documents as well as guidelines to assist in above goals.

## SPLUMA COMPLIANCE

- Spatial Planning by law;
- Town planning policy updated in terms of SPLUMA;
- Spatial Development Framework Review: incorporation of SPLUMA principles; and
- Mohokare Land Use Scheme 2022 developed and approved.

## LANDUSE DEVELOPMENT, PLANNING AND MANAGEMENT

- Mohokare Land Use Scheme
- Approved Spatial Development Framework end of May 2024
- Building control
- By laws
- Policies

### Town Planning policies in place

No.	Name of policy	Year approved
1.	Provision of public spaces policy	2023
2.	Guidelines leisure residential land use policy	2023
3.	Building control policy	2023
4.	Specifications on liquor outlets and tavern policy	2023
5.	Town planning in terms of SPLUMA policy	2023
6.	Erf sizes for residential development policy	2023
7.	Development of second houses and density policy	2023
8.	Environmental related guidelines policy	2023
9.	Non-agricultural development on agricultural land in the free state policy	2023
10.	National heritage resources policy	2023
11.	Public resort land use policy	2023
12.	Township establishment and lay-out policy	2023
13.	Spatial development framework	2023
14.	Student accommodation policy	2023

## FREE STATE PLANNING FORUM

The town planner is a member of the SPLUM Forum and attend quarterly meetings.

## SWOT ANALYSIS

<p style="text-align: center;"><b><u>STRENGTHS</u></b></p> <ul style="list-style-type: none"> <li>• Alignment of Spatial Development Framework to the Integrate Development Plan and the Budget.</li> <li>• Professional registered planner</li> <li>• Land Use Scheme in place.</li> <li>• National and Provincial support SPLUMA – supportive legislation</li> <li>• Good working relations with Senior Management Team</li> </ul>	<p style="text-align: center;"><b><u>WEAKNESSES</u></b></p> <ul style="list-style-type: none"> <li>• Lack of understanding of spatial planning and land use management by local communities</li> <li>• No GIS</li> <li>• Turn-around time for town planning processes to run its course</li> <li>• MPT (Municipal Planning Tribunal) problematic in small municipalities</li> </ul>
<p style="text-align: center;"><b><u>OPPORTUNITIES</u></b></p> <ul style="list-style-type: none"> <li>• Effective implementation of SPLUMA in terms of land use</li> <li>• Development and planning opportunities</li> <li>• Future growth within the wall-to-wall boundaries of the municipality</li> <li>• Smooth Land use management and governance</li> </ul>	<p style="text-align: center;"><b><u>THREATS</u></b></p> <ul style="list-style-type: none"> <li>• Illegal occupation of land</li> <li>• Inadequate budget for processes of own planning in terms of own land development</li> <li>– e.g. 54 sites in Mofulatshepe             <ul style="list-style-type: none"> <li>• Illegal construction of structures</li> <li>• Political interference</li> </ul> </li> </ul>

## LANDUSE DEVELOPMENT, PLANNING AND MANAGEMENT

- Identification of land for LED projects as per the project lists in the Spatial Development Framework 2023-24;
- Infill planning in Smithfield of the vacant municipal owned properties;
- Investigation into state-owned residential properties for possible transfer to the municipality;
- Talks with Transnet in terms of lease agreements between the municipality and Transnet for use of their vacant proprieties and structures for local economic development growth; and
- The process of township establishment Ext 11 TO 15 ZASTRON ongoing. GIC was appointed by the Dept. of Human settlements to conclude the application by assisting Mok Consultant.

## MUNICIPAL PLANNING TRIBUNAL

- The MPT is 100% functional

The following individuals form part of the next 5 years MPT:

Name	Position
Mr S Moorosi	Chairperson
Mr S Thejane	Member
Mr J Songame	Member
Me N Duma	Member – Spatial Planning COGTA
Mr C Maseko	Member - SALGA
Me E Meades	Member
Mr S Buyeye	Member
Me. P. Marais	Member - COGTA Advisor

## Land Use Applications 2023 - 2024

Category 1- Applications received and will be dealt with in the next financial year.

<u>Date Of Planner report</u>	<u>Property description</u>	<u>Owner</u>	<u>Land use application</u>	<u>Approval/non approval</u>
3/10/23	Erf 434 Zastron Voortrekker Street	A. Van Wyk	Consent use for use as a creche with conditions	Approved

### APPLICATIONS RECEIVED 2024

	APPLICANT	APPLICATION	ADDRESS	TOWN	CAT 1	CAT 2	PUBLIC P	REPORT	DECISION
1	PROP SOL	SUBDIVISION	ERF 572	Roleleathunya	✓		✓	26/11/24	
2	DALRRD	CONSENT USE	ERF 2349	Roleleathunya		✓	✓	14/108/24	Approved
3	Office of the speaker	CONSENT USE	ERF 1312	EXT 5 SF		✓			
4	Office of the speaker	CONSENT USE	ERF 907	MOFULATSHEPE		✓			
5	HIGHWAVE	CONSENT USE	ERF 475	MOFULATSHEPE		✓	✓	30/09/24	Approved
6	RALPH REX	SUBDIVISION	ERF 360	ZASTRON		✓	✓		
7	RALPH REX	CANCELLATION OF NOTORIAL COUPLING	FARM HALLATON 1074 AND FARM BLAUWBOSCHFONTEIN B 113 PORTION 1	ROUXVILLE	✓		✓		
8	RALPH REX	SUBDIVISION AND BOREHOLE AND PIPELINE SERVITUDE	ERF 438	ZASTRON	✓		✓		Approved

9.	GIC	TOWNSHIP ESTABLISHMENT	MOOIFONTEIN INTO EXT 11 - 15	ZASTRON					
10.		3 SOLAR FACILITIES	BIES.ESVLEI	SMITHFIELD	✓				
11.	KOBUS BURGER ATTORNEYS	CONSENTUSE	ERF 2349	ROLELEATHUNYA		✓	✓	22/10/2024	APPROVED

## **LIQUOR LICENSE APPLICATIONS – none received.**

### **Applications now only sent to the Xhariep Environmental Health Practitioner**

The Mohokare municipality experiences problems with the Free State Liquor board' decisions and lack of feedback on licenses issued as it does not take enough cognizance of the municipal recommendations and thus does not adhere to SPLUMA principles. This problem needs to be addressed through the Free State SPLUM Forum and SALGA.

## **CHALLENGES**

- Land fill sites
- Cemeteries
- Infrastructure to support development
- Transportation routes
- Taxi ranks

## **BUILDING PLAN REGISTER 2023/24**

The register is updated by the municipal Department of Community Services.

## **SERVICE DELIVERY PRIORITIES**

- **Land use and land use applications according to SPLUMA**

Constant information is given to the community and individuals on the SPLUMA governing Land use.

## **MEASURES TO IMPROVE SERVICE DELIVERY**

- Make use of the Chief Surveyor General's data and diagrams for encroachment and other general site complaints and queries;
- Verification of ownership through the Deeds Office;
- Functioning Municipal Planning Tribunal;
- Assist with building plans;
- Investigate illegal land uses;

- LED matters regarding potential development spaces - Advice regarding possible development proposals;
- Make use of Geo Informational Science GIS – 1MAP and Chief Surveyor General website;
- Working relationship with other municipal departments and COGTA; and
- Report writing.

## **LOCAL ECONOMIC DEVELOPMENT – LED (INCLUDING TOURISM AND MARKET PLACES)**

Municipalities have a constitutional mandate to promote local economic development (LED). Section 153 of the constitution states that:

A municipality must structure and manage its administration, budgeting and planning processes to give priority to the basic needs of the community, to promote the social and economic development of the community.

Local Economic Development is a process where local stakeholders such as government, business, labour, and civil society organisations work collectively to identify, utilize and harness resources to stimulate local economy and create employment.

### **LED STRATEGY**

The LED Strategy together with SMMEs development policy encapsulated into the IDP

### **PROPOSED LED PROJECTS FOR 2023/2024**

<b>ZASTRON</b>	<b>ROUXVILLE</b>	<b>SMITHFIELD</b>
Tourism signage	Tourism signage	Tourism signage
Development of a tourism brochure	Development of a tourism brochure	Development of a tourism brochure
Establishment of tourism website	Establishment of tourism website	Establishment of tourism website
Re-commercialisation of Makhaleng boarder post	Wool and leather processing	Game farming
Upgrading of the S2 road	Office park development	Truck stop
Production of charcoal	Upgrading of Goedemoed gravel road	Bakery
Aquaculture	Alternative Energy production	Pottery
Shopping Complex	Recycling	Piggery
Leisure Resort	Poultry farming	Recycling
Recycling	Industrial park	Vegetable farming
Vegetable farming	Vegetable farming	
Meat processing	Beef farming	Beef farming
Recycling	Recycling	Recycling
-	-	Bakery

## **JOB CREATION INITIATIVE: 2024**

➤ EPWP	76
➤ CWP	1 021

## **APPROVED FUNDING APPLICATIONS FOR 2023/2024 FINANCIAL YEAR**

The LED unit had ensured that all registered SMMEs are applying for funding during 2025 while unregistered were encouraged to register so that they could also benefit from Department of Small Business Development's Informal Micro Enterprises Development programme (IMEDP). Unlike in the past, the new applications are done online and the LED does not have the number of approved applications.

## **EMPLOYMENT RESEARCH**

The rate of unemployment is extremely higher and serious. The LED unit explores new and innovative ways to empower, support and capacitate all SMME's to live up to the ideals of self-employment. Research conducted had revealed that only 18% indigents registered as per municipality indigent register of the entire population in the municipality. This is absolutely very low percentage, as compared to the rate of unemployment, meaning municipality must encourage residents to register as indigents.

## **SANRAL: Routine Road Maintenance on National Route R26**

South African National Roads Agency Limited (SANRAL) has taken over the routine maintenance of the above mentioned provincial road. Ditchaba Ditoue Construction (PTY) LTD has been appointed as the main contractor for the implementation of the project. During the month of April 2025 a Project Liaison Committee (PLC) was elected with chairpersons of LED Forums in Zastron and Rouxville forming part of the committee and LED manager representing municipality. Other members of the committee come from the main contractor, Department of Police Roads and Transport as well as SANRAL.

During the month of April 2025 a meeting of the PLC was held in Zastron where the following information was presented:

Contract Value (incl. VAT): R243 251 714.50

Main Contract Duration: 12 Months

Main Contract Commencement Date: 16 May 2025

Main Contract Completion Date: 15 May 2026

Subcontract Tender Advert Date: 21 May 2025

Tender Closing Date 6 June 2025

Minimum of 30% of contract value to be subcontracted.

It's important to note that all the above mentioned dates were not honoured and the advert for subcontracting did not go out. The LED Unit is still trying to get information on developments and such will be reported as and when received.

## **AGRO-PROCESSING**

The LED unit oversee that the established Local Economic Forums in Zastron, Rouxville and Smithfield in the past financial year that are functional with a sole objective of discussing economic opportunities that Mohokare municipality can create for residents. Moreover, the municipality has been identified as an agrarian area that pride itself with cattle, sheep, pigs and goat farming but residents don't benefit from agricultural opportunities as cow and sheep skin are taken elsewhere for processing instead of being processed locally and create employment. With the completion of the Farmers Support Unit in Mohokare, municipality must expedite the appointment of Agricultural Support Officer for purpose of having a person in the municipality who will work together with the Support Unit in advancing the interest of the agricultural sector.

## **TOURISM**

Tourism is one of the world fastest growing industries and it has a major influence on the economy and developments in our areas. The municipality is situated along Maluti tourism route that covers the town of Zastron and Rouxville. The other town of Smithfield is situated along the N6 national road which also presents good opportunities for tourism. Mohokare Local Municipality shares borders with the Mountain kingdom of Lesotho's town of Mhaleshoek as well as the Eastern Cape town of Sterkspruit. The municipality's geographic position therefore presents a wide range of opportunities including trade and tourism. Development of a Tourism Support Policy as well as compilation of a tourism brochure should be one of the priorities of the LED Unit. Underneath is a table showing number of accommodation establishments in each town:

<b>TOWN</b>	<b>ACOMODATION</b>	<b>ATTRACTIONS</b>
Zastron	15	13
Rouxville	4	5
Smithfield	7	7

## **COMMERCIALISATION OF MAGALEEN BORDER POST**

It is a known fact that the aforesaid boarder post is shared by Zastron town in the Free State Province and Mhaleshoek town of Lesotho. The S2 road also needs to be upgraded so that travelling between two countries can be easier and accessible for tourists. The project has been presented as part of Small Town Regeneration (STR) Programmes and the submission for upgrading of the road has found expression in the IDP document of the municipality.

## **SMALL TOWNS REGENERATION PROGRAM**

Small Town Regeneration (STR) is one of the flagship initiatives of SALGA aimed at targeting small towns as entry points of effective spatial transformation, stimulate economic growth, and create employment. The programme was inaugurated in Bloemfontein in 2015 and then roll-out in the Karoo region in the following year. The Karoo STR is an inter-provincial initiative which strides across provinces i.e. Northern Cape, Western Cape, Eastern Cape & the Free State. 40 Municipalities are participating in this unique interprovincial initiative: 4 of these Municipalities are in Free State these are:

- Xhariep District Municipality
- Mohokare Local Municipality
- Letsemeng Local Municipality
- Kopanong Local Municipality

Be it noted that the 2025 STR conference was intended to be held at Mohokare Local Municipality in the town of Zastron. An STR officials' meeting was hosted in Zastron where a decision to move the conference to Gariiep was done. The reasons sponsored was that Mohokare's state of readiness was a concern, with specific reference to the following:

- Capacity to host 200-250 delegates
- Unreliable supply of basic services (No water on the day of the meeting was a huge concern
- Non-payment of employees' salaries

## **ADVERTISEMENT OF COMMERCIAL LAND**

Mohokare Municipality has beautiful and attractive commercial land in all its three towns. In 2023 council approved a recommendation that commercial land must be advertised and interested parties be invited to come and make business proposals

### **ZASTRON**

- Land along Montague dam
- Land along Kloof dam
- Old show ground
- Industrial land along Metro building
- Triangle between Rouxville and Wepener road

### **ROUXVILLE**

- Land along Parsley dam
- Land opposite Uitkoms
- Old golf course
- Top dam land
  
- Land opposite town cemetery

### **SMITHFIELD**

- Land along the dam
- Game farm
- Truck Stop

## **TUCK-SHOPS PROGRAM**

- Over the past two years, eating township spaza shops have drawn the attention of the country as we experienced rising cases of food poisoning. By October 2024 over 200 cases of children that have fallen sick after eating suspected poisoned food and snacks have been reported with at least 22 having lost their lives.
- The Minister of Cooperative Governance and Traditional Affairs (COGTA), has on 7 November 2024, introduced a new Draft Standard by-Law for Township Economies. This by-law, issued in accordance with the Local Government Municipal Systems Act of 2000, aims to create enabling environment for small businesses in townships, supporting economic inclusion, job creation and community empowerment.
- During the month of December 2024 the LED Unit conducted roadshows where all tuckshop owners were workshopped on the new Draft by-law and subsequently the same by-law was referred to council for adoption. Following the adoption of the by-law

by council, the LED Unit together with the district environmental officer conducted tuckshops inspection for compliance. Underneath find the report:

- Number of tuckshops in Mohokare: 150
- Number of tuckshops owned by foreign nationals: 76
- Number of tuckshops owned by locals: 74
- Number of tuckshops approved for business: 133
- Number of declined applications: 17 (All foreign nationals)
- The decline is as a result of expired asylum papers/refugees permits
- Introduction of business permits
- As part of regulating the township informal trade, the national department of Cooperative Governance and Traditional Affairs resolved that municipalities should introduce business permits. As a result, all tuckshops operating in towns and townships must have permits approved by municipality. Any business establishment without a permit is not allowed to operate and the South African Police Service is obliged to enforce its closure.
- Attached find the draft permit.
- Introduction of business license fees
- As part of regulating the spaza shops business, municipalities have been advised to introduce annual business license fees. Having consulted with other municipalities in the district, the LED Unit is proposing a start-up tariff of R1 500 with an escalation of 10% annual increase.

### **Tuckshops Funding Applications**

As part of government commitment in supporting and uplifting the township economies a spaza shop support fund has been introduced. The funding will be utilised for the refurbishment of businesses and facilitating wholesale aggregation. The objective is to:

- Increase the participation of South African owned spaza shops in the townships and rural areas retail trade sector.
- Provide safe and affordable products and services to township and rural communities.
- Strengthen and support locally owned spaza shops by building capacity, enhancing operational efficiency, and enabling access to competitive pricing.
- Help spaza shops to tap into bulk purchasing benefits and business support.

Be it noted that as part of government commitment in curbing abuse of this support grant, applications are made online. However, the LED unit is available to assist with the applications for our elderly applicants in particular and everyone who requires help.

It's a cogent fact that municipality has no budget for LED projects, but its primary task through its LED Unit is to create enabling environment for economic growth and employment creation. Through its LED Unit the municipality further assist, give support and lobby funding for developmental projects as identified and proposed by formalised structures in a form of cooperatives and close corporations. The EPWP as well as CWP are still accounting for more employment in the municipality even though on contractual basis. Currently, the LED Unit is run by both LED Manager and SMMEs & Tourism Officer who are respectively implementing all LED projects, coordinating LED strategies, objectives and programmes as well as assisting government agencies and statutory institutions with the implementation of SMMEs support programmes to mention but few.

## COMPONENT D: COMMUNITY & SOCIAL SERVICES

Within Mohokare Local Municipality, this component is focused on the following; Human Settlements, Commonage Management, Traffic Law Enforcement, Sports and Facilities, Amenities, Solid Waste Management. In as much as we address issues related to Environmental Health and Disaster Management, the competence and mandatory obligations are that of the Xhariep District Municipality.

### INTRODUCTION TO COMMUNITY AND SOCIAL SERVICES

In the contexts of our Municipality, this department dedicatedly, serves to bring about changes and developments through the above strategies as mandate through its Organizational structure. It is therefore noted under each subcomponent that, amendments from previous report is reflected as an update of the current and functional administration.

### LIBRARIES, COMMUNITY FACILITIES & OTHER

Libraries and its surrounding facilities, are the responsibility of the Provincial Sports, Arts, Culture and Recreation, and not our main core function since devolution of Libraries to the Provincial government.

### SERVICE STATISTICS FOR LIBRARIES, COMMUNITY FACILITIES & OTHER

The Municipality through Corporate Services department, is responsible for bookings of Town Hall in Zastron and management of Council Chambers whilst through satellite offices, Unit Managers take control of locally based facilities like Community Halls.

Financial Performance 2023-24: Libraries						R'000
Details	2021-22	2022-23				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
<b>Total Operational Revenue</b>	-	-	-	-	0%	
Expenditure:						
Employees	-	-	-	-	0%	
Repairs and Maintenance	-	-	-	-	0%	
Other	-	-	-	-	0%	
<b>Total Operational Expenditure</b>	-	-	-	-	0%	
<b>Net Operational Expenditure</b>	-	-	-	-	0%	
T 3.12.5						

## CEMETERIES

The Municipality has eighteen (18) cemeteries with six (6) in each Town. Having mentioned the above, its only three cemeteries operational in each town due to sites been allocated to its full capacity. The allocation of graves is being conducted through the Municipal offices and Supervisors responsible. There is no crematorium that is owned or managed by the Municipality. The below table current status as depicted above.

Name Town	Number of Cemeteries	Name of Cemetery					
		1	2	3	4	5	6
Zastron	6	Zastron Cemetery	Mooifontein Cemetery	Phomolong Cemetery	S2 Cemetery	Valrok cemetery	Matlakeng Cemetery
<b>Cemetery Status</b>		<b>Closed</b>	<b>Closed</b>	<b>Closed</b>	<b>Operating</b>	<b>Closed</b>	<b>Closed</b>
Rouxville	6	Old Roleleathunya	Roleleathunya	Rouxville	Uitkoms	Old Rouxville	New Roleleathunya
<b>Cemetery Status</b>		<b>Full to capacity</b>	<b>Full to capacity</b>	<b>Operating</b>	<b>Full to capacity</b>	<b>Closed</b>	<b>Full to capacity</b>
Smithfield	6	Smithfield	Old Mofulatshepe	Old Smithfield	Makhaleng Cemetery	Rietpoort	New Smithfield
<b>Cemetery Status</b>		<b>Full to capacity</b>	<b>Full to capacity</b>	<b>Closed</b>	<b>Closed</b>	<b>Full to capacity</b>	<b>Operating</b>

To date, we note that there are monthly reports on attendance and allocation of graves per town and that is reflected hereunder during the year under review.

Almost, all Cemeteries are full to capacity and need to be catered for under development and planning of residential sites etc.

As reflected above, the challenge lies ahead of us and in addressing such, joint operation within and around the sites must be a matter to be dealt with together with Funeral undertakers within our Constituents towns, also considering those that will be from outside.

Financial Performance 2023-24: Cemeteries						R'000
Details	2022-23	2023-24				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
<b>Total Operational Revenue</b>	59	87	63	65	-33%	
Expenditure:						
Employees	-	-	-	-	0%	
Repairs and Maintenance	-	-	-	-	0%	
Other	-	-	-	-	0%	
<b>Total Operational Expenditure</b>	-	-	-	-	0%	
<b>Net Operational Expenditure</b>	(59)	(87)	(63)	(65)	-33%	
<i>T 3.13.5</i>						

### COMMENT ON THE PERFORMANCE OF CEMETERIES OVERALL:

There is a report tabled about the cemeteries as it is what the Municipality is operating and managing.

### CHILD CARE, AGED CARE, SOCIAL PROGRAMMES

The Municipality does not manage or operate all of the above though there are facilities that through rental agreements, has been dedicated to accommodate this learning institutes.

### COMPONENT E: ENVIRONMENTAL PROTECTION

#### ENVIRONMENTAL HEALTH MANAGEMENT

The above, is not a core function of the municipality but the District Municipality; therefore, all the tables in this component are not applicable to the municipality. The reports will respectively reflect under Xhariep District Municipality.

### COMPONENT F: HEALTH

#### HEALTH INSPECTION, FOOD AND ABATTOIR LICENSING AND INSPECTION

The reports will respectively reflect under Xhariep District Municipality

### COMPONENT G: SECURITY AND SAFETY

Our traffic safety and security division, under department of Community Services, plays a pivotal role in managing traffic and all related aspects, including our roads and assisting both the Province and National spheres of government, when coming to traffic services on the roads they are responsible for. It is within this division again and the Security services, that you see enforcement of the by-laws.

## TRAFFIC SAFETY AND SECURITY

Mohokare Municipality has a dedicated division responsible for traffic control and traffic law enforcement. through this division, amongst its functions, the below mentioned are been brought to the attention of the Management and the Council on quarterly basis.

Under this division, the Municipality focused mainly on the following; visible traffic policing when coming to speed controls, road worthiness of municipal and public vehicle's, including road signs and markings. Further to the above, the below mentioned road accidents, is derived from Municipal attendant road incidents only.

Service delivery priorities	Improved performance measures	Major efficiencies achieved
Visible traffic policing	Informed drivers and repaired and maintained vehicles and the roads	Reduced traffic accidents, continuous repairs and maintenance of the roads and fully functional traffic division.
Speed control	Reduced charges on reckless, careless and drinking driving	

We do have only handful Traffic Law Enforcement Officers 6 (six) managing our services through Municipality in all its three (3) Towns with its offices based in Smithfield. Included in their scope of work, is bylaws enforcement.

Financial Performance 2023-24: Traffic & Police						R'000
Details	2022-23	2023-24				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
<b>Total Operational Revenue</b>	104	14,045	2,809	–	-100%	
Expenditure:						
Police Officers						
Other employees	3,117	3,268	3,363	3,334	-1%	
Repairs and Maintenance	–	–	–	–	0%	
Other	30	676	507	297	-41%	
<b>Total Operational Expenditure</b>	3,147	3,944	3,870	3,630	-6%	
<b>Net Operational Expenditure</b>	3,043	(10,101)	1,061	3,630	242%	
						T 3.20.5

## FIRE & DISASTER MANAGEMENT

The fire service is the competence of the District Municipality. In instance where prompt response and assistance required, the Municipality assigns its own employees to assist and frequently would source the services of Working On Fire teams in both Zastron and Rouxville. To date, there are no priorities except to mention that we only ascertain the annual review of Municipal Disaster Management Plan and officially anticipate the deployment of District Disaster Management Officer in Mohokare.

Fire Service Data					
	Details	Year -1	Year 0		Year 1
		Actual No.	Estimate No.	Actual No.	Estimate No.
1	Total fires attended in the year	0	0	3	0
2	Total of other incidents attended in the year	0	0	3	0
3	Average turnout time - urban areas	0	0	0	0
4	Average turnout time - rural areas	0	0	0	0
5	Fire fighters in post at year end	0	0	0	0
6	Total fire appliances at year end	0	0	0	0
7	Average number of appliance off the road during	0	0	0	0
					T 3.21.2

There have been no disastrous events reported during the financial year.

Financial Performance 2023-24: Fire Services						R'000
Details	2022-23	2023-24				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
<b>Total Operational Revenue</b>	-	-	-	-	0%	
Expenditure:						
Fire fighters						
Other employees	-	-	-	-	0%	
Repairs and Maintenance	-	-	-	-	0%	
Other	-	39	5	-	-100%	
<b>Total Operational Expenditure</b>	-	39	5	-	-100%	
<b>Net Operational Expenditure</b>	-	39	5	-	-100%	
					T 3.21.5	

## **OTHER (DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL OF PUBLIC NUISANCES AND OTHER)**

Disaster management is a district function in terms of the allocation of powers and functions. The unit is specifically responsible for assisting the municipality on processes and administration of disaster and its related incidents. Without detracting from the above statement, the municipality, in partnership with both the District Municipality and the Province, pay attention to hazmats, road accidents, veld & household fires on commercial and commonage farming areas, including the town and townships.

In managing disaster, a plan is in place and work with stakeholders to maintain the course. Animal licensing with specific reference to the dogs, is still a matter to be emphasized through the By-laws whilst others (pigs, cattle, sheep etc.) are notably registered as per the animal livestock registration Act.

The control of public nuisance is being given attention by our Xhariep based EHP and as such, a report reflects on the progress and plans under the District.

## **COMPONENT H: SPORT AND RECREATION**

Sports in general, is of utmost importance with regard to the healthy persona, mentally and physically. Without this in life, the life expectancies with reference to our youth, would seem diminishing as most will resort to unhealthy lifestyles. As this was one of the municipality's important strategic goal in this current financial year, attention was brought or given in the below mentioned areas;

### **SERVICE STATISTICS FOR SPORT AND RECREATION**

There are no recorded service statistics except to mention that progress, employment opportunities enjoyed under the project, is reflected under department of technical services.

### **SPORT AND RECREATION**

This division is responsible for promotion and management of sports, the management, repairs and maintenance of all sporting facilities under the jurisdiction of the Municipality. Credit is not taken away from our Sister departments in every level provident to the Municipality on annual basis.

Through our own internal competence and assistance of XDM and the Province (SACR), we managed to develop a draft Policy on

- Management and Use of Municipal Sports facilities and currently.

Financial Performance 2023-24: Sport and Recreation						R'000
Details	2022-23	2023-24				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
<b>Total Operational Revenue</b>	-	-	-	-	0%	
Expenditure:						
Employees	477	512	492	490	0%	
Repairs and Maintenance	-	-	-	-	0%	
Other	4	26	21	18	-15%	
<b>Total Operational Expenditure</b>	481	539	513	508	-1%	
<b>Net Operational Expenditure</b>	481	539	513	508	-1%	

T 3.23.4

## COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

Corporate governance is a term that refers broadly to the rules, processes, or laws by which businesses are operated, regulated and controlled. The term can refer to internal factors defined by the officers, stockholders or constitution of a corporation, as well as to external forces such as consumer groups, clients, and government regulations.

Well-defined and enforced corporate governance provides a structure that, at least in theory, works for the benefit of everyone concerned by ensuring that the enterprise adheres to accepted ethical standards and best practices as well as to formal laws. To that end, organizations have been formed at the regional, national, and global levels.

### **Mohokare Local Municipality applies the requirements of King III with the main focus areas:**

- Ethical leadership and citizenship
- Boards and directors
- Audit Committees
- The governance of risk
- The governance of information technology
- Compliance with laws, rules, codes and standards
- Internal Audit
- Governing stakeholder relationships
- Integrated reporting and disclosure

### **The municipality has made strides in its role of ensuring the following is in place:**

- Compliance with statutes through the development of a compliance register
- Upgrading of technology and systems
- Risk management- the governance of risk through applicable processes
- Development and review of policies
- Periodic performance assessments of Senior Managers are conducted

- There is an independent and effective audit committee
- A functional internal audit unit.

Financial Performance 2023-24: Municipal Manager						R'000
Details	2022-23	2023-24				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
<b>Total Operational Revenue</b>	–	–	–	–	0%	
Expenditure:						
Employees	1,154	1,056	1,410	1,907	35%	
Repairs and Maintenance	–	–	–	–	0%	
Other	134	57	142	190	34%	
<b>Total Operational Expenditure</b>	1,288	1,114	1,552	2,097	35%	
<b>Net Operational Expenditure</b>	1,288	1,114	1,552	2,097	35%	
					T 3.24.5	

## FINANCIAL SERVICES

The financial services for Mohokare are rendered by the Budget and Treasury department under the leadership and guidance of the Chief Financial Officer.

Reporting of financial matters making use of consultants relating to Budget (draft, final and adjustment) as well as the drafting of the Annual Financial statements. The completion of the asset register is outsourced only relating to fixed and infrastructure assets.

The reporting on assets is still outsourced.

The financing of services is being achieved in spite of severe financial constraints.

The major constraints being:

Poor cash-flow:

- As a result of a low payment rate and
- The inability to budget for the effective provision for the payment of creditors from the prior period.

Low payment rate.

The payment rate is set out in graph below, i.e. 39.1%

- The Municipality does not have the leverage to use restriction of electricity to ensure payment of the water, refuse and sewerage services.
- Water is at present not restricted – the fact that water is not always available at source also minimizes the effect of restricting the supply of water to a specific household.
- The recovery of existing debts is hampered by the limited information on consumers whether they are able to service the debt and the current consumption.

- The moratorium place by a council decision on the handing over of new debtor accounts to the attorney of the council.
- The lack of capacitated staff to undertake credit control and debt collection.

Financial Performance 2023-24: Financial Services						R'000
Details	2022-23	2023-24				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
<b>Total Operational Revenue</b>	156,947	113,210	141,711	81,687	-42%	
Expenditure:						
Employees	14,657	16,499	15,791	14,841	-6%	
Repairs and Maintenance	–	–	–	–	0%	
Other	87,801	63,785	66,874	96,420	44%	
<b>Total Operational Expenditure</b>	102,457	80,284	82,665	111,261	35%	
<b>Net Operational Expenditure</b>	(54,490)	(32,926)	(59,046)	29,574	-150%	
					T 3.25.5	

## HUMAN RESOURCE SERVICES

The Human Resource Department contributes to managing the gap between human capacity needs and realities of Mohokare Local Municipality. A Human Resource Strategy is in place to align o human resource policies and practices to support the accomplishment of the mission, vision, goals and strategies of MLM. The focus is to invest in our human capital to contribute effectively, efficiently and economically to the achievement of short, medium and long term objectives of the municipality.

### The principal objectives of the HRM can be listed as the following but not limited to:

- To help the organisation reach its goals;
- To employ the skills and abilities of the workforce efficiently
- To provide the organisation with well trained and well-motivated employees;
- To increase to the fullest, the employees job satisfaction and self-actualization
- To communicate the HR policies to all employees
- To be ethically and socially responsible to the needs of the society.
- To develop and maintain a quality of work force.

In the year ahead work will be done to develop the succession and staff retention strategies and policies in order to grow internal capacity and ability. It is believed that this is a key tool to realizing many components of the HR Strategy.

Financial Performance 2023-24: Human Resource Services					
					R'000
Details	2022-23	2023-24			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	-	-	-	-	0%
Expenditure:					
Employees	2,580	2,757	2,968	2,790	-6%
Repairs and Maintenance	-	-	-	-	0%
Other	50	480	23	156	579%
<b>Total Operational Expenditure</b>	2,630	3,237	2,991	2,946	-2%
<b>Net Operational Expenditure</b>	2,630	3,237	2,991	2,946	-2%
					T 3.26.5

## **INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES**

Information Technology Services provided by the IT Unit in Mohokare Local Municipality, include the following:

**The Client Services function** is responsible for help desk and desktop support services.

**The Network Services function** is responsible for management of the municipality's local and wide area networks, copper, and wireless communications, and telecommunication services. Further responsibility is also to assure adequate security measures are in place to protect the municipality's network from unauthorized access.

**The Website and Application Services function** is responsible for support of enterprise systems; selection leadership and integration of new commercial-off-the-shelf (COTS) solutions; maintenance and upgrade of existing systems; architectures, software and database standards; web development.

**The Server Administration Services function** administer, and optimize municipality's servers and related components to achieve high performance of the various business functions supported by the servers. This includes ensuring the availability of client/server applications, configuring all new implementations, and developing processes and procedures for ongoing management of the server environment. Furthermore, this function is responsible to assist in overseeing the physical security, integrity, and safety of the data centre/server farm.

**IT Governance and Administration function** is "hidden" but critically active function. The responsibilities in this area include the management of the Information Technology related assets, the administration of SLA's and contracts, management of information security, IT Strategic Planning as well as sourcing and procuring of IT related equipment. The area is also responsible for the recommendation for replacement equipment where the need arises.

As set out in the IT Strategic documents, which is an input to the drafting of the municipality's IDP, a dedicated and all-round effort has been placed on improvement of all functions of the ICT environment in order to enable efficiently the processes that brings about the realization of the IDP objectives, which amongst others include good governance.

Primarily, in brief measures have been put in place to:

Provide efficient helpdesk support service to enable or empower the workforce of municipality. Further, procurement of the upgrades of the server items have enabled the setup of the File Server which backups user's information. Provide for increased protection of user's information, by procuring efficient Anti-Virus software, Kaspersky Anti-Virus.

In the year 2023/2024, the ICT Unit initiated a scholarly project to revise its current ICT Policies and Strategies in order to provide guidance on how ICT is controlled and directed to facilitate the strategic goals of the municipality.

This included the following policies and strategies:

1. ICT Security policy
2. ICT Assets Control & Disposal Policy
3. ICT Internet Usage Policy
4. ICT Change management policy
5. ICT Password policy
6. ICT Backup Policy
7. ICT Disaster Recovery policy
8. ICT Network Policy
9. ICT Internet & Email Usage Policy
10. ICT Telephone Policy
11. ICT Operating System Security Controls Policy
12. ICT Printing Policy
13. ICT Mobile and Gadget Policy
14. ICT Disaster Recovery & Business Continuity Plan
15. ICT Strategic Plan
16. ICT Governance Policy Framework

**Financial Performance 2023-24: Information Technology**

R'000

Details	2022-23	2023-24			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
<b>Total Operational Revenue</b>	–	–	–	–	0%
Expenditure:					
Employees	1,168	1,268	1,072	1,131	5%
Repairs and Maintenance	–	550	50	7	0%
Other	181	735	809	303	-63%
<b>Total Operational Expenditure</b>	1,349	2,554	1,932	1,441	-25%
<b>Net Operational Expenditure</b>	1,349	2,554	1,932	1,441	-25%

*T 3.27.5*

## **COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD**

The function of Performance Management within the municipality is performed in the office of the municipal manager, and includes monitoring the implementation of the Integrated Development Plan (IDP) as well the Budget through the Service Delivery Budget and Implementation Plan (SDBIP). Legislation states that key performance indicators and targets must be implemented to enable continual monitoring of the municipality and its administration.

These indicators pin point areas of focus for each financial year and are included in the IDP. Once approved the IDP is married to the budget in a document called the Service Delivery and Budget Implementation Plan (SDBIP) which provides a workable management tool from which to operate under and monitor progress. The SDBIP is then used to develop agreed performance plans for the Municipal Manager and Directors which should be evaluated quarterly.

**This report will also endeavour to report to Council the Municipality's performance in terms of the National Government's Strategic Key Performance Areas for local government, which are:**

- (1) Basic Service Delivery;
- (2) Municipal Institutional Transformation and Development;
- (3) Good Governance and Administration;
- (4) Municipal Financial Viability and Management;
- (5) Local Economic Development; and
- (6) Environmental Management.

## SECTION B EXECUTIVE SUMMARY OF OVERALL PERFORMANCE

The 2023/2024 Service Delivery and Budget Implementation Plan on which this Performance Report is based, comprises 86 key performance indicators with its concomitant performance targets. As an organisation, Mohokare Local Municipality in the 2023/2024 reporting period achieved 31 of the performance indicators set, 18 were partially achieved and 37 were not achieved. This accounts for 36% target achievement, translating to 21% of targets partially achieved and a negative variance of 43%.

Legends used:

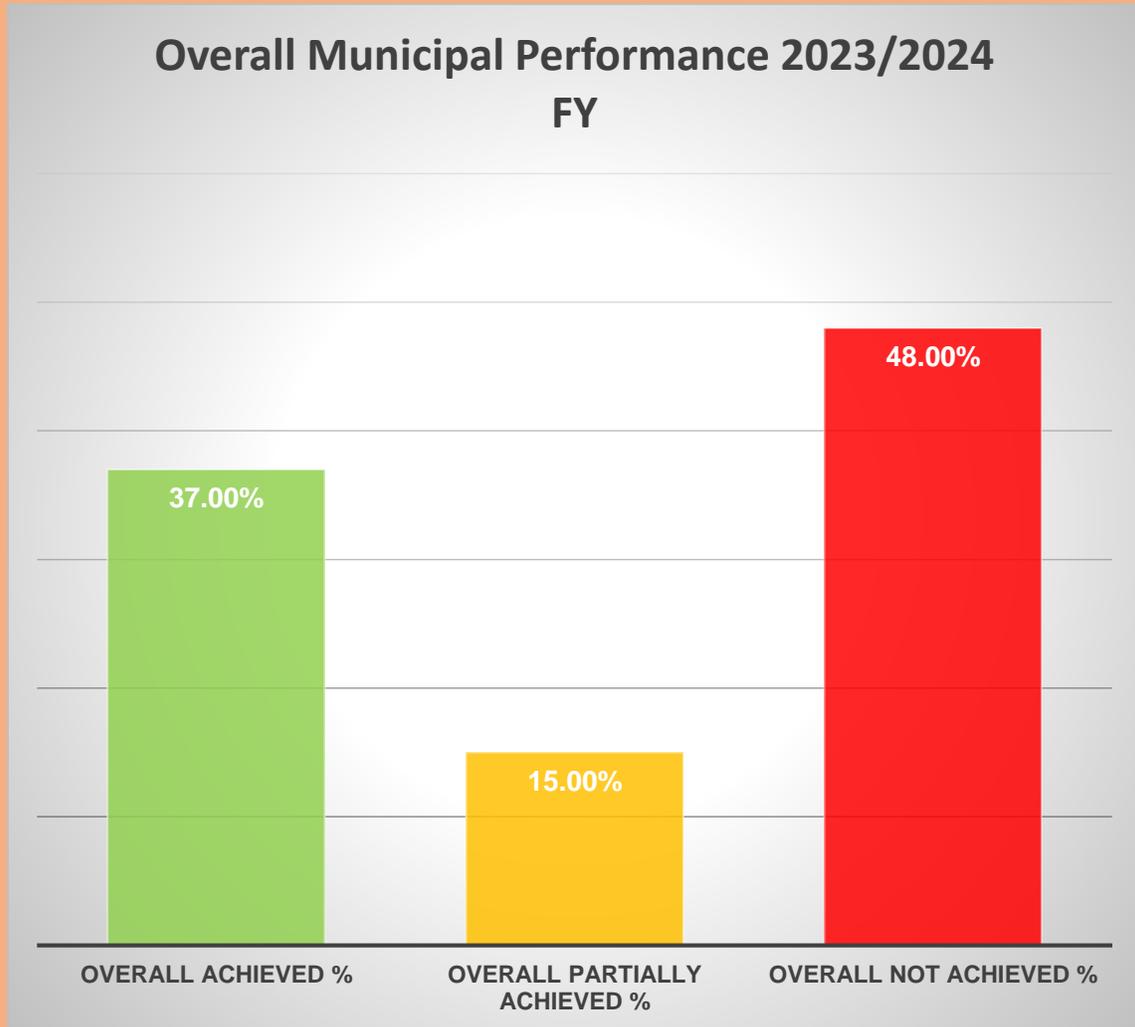
Percentage	Colour	Definition
100%		Target Achieved
>50%		Partially Achieved
<50%		Not Achieved

The table below reflect the actual performance per key performance area:

KEY PERFORMANCE AREA	Total KPIs for the FY	Total KPIs Achieved	Overall Achieved %	Partially Achieved	Overall Partially Achieved %	Total KPIs Not Achieved	Overall Not Achieved %
<b>KPA 1:</b> Basic Services and Infrastructure Development	18	3	17%	3	17%	12	66%
<b>KPA 2:</b> Public Participation	1	0	0%	0	0%	1	100%
<b>KPA 3:</b> Good Governance and Administration	31	15	48%	2	6.5%	14	45%
<b>KPA 4:</b> Financial Management and Viability	17	6	35%	1	6%	10	58.8%

<b>KEY PERFORMANCE AREA</b>	<b>Total KPIs for the FY</b>	<b>Total KPIs Achieved</b>	<b>Overall Achieved %</b>	<b>Partially Achieved</b>	<b>Overall Partially Achieved %</b>	<b>Total KPIs Not Achieved</b>	<b>Overall Not Achieved %</b>
<b>KPA 5:</b> Local Economic Development	8	5	62.5%	1	12.5%	2	25%
<b>KPA 6:</b> Environmental Management	2	1	50%	0	0%	1	50%
<b>KPA 7:</b> Spatial Rational Development	9	2	22%	6	66%	1	11%
<b>TOTAL</b>	<b>86</b>	<b>32</b>	<b>37%</b>	<b>13</b>	<b>15%</b>	<b>41</b>	<b>48%</b>

The graph illustrates the overall municipal performance for the 2023/2024 financial year:



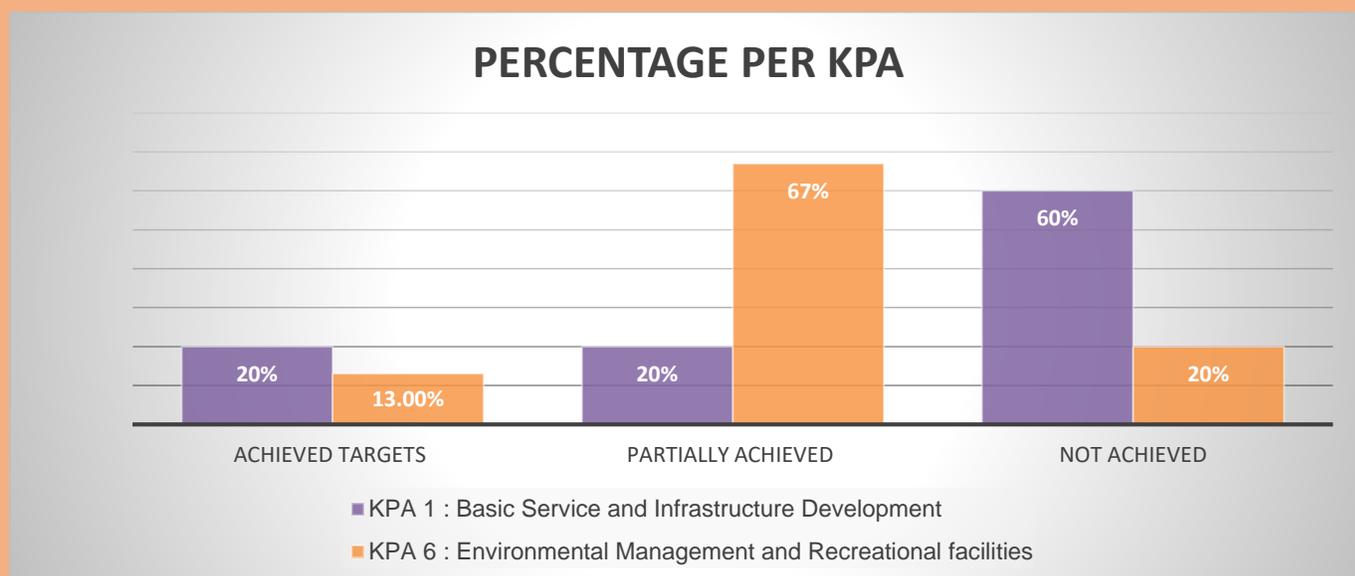
## DETAILED ANALYSIS ON PLANNED TARGETS RELATING TO SERVICE DELIVERY:

As per the vision of the municipality i.e. “is **“A performance driven municipality that utilises its resources efficiently to community needs”**”, Mohokare Local Municipality managed to fully achieve only 12% of its planned Key Performance Indicators relating to **service delivery** during the 2023/2024 financial year and below is the analysis conducted:

- Basic Services and Infrastructure Development; and
- Environmental Management and Recreational facilities

KPA	Total Planned Targets	Achieved Targets	Partially Achieved	Not Achieved
KPA 1 : Basic Service and Infrastructure Development	10	2	2	6
KPA 1 %		20%	20%	60%
KPA 6 : Environmental Management and Recreational facilities	15	2	10	3
		13%	67%	20%
<b>Total (KPA 1+KPA6)</b>	<b>25</b>	<b>4</b>	<b>12</b>	<b>9</b>
<b>Average overall %</b>		<b>16%</b>	<b>48%</b>	<b>36%</b>

The graph illustrates the overall percentage per Key Performance Area:



**Below are all the attributing key challenges that contributed to the decline of the municipal performance with regard to Basic Service Delivery and Infrastructure:**

- Poor financial management which directly impacts service delivery and the livelihood of the residents of Mohokare LM;
- Poor financial position impacting the availability of capital grants which results in infrastructure projects being stagnant and delayed by years;
- Monitoring of service providers not conducted on a quarterly basis and results in inefficient and ineffective service delivery to the community;
- Challenges in provision of basic service delivery;
- Deteriorating infrastructure causing interruptions in service delivery;
- Non-convening of the Bid Evaluation and Bid Adjudication Committees due to the following:
  - ✚ Non-appointment of Section 56 managers for Corporate and Community Services;
  - ✚ Prolonged municipal worker's strike which affected the daily operations of the municipality.

## **OTHER ALARMING KEY FACTORS AFFECTING THE MUNICIPAL PERFORMANCE:**

- Poor financial position and ineffective financial management causing:
  - ✚ Difficulties with paying salaries and 3rd parties which led to prolonged labour unrests;
  - ✚ Money owed by the municipality not always paid within 30 days, as required by section 65(2)(e) of the MFMA;
  - ✚ The municipality to be grant dependant and having a negative effect on the current collection rate is 18%;
  - ✚ National Treasury recovering grant funding that was inappropriately spent from the equitable share putting more strain on the municipality's ability to meet its financial obligations; and
  - ✚ Continuous increase of unauthorised, fruitless, wasteful and irregular expenditure.
- Municipal Public Accounts Committee(MPAC) did not function effectively during the year.
- Lack of effective management and monitoring controls in place to ensure that the organogram was reviewed in line with the Municipal Staff Regulation(MSR) requirements to address the following:
  - ✚ plan for recruitment to fill the vacancies;
  - ✚ retention and development of staff members according to the municipality's requirements within the available budgeted funds, including funds for the remaining period of the relevant medium-term revenue and expenditure framework;
  - ✚ reference to the number of staff required; and
  - ✚ minimum competencies.
- Much needed economic growth and opportunities;
- Lack of consequence management for non-performance.

## **KEY AREAS TO IMPROVE PERFORMANCE GOING FORWARD**

This section highlights key areas for improving of performance, even in the cases where the targets have been met or exceeded. These will include, inter alia:

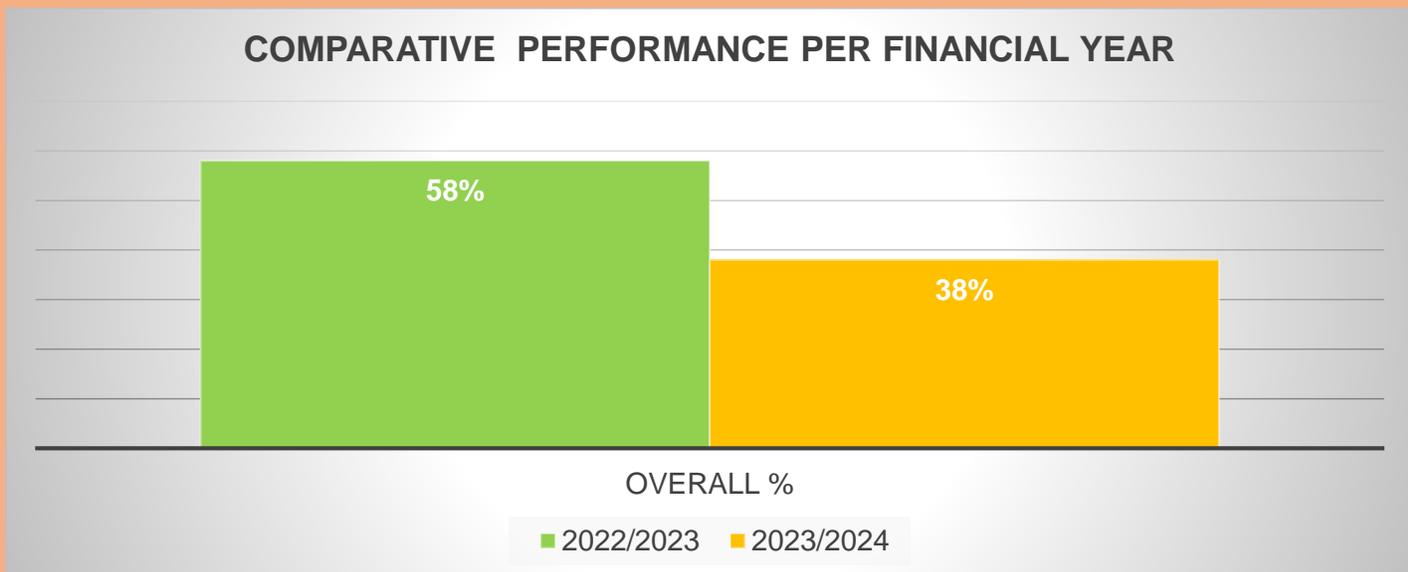
- To improve the cash flow liquidity and promotion of sound financial management;
- The supply chain management continues to implement the framework policy and adherence to the approved policy;
- Restructuring as a possible solution for an inappropriate organisational structure;
- Processes and systems improvement strategies to remedy poor systems and processes;

- Training and sourcing additional capacity where skills and capacity shortages are identified;
- Change management and diversity management education programmes to address organisational culture;
- Review of the Integrated Development Plan where the shortcomings were identified;
- Development of appropriate departmental business plans and operational plans to guide performance in each department; and
- Strengthen debt management collection strategies to increase and maintain municipal revenue.

### COMPARATIVE ANALYSIS OF ORGANIZATIONAL PERFORMANCE INDICATORS

The following table compares the Organizational Performance of 2022/2023 with 2023/2024

Financial year	Number of indicators planned	Number of indicators achieved	Number of indicators partially achieved	Number of indicators not achieved	Overall % Achieved	Overall % of partially achieved
2022/2023	73	42	-	31	58%	-
2023/2024	86	33	17	36	38%	19.7%



**SECTION B: DETAILED ANNUAL PERFORMANCE REPORT FOR THE PERIOD ENDING 30 JUNE 2024**

KEY PERFORMANCE AREA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

PERFORMANCE OBJECTIVES AND INDICATORS QUARTERLY PERFORMANCE TARGETS AND FEEDBACK ON ACTUAL PERFORMANCE FOR THE PERIOD 1 JULY 2023 - 30 JUNE 2024

ID	Strategic Objective	Key Performance Indicator (KPI)	Unit of Measurement	Baseline 2022/23	Annual Target 2023/24	Quarter 1	Quarter 2	Quarter 3	Quarter 4	POE	ACTUAL ANNUAL ACHIEVEMENT	REASONS FOR DEVIATIONS	CORRECTIVE MEASURES TO BE TAKEN	# REF
1.1	Basic Service Delivery and Infrastructure Development	Smithfield/Mofulatshpepe: Phase 1_ The construction of 1km paved access roads with related storm water in Greenfield	Road establishment	Tender advertisement for the appointment of a contractor	Practical completion of the project by 30 June 2024	Appointment and Site handover to the successfully awarded contractor by 30 September 2023	-	Completion of base and sub-base for the entire 1km by 31 March 2024	Practical completion of the project by 30 June 2024	Appointment letter of Successfully awarded contractor (Quarter 1) Site hand over meeting agenda (Quarter 1) Site hand over meeting minutes (Quarter 1) Site hand over meeting attendance register (Quarter 1) Monthly progress reports from consulting Engineers (Quarter 3) Practical completion certificate (Quarter 4)	Partially Achieved	Slow progress on site by the contractor	Practical completion was reached on 4 <sup>th</sup> September 2024 and penalties were imposed on the contractor for late completion	Q1 TS Q3 TS
1.2	Basic Service Delivery and Infrastructure Development	Smithfield/Mofulatshpepe: The upgrading of the waste water outfall sewer	Length of pipe in meter (m) laid and completed	365m Pipeline Laid and completed	6 000m of pipe to be laid by 30 June 2024	-	-	3 000m Pipeline Laid and completed by 31 March 2024	6 000m Pipeline laid by 30 June 2024	Monthly progress report from the consulting Engineer indicating the meters (m) of pipe laid and completed (Quarter 3 & 4)	550m pipeline laid Not Achieved	Contractor has not returned to site	Management terminated the contractor on the 20 <sup>th</sup> September 2024 and will going out on tender for appointment of contractor.	Q4 – TS 1.2
1.3	Basic Service Delivery and Infrastructure Development	Zastron / Matlakeng: Upgrading of the outfall sewerline and refurbishment of sewer pump stations	Project practical completion certificate	75% Physical progress on site at 30 June 2023	Practical completion of the project by 30 June 2024	-	-	-	Practical completion of the project by 30 June 2024	April 2024 progress report from consulting engineer(Quarter 4) May 2024 progress report (Quarter 4) Practical completion certificate June 2024 (Quarter 4)	Not Achieved	The project is practically complete however it cannot be commissioned as the municipality still needs to repair the transformer where the pumps are to be connect which was not part of the contractor's scope.	The municipality is in the process of appointing a new contractor for electricify infrastructure maintenance and will attended to the transforms as a matter of priority before the project can be signed off as practically complete.	
1.4	Basic Service Delivery and Infrastructure Development	Installation of a new sewer reticulation ststem in Refengkhotoso	Practical completion	Outfall sewerline has been completed and only pump stations are outstanding	Practical completion of the project by 30 June 2024	-	-	2500m pipe laid by 31 March 2024	Practical completion by 30 June 2024	Monthly progress reports from consulting Engineers (Quarter 3) Practical completion certificate (Quarter 4)	Not Achieved	Contractor could not complete as per the initial contractual completion date and as a result applied for an extension of time for 31 July 2024	The contractor is currently working beyond the approved completion date and penalties are being imposed for late completion.	Q3 – TS 1.4 Q4 TS 1.4

KEY PERFORMANCE AREA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

PERFORMANCE OBJECTIVES AND INDICATORS

QUARTERLY PERFORMANCE TARGETS AND FEEDBACK ON ACTUAL PERFORMANCE

FOR THE PERIOD 1 JULY 2023 - 30 JUNE 2024

ID	Strategic Objective	Key Performance Indicator (KPI)	Unit of Measurement	Baseline 2022/23	Annual Target 2023/24	Quarter 1	Quarter 2	Quarter 3	Quarter 4	POE	ACTUAL ANNUAL ACHIEVEMENT	REASONS FOR DEVIATIONS	CORRECTIVE MEASURES TO BE TAKEN	# REF
1.5	Basic Service Delivery and Infrastructure Development	The completion of a 27km long raw bulk water pipeline from the Orange River to Paisley dam in Rouxville	Project practical completion certificate	Raw water pipeline at 86% Physical progress on site  Access road at 97% physical progress on site	Practical completion of the project by 31 December 2023	-	-	Completion of raw water pipeline by 31 <sup>st</sup> January 2024	Practical completion of the project by 30 June 2024	Monthly progress reports from consulting Engineers (Quarter 3)  Practical completion certificate (Quarter 4)	Not Achieved	Contractor has not returned to site for the completion of the project.	The municipality entered into a cession agreement with a specialized contractor in order to complete the testing of the project, particularly the testing of the pipeline	Q3 – TS 1.7 Q4 – TS 1.5
1.6	Basic Service Delivery and Infrastructure Development	Waste water quality management	Submission of 5 wastewater quality samples to accredited laboratory for testing	Compliance monitoring (Effluent)	Maintain dignified sanitation and submission of 20 wastewater quality samples to meet Wastewater	Submission of 5 samples to the accredited laboratory	Submission of 5 samples to the accredited laboratory	Submission of 5 samples to the accredited laboratory	Submission of 5 samples to the accredited laboratory	Wastewater quality results from the accredited laboratory (Quarter 1, 2,3 & 4)	75 samples  Achieved	-	-	Q1 – TS 1.6 Q2 – TS 1.6 Q3 – TS 1.9
1.7	Basic Service Delivery and Infrastructure Development	Review of Water Services Development Plan (WSDP)	2024/25 Final Water Services Development Plan (WSDP) & Council resolution	Approved 2023/24 Water Services Development Plan (WSDP)	Approved WSDP by 30 June 2024	-	-	Submission of the reviewed draft WSDP to council for approval by 31 March 2024	Submission of the final WSDP to council for approval by 30 June 2024	Reviewed Water Services Development Plan & Council resolution (WSDP)_ Quarter 3 Final Water Services Development Plan & Council resolution (WSDP)_ (Quarter	Not Achieved	Councillors requested that all policies to be deferred back to portfolio committees for presentations	All policies to be tabled in the 1 <sup>st</sup> quarter of the 2024/2025 FY	Q3 – TS 1.10 Q4 – TS 1.7
1.8	Basic Service Delivery and Infrastructure Development	Water quality management system	million Litres	New KPI	2 190 Million litres (MI) of purified water	Zastron: 255 Smithfield: 127,75 Rouxville: 164,25 MI of Purified water for Zastron ,Smithfield respectively	Zastron: 255 Smithfield: 127,75 Rouxville: 164,25 MI of Purified water for Zastron ,Smithfield respectively	Zastron: 255 Smithfield: 127,75 Rouxville: 164,25 MI of Purified water for Zastron ,Smithfield respectively	Zastron: 255 Smithfield: 127,75 Rouxville: 164,25 MI of Purified water for Zastron ,Smithfield respectively	Clean final water distribution readings (Quarter 1, 2,3 & 4)	1855 ml of water was purified  Not Achieved	Financial constraints	Enhancement of the revenue enhancement strategy	Q1 – TS 1.5 Q2 – TS 1.5 Q3 – TS 1.11 Q4 – TS 1.8

**KEY PERFORMANCE AREA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT**

**PERFORMANCE OBJECTIVES AND INDICATORS      QUARTERLY PERFORMANCE TARGETS AND FEEDBACK ON ACTUAL PERFORMANCE**  
**FOR THE PERIOD 1 JULY 2023 - 30 JUNE 2024**

ID	Strategic Objective	Key Performance Indicator (KPI)	Unit of Measurement	Baseline 2022/23	Annual Target 2023/24	Quarter 1	Quarter 2	Quarter 3	Quarter 4	POE	ACTUAL ANNUAL ACHIEVEMENT	REASONS FOR DEVIATIONS	CORRECTIVE MEASURES TO BE TAKEN	# REF
1.9	Basic Service Delivery and Infrastructure Development	Water quality management system	Submission of 11 Drinking water quality samples quarterly to accredited laboratory for testing	Drinking Water quality compliance	Submission of 44 water quality samples to the laboratory to meet drinking water monitoring plan 30 June 2023	Submission of 11 Drinking water samples to the accredited laboratory	Submission of 11 Drinking water samples to the accredited laboratory	Submission of 11 Drinking water samples to the accredited laboratory	Submission of 11 Drinking water samples to the accredited laboratory	Water quality results from the accredited laboratory (Quarter 1, 2,3 & 4)	469 samples  Achieved	-	-	Q1 – TS 1.6 Q2 – TS 1.6 Q3 – TS 1.12 Q4 – TS 1.9
1.10	Basic Service Delivery and Infrastructure Development	Review of the Energy Supply Master Plan	2024/25 Final Electricity Supply Master Plan & Council resolution	Approved 2023/24 Electricity Supply Master Plan	Approved Electricity Supply Master Plan by 30 June 2024	-	-	Submission of the reviewed Electricity Supply Master Plan to council for approval by 31 March 2024	Submission of the final Electricity Supply Master Plan to council for approval by 30 June 2024	Reviewed Electricity Supply Master Plan & Council resolution_ (Quarter 3) Final Electricity Supply Master Plan & Council resolution_ (Quarter 4)	Not Achieved	Lack of internal Capacity	Consultants to be appointed for the drafting of energy master plan	
1.11	Basic Service Delivery and Infrastructure Development	Reviewed Sports and Facilities Management policy by June 2024	Council adopted policy	2022/23 Sports facility Management	Reviewed Sports and Facilities Management policy by June 2024	-	-	Draft policy to council by 31 March 2024	Submit final policy to Council by May 2024	Approved Policy and Council resolution(Quarter 4)	Partially Achieved  Draft policy was adopted on the 28 <sup>th</sup> of March 2024	All municipal policies were deferred to a special portfolio committee for presentations.	Policy to be tabled in the 1 <sup>st</sup> quarter of 24/25 FY i.e. 25/07/2024	Q3 – CS 1.14 Q4 – CS 1.11
1.12	Basic Service Delivery and Infrastructure Development	Reviewed Cemetery Management Policy by June 2024	Council adopted policy	Cemetery Management policy in place	Review of Cemetery management Policy by June 2024	-	-	Draft policy to council by 31 March 2024	Submit final policy to Council by May 2024	Approved Policy and Council resolution(Quarter 4)	Partially Achieved  Draft policy was adopted on the 28 <sup>th</sup> of March 2024	All municipal policies were deferred to a special portfolio committee for presentations.	Policy to be tabled in the 1 <sup>st</sup> quarter of 24/25 FY i.e. 25/07/2024	Q3 – CS 1.15 Q4 – CS 1.12
1.13	Basic Service Delivery and Infrastructure Development	Eight thousands (8000) formalised households provided with weekly waste removal	Weekly reports	Weekly refuse collection from all households.	Removal of refuse in Zastron, Matlakeng Smithfield, Mofulatshepe Rouxville, Roleleathunya	Collection of refuse Zastron, Matlakeng Smithfield, Mofulatshepe Rouxville, Roleleathunya weekly basis	Collection of refuse Zastron, Matlakeng Smithfield, Mofulatshepe Rouxville,	Collection of refuse Zastron, Matlakeng Smithfield, Mofulatshepe Rouxville, Roleleathunya weekly basis by	Collection of refuse Zastron, Matlakeng Smithfield, Mofulatshepe Rouxville, Roleleathunya weekly basis by	Weekly collection schedules	Collection of refuse in Zastron, Smithfield and Rouxville was collected for 33 weeks by June 2024  Not Achieved	Labour unrests  Mechanical failure and shortage of staff	EPWP participants to assists with removing refuse.  Reallocating resources overtime to address	Q1 – CS 1.13 Q2 – CS 1.9

KEY PERFORMANCE AREA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

PERFORMANCE OBJECTIVES AND INDICATORS QUARTERLY PERFORMANCE TARGETS AND FEEDBACK ON ACTUAL PERFORMANCE FOR THE PERIOD 1 JULY 2023 - 30 JUNE 2024

ID	Strategic Objective	Key Performance Indicator (KPI)	Unit of Measurement	Baseline 2022/23	Annual Target 2023/24	Quarter 1	Quarter 2	Quarter 3	Quarter 4	POE	ACTUAL ANNUAL ACHIEVEMENT	REASONS FOR DEVIATIONS	CORRECTIVE MEASURES TO BE TAKEN	# REF
		services in all three (3) towns.			weekly basis	by June 2024	Roleleathunya weekly basis by June 2024	June 2024	June 2024				backlog of refuse removal	Q3 – CS 1.16 Q4 – CS 1.13
1.14	Basic Service Delivery and Infrastructure Development	Compliant Matlakeng and Smithfield landfill sites by June 2024	Quarterly reports	New KPI	Registered and Licensed Matlakeng and Smithfield landfill sites by June 2024	Submission of requests for assistance in licensing and registering of landfill sites to DESTEA	-	-	-	Letters of request to Department of Small Business Development, Tourism and Environmental Affairs (DESTEA) (Quarter 1)	Not Achieved	Non-assistance from DESTEA Municipal financial constraints	Request technical and financial assistance from DESTEA as the municipal does not have the capacity to execute the project	Q1 – CS 1.14
1.15	Basic Service Delivery and Infrastructure Development	Extended license for rehabilitation of decommissioned Zastron landfill site	Letter of request	New KPI	Extension of decommissioned Zastron landfill site	Submission for letters to extend the license for decommissioning of Zastron landfill site	-	-	-	Letters of request to Department of Small Business Development, Tourism and Environmental Affairs (DESTEA) (Quarter 1)	Achieved	-	-	Q1 – CS 1.15
1.16	Basic Service Delivery and Infrastructure Development	Maintained illegal dumping and landfill sites per town	Quarterly reports	New KPI	3 maintained and cleaned landfill sites per per town per monthly	Quarterly Report on cleaned and maintained landfill sites per Town	Quarterly Report on cleaned and maintained landfill sites per Town	Quarterly Report on cleaned and maintained landfill sites per Town	Quarterly Report on cleaned and maintained landfill sites per Town	Quarterly reports (Quarter 1,2,3 & 4)	9 reports on cleaned and maintained landfill sites town  Not Achieved	State of finances within the municipality and lack of resources/ tools of trade	Partner with the local EPWP Procurement of specialized equipment in the new financial year	Q1 – CS 1.16 Q2 – CS 1.10 Q3 – CS 1.19 Q4 – CS 1.14
1.17	Basic Service Delivery and Infrastructure Development	Outsourced Municipal Animal pound facility	Animal Pound Outsourced	New KPI	Zastron Animal Pound outsourced by June 2024	Tender Advert	Appointment of successful bidder	-	-	Tender Advert (Quarter 1) Appointment letter (Quarter 2)	Not Achieved  Tender advertised	SCM processes could not be completed due to municipal unrests	Council took a resolution a resolution to manage daily administration of the animal pound and its operations and outsource security services	Q1 – CS 1.17

KEY PERFORMANCE AREA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

PERFORMANCE OBJECTIVES AND INDICATORS

QUARTERLY PERFORMANCE TARGETS AND FEEDBACK ON ACTUAL PERFORMANCE

FOR THE PERIOD 1 JULY 2023 - 30 JUNE 2024

ID	Strategic Objective	Key Performance Indicator (KPI)	Unit of Measurement	Baseline 2022/23	Annual Target 2023/24	Quarter 1	Quarter 2	Quarter 3	Quarter 4	POE	ACTUAL ANNUAL ACHIEVEMENT	REASONS FOR DEVIATIONS	CORRECTIVE MEASURES TO BE TAKEN	# REF
1.18	Basic Service Delivery and Infrastructure Development	Promote community and environmental welfare	Traffic Law Enforcement	New KPI	Appointment of Traffic Law Enforcement to collect traffic fines by June 2024	Tender advert	Appointment of successful bidder	-	-	Tender Advert (Quarter 1) Appointment letter (Quarter 2)	Not Achieved  Tender Advertised	SCM processes could not be completed due to municipal unrests	Readvertise	Q1-CS 1.18

KEY PERFORMANCE AREA 2:PUBLIC PARTICIPATION

PERFORMANCE OBJECTIVES AND INDICATORS		QUARTERLY PERFORMANCE TARGETS AND FEEDBACK ON ACTUAL PERFORMANCE												
FOR THE PERIOD 1 JULY 2023 – 30 JUNE 2024														
ID	Strategic Objective	Key Performance Indicator (KPI)	Unit of Measurement	Baseline 2022/23	Annual Target 2023/24	Quarter 1	Quarter2	Quarter 3	Quarter 4	POE	ACTUAL ANNUAL ACHIEVEMENT	REASONS FOR DEVIATIONS	CORRECTIVE MEASURES TO BE TAKEN	#REF
2.1	Public Participation	Facilitate monthly ward committee meetings	Proof of distribution	New KPI	84 monthly ward committee meetings held per month by June 2024	21	21	21	21	Copy of Notices of distributed	Not Achieved	Non adherence to approved schedule by ward Councilors	Speaker to convene ward Councilors forum and emphasize the importance of ward committee meetings and reports	Q1 – PP 2.1 Q2 –PP 2.1 Q3 – PP 2.1

**EY PERFORMANCE AREA 3: GOOD GOVERNANCE AND ADMINISTRATION**

PERFORMANCE OBJECTIVES AND INDICATORS	QUARTERLY PERFORMANCE TARGETS AND FEEDBACK ON ACTUAL PERFORMANCE
FOR THE PERIOD 1 JULY 2023 – 30 JUNE 2024	

ID	Strategic Objective	Key Performance Indicator (KPI)	Unit of Measurement	Baseline 2022/2023	Annual Target 2023/24	Quarter 1	Quarter 2	Quarter 3	Quarter 4	POE	ACTUAL ANNUAL ACHIEVEMENT	REASONS FOR DEVIATIONS	CORRECTIVE MEASURES TO BE TAKEN	#REF
3.1	<b>Good Governance and Administration</b>	Facilitate 4 ordinary Council sittings annually as legislated (1 per quarter) in 2023/24	Electronic proof of distribution	4 Ordinary Council distributed agenda and notices	4 Ordinary Council sittings held bby June 2024	Distribution of 1 notice and agenda by 30 Sept 2023	Distribution of 1 notice and agenda by 31 Dec 2023	Distribution of 1 notice and agenda by 31 Jan 2024	Distribution of 1 notice and agenda by 30 Jun 2024	Electronic proof of copy of notice and agenda distributed (Quarter 1,2,3 &4)	<b>Achieved</b>	-	-	Q1 -CS 3.1 Q2 – CS 3.1 Q3 – CS 3.1 Q4 – CS 3.1
3.2	<b>Good Governance and Administration</b>	Facilitate 12 monthly Local Labour Forum(3 per quarter) in 2023/24	Electronic proof of distribution	12 LLF notices and agenda distributed	12 LLF notices and agenda distributed	Distribution of 3 notices and agendas	Distribution of 3 notices and agendas	Distribution of 3 notices and agendas	Distribution of 3 notices and agendas	Electronic proof of copy of notice and agenda distributed (Quarter 1,2,3 &4)	<b>Partially Achieved</b>  8/12 LLF notices and agendas distributed	During October and November 2023 there was industrial action which made us not to perform and in December 2023 we complied hence the notice was issued  Vacancy of the Senior Director Corporate	-  Senior Managers were successfully appointed and it is anticipated that LLF meeting will convene regularly.	Q1 – CS 3.2 Q4 – CS 3.2
3.3	<b>Good Governance and Administration</b>	Facilitate 12 Section 80 portfolio committees (3 per quarter ) in 2023/24	Electronic proof of distribution	20 notices and agenda distributed	12 notices and agenda of Section 80 distributed quarterly	3 notices and agendas distributed by 30 Sept 2023	3 notices and agendas distributed by 31 Dec 2023	3 notices and agendas distributed by 31 March 2024	3 notices and agendas distributed by 30 June 2024	Electronic proof of copy of notice and agenda distributed (Quarter 1,2,3 &4)	<b>Partially Achieved</b>  13/12 notices and agendas distributed	-	-	Q1 – CS 3.3 Q2 – CS 3.3 Q3 – CS 3.3 Q4 – CS 3.3
3.4	<b>Good Governance and Administration</b>	100% Compliance with the municipal approved Employment	Approved Plan	Employment Equity Plan	Reviewed and adopted Employment Equity Plan	-	Reviewed and adopted Employment Equity Plan by 31	-	-	Reviewed Employment Equity Plan(Quarter 2)  Council resolution(Quarter 2)	<b>Not Achieved</b>	Service provider not yet appointed	Re-advert	

KEY PERFORMANCE AREA 3: GOOD GOVERNANCE AND ADMINISTRATION

PERFORMANCE OBJECTIVES AND INDICATORS QUARTERLY PERFORMANCE TARGETS AND FEEDBACK ON ACTUAL PERFORMANCE FOR THE PERIOD 1 JULY 2023 – 30 JUNE 2024

ID	Strategic Objective	Key Performance Indicator (KPI)	Unit of Measurement	Baseline 2022/2023	Annual Target 2023/24	Quarter 1	Quarter 2	Quarter 3	Quarter 4	POE	ACTUAL ANNUAL ACHIEVEMENT	REASONS FOR DEVIATIONS	CORRECTIVE MEASURES TO BE TAKEN	#REF
		Equity Plan					December 2023							
3.5	Good Governance and Administration	100% Compliance with the municipal approved Employment Equity Plan	Proof of submission	Employment Equity Plan submitted 22/23	Submitted Employment Equity Plan Report to Department of Labour by 15 January 2024	-	-	Submitted Employment Equity report to Dept. of Labour by 15 January 2024	-	Acknowledgment of receipt from Department of Labour(Quarter 3)	Achieved	-	-	Q3 – CS 3.5
3.6	Good Governance and Administration	100% compliance of Human Resources	Session of Medical Check up of all employees affected	Attendance registers of Employees attended	Conduct Medical Surveillance Assessments by December 2023	-	-	-	Medical Surveillance conducted	Attendance registers of employees attended(Quarter 4)	Not Achieved	No section 56 managers for the sitting of adjudication committee	Re – advertise	
3.7	Good Governance and Administration	Annual review and implementation of the Human Resource Strategy	Reviewed Strategy	2022/23 reviewed human resources strategy	Human Resource Strategy reviewed and approved by council by June 2024	Draft HR strategy :	Final HR strategy approved by council	-	-	Draft HR Strategy to EXCO(Quarter 1)  Council Resolution and final copy of reviewed strategy (Quarter 2)	Achieved	-	-	Q1 – CS 3.4 Q2 – CS 3.5
3.8	Good Governance and Administration	Annual review and implementation of the Human Resources Policies	Adopted and reviewed Policies	20/21 Human Resources Policies	19 Human Resource policies adopted and reviewed by June 2024	Draft policies	Final policies approved by council	-	-	Draft policies (Quarter 1)  Approved policies and council resolution (Quarter 2)	Achieved	-	-	Q1 – CS 3.5 Q2 – CS 3.6
3.9	Good Governance and Administration	Review and implementation of the municipal organogram	Approved Organogram	18/19 Organogram	Organogram approved by council by June 2024	Draft organogram	-	Final Orgnaogram	-	Draft Organogram  Approved organogram and council resolution (Quarter 4)	Not Achieved	Organogram still under review  Delay with consultations	Organogram submitted to LLF, then it will be submitted to section 80 and council-second  Organogram to be approved on the 4 <sup>th</sup>	

**KEY PERFORMANCE AREA 3: GOOD GOVERNANCE AND ADMINISTRATION**

PERFORMANCE OBJECTIVES AND INDICATORS	QUARTERLY PERFORMANCE TARGETS AND FEEDBACK ON ACTUAL PERFORMANCE
FOR THE PERIOD 1 JULY 2023 – 30 JUNE 2024	

ID	Strategic Objective	Key Performance Indicator (KPI)	Unit of Measurement	Baseline 2022/2023	Annual Target 2023/24	Quarter 1	Quarter 2	Quarter 3	Quarter 4	POE	ACTUAL ANNUAL ACHIEVEMENT	REASONS FOR DEVIATIONS	CORRECTIVE MEASURES TO BE TAKEN	#REF
													quarter	
3.10	Good Governance and Administration	Annual review of the Recruitment Strategy	Reviewed Strategy	20/21 Strategy	Recruitment Strategy approved and reviewed by council by December 2023	Draft Recruitment strategy	Final Recruitment strategy approved and reviewed	-	-	Draft Recruitment Strategy (Quarter 1)  Approved Recruitment strategy and council resolution(Quarter 2)	Achieved	-	-	Q1 – CS 3.7  Q2 – CS 3.7
3.11	Good Governance and Administration	All section 56 positions filled by June 2024	Appointment letters/contracts	2 sec 56 position filled	2 Vacant posts of Sec 56 managers advertised and filled by June 2024	-	-	Advertisement published  Shortlisting and Interviews of Directors	Appointments	Advertisement letter – Corporate Services Director(Quarter 3)  Appoitment letter – Community Services Director(Quarter 4)  Appointment letter – Corporate Services (Quarter 4)	Achieved	-	-	Q3 – CS 3.11  Q4 – CS 3.11
3.12	Good Governance and Administration	Organisational performance management system developed by June 2023	Development of Individual Performance Management policy	New KPI	Process of cascading down on performance by June 2024	-	Draft of PMS Policy  Adopted Policy	Draft of performance agreements of employees	Final Perfomance agreements	Approved Policy and copy of resolution (Quarter 1)  Performance agreements of Middle Managers and other employees (Quarter 1& Quarter 2)	Not Achieved	There was a delay with consultations	PMS Policy is in the draft stage	Q4 – CS 3.12
3.13	Good Governance and Administration	Maintain and improving the municipal audit opinion	Approved Internal Audit Charter	Adopted and reviewed 2022/23 Internal Audit charter	Review and approve 2022/2023 Internal Audit Charter by June 2024	Reviewed of 2022/2023 Internal Charter and Manual by September 2023	-	-	-	Approved Internal Audit Charter, and Manual Attendance register and minutes	Achieved	-	-	Q1 – IA 3.11
3.14	Good Governance and Administration	Maintain and improving the municipal audit opinion	Approved Audit Committee Charter	2022/23 Audit Committee Charter	Reviewed and approved Audit Committee Charter by June 2024	-	-	Submission of the reviewed 2022/23 Audit Committee Charter to Council for Approval by March 2024	-	Agenda and minutes of the audit committee  Council Resolution	Achieved	-	-	Q3 – IA 3.14
3.15	Good Governance	Maintain and improving the	Approved Internal Audit	Adopted 2022/23	Approved Internal Audit	-	Approved 2023/24	-	-	Approved Internal Audit Coverage Plan,	Achieved	-	-	Q2 – IA

**EY PERFORMANCE AREA 3: GOOD GOVERNANCE AND ADMINISTRATION**

PERFORMANCE OBJECTIVES AND INDICATORS	QUARTERLY PERFORMANCE TARGETS AND FEEDBACK ON ACTUAL PERFORMANCE
FOR THE PERIOD 1 JULY 2023 – 30 JUNE 2024	

ID	Strategic Objective	Key Performance Indicator (KPI)	Unit of Measurement	Baseline 2022/2023	Annual Target 2023/24	Quarter 1	Quarter 2	Quarter 3	Quarter 4	POE	ACTUAL ANNUAL ACHIEVEMENT	REASONS FOR DEVIATIONS	CORRECTIVE MEASURES TO BE TAKEN	#REF
	<b>and Administration</b>	municipal audit opinion	Coverage Plan	Internal Audit Coverage Plan	Coverage Plan		Internal Audit Coverage Plan by December 2023			Attendance register & minutes.				3.1
3.16	<b>Good Governance and Administration</b>	Maintain and improving the municipal audit opinion	Quarterly signed IA Reports	New KPI	4 Audit Assignments	-	-	To perform 2 audit assignments	To perform 2 audit assignments	Quarterly Reports, Internal Audit Reports, Audit Committee Minutes.	<b>Partially Achieved</b>  ¾ audits performed	1 Audit assignment completed, Delay in the execution of audit due to strike, resulted in the late execution of all planned audits for the year	All delayed projects will be completed by end of Q1 of 24/25FY	Q3 – IA 3.16 Q4 – IA 3.16
3.17	<b>Good Governance and Administration</b>	Maintain and improving the municipal audit opinion	Approved quarterly minutes, resolution register and schedule of meetings	New KPI	4 Audit Committee Meetings	1 Audit Committee meeting	1 Audit Committee meeting	1 Audit Committee meeting	1 Audit committee meeting	Attendance Register, Visual Invite, Resolution Register, Internal Audit Reports, Schedule of meetings	<b>Partially Achieved</b>  ¾ Audit committee meeting held	Due to the strike, disrupting daily operations of work.	A special meeting will be scheduled in the 3rd quarter of 2023/24 FY	Q1 – IA 3.12 Q3 – IA 3.17 Q4 – IA 3.17
3.18	<b>Good Governance and Administration</b>	Ensure 100% reviewed of Information and Communication Technologies Strategy	Approved strategy	2022/23 reviewed ICT Strategy	Develop the 5 year ICT Strategy by June 2024	-	-	-	Reviewed and approved 5 year ICT Strategy by June 2024	Council Resolution and copies of the adopted Policies	<b>Not Achieved</b>	The Strategic documents and policies that were due for renewal were sent to Sec 80 but were paused, councilors requested a policy training workshop before they could approve.	The ICT strategy will be sent to the next council sitting.	
3.19	<b>Good Governance and Administration</b>	Ensure 100% review of Information and Communication Technologies Policies	13 Policies Reviewed	13 reviewed and adopted Policies 2022/23	13 reviewed Information and Communication Technologies Policies adopted by May 2024	-	-	-	Submit the 13 Final ICT Policies to Council by May 2024	Council Resolution and copies of the adopted Policies	<b>Not Achieved</b>	The Strategic documents and policies that were due for renewal were sent to Sec 80 but were paused, councilors requested a policy training workshop before they could approve.	Policies will be sent to the next council sitting.	Q4 – CS 3.19

**KEY PERFORMANCE AREA 3: GOOD GOVERNANCE AND ADMINISTRATION**

**PERFORMANCE OBJECTIVES AND INDICATORS**

**QUARTERLY PERFORMANCE TARGETS AND FEEDBACK ON ACTUAL PERFORMANCE**

FOR THE PERIOD 1 JULY 2023 – 30 JUNE 2024

ID	Strategic Objective	Key Performance Indicator (KPI)	Unit of Measurement	Baseline 2022/2023	Annual Target 2023/24	Quarter 1	Quarter 2	Quarter 3	Quarter 4	POE	ACTUAL ANNUAL ACHIEVEMENT	REASONS FOR DEVIATIONS	CORRECTIVE MEASURES TO BE TAKEN	#REF
3.20	<b>Good Governance and Administration</b>	Ensure 100% review of the Disaster Recovery and Business Continuity Plan	Approved plan	2022/23 Reviewed Disaster Recovery and Business Continuity Plan	Reviewed Disaster Recovery and Business Continuity Plan for the 2023/2024 financial year.	-	-	-	Disaster Recovery and Business Plan to Council by June 2024 for approval.	Council resolution and copy of the approved plan	<b>Not Achieved</b>	The Strategic documents and policies that were due for renewal were sent to Sec 80 but were paused, councilors requested a policy training workshop before they could approve.	Policies will be sent to the next council sitting.	
3.21	<b>Good Governance and Administration</b>	Uploading of legislated documents as per section 75 of Municipal Finance Management Act and section 21A of Municipal Systems Act	Fully functional municipal website	New KPI	All legislated documents uploaded on municipal website	Quarterly legislated documents uploaded as per sec75 of MFMA and 21A of MSA	Quarterly legislated documents uploaded as per sec75 of MFMA and 21A of MSA	Quarterly legislated documents uploaded as per sec75 of MFMA and 21A of MSA	Quarterly legislated documents uploaded as per sec75 of MFMA and 21A of MSA	Screenshot of the Municipal website (Quarter 1,2,3 &4)	<b>Achieved</b>	-	-	Q1 – CS 3.9 Q2 – CS 3.10 Q3 – CS 3.21 Q4 – CS 3.21
3.22	<b>Good Governance and Administration</b>	Public Participation Plan reviewed and implemented	Approved IDP Plan	Approved 2023/24 IDP	Reviewed and approved IDP	Process plan adopted by 30 Aug 2023	-	IDP Consultation by Feb 2024 Draft IDP by March 2024	Final IDP by May 2024	Council resolution, copy of the process plan and copy of the IDP.	<b>Achieved</b>	-	-	Q1 – IDP 3.1 Q3 – IDP 3.1

**EY PERFORMANCE AREA 3: GOOD GOVERNANCE AND ADMINISTRATION**

PERFORMANCE OBJECTIVES AND INDICATORS	QUARTERLY PERFORMANCE TARGETS AND FEEDBACK ON ACTUAL PERFORMANCE
FOR THE PERIOD 1 JULY 2023 – 30 JUNE 2024	

ID	Strategic Objective	Key Performance Indicator (KPI)	Unit of Measurement	Baseline 2022/2023	Annual Target 2023/24	Quarter 1	Quarter 2	Quarter 3	Quarter 4	POE	ACTUAL ANNUAL ACHIEVEMENT	REASONS FOR DEVIATIONS	CORRECTIVE MEASURES TO BE TAKEN	#REF
										Attendance registers				Q4 – IDP 3.1
3.23	Good Governance and Administration	100% monitoring and evaluation of the municipality's performance	Reviewed PMS Policy	2022/23 Approved PMS policy Framework	2023/24 Organisational performance management system policy reviewed by May 2024	Submit the draft 2023/24 PMS Policy to Council	Submit the final 2023/24 PMS Policy to Council	-	-	Council resolution and copy of the reviewed policy(Quarter 1)	Not Achieved	Labour unrests that affected the daily operations of the municipality	Policy to be finalised by end of FY.	
3.24	Good Governance and Administration	100% monitoring and evaluation of the municipality's performance	Developed an Audited Annual Performance Report	2020/21 Annual Report	Submitted draft Annual Report, Annual Performance Report by 31st of August 2023	Submit draft Annual report, Annual Performance Report on 31st of August 2023 to Auditor General	-	-	-	Acknowledgement of receipt Annual Report Annual Performance Report	Achieved	-	-	Q1 – PMS 3.14
3.25	Good Governance and Administration	100% monitoring and evaluation of the municipality's performance	Approved SDBIP	2022/23 approved SDBIP	Developed 2024/25 SDBIP by June 2024	-	-	-	Final 2024/25 SDBIP to Mayor within 28 days after the approval of the Budget	Council Resolution for tabling and approved SDBIP by the Mayor	Not Achieved	Delays of the Ordinary Council sitting	The 24/25 SDBIP was approved in the 1 <sup>st</sup> quarter of 24/25 FY	
3.26	Good Governance and Administration	100% monitoring and evaluation of the municipality's performance	Mid-year report	2022/23 Mid-year report	Mid-year report submitted to Council by 25 January 2024	-	-	Mid-year report developed and submitted to Council by 25 Jan 2024	-	Council Resolution and adopted Mid-year report	Achieved	-	-	Q3 – PMS 3.1
3.27	Good Governance and Administration	Ensuring 100% Compliance to Municipal Finance Management Act, Municipal Systems Act and Circular 63 & 32	2023/24 Adjusted SDBIP	2022/23 adjusted SDBIP	Adjusted SDBIP and adopted by Council by 28 Feb 2024	-	-	Developed and approved 2023/24 Adjusted SDBIP by Council by 28 Feb 2024	-	Council Resolution for tabling and approved Adjusted SDBIP	Achieved	-	-	Q3 – PMS 3.2
3.28	Good Governance	100% monitoring and	Annual Performance	2021/22 Annual	Tabled Annual Report and	-	-	Table Annual Report and	-	Council resolution and copy of Annual	Not Achieved	Due to labour unrests that took	Adherence to the legislative	

**EY PERFORMANCE AREA 3: GOOD GOVERNANCE AND ADMINISTRATION**

PERFORMANCE OBJECTIVES AND INDICATORS		QUARTERLY PERFORMANCE TARGETS AND FEEDBACK ON ACTUAL PERFORMANCE												
FOR THE PERIOD 1 JULY 2023 – 30 JUNE 2024														
ID	Strategic Objective	Key Performance Indicator (KPI)	Unit of Measurement	Baseline 2022/2023	Annual Target 2023/24	Quarter 1	Quarter 2	Quarter 3	Quarter 4	POE	ACTUAL ANNUAL ACHIEVEMENT	REASONS FOR DEVIATIONS	CORRECTIVE MEASURES TO BE TAKEN	#REF
	<b>and Administration</b>	evaluation of the municipality's performance	report	Report	Annual Performance Report by the 25 January 2024			Annual Performance Report by the 25 January 2024		Performance Report		place during the FY, this affected AGs auditing circle which resulted in the municipality receiving its Audit Report during the month of March 2024	requirements	
3.29	<b>Good Governance and Administration</b>	Reviewed Enterprise Risk Management policies in 2023/24	Reviewed and adopted policies	-	Reviewed Enterprise Risk Management Policies (Risk Management Strategy and Framework, Fraud and Anticorruption Strategy, Risk Management Committee Charter	-	Submission of 2022/2023 Policies to RMC & AC for approval by September 2023	-	-	Attendance register and minutes from RMC and AC  Council resolution and copy of the adopted policies	<b>Not Achieved</b>	RMC did not site during second quarter offices were closed	RMC schedule to take place during the 3 <sup>rd</sup> quarter	
3.30	<b>Good Governance and Administration</b>	Reviewed Risk Assessment (municipal risk register) for 2022/23	Approved strategic and operational risk register	-	Reviewed 2023/2024 Risk Register by December 2023	-	Approved Risk register December 2023	-	-	Approved Strategic and Operational Risk register  Attendance registers	<b>Not Achieved</b>	RMC did not site during second quarter offices were closed	RMC schedule to take place during the 3 <sup>rd</sup> quarter.	Q2 – RM 3.2
3.31	<b>Good Governance and Administration</b>	Reviewed Risk Assessment (municipal risk register) implemented for 2022/23	Quarterly reports	-	Implementation of the Reviewed 2022/2023 Risk Register by June 2024	-	-	Assessment of levels of Municipal Risk Appetite and Risk Tolerance by 28 Feb 2024	Quarterly Risk monitoring reports	Quarterly monitoring reports and Attendance registers	<b>Achieved</b>	-	-	Q3 – RM 3.1

**KEY PERFORMANCE AREA 4: MUNICIPAL FINANCIAL MANAGEMENT AND VIABILITY**

**PERFORMANCE OBJECTIVES AND INDICATORS      QUARTERLY PERFORMANCE TARGETS AND FEEDBACK ON ACTUAL PERFORMANCE**

FOR THE PERIOD 1 JULY 2023 – 30 JUNE 2024

ID	Strategic Objective	Key Performance Indicator (KPI)	Unit of Measurement	Baseline 2022/2023	Annual Target 2023/2024	Quarter 1	Quarter 2	Quarter 3	Quarter 4	POE	ACTUAL ANNUAL ACHIEVEMENT	REASONS FOR DEVIATIONS	CORRECTIVE MEASURES TO BE TAKEN	#REF
<b>NAME OF DEPARTMENT: BUDGET AND TREASURY</b>														
4.1	<b>Municipal Financial viability and management</b>	Review and implement all relevant departmental policies	Approved Policies	2023/24 Reviewed budget related policies	21 budget related policies reviewed by June 2024 (Assets, SCM, Revenue, bank and investment, Credit Control and Expenditure)	-	-	To submit 21 draft policies to Section 79 and Council for adoption by March 2024	To submit 21 Final policies to Section 79 and Council for adoption by June 2024	Policies Council resolutions	<b>Achieved</b>	-	-	Q3 – FM 4.1 Q4 – FM 4.1
4.2	<b>Municipal Financial viability and management</b>	Development of operationalized Procurement Plan	Progress report	2022/23 quarterly plans	Developed and adopted Procurement Management Plan by August 2023	Submit procurement Plan to Council by August 2023 for adoption	-	-	-	Council Resolution and adopted copy	<b>Achieved</b>	-	-	Q1 – FM 4.1
4.3	<b>Municipal Financial viability and management</b>	Promotion and maintenance of Supply Chain Management Plans	Quarterly Progress report	2022/23 quarterly plans	Irregular, fruitless and wasteful expenditure reduced by June 2024	Submissions of all UIFW Quarterly reports to council	Submissions of all UIFW Quarterly reports to council	Submissions of all UIFW Quarterly reports to council	Submissions of all UIFW Quarterly reports to council	Council Resolution and quarterly UIFW reports	<b>Not Achieved</b>	Quarterly SCM reports not signed by the Accounting Officer and Mayor	To ensure that all reports are signed by relevant officials	Q1 – FM 4.2 Q2 – FM 4.1 Q3 – FM 4.3 Q4 – FM 4.3
4.4	<b>Municipal Financial viability and management</b>	Promotion and maintenance of Supply Chain Management	Quarterly report	2022/23 SCM Reports	Quarterly SCM reports submitted to the Mayor and Accounting Officer June 2024	Quarterly SCM report	Quarterly SCM report	Quarterly SCM report	Quarterly SCM report	Quarterly SCM report Submitted to the Mayor/ Council.	<b>Not Achieved</b>  <b>¼ reports</b>	Non Submission due to labour strike  The Accounting Officer as well as the Mayor did not sign the reports.	Ensure that quarterly reports are submitted on time  Ensure that the Municipal Manager submits quarterly reports to the Mayor to ensure compliance.	Q1 – FM 4.3 Q2 – FM 4.3 Q3 – FM 4.4 Q4 – FM 4.4
4.5	<b>Municipal Financial viability and management</b>	Improving of compliance in terms of MFMA	Invoices and expenditure forms	15% Creditors paid	20% creditors paid within 30 days monthly	5 % of creditors paid within 30 days	5 % of creditors paid within 30 days	5 % of creditors paid within 30 days	5 % of creditors paid within 30 days	Quarterly Expenditure reports Invoices	<b>Not Achieved</b>  <b>6.52%</b>	Financial Constraints	Better revenue enhancement implementation	Q1 – FM 4.4 Q2 – FM 4.3 Q3 – FM 4.5 Q4 – FM 4.5
4.6	<b>Municipal Financial viability and management</b>	To ensure compliance with MFMA and Treasury regulations and implement internal controls	Payment reconciliations	Proof of payment	Third Party paid by the 7 <sup>th</sup> of each month	Payment of current third party deductions by the 7 <sup>th</sup>	Payment of current third party deductions by the 7 <sup>th</sup>	Payment of current third party deductions by the 7 <sup>th</sup>	Payment of current third party deductions by the 7 <sup>th</sup>	Proof of payment  Quarterly 3 <sup>rd</sup> party reconciliations	<b>Not Achieved</b>	Financial Constraints	Better revenue enhancement implementation	Q1 – FM 4.5 Q2 – FM 4.4

KEY PERFORMANCE AREA 4: MUNICIPAL FINANCIAL MANAGEMENT AND VIABILITY

PERFORMANCE OBJECTIVES AND INDICATORS QUARTERLY PERFORMANCE TARGETS AND FEEDBACK ON ACTUAL PERFORMANCE

FOR THE PERIOD 1 JULY 2023 – 30 JUNE 2024

ID	Strategic Objective	Key Performance Indicator (KPI)	Unit of Measurement	Baseline 2022/2023	Annual Target 2023/2024	Quarter 1	Quarter 2	Quarter 3	Quarter 4	POE	ACTUAL ANNUAL ACHIEVEMENT	REASONS FOR DEVIATIONS	CORRECTIVE MEASURES TO BE TAKEN	#REF
														Q3 – FM 4.6 Q4 – FM 4.6
4.7	Municipal Financial viability and management	To ensure compliance with MFMA and Treasury regulations and implement internal controls	VAT Returns	2022/23 VAT Returns	Submission of 12 VAT 201 returns	Completed 3 VAT returns submitted	VAT returns	Achieved 12 VAT submitted	-	-	Q1 – FM 4.6 Q2 – FM 4.5 Q3 – FM 4.7 Q4 – FM 4.7			
4.8	Municipal Financial viability and management	To improve on collection to reduce long outstanding debt	Quarterly report	15% debt collected	60% of debt collected by June 2024	15 % of debt collected	15 % of debt collected	15 % of debt collected	15% of debt collected	Quarterly revenue report	Not Achieved 18%	April and May property rates are not billed which result in low payment	Credit control need to be enhanced so that the target may be reached	Q1 – FM 4.7 Q2 – FM 4.6 Q3 – FM 4.8 Q4 – FM 4.8
4.9	Municipal Financial viability and management	Provide free basic water indigent households	Quarterly Indigent register	1600 indigents registered in 2022/23	500 indigent households registered by June 2024	125 HH registered Quarterly indigent session per town registered	250 HH registered Quarterly indigent session per town registered	375 HH registered Quarterly indigent session per town registered	500HH registered Quarterly indigent session per town registered	Report on status of indigents	Not Achieved	Reduction on indigent registration due to labour strikes	Schedule the indigent registration for the next quarter and ensure target is achieved	Q1 – FM 4.8 Q2 – FM 4.7 Q3 – FM 4.9 Q4 – FM 4.9
4.10	Municipal Financial viability and management	Fully effective asset management	Quarterly reports	2022/23 quarterly reports	Quarterly updating of moveable assets against assets register by June 2024	Quarterly Updating of moveable assets	Quarterly Updating of moveable assets	Quarterly Updating of moveable assets	Quarterly Updating of moveable assets Preparation of fixed and infrastructure assets register	GRAP compliant assets Register Detailed quarterly report on updating of asset register	Not Achieved	Lack of capacity within the Assets Unit. Physical verification of fixed and infrastructure assets not conducted due delays in the appointment of a service provider i.e. non-appointment of senior managers caused the bid adjudication	Enhance the human capital within the unit to enable Senior Managers were appointed on the 15 <sup>th</sup> of June 2024, all SCM processes will be followed accordingly.	Q1 – FM 4.9 Q2 – FM 4.8 Q3 – FM 4.10 Q4 – FM 4.10

**KEY PERFORMANCE AREA 4: MUNICIPAL FINANCIAL MANAGEMENT AND VIABILITY**

**PERFORMANCE OBJECTIVES AND INDICATORS      QUARTERLY PERFORMANCE TARGETS AND FEEDBACK ON ACTUAL PERFORMANCE**

FOR THE PERIOD 1 JULY 2023 – 30 JUNE 2024

ID	Strategic Objective	Key Performance Indicator (KPI)	Unit of Measurement	Baseline 2022/2023	Annual Target 2023/2024	Quarter 1	Quarter 2	Quarter 3	Quarter 4	POE	ACTUAL ANNUAL ACHIEVEMENT	REASONS FOR DEVIATIONS	CORRECTIVE MEASURES TO BE TAKEN	#REF
												committee not to convene		
4.11	Municipal Financial viability and management	Implementing effective internal controls and monitoring compliance	Quarterly reports	Compliance reports as per MFMA	12 Monthly budget statement reports	3 Monthly budget statement (Section 52 & 71)	3 Monthly budget statement (Section 52 & 71)	3 Monthly budget statement (Section 52 & 71)	3 Monthly budget statement (Section 52 & 71)	Proof of submission to PT	Partially Achieved  8/12 monthly statements submitted	Data strings not submitted	-	Q2 – FM 4.9 Q3 – FM 4.11 Q4 – FM 4.11
4.12	Municipal Financial viability and management	Submission of the Annual Financial Statements of 2022/23 to Auditor General by 31 August 2023	Compliant AFS to AG, NT,PT by 31 Aug 2023	Submitted AFS by 31 <sup>st</sup> August 2023	Compliant AFS to AG, NT,PT by 31 Aug 2023	Submission of compliant Draft Financial Statements to AG and National and Provincial Treasury by 31 <sup>st</sup> August 2023	-	-	-	Proof of submission to AG, NT and PT	Achieved	-	-	Q1 – FM 4.11
4.13	Municipal Financial viability and management	Tabling of audited Annual Financial Statements of 2022/23	Table final audited adjusted AFS	AFS submitted to Council by 25 Jan 2024	Table final audited adjusted AFS to Council by 25 January 2024	-	-	Tabling of Final audited Adjusted Financial Statements to Council, NT and PT by 25 January 2024	-	Proof of submission to AG, NT and PT	Not Achieved	Labour unrest that took place	Ensure adherence to MFMA legislative requirements	Q3 – FM 4.13
4.14	Municipal Financial viability and management	Revenue Enhancement Strategy implementation by June 2024	New KPI	Developed and adopted Revenue Enhancement Strategy by August 2023	2000 accounts reviewed inline with the Revenue Enhancement Strategy by August 2024	500 Accounts reviewed in line with the revenue enhancement by August 2023	500 Accounts reviewed in line with the revenue enhancement by Dec 2023	500 Accounts reviewed in line with the revenue enhancement March 2024	500 Accounts reviewed in line with the revenue enhancement June 2024	Quarterly System generated reports (Quarter 1,2,3 &4)	Not Achieved	Reduction on implementation of data cleansing due to labour strike	Ensure that data cleansing is conducted monthly	Q3 – FM 4.14
4.15	Municipal Financial viability and management	Implementation and monitoring of the Budget Funding Plan inline with the 7 pillars by May 2024	Progress report	-	Developed funding plan to improve cash flow in line with the 7 seven pillars	Quarterly reports on progress to achieve positive cash flow	Quarterly reports on progress to achieve positive cash flow	Quarterly reports on progress to achieve positive cash flow	Quarterly reports on progress to achieve positive cash flow	Council Resolution and adopted copy  Quarterly reports on 7 pillars (Quarter 1,2,3 &4)	Not Achieved	A revised funding plan was submitted to Council on the 24th of November 2023	A report will be done in quarter 3	Q1 – FM 4.13 Q3 – FM 4.15
4.16	Municipal Financial viability and management	Implementation of compliant mSCoA Budget by June 2024	Adopted Compliant mSCoA Budget by May 2024	2022/23 adopted budget	Developed Compliant mSCoA budget by June 2024	-	-	Draft Budget submitted to Exco, Council and National treasury by 31 March 2024	-	Council resolution  Approved Compliant budget	Achieved	-	-	Q3 – FM 4.16

KEY PERFORMANCE AREA 4: MUNICIPAL FINANCIAL MANAGEMENT AND VIABILITY

PERFORMANCE OBJECTIVES AND INDICATORS

QUARTERLY PERFORMANCE TARGETS AND FEEDBACK ON ACTUAL PERFORMANCE

FOR THE PERIOD 1 JULY 2023 – 30 JUNE 2024

ID	Strategic Objective	Key Performance Indicator (KPI)	Unit of Measurement	Baseline 2022/2023	Annual Target 2023/2024	Quarter 1	Quarter 2	Quarter 3	Quarter 4	POE	ACTUAL ANNUAL ACHIEVEMENT	REASONS FOR DEVIATIONS	CORRECTIVE MEASURES TO BE TAKEN	#REF
4.17	Municipal Financial viability and management	Implementation of compliant mSCoA Adjustment Budget by June 2024	Adopted 2023/2024 adjustment budget by Feb 2024	2023/24 adjustment budget approved	Adopted adjustment budget by Feb 2024	-	-	Adjustment Budget submitted to Exco, Council and National treasury by 28 February 2024	-	Attendance register-steering resolution Adjusted Budget Council Resolution	Achieved	-	-	Q3 – FM 4.17

KEY PERFORMANCE AREA 5: LOCAL ECONOMIC DEVELOPMENT

PERFORMANCE OBJECTIVES AND INDICATORS		QUARTERLY PERFORMANCE TARGETS AND FEEDBACK ON ACTUAL PERFORMANCE												
FOR THE PERIOD 01 July 2023-30 JUNE 2024														
ID	Strategic Objective	Key Performance Indicator (KPI)	Unit of Measurement	Baseline 2022/23	Annual Target 2023/2024	Quarter 1	Quarter 2	Quarter 3	Quarter 4	POE	ACTUAL ANNUAL ACHIEVEMENT	REASONS FOR DEVIATIONS	CORRECTIVE MEASURES TO BE TAKEN	#REF
NAME OF DEPARTMENT: LED UNIT														
5.1	Local Economic Development	Enhancement of the municipality's local economy	Reviewed LED Strategy	2022/23 LED reviewed Strategy	5 year LED Strategy review by June 2024	-	-	-	5 year LED Strategy reviewed and approved by Council by June 2024	Council Resolution and copy of the reviewed strategy	Achieved	-	-	Q4 - LED 5.1
5.2	Local Economic Development	Enhancement of the municipality's local economy	Invites and attendance registers	4 Business expos conducted	4 Business expos conducted to assist cooperatives and SMMEs per town	Conduct 1 business expo for all 3 towns by Sept 2023	Conduct 1 business expo for all 3 towns by Dec 2023	Conduct 1 business expo for all 3 towns by March 2024	Conduct 1 business expo for all 3 towns by June 2024	Invites and attendance registers	Achieved 5 expos conducted	-	-	Q1 - LED 5.1 Q2 - LED 5.1 Q3 - LED 5.2 Q4 - LED 5.2
5.3	Local Economic Development	Enhancement of the municipality's local economy	Reviewed and adopted Policy	2022/23 reviewed SMME Policy	Reviewed SMMES support Policy by June 2024	-	-	-	Submit the reviewed final Policy to Council by May 2024	Council Resolution and copy of the reviewed policy	Not Achieved	Policy was not submitted with LED Strategy for review	Policy review will be done in the first quarter of 24/25 FY	Q4 - LED 5.3
5.4	Local Economic Development	Enhancement of the municipality's local economy	MLM Tourism Brochure	New KPI	Developed a Mohohare Local Municipality Tourism brochure by June 2024	-	-	Identify tourism destination attractions in MLM	Developed a tourism brochure	Identification of attractions report Tourism brochure	Achieved	-	-	Q3 - LED 5.4 Q4 - LED 5.4
5.5	Local Economic development	Enhancement of the municipality's local economy	Land identified to promote investments	New KPI	Identification of land to be advertised to attract investment by June 2024	Identify pieces of land to advertise	Submit a report to Council	Tender Advert	Appointment of successful bidder	Identification of land (Quarter 1) Report submitted to Council (Quarter 2) Tender Advert (Quarter	Partially Achieved Pieces of land to be advertised were	Municipal Financial Constraints which resulted in the municipality not to go out on tender	Advertise in the new financial year pending budget availability	Q1 - LED 5.2 Q2 - LED 5.2

KEY PERFORMANCE AREA 5: LOCAL ECONOMIC DEVELOPMENT

PERFORMANCE OBJECTIVES AND INDICATORS		QUARTERLY PERFORMANCE TARGETS AND FEEDBACK ON ACTUAL PERFORMANCE												
FOR THE PERIOD 01 July 2023-30 JUNE 2024														
ID	Strategic Objective	Key Performance Indicator (KPI)	Unit of Measurement	Baseline 2022/23	Annual Target 2023/2024	Quarter 1	Quarter 2	Quarter 3	Quarter 4	POE	ACTUAL ANNUAL ACHIEVEMENT	REASONS FOR DEVIATIONS	CORRECTIVE MEASURES TO BE TAKEN	#REF
										3) Appointmen letters (Quarter 4)	identified			Q3 – LED 5.5 Q4 – LED 5.5
5.6.	Local Economic development	Enhancement of the municipality's local economy	Recycled SMMEs	New KPI	Involve local SMMEs in recycling	Identify recyclers	Source support from DESTEA Training	Implementation and monitoring of recycling the project	Implementation and monitoring of recycling the project	List identified SMMEs (Quarter 1)  Letter to Department of Small Business Development, Tourism and Environmental Affairs (DESTEA) (Quarter 3&4)  Implementation report and pictures	Achieved	-	-	Q1 – LED 5.3 Q2 – LED 5.3 Q3 – LED 5.6 Q4 – LED 5.6
5.7.	Local Economic development	Enhancement of the municipality's local economy	LED reports	12 business reports awarded	12 local businesses awarded by June 2024	3 local SMMEs awarded	3 local SMMEs awarded	3 local SMMEs awarded	3 local SMMEs awarded	Purchase orders for awarded businesses  Appointment letters	Achieved	-	-	Q1 – LED 5.4 Q2 – LED 5.4 Q3 – LED 5.7 Q4 – LED 5.7
5.8.	Local Economic Development	Enhancement of the municipality's local economy	LED Forum Structure	New KPI	Resuscitation of Local Economic Development Forum by June 2024	-	-	Resuscitation of existing LED forums	Establishing the terms of reference for the LED forums	LED Forum structure and names of individual  Terms of Reference for the LED forum	Not Achieved	Poor attendance of SMMEs to meetings convened for purpose of resuscitating forums	Forums to be resuscitated in the first quarter of the 2024/2025 FY	

KEY PERFORMANCE AREA 6: ENVIRONMENTAL HEALTH

PERFORMANCE OBJECTIVES AND INDICATORS					QUARTERLY PERFORMANCE TARGETS AND FEEDBACK ON ACTUAL PERFORMANCE									
FOR THE PERIOD 1 JULY 2023-30 JUNE 2024														
ID	Strategic Objective	Key Performance Indicator (KPI)	Unit of Measurement	Baseline 2022/2023	Annual Target 2023/2024	Quarter 1	Quarter 2	Quarter 3	Quarter 4	POE	ACTUAL ANNUAL ACHIEVEMENT	REASONS FOR DEVIATIONS	CORRECTIVE MEASURES TO BE TAKEN	#REF
NAME OF DEPARTMENT: COMMUNITY SERVICES														
6.1.	Environmental Health	Reviewed Waste Management policy June 2024	Waste Management policy	New KPI	Development of waste management policy by December 2023	-	Development policy approved by Council by December 2023	-	-	Council resolution and Copy of the approved policy	Not Achieved	No Ordinary Council meeting took place to review and approve policies	Policy to be tabled in the 1 <sup>st</sup> quarter of 24/25 FY i.e. 25/07/2024	Q2 – CS 6.1
6.2	Environmental Health	Reviewed Integrated Waste Management Plan by June 2024	Approved Plan	2022/23 Adopted IWMP	Reviewed IWMP Integrated Waste Management Plan by August 2023	Reviewed IWMP Intergrated Waste Management Plan by August 2023	Consultation with Provincial CoGTA to review the Sector Plan	Submission of draft Plan to Council and Public Consultations	Submission of final policy to Council for approval by June 2024	Council resolution and Copy of the approved Integrated Waste Management Plan	Achieved	-	-	Q1 – CS 6.1 Q2 – CS 6.2 Q3 – CS 6.2 Q4 – CS 6.1

REFERENCE

Key Performance Area 7: SPATIAL RATIONALE DEVELOPMENT

PERFORMANCE OBJECTIVES AND INDICATORS														QUARTERLY PERFORMANCE TARGETS AND FEEDBACK ON ACTUAL PERFORMANCE													
FOR THE PERIOD 1 JULY 2023 – 30 JUNE 2024																											
ID	Strategic Objective	Key Performance Indicator (KPI)	Unit of Measurement	Baseline 2022/23	Annual Target 2023/24	Quarter 1	Quarter 2	Quarter 3	Quarter 4	POE	ACTUAL ANNUAL ACHIEVEMENT	REASONS FOR DEVIATIONS	CORRECTIVE MEASURES TO BE TAKEN	#REF													
NAME OF DEPARTMENT: TOWN PLANNING																											
7.1	Spatial Rationale Development	100% compliance to SPLUMA	Adopted policies	2022/23 Policies were not approved by Council	8 Policies reviewed and approved by Council June 2024	-	8 Final reviewed policies submitted and approved by Council by Sep 2023	-	-	Council resolution and Copy of approved 8 policies.	Achieved	-	-	Q2 – TP 7.1													
7.2	Spatial Rationale Development	100% compliance to SPLUMA	Adopted SDF	2022/23 Adopted Framework	Reviewed SDF by June 2024	-	-	Draft SDF to be approved by Council for public participation by March 2024	Submit the final SDF to Council by June 2024	Council Resolution and Copy of the updated project list.	Achieved	-	-	Q3 – TP 7.2 Q4 – TP 7.1													
7.3	Spatial Rationale Development	100% compliance to SPLUMA	Minutes and attendance registers	-	1 Municipal Planning Tribunal conducted Bi-annually by June 2024	1 Municipal Planning Tribunal conducted by September 2023	-	-	1 Municipal Planning Tribunal conducted by June 2024	Attendance registers and minutes	Not Achieved	No applications were received for the period and thus no MPT Sitting	None dependent on applications to be submitted from private entities	Q1 – TP 7.1													
7.4	Spatial Rationale Development	100% compliance to SPLUMA	Invite, Minutes, attendance register	3 meetings held in 2022/23	Attend 4 quarterly SPLUM Meetings by June 2024	SPLUM meeting attended by Sept 2023	SPLUM meeting attended by Dec 2023	SPLUM meeting attended by Mar 2024	SPLUM meeting attended by June 2024	Invitations, attendance registers, Minutes/report(Quarter 1,2,3,&4)	Partially Achieved	-	-	Q1 – TP 7.2 Q2 – TP 7.2 Q3 – TP 7.4 Q4 – TP 7.3													
7.5	Spatial Rationale Development	Provision of sustainable Human Settlements in all 3 towns by June 2024	Council adopted plan	Human Settlement Sector Plan 2022/23	Review of Human Settlement Sector Plan by June 2024	Submission of the application to conduct review of the Housing Sector Plan	Consultation with Provincial CoGTA to review the Sector Plan	Submission of draft plan to Council and Public Consultations	Submit the final reviewed Plan to Council by May 2024	Requests letters to Provincial CoGTA(Quarter 1) Attendance registers with consultations with CoGTA(Quarter 2) Council resolution and Draft plan (Quarter 3) Council resolution and final plan(Quarter 4)	Partially Achieved	All municipal policies were deferred to a special portfolio committee for presentations.	Policy to be tabled in the 1 <sup>st</sup> quarter of 24/25 FY i.e. 25/07/2024	Q1 – CS 7.3 Q2 – CS 7.3 Q3 – CS 7.5 Q4 – CS 7.4													

Key Performance Area 7: SPATIAL RATIONALE DEVELOPMENT

PERFORMANCE OBJECTIVES AND INDICATORS														QUARTERLY PERFORMANCE TARGETS AND FEEDBACK ON ACTUAL PERFORMANCE													
FOR THE PERIOD 1 JULY 2023 – 30 JUNE 2024																											
ID	Strategic Objective	Key Performance Indicator (KPI)	Unit of Measurement	Baseline 2022/23	Annual Target 2023/24	Quarter 1	Quarter 2	Quarter 3	Quarter 4	POE	ACTUAL ANNUAL ACHIEVEMENT	REASONS FOR DEVIATIONS	CORRECTIVE MEASURES TO BE TAKEN	#REF													
7.6	<b>Spatial Rationale Development</b>	Provision of sustainable Human Settlements in all 3 towns by June 2024	Council adopted policy	Land Disposal Policy in place by end of June 2024	Land Disposal Policy reviewed by June 2024	Submission of the application to review of the Land Disposal Policy	Consultation with Provincial CoGTA to review the Sector Plan	Submission of draft Policy to Council	Submission of final policy to Council for approval by June 2024	Application letter to CoGTA (Quarter 1) Attendance registers and draft reviewed plan with CoGTA (Quarter 1) Council resolution and reviewed draft policy (Quarter 3) Council resolution and reviewed final policy (Quarter 4)	<b>Partially Achieved</b>  <b>Draft policy was adopted on the 28<sup>th</sup> March 2024</b>	All municipal policies were deferred to a special portfolio committee for presentations.	Policy to be tabled in the 1 <sup>st</sup> quarter of 24/25 FY i.e. 25/07/2024	Q1- CS 7.4 Q2- CS 7.4 Q3 – CS 7.6 Q4 – CS 7.5													
7.7	<b>Spatial Rationale Development</b>	Provision of sustainable Human Settlements in all 3 towns by June 2024	Council adopted policy	Municipal rental housing policy in place by 2022/23	Reviewed of Municipal Housing Rental Policy by June 2024	Submission of the application to conduct review of the Housing Rental Policy	Consultation with Provincial CoGTA to review the Sector Plan	Submission of draft Policy to Council	Submission of final policy to Council for approval by June 2024	Application letter to CoGTA (Quarter 1) Attendance registers and draft reviewed plan with CoGTA (Quarter 2) Council resolution and reviewed draft policy (Quarter 3) Council resolution and reviewed final policy (Quarter 4)	<b>Not Achieved</b>  <b>Draft policy was approved on the 28<sup>th</sup> of March 2024</b>	All municipal policies were deferred to a special portfolio committee for presentations.	Policy to be tabled in the 1 <sup>st</sup> quarter of 24/25 FY i.e. 25/07/2024	Q2 – CS 7.5 Q3 – CS 7.7 Q4 – CS 7.6													
7.8	<b>Spatial Rationale Development</b>	Provision of sustainable Human Settlements in all 3 towns by June 2024	Council adopted policy	New KPI	Reviewed Municipal sites allocation Policy by June 2024	Submission of the application to conduct review of the Housing Sector Plan	Consultation with Provincial CoGTA to review the Sector Plan	Submission of draft Policy to Council and Public Consultations	Submission of final Policy to Council for approval by June 2024	Application letter to CoGTA (Quarter 1) Attendance registers and draft reviewed plan with CoGTA (Quarter 1) Council resolution and reviewed draft policy (Quarter 3) Council resolution and reviewed final policy (Quarter 4)	<b>Partially Achieved</b>  <b>Draft policy was approved on the 28<sup>th</sup> of March 2024</b>	All municipal policies were deferred to a special portfolio committee for presentations.	Policy to be tabled in the 1 <sup>st</sup> quarter of 24/25 FY i.e. 25/07/2024	Q2 – CS 7.6 Q3 – CS 7.8 Q4 – CS 7.7													

Key Performance Area 7: SPATIAL RATIONALE DEVELOPMENT

PERFORMANCE OBJECTIVES AND INDICATORS														QUARTERLY PERFORMANCE TARGETS AND FEEDBACK ON ACTUAL PERFORMANCE													
FOR THE PERIOD 1 JULY 2023 – 30 JUNE 2024																											
ID	Strategic Objective	Key Performance Indicator (KPI)	Unit of Measurement	Baseline 2022/23	Annual Target 2023/24	Quarter 1	Quarter 2	Quarter 3	Quarter 4	POE	ACTUAL ANNUAL ACHIEVEMENT	REASONS FOR DEVIATIONS	CORRECTIVE MEASURES TO BE TAKEN	#REF													
7.9	<b>Spatial Rationale Development</b>	Reviewed Commonage Management policy by June 2024	Council adopted policy	2022/23 Commonage management plan in place	Reviewed Commonage Management Plan by June 2024	-	Reviewed draft plan submitted to council by December 2023	Submit final plan to Council by March 2024	-	Council resolution and reviewed draft policy (Quarter 2)  Council resolution and reviewed final policy (Quarter 4)	<b>Partially Achieved</b>  <b>Draft was approved on the 28th March 2024</b>	All municipal policies were deferred to a special portfolio committee for presentations.	Policy to be tabled in the 1 <sup>st</sup> quarter of 24/25 FY i.e. 25/07/2024	Q2 – CS 7.7  Q3 – CS 7.9													

## Process taken to adjust the Service Delivery Budget and Implementation Plan 2023/2024

During the review process and consultation of the 2023/2024 SDBIP, as well as the Annual Budget, the below listed KPIs were detached from the Approved SDBIP due to the following reasons even though the planned targets are included in the IDP:

- The Mohokare Local Municipality was over-committed for the 2023/24 FY on the MIG Implementation Plan; and
- The reduction of the 2023/24 Capital Grants allocation which caused the re-prioritization of capital projects.

Key Performance Area 1: Basic Service Delivery and Infrastructure Development										
PERFORMANCE OBJECTIVES AND INDICATORS				QUARTERLY PERFORMANCE TARGETS AND FEEDBACK ON ACTUAL PERFORMANCE						
FOR THE PERIOD 1 JULY 2023 - 30 June 2024										
ID	Strategic Objective	Key Performance Indicator (KPI)	Unit of Measurement	Baseline 2022/23	Annual Target 2023/24	Quarter 1 Targets	Quarter 2 Targets	Quarter 3 Targets	Quarter 4 Targets	POE Required
NAME OF DEPARTMENT: TECHNICAL and COMMUNITY SERVICES										
1.5	Basic Service Delivery and Infrastructure Development	Procurement of specialized for solid waste removal	Procurement of Compactor Bin, Tractor Loader Backhoe (TLB) & Bulldozer	Technical Report submitted to CoGTA for change scope	Procurement of : <ul style="list-style-type: none"> <li>• Compactor Bin,</li> <li>• Tractor Loader Backhoe (TLB) and</li> <li>• Bulldozer by 31 December 2023</li> </ul>	-	-	Finalization of procurement processes by 30 September 2023	Procurement of Compactor Bin, Tractor Loader Backhoe (TLB) and Bulldozer by 31 December 2023	<ol style="list-style-type: none"> <li>1. Change of scope report to CoGTA approved by Council</li> <li>2. Delivery Note of the equipment (Quarter 3)</li> <li>3. Registration and licensing of papers of equipment (Quarter 4)</li> </ol>
1.6	Basic Service Delivery and Infrastructure	Upgrading of Roleleathunya sports ground	Fencing in meters (m <sup>2</sup> )	998 parameters	Completion fencing (499 m <sup>2</sup> ) around the sports facility by 30 June	-	Tender advert by December 2023	Project implementation on Phase 1 by 31 March	-	<ol style="list-style-type: none"> <li>1. Project registration letter (Quarter 2)</li> <li>2. Tender advert (Quarter 2)</li> <li>3. Design approval by the</li> </ol>

Key Performance Area 1: Basic Service Delivery and Infrastructure Development										
PERFORMANCE OBJECTIVES AND INDICATORS				QUARTERLY PERFORMANCE TARGETS AND FEEDBACK ON ACTUAL PERFORMANCE						
FOR THE PERIOD 1 JULY 2023 - 30 June 2024										
ID	Strategic Objective	Key Performance Indicator (KPI)	Unit of Measurement	Baseline 2022/23	Annual Target 2023/24	Quarter 1 Targets	Quarter 2 Targets	Quarter 3 Targets	Quarter 4 Targets	POE Required
	re Development				2024			2024		Municipal Infrastructure Support Agency (Quarter 3)
1.8	Basic Service Delivery and Infrastructure Development	The construction of an abstraction works on the Orange River and equipping of x2 raw water pump stations in Rouxville	Project practical completion certificate	Physical progress on site is at 75%	Practical completion of the project by 30 June 2024	-	Completion of abstraction works & equipping of raw water pump stations by 31 December 2023	Completion of the raw water storage tank by 31 March 2024	Practical completion of the project by 30 June 2024	<ol style="list-style-type: none"> <li>Monthly progress reports from consulting Engineers (Quarter 2 &amp; 3)</li> <li>Practical completion certificate (Quarter 4)</li> </ol>

All adjustment made to the initial Approved SDBIP, were tabled to Council and approved accordingly on the 24<sup>th</sup> of February 2024.

It should also be noted that there were KPIs which were amended and/or shifted to accommodate the municipality to achieve planned annual targets.

*Refer to the Adjustment addedum report.*

## SECTION D – SERVICE PROVIDERS ANNUAL PERFORMANCE REPORT 2023/2024

As provided for in section 76(b) of the Municipal Systems Act of 32 of 2000, municipal services can be rendered by entering into a Service Delivery Arrangement with an external service provider. The municipality is responsible for monitoring and evaluation the execution of the agreement including the performance of service provider

Section 46(1)(a) of the Local Government: Municipal Systems Act, Act 32 of 2000, legislates the reporting of the performance of the municipality and of each external service provider during the financial year.

In compliance with section 41 of Municipal Systems Act 32 of 2000. The performance service providers that have been selected to assistance in the provision of a municipal services otherwise than in circumstances where Chapter 8 of MSA applies is required by section 116 of the MFMA to be monitored and reported on.

### Rating

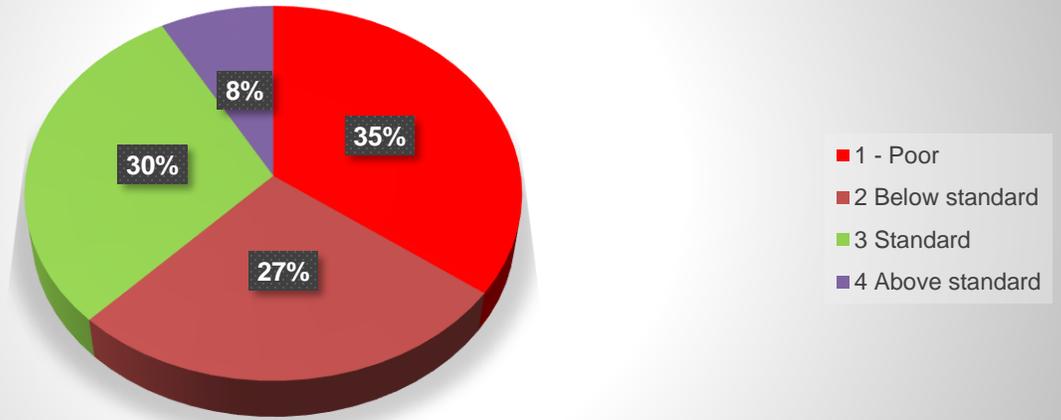
No.	Rating	Classification
1.	0-4	Poor
2.	5-10	Below standard
3.	11-15	Standard
4.	16-20	Above standard

### REFLECTION ON THE PERFORMANCE OF SERVICE PROVIDERS ON THE 2023/2024 FY

- The Municipality had a total of 37 contracted services providers by end of June 2024:

Total number of contracts	Performance classification	Percentage
13	Poor	43%
10	Below standard	10%
11	Standard	37%
3	Above standard	10%

## Percentage of contractors



## **CONTRIBUTORS POOR PERFORMANCE**

- Non-compliance with laws and regulations resulting in processes that are not effective; efficient and economical;
- Non establishment of the Bid Adjudication Committee;
- Inability to settle the Tax Invoices within the period of 30 days, this hampers performance of services providers;
- Services provider unable to delivery of time; and
- No dedicated personnel to measure performance of service providers on a daily basis.

## **STEPS TO BE TAKEN IMPROVE PERFORMANCE OF SERVICE PROVIDERS**

- Develop a supplier's performance monitoring policy which is intended to assist with:
  - ✚ Ensuring a high quality of services are maintained;
  - ✚ Detecting underperformance early thereby reducing the risks to projects;
  - ✚ Creating mechanisms to improve performance where targets are not being achieved; and
  - ✚ Assisting with the suitability of a service provider for pre-qualification, selective tender lists and experience.
- Settle service providers' invoices within 30 days;
- Employ some personnel that will be responsible for monitoring of services providers on a daily basis; and

No.	# Contract Ref	Contract/Service Title	Name of Contractor/suppliers	Department	Start date	End date	Duration	Performance rating
1.	SCM/MOH/04/2022	Appointment of a panel for water treatment chemicals for a period of 3 years	Rheochem/lagula JV	Technical	24/03/2023	24/03/2026	3 years	16
2	SCM/MOH/04/2022	Appointment of a panel for water treatment chemicals for a period of 3 years	Boitshepo Construction	Technical	24/03/2023	24/03/2026	3 years	1
3	SCM/MOH/04/2022	Appointment of a panel for water treatment chemicals for a period of 3 years	Metsi Chem International	Technical	24/03/2023	24/03/2026	3 years	1
4	SCM/MOH/04/2022	Appointment of a panel for water treatment chemicals for a period of 3 years	Jicama 167(Pty) Ltd AAS Operations	Technical	24/03/2023	24/03/2026	3 years	11
5	SCM/MOH/04/2022	Appointment of a panel for water treatment chemicals for a period of 3 years	Elucidate Trading Enterprises	Technical	24/03/2023	24/03/2026	3 years	1
6	SCM/MOH/04/2022	Appointment of a panel for water treatment chemicals for a period of 3 years	Hammet Projects and Supplies	Technical	24/03/2023	24/03/2026	3 years	1
7	SCM/MOH/04/2022	Appointment of a panel for water treatment chemicals for a period of 3 years	Lorenet Trading	Technical	24/03/2023	24/03/2026	3 years	16

No.	# Contract Ref	Contract/Service Title	Name of Contractor/suppliers	Department	Start date	End date	Duration	Performance rating
8	SCM/MOH/05/2022	Appointment of a panel for Plant Hire and machinery for a period of 3 years	Tanosa Group	Technical	24/03/2023	24/03/2026	3 years	16
9	SCM/MOH/05/2022	Appointment of a panel for Plant Hire and machinery for a period of 3 years	E K Construction and All General Trading	Technical	24/03/2023	24/03/2026	3 years	8
10	SCM/MOH/05/2022	Appointment of a panel for Plant Hire and machinery for a period of 3 years	Boitshepo Consortium	Technical	24/03/2023	24/03/2026	3 years	7
11	SCM/MOH/05/2022	Appointment of a panel for Plant Hire and machinery for a period of 3 years	Elucidate Trading Enterprise	Technical	24/03/2023	24/03/2026	3 years	1
12	SCM/MOH/06/2022	Appointment of a service provider for printing, sorting, mailing and distribution of monthly Municipal statement for a period of Three (3) years	Municipal Information Bureau  (Zimako Group)	Finance	24/03/2023	24/03/2026	3 years	9
13	SCM/MOH/09/2022	The Proposal for the appointment of service providers for Sourcing of Funds and Implementation of infrastructure projects for a period of three (3) years	Flagg Consulting Engineers (Pty) Ltd	Technical	24/03/2023	24/03/2026	3 years	1

No.	# Contract Ref	Contract/Service Title	Name of Contractor/suppliers	Department	Start date	End date	Duration	Performance rating
14	SCM/MOH/09/2022	The Proposal for the appointment of service providers for Sourcing of Funds and Implementation of infrastructure projects for a period of three (3) years	Urban Plan Consult	Technical	24/03/2023	24/03/2026	3 years	1
15	SCM/MOH/09/2022	The Proposal for the appointment of service providers for Sourcing of Funds and Implementation of infrastructure projects for a period of three (3) years	Engineering Aces	Technical	24/03/2023	24/03/2026	3 years	1
16	SCM/MOH/09/2022	The Proposal for the appointment of service providers for Sourcing of Funds and Implementation of infrastructure projects for a period of three (3) years	Proper Consulting Engineer	Technical	24/03/2023	24/03/2026	3 years	1
17	SCM/MOH/09/2022	The Proposal for the appointment of service providers for Sourcing of Funds and Implementation of infrastructure projects for a period of three (3) years	Big Pun Consulting Engineer	Technical	24/03/2023	24/03/2026	3 years	1

No.	# Contract Ref	Contract/Service Title	Name of Contractor/suppliers	Department	Start date	End date	Duration	Performance rating
18	SCM/MOH/09/2022	The Proposal for the appointment of service providers for Sourcing of Funds and Implementation of infrastructure projects for a period of three (3) years	Kulto Consulting Engineer	Technical	24/03/2023	24/03/2026	3 years	1
19	SCM/MOH/09/2022	The Proposal for the appointment of service providers for Sourcing of Funds and Implementation of infrastructure projects for a period of three (3) years	Ayena Projects (Pty) Ltd	Technical	24/03/2023	24/03/2026	3 years	1
20	SCM/MOH/10/2023	Zastron/Matlakeng: The Construction of a sewer network in Refengkhoto for 900 erven (MIS: 422896)	Boleng Trading (Pty) Ltd	Technical	18/07/2023	18/07/2024	1 year	13
21	SCM/MOH/11/2023	Smithfield/Mofulatshepe: The construction of 1km access road with related storm water in Green Field_ Phase 1 (MIS: 425809)	Cosmo Bros (Pty) Ltd	Technical	18/07/2023	18/07/2024	1 year	13

No.	# Contract Ref	Contract/Service Title	Name of Contractor/suppliers	Department	Start date	End date	Duration	Performance rating
22	SCM/MOH/08/2021	Provision of 3 Multifunctional Printers for Period of 3 years	NRG Solutions	Corporate	12/05/2022	12/05/2025	3 years	13
23	SCM/MOH/14/2021	Smithfield/Mofulatshepe Upgrading of the Outfall Sewer	MM Industries	Technical	23/02/2022	23/02/2023	1 year	4
24	SCM/MOH/17/2021	Appointment of Debt Collectors for three years	2T Innovation Business Consulting & Projects	Finance	12/05/2021	12/05/2024	3 years	11
25	SCM/MOH/11/2021	Appointment of Service Provider to do VAT Review/Recovery/Preparation and Submission for a period of (3) years	MaxProf Maximum Profit Recovery	Finance	18/02/2022	18/02/2025	3 years	11
26	SCM/MOH/08/2022	Appointment of Professional Legal Service Providers for a period of 3 years	Peyper Attorneys	Corporate	31/03/2023	30/05/2026	3 years	11
27	SCM/MOH/08/2022	Appointment of Professional Legal Service Providers for a period of 3 years	Zwelibanzi Ngququ Inc	Corporate	31/03/2023	30/05/2026	3 years	11
28	SCM/MOH/08/2022	Appointment of Professional Legal Service Providers for a period of 3 years	Masete Attorneys	Corporate	31/03/2023	30/05/2026	3 years	11
29	SCM/MOH/08/2022	Appointment of Professional Legal Service Providers for a period of 3 years	Mohammed Noushod Hoosen	Corporate	31/03/2023	30/05/2026	3 years	11

No.	# Contract Ref	Contract/Service Title	Name of Contractor/suppliers	Department	Start date	End date	Duration	Performance rating
30	SCM/MOH/08/2022	Appointment of Professional Legal Service Providers for a period of 3 years	Phatshoane Henney Attorneys	Corporate	31/03/2023	30/05/2026	3 years	11

## SERVICE PROVIDER STATISTICS FOR PROCUREMENT SERVICES

NO.	DESCRIPTION	Total No.
1	Orders processed	840
2	Bids received	26
3	Bids awarded	0
4	Quotations awarded <R200	13
5	Appeals registered	0
6	Successful appeals	0

### **Notes**

1. Orders Processed – total of 840 with a rand value of R 22 637 409.07
2. Bids Received – 26 bids were published from June 2023 to July 2024
3. Bids Awarded – none of the advertised bids we awarded
4. Quotations awarded <R200 – out of 26 Quotations advertised only 13 were awarded to a total value of R 1 814 505.98
5. Appeals Registered – no bids were appealed in the financial year 2023 / 2024
6. Successful appeals - no bids were appealed in the financial year 2023 / 2024

*\* Please see attached registers*

## DETAILS OF DEVIATIONS FROM PROCUREMENT SERVICES

Reason for deviation	Number of applications considered and approved	Value of applications approved
<p>Paragraph 36. (1) of the policy allows the accounting officer to dispense with the official procurement processes established by the policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only-</p> <ul style="list-style-type: none"> <li>I. In an emergency;</li> <li>II. If such goods or services are produced or available from a single provider only;</li> <li>III. For the acquisition of special works of art or historical objects where specifications are difficult to compile;</li> <li>IV. Acquisition of animals for zoos and/or nature and game reserves; or</li> <li>V. In any other exceptional case where it is impractical or impossible to follow the official procurement processes; and</li> </ul>	16	R 5 772 375.05

## **TERMINATIONS OF SERVICE PROVIDERS**

No Contracts or Service Providers were terminated during the Financial Year 2023/2024.

## CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE

### COMPONENT A: INTRODUCTION TO MUNICIPAL PERSONNEL

#### EMPLOYEE TOTALS, TURNOVER AND VACANCIES

##### Employee Totals

Mohokare Local Municipality employs 241 (including non-permanent positions) officials, who individually and collectively contribute to the Municipality's strategic objectives. The primary objective of Human Resource Management is to render innovative HR services that address both skills development and administrative function.

Total Employees					
Description	Year -1	Year 0		Vacancies No.	Vacancies %
	Employees No.	Approved Posts No.	Employees No.		
Water	43	51	43	8	17%
Waste Water (Sanitation)	29	54	29	16	28 %
Electricity	1	1	1	0	0 %
Waste Management	26	37	26	11	30 %
Housing	4	4	4	0	0 %
Waste Water (Storm water Drainage)	-	-	-	-	-
Roads	8	21	8	13	62 %
Transport	-	-	-	-	-
Planning	1	1	1	0	0 %
Local Economic Development	2	2	2	0	0 %
• Planning (Strategic &	-	-	-	-	-
Local Economic Development	-	-	-	-	-
Community & Social Services	8	9	8	1	12 %
Environmental Protection	-	-	-	-	-
Health	-	-	-	-	-
Security and Safety	14	23	14	9	39 %
Sport and Recreation	1	2	1	1	50 %
Corporate Policy Offices and Other	30	35	30	5	14 %
<b>Totals</b>	<b>178</b>	<b>241</b>	<b>178</b>	<b>63</b>	<b>26 %</b>

## Vacancies

Vacancy Rate: 2023/2024			
	Total Approved Posts	Vacancies	Vacancies (as a proportion of total posts in each category) %
Municipal Manager	1	1	100%
CFO	1	1	100%
Other S57 Managers (excluding Finance)	3	1	33.3%
Other S57 Managers (Finance posts)	-	-	-
Police officers	-	-	-
Fire fighters	-	-	-
Senior management: Levels 13-15	21	5	24%
Senior management: Levels 13-15			0%
Highly skilled supervision: levels 9-12	60	10	17%
Highly skilled supervision: levels 9-12			
<b>Total</b>	<b>86</b>	<b>18</b>	<b>21%</b>

## Turnover

Turn-over Rate 2023/2024			
Details	Total Appointments as of beginning of Financial Year	Terminations during the Financial Year	Turn-over Rate
2023/2024	0	7	33%

## COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

### POLICIES

Policies and plans provide guidance for fair and consistent staff treatment and approach to managing staff.

All policies relevant to Human Resources have been reviewed and implemented in the years under review.

Human Resource policies road shows have been embarked upon to train and share information of the policies to all staff members.

The table below shows the HR Policies and Plans that are approved:

HR Policies and Plans				
	Name of Policy	Completed	Reviewed	Date adopted by council
1	Human Resource Development Strategy	100	100	28 September 2023
2	Organogram	100	100	24 February 2023
3	Organizational Design Policy	100	100	28 September 2023
4	Employment Policy	100	100	28 September 2023
5	Leave Policy	100	100	24 February 2023
6	Occupational Health and Safety Policy	100	100	28 September 2023
7	Overtime Policy	100	100	28 September 2023
8	Relocation Policy	100	100	28 September 2023
9	Councilor Remuneration Policy	100	100	28 September 2023
10	Staff Retention Policy	100	100	28 September 2023
11	Employment Equity policy	100	100	28 September 2023

## INJURIES, SICKNESS AND SUSPENSIONS

Number and Cost of Injuries on Duty					
Type of injury	Leave Injury Taken	Employees using injury leave	Proportion employees using sick leave	Average Injury Leave per employee Days	Total Estimated Cost
Required basic medical attention	0	0	1	0	0
Temporary total disablement	0	0	0	0	0
Permanent disablement	0	0	0	0	0
Fatal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>

### Injuries, sickness and suspensions excl. injuries on duty

Salary band	Total sick leave	Proportion of sick	Employees using sick leave	Total employees in post*	Average sick leave per employees	Estimated cost
Lower skilled (Levels 1-2)	0	0	0	0	0	
Skilled(Levels 3-5)	200	20%	40	143	12	120 000
Highly skilled production(levels 6-8)	120	12%	25	60	17	80 000
Highly skilled supervision(levels 9-12)	75	15%	30	39	6	168 000
Senior management(Levels 13-15)	30	0	6	15	17	40 000
MM and S57	12	0	1	3		32 000
<b>Total</b>	<b>407</b>	<b>47%</b>	<b>90</b>	<b>260</b>	<b>10.8</b>	<b>440 000</b>

## Suspensions

Number and period of suspension				
Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of case and reasons why not finalized	Date Finalized
Customer Service Officer Suspension was withdrawn.				
MM is still on suspension pending the settlement.				
The contract of the CFO was terminated in terms of a settlement agreement entered into with the municipality.				

## Cases of financial misconduct

Disciplinary Action Taken On Cases of Financial Misconduct			
Position	Nature of Alleged Misconduct and Rand value of any loss to the municipality	Disciplinary action taken	Date Finalized
NO CASES REPORTED			

## PERFORMANCE REWARDS

In terms of regulation 8 of the Local Government: Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006 R. 805 a bonus may only be paid after the municipal council has adopted the annual report of the year under review.

All Senior Managers appointed in terms of Section 56 of the MSA are on fixed-term performance contracts. The Individual Performance Management System has not been fully cascaded down to all institutional levels within the municipality. Currently there is no performance bonus system for non-section 56 employees, only a notch progression methodology is currently utilized.

This will be put in place once the organization achieves the necessary performance management maturity level. The table below sets out the total number and cost of annual bonuses paid out to senior managers and fixed term contract employees for the 2023/2024 financial year:

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	0
	Male	0	0	0	0
Skilled (Levels 3-5)	Female	0	0	0	0
	Male	0	0	0	0
Highly skilled production (levels 6-8)	Female	0	0	0	0
	Male	0	0	0	0
Highly skilled supervision (levels 9-12)	Female	0	0	0	0
	Male	0	0	0	0
Senior management (Levels 13-15)	Female	0	0	0	0
	Male	0	0	0	0
MM and S56	Female	0	0	0	0
	Male	4	4	0	0
<b>Total</b>		<b>4</b>	<b>4</b>	<b>0</b>	<b>0</b>

*No performance bonuses were paid during the financial year under review.*

## **COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE**

Section 68 of the Municipal Systems Act states that a municipality must develop its human resource capacity to a level that enables it to perform its functions and exercise its powers in an economical, effective, and efficient and accountable way and for this purpose must comply with Skills Development Act and Skills Development Levies Act.

Mohokare Local Municipality had an approved and adopted workplace skills Plan detailing the trainings planned by the municipality for 2023/2024.

Training plan was developed with time frames and approved by management for implementation. Further to that the municipality applied for Discretionary grant from LGSETA unfortunately we were not approved.

Challenges: Municipality depends most on the LGSETA grants in order to implement most of the programmes due to financial constraints. The Municipality experienced challenges on the implementation of the programmes in the financial year 2023/2024 hence in attempt to rescue the situation by submitting applications for Discretionary grants.

## SKILLS DEVELOPMENT AND TRAINING

Skills Matrix														
Management level	Gender	Employees in post as at 30 June Year (2023)	Number of skilled employees required and actual as at 30 June Year 2023											
			Learner ships			Skills programmes & other short courses			Other forms of training			Total		
			No.	Actual: End of Year-1	Actual: End of Year0 Target	Actual: End of Year-1	Actual: End of Year0 Target	Actual: End of Year-1	Actual: End of Year0 Target	Actual: End of Year-1	Actual: End of Year0 Target	Actual: End of Year-1	Actual: End of Year0 Target	
MM and s57	Female	1	0	0	0	0	0	0	0	0	0	0	0	0
	Male	3	1	1	1	0	0	0	0	0	0	1	1	1
Councillors, senior officials and managers	Female	7	4	4	4	1	1	1	0	0	0	5	5	5
	Male	21	6	6	6	3	3	3	0	0	0	9	9	9
Technicians and associate professionals*	Female	2	0	0	0	0	0	0	0	0	0	0	0	0
	Male	2	0	0	0	0	0	0	0	0	0	0	0	0
Professionals	Female	16	0	0	0	3	3	3	0	0	0	0	3	3
	Male	8	0	0	0	5	5	5	0	0	0	0	5	5
Sub total	Female	25	4	4	4	4	4	4	0	0	0	8	4	12
	Male	34	7	7	7	8	8	8	0	0	0	15	15	70
Total		59	11	11	11	24	24	24	0	0	0	35	35	70

## Financial Competency Development Progress Report

Financial Competency Development: Progress Report*						
Description	A. Total number of officials employed by	B. Total number of officials employed by municipal entities	Consolidated: Total of A and B	Consolidated: Competency assessments completed for A and B (Regulation	Consolidated: Total number of officials whose performance agreements comply with Regulation 16	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
<b>Financial Officials</b>						
Accounting officer	1	0	0	0	1	1
Chief financial officer	1	0	1	1	1	1
Senior managers	2	0	2	0	2	0
Any other financial officials	7	0	7	6	0	6
<b>Supply Chain Management Officials</b>						
Heads of supply chain	1	0	1	1	1	1
Supply chain management senior managers	0	0	0	1	1	1
<b>TOTAL</b>	<b>12</b>	<b>0</b>	<b>11</b>	<b>9</b>	<b>6</b>	<b>10</b>

## Skills Development Expenditure

Skills Development Expenditure											R'000
Management level	Gender	Employees as at the beginning of the financial	Original Budget and Actual Expenditure on skills development Year 1								
			Learner ships		Skills programmes & other short courses		Other forms of training		Total		
			No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual
MM and S57	Female	1	0	0	0	0	0	0	0	0	0
	Male	3	0	0	0	0	0	0	0	0	0
Legislators, senior officials and managers	Female	7	50000	0	0	0	0	0	0	0	0
	Male	18	20000000	0	0	0	0	0	0	0	0
Professionals	Female	12	0	0	1200	0	0	0	0	0	1200
	Male	19	0	0	6800	6800	0	0	6800	0	6800
Technicians and associate professionals	Female	0	0	0	0	0	0	0	0	0	0
	Male	0	0	0	0	0	0	0	0	0	0
Clerks	Female	31	0	0	0	0	0	0	0	0	0
	Male	7	0	0	0	0	0	0	0	0	0
Service and sales workers	Female	5	0	0	0	0	0	0	0	0	0
	Male	17	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	Female	8	0	0	0	0	0	0	0	0	0
	Male	15	0	0	0	0	0	0	0	0	0
Elementary occupations	Female	70	0	0	0	0	0	0	0	0	0
	Male	67	0	0	0	0	0	0	0	0	0
Sub total	Female	137	50000	0	1200	1200	0	0	0	0	1200
	Male	123	200000	0	6800	6800	0	0	0	0	6800
<b>Total</b>		<b>280</b>	<b>2500000</b>	<b>0</b>	<b>8000</b>	<b>8000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8000</b>

\*% and \*R value of municipal salaries (original budget) allocated for workplace skills plan.

\*% \*R500000

## **SKILLS DEVELOPMENT**

The Skills Development Act aims to develop the skills of the South African workforce and to improve the quality of life of workers and their prospects of work; to improve productivity in the workplace and the competitiveness of employers and to promote self-employment.

The workplace skills plan is the key strategic planning document relating to workplace training, career pathing and employment equity. The plan details the training planned for the financial year and it is informed by the IDP, Skills audit results and the MFMA in terms of Section 83(1). The municipality endeavours to provide training as planned in the WSP but due to financial constraints not all trainings are implemented. However, there is significant progress to ensure that in a financial year employees receive quality training to acquire new skills and improve performance.

**COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE**

**EMPLOYEE EXPENDITURE**

Section 66 of the Municipal Systems Act states that the Accounting Officer of the municipality must report to the Council on all expenditure incurred by the municipality on staff salaries wages, allowances and benefits. This is in line with the requirements of the Public Services Regulations, 2002 as well as National Treasury Budget and Reporting Regulations.

<b>Number Of Employees Whose Salaries Were Increased Due To Their Positions Being Upgraded</b>		
<b>Beneficiaries</b>	<b>Gender</b>	<b>Total</b>
Lower skilled (Levels 1-2)	Female	None
	Male	None
Skilled (Levels 3-5)	Female	None
	Male	None
Highly skilled production (Levels 6-8)	Female	None
	Male	None
Highly skilled supervision (Levels 9-12)	Female	None
	Male	None
Senior management (Levels 13-16)	Female	None
	Male	None
MM and S 57	Female	None
	Male	None
<b>Total</b>		

<b>Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation</b>				
<b>Occupation</b>	<b>Number of employees</b>	<b>Job evaluation level</b>	<b>Remuneration level</b>	<b>Reason for deviation</b>
None				
<b>Employees appointed to posts not approved</b>				
<b>Department</b>	<b>Level</b>	<b>Date of appointment</b>	<b>No. appointed</b>	<b>Reason for appointment when no established post exist</b>
None				

## **CHAPTER 5 - FINANCIAL PERFORMANCE**

The overall operating results achieved for the past financial year closed off with a deficit of R 64.2 million compared to a budgeted deficit of R 57.7 million. Operating revenue for the year is R 245 million (2023: R 239.5 million) which reflects an increase of 2.29%. The operating expenditure for the year is R 301 million (2023: R 263 million) which reflects an increase of 14.45%.

The total capital expenditure capitalized for the year in respect of property, plant and equipment amounted to R 23.6 million. Cash and short term investments closed with a positive balance of R 34 073 285 (2023: R 9 187 713).

### **COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE**

Operating revenue excluding government grants and subsidies but including equitable share for the year is R 244 million (2023: R 233 million) which reflects an increase of 4.5%. Included in the above figure is equitable share to the amount of R 70.4 million, 28.7% of the total revenue.

Electricity and water are the largest source of income and contributes 16.17% and 14.37% respectively to operating revenue. Property rates constitute 6% of revenue.

Fines, Penalties and Forfeits has decreased from R 103 650 thousand to zero.

The operating expenditure for the year is R 300 million (2023: R 263 million) which reflects an increase of 14.45% from the previous financial year. The main expenditures are employee related costs at R 91.7 million, debt impairment at R 38.5 million, bulk purchases at R 44.3 million and depreciation and amortisation at R 20 million. Repair and maintenance decreased from R 2.3 million to R 1.9 million.

### **COMPONENT B: STATEMENTS OF FINANCIAL POSITION**

The current assets increased from R 69.6 million to R 112.8 million. This is an increase of 62%. This is an increase of R 43.2 million.

The current liabilities increased from R 215 million to R 336 million. This is an increase of R 121 Million.

The non-current assets decreased from R 715.1 million to R 710.1 million. This is a decrease of R 5 million or 0.70%.

The non-current liabilities increased by R 12.3 million.

## STATEMENTS OF FINANCIAL PERFORMANCE

Financial Performance of Operational Services							R '000
Description	2022-23	2023-24			2023-24 Variance		
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget	
<b>Operating Cost</b>							
Water	27 324	32 550	55 683	54 420	67.19%	-2.27%	
Waste Water (Sanitation)	10 116	35 383	30 488	17 524	-50.47%	-42.52%	
Electricity	36 683	28 468	54 851	54 835	92.62%	-0.03%	
Waste Management	8 863	16 618	20 567	13 709	-17.50%	-33.34%	
Housing	1 170	1 258	1 241	1 224	-2.70%	-1.34%	
<b>Component A: sub-total</b>	84 156	114 277	162 829	141 713	24.01%	-12.97%	
Roads	8 132	5 279	7 141	5 535	4.84%	-22.49%	
<b>Component B: sub-total</b>	8 132	5 279	7 141	5 535	4.84%	-22.49%	
Planning	6 780	8 487	8 344	6 706	-20.98%	-19.63%	
<b>Component C: sub-total</b>	6 780	8 487	8 344	6 706	-20.98%	-19.63%	
Community & Social Services	14 709	8 782	8 476	8 593	-2.15%	1.38%	
Security and Safety	3 147	3 994	4 170	3 630	-9.11%	-12.94%	
Sport and Recreation	481	539	513	508	-5.66%	-1.00%	
Corporate Policy Offices and Other	135 839	141 194	119 347	140 668	-0.37%	17.86%	
<b>Component D: sub-total</b>	154 176	154 509	132 506	153 399	-0.72%	15.77%	
<b>Total Expenditure</b>	<b>253 245</b>	<b>282 552</b>	<b>310 821</b>	<b>307 353</b>	<b>8.78%</b>	<b>-1.12%</b>	
						T 5.1.2	

### COMMENTS

Significant variances can be noted in several departments. This relates mainly to Electricity, Planning, Community & Social Services, Security & Safety and Sports and Recreation.

## GRANTS

R' 000						
Description	2022-23	2023-2024			2023-24 Variance	
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustment s Budget (%)
<b>Operating Transfers and Grants</b>						
<b>National Government:</b>	<b>95 355</b>	<b>96 733</b>	<b>96 733</b>	<b>73 379</b>		
Equitable share	86 952	93 733	93 733	70 379	-25%	-25%
Finance Management Grant	3 000	3 000	3 000	3 000	0%	0%
Expanded Public Works Programme	1 073	-	-	-	100%	100%
Provincial FSPT	-	-	-	-	100%	100%
Treasury: Payment of audit fees	4 330	-	-	-	100%	100%
Co-Operative Governance and Traditional	-	-	-	-	100%	100%
Municipal Disaster Relief Grant	-	-	-	-	0%	0%
<b>Total Operating Transfers and Grants</b>	<b>95 355</b>	<b>96 733</b>	<b>96 733</b>	<b>73 379</b>		
						T5.2.1

### COMMENT ON OPERATING TRANSFERS AND GRANTS:

The equitable share grant increased this financial year. This is due to the fact that the local government equitable share formula has been updated to account for projected household growth, inflation and estimated increases in bulk water and electricity costs over the 2023 MTEF period.

All transfers and grants received for the year have been spent for the purposes they were received for where conditions were attached.

All conditional grants were received except for R 26.354 million withheld from the Equitable Share Grant in respect of unspent conditional grant funding.

## ASSET MANAGEMENT

Asset management remains a concerning area in Mohokare Local Municipality due to reliance on consultants on infrastructure assets and lack of capacity that would ensure the transfer of skills by consultants. Only one person is working in the division and is fully responsible for movable assets. The Smithfield - Refurbishment of WTW project was completed and unbundled in the last financial year.

The asset division will be capacitated on the draft organogram. Currently the municipality will use consultants to unbundle any completed projects. However, it should be noted that these projects are taking significantly longer to complete due to unspent conditional grant.

Repair and Maintenance Expenditure: 2023-24				
R' 000				
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	3 540	1 440	1 921	-33%
				<i>T 5.3.4</i>

The figure above does not include labour, transport and overheads.

There was an over expenditure of 33% of the budgeted amount for the purchase of materials.

**COMPONENT B: SPENDING AGAINST CAPITAL BUDGET**

**SOURCES OF FINANCE**

Capital Expenditure - Funding Sources: Year -1 to Year 0							R' 000
Details	2022-23	2023-24					
	Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)	
<b>Source of finance</b>							
External loans	-	-	-	-	0.00%	0.00%	
Public contributions and donations	-	-	-	-	0.00%	0.00%	
Grants and subsidies	8 068	48 568	48 568	21 605	0.00%	-55.52%	
Internally generated funds	330	1 585	1 585	1 126	0.00%	-28.94%	
<b>Total</b>	<b>8 398</b>	<b>50 153</b>	<b>50 153</b>	<b>22 731</b>	<b>0.00%</b>	<b>-84.46%</b>	
<i>Percentage of finance</i>							
External loans	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Public contributions and donations	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Grants and subsidies	96.1%	96.8%	96.8%	0.0%	0.0%	65.7%	
Other	3.9%	3.2%	3.2%	0.0%	0.0%	34.3%	
<b>Capital expenditure</b>							
Water and sanitation	8 068	39 218	39 218	8 281	0.00%	-78.89%	
Electricity	-	-	-	4 992	0.00%	0.00%	
Housing	-	-	-	-	0.00%	0.00%	
Roads and storm water	-	9 183	9 183	8 372	0.00%	-8.83%	
Other	330	1 752	1 752	1 086	0.00%	-38.02%	
<b>Total</b>	<b>8 398</b>	<b>50 153</b>	<b>50 153</b>	<b>22 731</b>	<b>0.00%</b>	<b>-125.73%</b>	
<i>Percentage of expenditure</i>							
Water and sanitation	96.1%	78.2%	78.2%	36.4%	#DIV/0!	62.7%	
Electricity	0.0%	0.0%	0.0%	0.0%	#DIV/0!	0.0%	
Housing	0.0%	0.0%	0.0%	0.0%	#DIV/0!	0.0%	
Roads and storm water	0.0%	18.3%	18.3%	0.0%	#DIV/0!	7.0%	
Other	3.9%	3.5%	3.5%	4.8%	#DIV/0!	30.2%	
<b>T 5.6.1</b>							

## CAPITAL SPENDING ON THE FIVE LARGEST PROJECTS

Capital Expenditure of 5 largest projects*					
Name of Project	2023/24			Variance: 2023-24	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
	R' 000				
Smithfield/Mofulatshepe: The upgrading of the outfall sewer	9 894	9 894	753	-1213%	-1213%
Zastron/Matlakeng: The construction of a sewer network in Refengkhoto for 900 erven	9 557	9 557	5 882	-62%	-62%
Smithfield/Mofulatshepe: The construction of 1km access road with related storm water in Greenfield_ Phase 1	9 183	9 183	8 372	-10%	-10%
The Construction of an abstraction works on the Orange River and equipping of x2 raw water pump stations in Rouxville	8 273	8 273	-	#DIV/0!	#DIV/0!
Upgrading of the Rouxville/Roleleathunya water treatment works (WTW) (civil works) to a capacity of 3.2ml/day, construction of new 4.8 km long main rise from the WTW to the 3 existing reservoirs and upgrading o infrastructure for 5 existing boreholes	4 794	4 794	213	-2148%	-2148%
<i>* Projects with the highest capital expenditure in Year 0</i>					
<b>Name of Project - A</b>	<b>Constructon of the abstraction works in Rouxville</b>				
Objective of Project	Increase of raw bulk water supply to Rouxville				
Delays	Project is currently not in progress as contractor vacated site due to municipality not paying invoices				
Future Challenges	Differences between contractor and the Municipality regarding the contract				
Anticipated citizen benefits	Sustainable water supply to residents of Rouxville, Roleleathunya and Uitkoms				
<b>Name of Project - B</b>	<b>Upgrading of the Rouxville / Roleleathunya Water Treatment Works</b>				
Objective of Project	Increase of bulk water supply to Rouxville				
Delays	Project is currently not in progress as contractor vacated site				
Future Challenges	Maintenance of the treatment works				
Anticipated citizen benefits	Sustainable water supply for future demands				
<b>Name of Project - C</b>	<b>Smithfield / Mofulatshepe: Upgrading of the outfall sewer</b>				
Objective of Project	Upgrading of outfall sewer in Smithfield/Mofulatshepe				
Delays	Project is currently not in progress as contractor vacated site				
Future Challenges	Differences between contractor and the Municipality regarding the contract				
Anticipated citizen benefits	Sustainable sewer maintenance for residents of Smithfield and Mofulatshepe				
<b>Name of Project - D</b>	<b>Zastron/Matlakeng: Upgrading of Waste Water Pump Stations and construction of new outfall sewer line (MIS:295628)</b>				
Objective of Project	Upgrading of waste water pump stations in Zastron/Matlakeng				
Delays	Project is currently not in progress as contractor vacated site due to municipality not paying invoices				
Future Challenges	Maintenance of the waste water pump stations				
Anticipated citizen benefits	Sustainable waste water maintenance for future demands				
<b>Name of Project - E</b>	<b>Rouxville/Roleleathunya: Construction of paved 2km access road and related storm water - phase 2 (MIS:273182)</b>				
Objective of Project	Upgrading of Rouxville/Roleleathunya roads				
Delays	None identified				
Future Challenges	Maintenance of the road				
Anticipated citizen benefits	Better roads and related storm water				

T 5.7.1

## CASH FLOW

Cash Flow Outcomes					R'000
Description	2022-23	Current: 2023-24			
	Audited Outcome	Original Budget	Adjusted Budget	Actual	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>					
<b>Receipts</b>					
Ratepayers and other	47 355	110 242	53 020	15 012	
Government - operating	70 931	146 336	143 917	109 602	
Government - capital	32 406	–	–	–	
Interest	86	265	20	42 844	
Dividends	19	–	–	–	
<b>Payments</b>					
Suppliers and employees	(129 141)	(181 418)	(197 289)	(76 819)	
Finance charges	(17 833)	(19 489)	16 000	(5 313)	
Transfers and Grants					
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>3 824</b>	<b>55 936</b>	<b>15 668</b>	<b>85 326</b>	
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
<b>Receipts</b>					
Proceeds on disposal of PPE					
Decrease (Increase) in non-current debtors					
Decrease (increase) other non-current receivables					
Decrease (increase) in non-current investments		–			
<b>Payments</b>					
Capital assets	(7 898)	(50 153)	(51 433)	(25 907)	
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(7 898)</b>	<b>(50 153)</b>	<b>(51 433)</b>	<b>(25 907)</b>	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
<b>Receipts</b>					
Short term loans					
Borrowing long term/refinancing	11 667				
Increase (decrease) in consumer deposits				5 196	
<b>Payments</b>					
Repayment of borrowing	–	–	–	–	
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>11 667</b>	<b>–</b>	<b>–</b>	<b>5 196</b>	
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>7 593</b>	<b>5 783</b>	<b>(35 765)</b>	<b>64 615</b>	
Cash/cash equivalents at the year begin:	1 594	1 594	1 594	9 188	
Cash/cash equivalents at the year end:	9 188	7 377	(34 171)	73 803	
<i>Source: MBRR A7</i>				<i>T 5.9.1</i>	

The municipality closed the 2023/24 financial year with a positive balance of R 73,8 million.

## BORROWINGS AND INVESTMENT

The big portion of borrowing facilities relates to Centlec. The Centlec Payable relates to the amounts owed to Centlec in terms of services provided on behalf of the Municipality. This accounts for electricity bulk purchases, electricity sales on behalf of Mohokare Local Municipality, general expenditure incurred in the process of performing these duties as well as distribution losses. No contractual agreement regarding repayment terms interest rate applicable, maturity date has been agreed upon and based on past history there is no indication that Centlec will demand payment within the next 12 months.

Actual Borrowings: 2021-22 to 2023-24			
			R' 000
Instrument	2021-22	2022-23	2023-24
<b>Municipality</b>			
Long-Term Loans (annuity/reducing balance)	64 754	76 331	81 637
Financial Leases	-	-	-
<b>Municipality Total</b>	<b>64 754</b>	<b>76 331</b>	<b>81 637</b>
			<i>T 5.10.2</i>

Investments are made with different financial institutions.

Municipal and Entity Investments			
			R' 000
Investment* type	2021-22	2022-23	2023-24
	Actual	Actual	Actual
<b>Municipality</b>			
Deposits - Bank	148	150	(70 816)
<b>Municipality sub-total</b>	<b>148</b>	<b>150</b>	<b>(70 816)</b>
<b>Consolidated total:</b>			
	148	150	(70 816)
			<i>T 5.10.4</i>

## PUBLIC PRIVATE PARTNERS

Mohokare Local municipality is not involved in any Public Private Partnership agreements at present.

## SUPPLY CHAIN MANAGEMENT

Progress made by MLM in developing and implementing policies and procedures. The current SCM Policy has been approved by Council and by the Provincial Treasury.

All SCM officials are competent and they all meet the minimum requirements and this enables them to carry out their duties effectively

No	Name	Qualification
1	Pule Lesenyeho	B.Com (General) + MFMP
2	Thabiso Lebeta	National Diploma (Internal Auditing) + MFMP

No	Name	Qualification
3	Thandiwe Aphone	B.Com (Marketing and Tourism)

AGSA recommended that an SCM Manager be appointed. The Municipality did not have this vacancy previously in the organogram and it is now included.

### **GRAP COMPLIANCE**

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

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

## CHAPTER 6 – REPORT ON THE AUDIT ACTION PLAN

Section 131 (1) of the MFMA states that “A municipality must address any issues raised by the Auditor-General in an audit report. The mayor of a municipality must ensure compliance by the municipality with this subsection.”

### 1. AUDIT OBJECTIVE AND APPROACH

The objective of the 2022/2023 audit was to establish progress made by management in implementing the agreed action plan that management committed to undertake in order to address and minimise the recurrence of the same audit findings in future. All internal audit activities within Mohokare Local Municipality are conducted in accordance with the Internal Audit Methodology.

### 2. DETAILED STATUS OF CORRECTIVE ACTION

There has been a progress in the level of attention being given to the previously reported concerns since the audit report of 2022/23 financial year were issued. The total number of findings raised within the period under are 253 and the following table reflects the status per department:

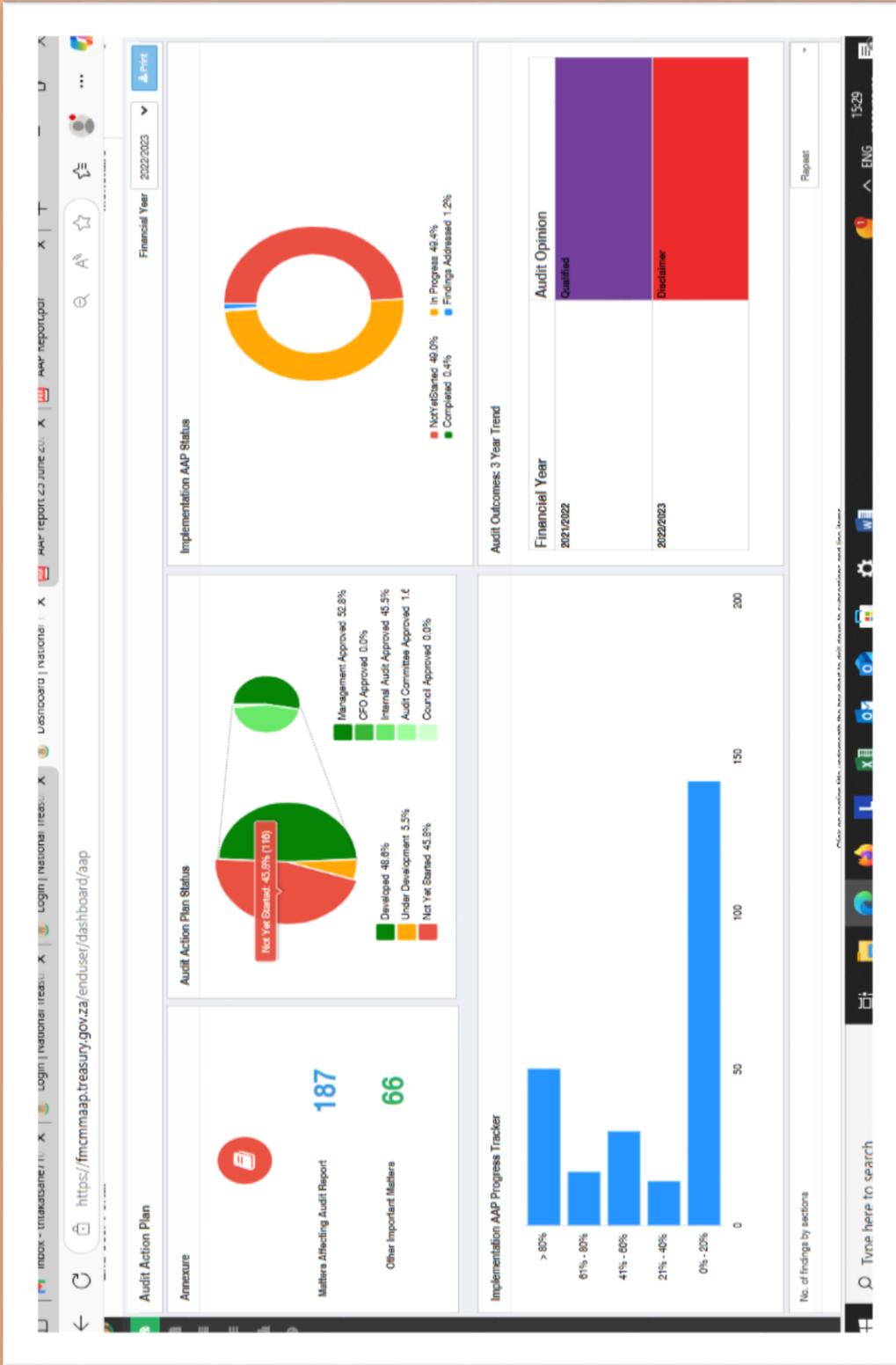
#### **Summary of the implementation status 2022/23 Financial Year**

Findings not yet starts = 49.0%

Findings in progress = 49.4%

Findings completed = 0.4%

Findings addressed = 1.2%



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### Audit Action Plan

Annexure

Matters Affecting Audit Report: **187**

Other Important Matters: **66**

#### Audit Action Plan Status

Management-Approved 52.8%  
 CFO Approved 0.0%  
 Internal Audit Approved 45.5%  
 Audit Committee Approved 1.1%  
 Council Approved 0.0%  
 Developed 48.6% (123)  
 Under Development 5.5%  
 Not Yet Started 45.8%

#### Implementation AAP Status

Not Yet Started 49.0%  
 Completed 0.4%  
 In Progress 49.4%  
 Findings Addressed 1.2%

#### Audit Outcomes: 3 Year Trend

Financial Year	Audit Opinion
2021/2022	Qualified
2022/2023	Disclaimer

#### Implementation AAP Progress Tracker

Percentage Range	No. of findings by sections
> 80%	~45
61% - 80%	~25
41% - 60%	~35
21% - 40%	~20
0% - 20%	~170

No. of findings by sections

16:00 2025/05/30

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### Audit Action Plan

Annexure

Matters Affecting Audit Report **187**

Other Important Matters **66**

### Audit Action Plan Status

- Management Approved: 52.8%
- CFO Approved: 0.0%
- Internal Audit Approved: 45.5%
- Audit Committee Approved: 1.6%
- Council Approved: 0.0%

### Implementation AAP Status

- Not Yet Started: 49.0%
- Completed: 0.4%
- In Progress: 49.4%
- Findings Addressed: 1.2%

### Implementation AAP Progress Tracker

Percentage Range	No. of findings by sections
> 80%	~15
61% - 80%	~25
41% - 60%	~45
21% - 40%	~25
0% - 20%	~180

### Audit Outcomes: 3 Year Trend

Financial Year	Audit Opinion
2021/2022	Qualified
2022/2023	Disclaimer

### **Summary of the action plan status 2022/23 Financial Year**

Findings developed = 48.6%

Findings under development = 5.5 %

Findings not yet started = 45.8%

Management approved = 52.8%

CFO approved = 0%

Internal Audit approved = 45.5%

Audit Committee approved = 1.6%

Council approved = 0%

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### Audit Action Plan

Annexure

Matters Affecting Audit Report **187**

Other Important Matters **66**

### Audit Action Plan Status

- Management Approved 32.8%
- CFO Approved 0.0%
- Internal Audit Approved 45.5%
- Audit Committee Approved 1.6%
- Council Approved 0.0%

### Implementation AAP Status

- Not Yet Started 49.0%
- In Progress 49.4%
- Completed 0.4%
- Findings Addressed 1.2%

### Implementation AAP Progress Tracker

Percentage Range	No. of findings by sections
> 80%	~120
61% - 80%	~40
41% - 60%	~60
21% - 40%	~30
0% - 20%	~150

### Audit Outcomes: 3 Year Trend

Financial Year	Audit Opinion
2021/2022	Qualified
2022/2023	Disclaimer

### Audit Opinion

Financial Year	Audit Opinion
2021/2022	Qualified
2022/2023	Disclaimer

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### Audit Action Plan

Financial Year: 2022/2023

#### Annexure

Matters Affecting Audit Report: **187**

Other Important Matters: **66**

#### Audit Action Plan Status

- Management Approved 32.8%
- CFO Approved 0.0%
- Internal Audit Approved 45.5%
- Audit Committee Approved 1.1%
- Council Approved 0.0%
- Developed 48.6%
- Under Development 5.5%
- Not Yet Started 45.8%

#### Implementation AAP Status

- Not Yet Started 49.0%
- Completed 0.4%
- In Progress 49.4%
- Findings Addressed 1.2%

#### Implementation AAP Progress Tracker

Percentage Range	No. of findings by sections
> 80%	~180
61% - 80%	~100
41% - 60%	~150
21% - 40%	~100
0% - 20%	~200

#### Audit Outcomes: 3 Year Trend

Financial Year	Audit Opinion
2021/2022	Qualified
2022/2023	Disclaimer

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### Audit Action Plan

Annexure

Matters Affecting Audit Report: **187**

Other Important Matters: **66**

### Audit Action Status

Category	Percentage
Developed	48.6%
Under Development	5.5%
Not Yet Started	45.8%

### Implementation AAP Status

Category	Percentage	Count
Not Yet Started	49.0%	124
In Progress	49.4%	
Findings Addressed	1.2%	
Completed	0.4%	

### Implementation AAP Progress Tracker

Percentage Range	No. of findings by sections
> 80%	~180
61% - 80%	~100
41% - 60%	~150
21% - 40%	~100
0% - 20%	~200

### Audit Outcomes: 3 Year Trend

Financial Year	Audit Opinion
2021/2022	Qualified
2022/2023	Disclaimer

**APPENDIX A- COUNCILORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE**

<b>Council Members</b>	<b>Full-Time / Part-Time FT / PT</b>	<b>Committees Allocated</b>	<b>Ward /Party Representative</b>	<b>Percentage council meetings attendance</b>	<b>Percentage Apologies for non-attendance</b>
Cllr P.P Mahapane	PT	Planning & LED Community Services & MPAC	Ward 1 ANC	93	7
Cllr T.D Mochechepa	PT	Planning & LED / Corporate / Finance & Technical	Ward 2 ANC	80	20
Cllr T.J November	PT	Planning & LED / Technical & MPAC	Ward 3 ANC	100	0
Cllr M.A Letele	PT	Planning & LED	Ward 4 Independent	60	40
Cllr D. Job	PT	Corporate / Finance & Community Services	Ward 5 ANC	87	13
Cllr R.J Thuhlo	FT	-	Ward 6 ANC	100	0
Cllr T.E Nai	PT	Finance / Community Services & EXCO	Ward 7 ANC	93	7
Cllr N.Z Mgawuli (Mayor)	FT	EXCO	PR ANC	100	0
Cllr N.A Adoons	PT	Corporate / Technical & MPAC	PR ANC	80	20
Councillor I.S Riddle	PT	Technical Services & MPAC	PR DA	100	0
Cllr J.Swart	PT	Corporate / Finance / Planning & LED	PR DA	93	7
Cllr M.A Mkendani	PT	Community Services & MPAC	PR EFF	80	20
Cllr B.J Lobi	PT	Corporate / Finance / Technical / Community Services & EXCO	PR EFF	80	20

## APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

Municipal Committees	Purpose of Committee
Section 80 Finance Committee	Revenue, Expenditure, Budget Office, Supply Chain Management, Insurance, Payroll
Section 80 Planning & LED Committee	IDP, Town Planning, LED & PMS
Section 80 Corporate Services Committee	Institutional, Corporate, Legal, Human Resources, IT, Records, Administration, Council Committee and Council support, Public Participation & Customer Care
Section 80 Community Services Committee	Fire and Rescue, Disaster Management, Traffic Management, Parks, Recreation, Libraries, Social Services, Sport Development & Refuse collection
Section 80 Technical Services Committee	Water Services, Sewer, Project Management, Storm Water, Roads & Electricity
Municipal Public Accounts Committee	To conduct oversight on the execution of performance of the municipality and to investigate & recover unauthorised, irregular, fruitless and wasteful expenditure incurred.
Audit and Performance Committee	To conduct oversight on the performance of the municipality

## APPENDIX C: THIRD TIER ADMINISTRATION

Third Tier Structure	
Directorate	Director/Manager
Office Of the Municipal Manager	
Municipal Manager	M.J. Kanwendo
Integrated Development Planning	Z.F March
Local Economic Development	N.S Buyeye
Performance Management Services	T.L Ravele
Human Resource Management	D.C Matsoso
Internal Audit	M.Y Kumalo
Risk Management	N.P Ntoyi
Information Technology	F.J Mhlafu
Security Services	M.G Nyamane (Acting)
Town Planning	E.E Meades
Finance Department	
Chief Financial Officer	P.M. Dyonase
Senior Finance Manager	Vacant
Revenue Manager	T.V Mdluli
Corporate Department	
Director Corporate	Vacant
Senior Administration Manager	S.Moorosi
Technical Department	
Director Technical	S.E Thejane
Water Quality Manager	T.E Fobane
Project Manager	S.L Shamase
Community Department	
Acting Community Services Director	Vacant
Community Services Manager	T.A. Lekwala

**APPENDIX D – FUNCTIONS OF THE MUNICIPALITY/ENTITY**

<b>Municipal / Entity Functions</b>		
<b>MUNICIPAL FUNCTIONS</b>	<b>Function Applicable to Municipality (Yes / No)*</b>	<b>Function Applicable to Entity (Yes / No)</b>
<b>Constitution Schedule 4, Part B functions:</b>		
Air pollution	No	No
Building regulations	Yes	No
Child care facilities	No	No
Electricity and gas reticulation	Yes (Outsourced to CENTLEC)	No
Firefighting services	No	No
Local tourism	Yes	No
Municipal airports	No	No
Municipal planning	Yes	No
Municipal health services	Yes (District EHP)	No
Municipal public transport	No	No
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	No	No
Storm water management systems in built-up areas	Yes	No
Trading regulations	Yes	No
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	Yes	No
Beaches and amusement facilities	No	No
Billboards and the display of advertisements in public places	Yes	No
Cemeteries, funeral parlours and crematoria	Yes	No
Cleansing	Yes	No
Control of public nuisances	Yes	No
Control of undertakings that sell liquor to the public	Yes	No
Facilities for the accommodation, care and burial of animals	Yes	No
Fencing and fences	Yes	No
Licensing of dogs	No	No
Licensing and control of undertakings that sell food to the public	Yes	No
Local amenities	Yes	No
Local sport facilities	Yes	No
Markets	?	No
Municipal abattoirs	No	No
Municipal parks and recreation	Yes	No
Municipal roads	Yes	No
Noise pollution	No	No
Pounds	Yes	No
Public places	Yes	No
Refuse removal, refuse dumps and solid waste disposal	Yes	No

<b>Municipal / Entity Functions</b>		
<b>MUNICIPAL FUNCTIONS</b>	<b>Function Applicable to Municipality (Yes / No)*</b>	<b>Function Applicable to Entity (Yes / No)</b>
Street trading	No	No
Street lighting	Yes	No
Traffic and parking	Yes	No

## APPENDIX E: WARD REPORTING

Ward Number	Name of Ward Councillor	Ward Committee Established (Yes/No)	Number of monthly ward committee meetings held during the year	Number of monthly reports submitted to the Speakers office on time	Number of quarterly public ward meetings held during the year
Ward 1	Cllr P.P Mahapane	Yes	0	0	0
Ward 2	Cllr T.D Mochechepa	Yes	0	0	0
Ward 3	Cllr T.J November	Yes	0	0	0
Ward 4	Cllr M.A Letele	Yes	0	0	0
Ward 5	Cllr D. Job	Yes	0	0	0
Ward 6	Cllr R.J Thuhlo	Yes	0	0	0
Ward 7	Cllr T.E Nai	Yes	0	0	0

## **APPENDIX F: RECOMMENDATIONS FROM THE AUDIT AND PERFORMANCE COMMITTEE**

The Audit and Performance Committee (APC) is an independent committee of the Mohokare Local Municipality and is established in terms of section 166(1) of the Municipal Finance Management Act (MFMA) 56 of 2003.

This report reflects on the work of the Committee for the reporting period ended the 30 September 2023.

### **LEGISLATIVE MANDATE**

The AC is constituted in terms of Section 166(1) of the MFMA (Municipal Finance Management Act, No. 56 of 2003) provides for the establishment of an Audit committee by a municipality, to advise the Municipal Council, the Political Office Bearers and the Management staff on matters relating to:

- Internal financial control and internal audits;
- Risk management;
- Accounting policies;
- The adequacy, reliability and accuracy of financial reporting and information;
- Performance management;
- Effective governance;
- Compliance with legislation;
- Performance evaluation;
- Any other matters referred to it by the Municipality.
- Audit Committee must also:
  - Review the annual financial statements to provide the council of the municipality or, in the case of a municipal entity, the council of the parent municipality and the board of directors of the entity, with an authoritative and credible view of the financial position of the municipality or municipal entity, its efficiency and effectiveness and its overall level of compliance with this Act, the annual Division of Revenue Act and any other applicable legislation.
  - Respond to the council on any issues raised by the Auditor-General in the audit report;
  - Carry out such investigations into the financial affairs of the

### **TERMS OF REFERENCE AND EFFECTIVENESS**

Besides the abovementioned legislation, the Audit Committee functions as per its Audit Committee Charter, which is approved by Council. The Audit Committee is authorized, in terms of this charter, to perform the duties and functions required to ensure adherence to the provisions of the Municipal Finance Management Act, the applicable provisions of the Municipal Systems Act and the Municipal Structure Act and other applicable regulations.

Consideration has also been given to the recommendations contained in the King Report on Governance for South Africa (King IV). This charter guides the Audit Committee in fulfilling its obligations.

The Audit Committee conducted its affairs in compliance with this mandate and has discharged its roles and responsibilities accordingly. For the year under review, all members were competent and contributed meaningfully to the evaluation, and consideration of the various reports (including the Risk Management Committee Reports) submitted to it the Committee.

#### 4. COMPOSITION, MEETINGS AND ATTENDANCE

All appointed members are external professionals, independent of the political and administrative structures of the Municipality. The Audit Committee Charter requires a minimum of three members. There were no vacant vacancies during the financial year under review.

The composition and membership of the Audit Committee is as follows:

No.	Member	Term	Position	Status
1.	N. Salimani	3 years	Chairperson	Current
2.	X. Sikhakhane	3 years	Member	Current
3.	J.C. Weapond	3 years	Member	Current

The attendance of meetings by Audit Committee by Audit Committee Members was as follows:

Member	Role	Meeting Venue	MEETING ATTENDANCE			
			1st Quarter 2023/24	2nd Quarter	3rd Quarter	4th Quarter 2023/24
N. Salimani	Chairperson	Zastron Boardroom /Virtual	1			1*
X. Sikhakhane	Member		1			1*
J.C. Weapond	Member		1			1*

\*NB: 2022/23 meeting was special APC meeting

Other regular attendees were the following:

Municipal Manager

Acting Chief Financial Officer

Manager Internal Audit

Acting Corporate Services Director

Acting Community Services Director

PMS Manager, and

Risk Officer.

## THE WORK AUDIT AND PERFORMANCE COMMITTEE PERFORMED

The Audit and Performance Committee reviewed and made amendments to the terms of reference (The Audit Committee Charter) to ensure that it complies with the principles of good governance and with the requirements of the Municipal Finance Management Act 53 of 2003.

### A. 4th Quarter 2022/23 Year (29 August 2023) – Special Meeting a. Review of AFS 2023

On the 29 August 2023 APC had a special meeting to review Annual Financial Statements as at 30 June 2023. The meeting was held at Zastron boardroom / hybrid meeting, and only chairperson was at the Municipality office.

During the Review of AFS 2023, the Committee observed the lack of skills in the area of Accounting and raised the concern for the Management as to look into that area. The Committee would like to indicate that the lack of skills disadvantages the municipalities, and for the Municipalities to succeed; relevant, in-depth and extensive skills is essential to ensure fair presentation of the Municipalities' financial affairs.

The Annual Financial Statements as at 30 June 2023 were submitted on 31 August 2023 as per legislative requirements.

### B. 1st Quarter 2023/24 Year (15 September 2023) – Ordinary meeting

The Audit and Performance Committee sat on 15 September 2023, being its first sitting since appointed and review the followings documents relating the last financial year ended 30 June 2024.

The following documents were tabled and address as follows:

No	Strategic Documents	Responsible person	Status	Implementati on status	Reason for non-implementation
1	Audit and Performance Committee Schedule 2023/24	RM Chairperson	Approved	Implemented	N/A
3	Internal Audit Charter 2023/24	Manager Internal Audit	Approved	Implemented	N/A
4	Internal Audit Methodology 2023/24	Manager Internal audit	Approved	Implemented	N/A

6	Quality Assurance and Improvement Programme 2023/24	Manager Internal Audit	Approved	Implemented	N/A
7	Strategic and Annual Internal Plan 2023/24	Manager Internal Audit	Approved	Implemented	N/A

#### **A. 1<sup>st</sup> Quarter 2023/24 Year (26th September 2023)**

On the meeting of 15 September 2023 APC set on its special meeting whereby AGSA was presenting Engagement Letter and Audit Strategy.

During discussion with AGSA on Engagement Letter and Audit Strategy, it was noted that AGSA will not be lenient on audit finding that were relating to prior year 2021/22 if Municipality has not attended and resolved them as per its Audit Action Plan.

#### **B. Annual Performance Reports for 2022 – 2023**

After presentation and discussions on the report of the Annual Performance Report for 2022 / 23 by Manager PMS the Audit and performance Committee resolved to approve the report.

#### **Section 71 and 52 Reports**

After presentation of Section 52 and discussion on the financial report by the CFO the Audit and Performance Committee resolved to take note of the reports as presented.

***NB: Section 71 was sent back as the standard was not acceptable to APC required expectation.***

#### **Payment for the Audit Committee**

The Audit Committee would like to recommend the following be added on the Audit Committee Charter, subjected to be approved by Council:

1. The members of the Audit Committee shall be remunerated for time spent in attendance of Audit Committee meetings.
2. The municipality may utilise the rates provided by the National Treasury, from time to time.
3. The accounting officer or his/her delegate if deemed necessary, and in consultation with the municipal council, may determine other remuneration, provided that: (i) The terms of reference are properly defined in terms of time and cost; and (ii) If applicable, the remuneration is considered taking into account the tariffs as determined by the Institute that regulates the profession that the member belongs to.
4. Remuneration will only be applicable to officials employed outside the public service. No remuneration for participating in audit committees will be payable to officials employed at national, provincial and local government, its agencies or other entities regarded as falling within the definition of an organ of state, except for out of pocket expenses which may be reimbursed.

5. The reimbursement of all members for travel expenditure will be determined in accordance with the approved council policy or the rate per kilometre as published and updated by the National Department of Transport.

6. The chairperson and members of the audit committee, including members who are employed in the public service, will be required to complete all particulars of their respective travel to and from the venue of the audit committee meetings.

### **Appreciation**

The Audit and Performance Committee wishes to thank the Council, Municipal Manager, Senior Management and Staff of the municipality for the continued commitment to improve the effectiveness of the control environment and good governance of the Municipality. Our appreciation is also extended to the Internal Audit for the independent, professional assurance and consulting services that they continue to provide to the Municipality.



N Salimani

Chairperson of the Audit Committee

**APPENDIX G – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIP**

<b>Long Term Contracts (3 Largest Contracts Entered into during 2022/23)</b>					
<b>Name of Service Provider</b>	<b>Description of Services Rendered by the Service Provider</b>	<b>Start Date of Contract</b>	<b>Expiry date of Contract</b>	<b>Project manager</b>	<b>Contract Value</b>
Rheochem/Lagula JV	<b>Appointment of a panel for water treatment chemicals for a period of 3 years</b>	24/03/2023	30/05/2026	T.E Fobane	Quotation based when required
Boitshepo Construction					
Metsi Chem International					
Jicama 167 (Pty) Ltd t/a AAS Operations					
Lorennet Trading					
Elucidate Trading Enterprise					
Hammet Project and Supplies					
Tanosa Group	<b>Appointment of a panel of service providers for plant and equipment hire on an as and when required basis for a period of three (3)</b>	24/03/2023	30/05/2026	T.E Fobane	Quotation based when required
EK Construction and All General Trading					
Boitshepo Construction					
Elucidate Trading Enterprise	<b>Appointment of a service provider for printing, sorting, mailing and distribution of monthly municipal statements for a period of 3 years</b>	24/03/2023	30/05/2023	T.V Mdluli	R 2 480 000
Municipal Information Bureau					
Peyper Attorneys	<b>Appointment of Professional Legal Service Providers for a period of 3 years</b>	31/03/2023	30/05/2023	S. Thabeng	Quotation based when required
Zwelibanzi Ngququ Inc					
Masete Attorneys					
Mohammed Noushod Hoosen					
Phatshoane Henney Attorneys	<b>Proposal for the appointment of service providers for sourcing of funds and implementation of infrastructure projects for a period of 3 years</b>	24/03/2023	30/05/2023	S. Shamase	This will depend on the funds sourced and projects allocated respectively
Flagg Consulting Engineering (Pty) Ltd					
Urban Plan Consultants					
Engineering Aces					
Proper Consulting (Pty) Ltd					
Big Pun Consulting Engineering					
Kutlo Consulting Engineering					
Ayeme Projects					

***Note: Mohokare Local Municipality does not have any Public Private Partnership agreements in existence.***

**APPENDIX H - MUNICIPAL ENTITY/SERVICES PERFORMANCE SCHEDULE**

<b>Municipal Entity/Service Provider Performance Schedule</b>							
<b>Name of Entity &amp; Purpose</b>	<b>(a) Service Indicators</b>	<b>Amount</b>	<b>2021/22</b>		<b>2022/203</b>		<b>Satisfaction on Rating 1 - Very Good Rating 2 - Good Rating 3 - Average Rating 4 - Bad</b>
			<b>Target (Amount)</b>	<b>Actual (Amount)</b>	<b>Target (Amount)</b>	<b>Actual (Amount)</b>	
			<b>*Previous Year</b>		<b>*Previous Year</b>		
NRG Solutions	Provision of 3 Multifunctional Printers for 3 years	R 370 629.36		R 370 629.36			
Max Profit Recovery	Appointment of service provider to do VAT review/recovery/preparations and submission for a period of three years	7.83%		7.83%			
Njunga Construction and projects	Supply and Delivery of Protective clothing	R 884 931.46		R 884 931.46			
MM Industries	Smithfield/mofulatshepe: The upgrading of the outfall sewer	R 26 870 758.89		R 26 870 758.89			

## APPENDIX I – DISCLOSURES OF FINANCIAL INTERESTS

Disclosures of Financial Interests		
Period 1 July to 30 June of Year 2023/2024		
Position	Name	Description of Financial Interests Nil / Or details
<b>Mayor</b>	Cllr. N.Z Mgawuli	Distell - ordinary shares Telkom - ordinary shares K2017221628 (PTY) - 100% Bhelle Creations (PTY) - 100% ORE Works (PTY) - 30%
<b>Speaker</b>	Cllr R.J Thuhlo	Nil
<b>Councillors</b>		
	Cllr. N.A Adoons	Nil
	Cllr. P.P Mahapane	Mahapane Funeral Parlour - 100%
	Cllr. T.J November	Nil
	Cllr. T.E Nai	Nil
	Cllr. T.D Mochechepa	Nil
	Cllr. D. Job	Nil
	Cllr. I.S Riddle	Dummer Family Trust - Trustee Nick's Place Guest House - Partner - 50%
	Cllr. B.J Lobi	Rekaofela Ditshepe Mohomeng - 100%
	Cllr. N.M Mkendani	Nil
	Cllr. M.A Letele	Nil
	Cllr J. Swart	Nil

APPENDIX K (i)– REVENUE COLLECTION PERFORMANCE BY VOTE

Revenue Collection Performance by Vote							R' 000
Vote Description	2022/23	Current: 2023/24			2023/24 Variance		
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget	
Executive and Council	–	3 153	3 153	3 153	0%	0%	
Finance and Admin	159 239	122 106	150 607	81 687	-49%	-84%	
Planning and Development	4	11	5	5	0%	0%	
Health	–	–	–	–	0%	0%	
Community and Social Service	84	97	69	351	72%	80%	
Housing	688	724	735	736	2%	0%	
Public Safety	104	14 045	2 809	–	#DIV/0!	#DIV/0!	
Sport and Recreation	–	–	–	–	0%	0%	
Environmental Protection	–	–	–	–	0%	0%	
Solid Waste Removal	7 549	11 999	8 742	12 592	5%	31%	
Waste Water Management	14 269	16 962	12 597	20 995	19%	40%	
Road Transport	–	20 707	18 288	–	0%	#DIV/0!	
Water Distribution	53 942	85 764	45 952	63 738	-35%	28%	
Electricity Districution	29 427	44 151	35 831	43 782	-1%	18%	
Other	–	–	–	–	0%	0%	
<b>Total Revenue by Vote</b>	<b>265 305</b>	<b>319 718</b>	<b>278 789</b>	<b>227 038</b>	<b>-41%</b>	<b>-23%</b>	
<i>Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.</i> <i>This table is aligned to MBRR table A3</i>						T K.1	

**APPENDIX K(ii)- REVENUE COLLECTION PERFORMANCE BY SOURCE**

Revenue Collection Performance by Source							R '000
	2022/23	2023/24			2022/23 Variance		
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget	
Property rates	13 092	11 662	16 388	14 807	21%	-11%	
Property rates - penalties & collection charges	–	–	–	–	0%	0%	
Service Charges - electricity revenue	29 208	48 319	40 000	39 613	-22%	-1%	
Service Charges - water revenue	50 658	50 967	27 739	35 202	-45%	21%	
Service Charges - sanitation revenue	14 259	13 857	12 596	12 168	-14%	-4%	
Service Charges - refuse revenue	7 549	9 552	7 491	7 287	-31%	-3%	
Service Charges - other	10	–	–	–	0%	0%	
Rentals of facilities and equipment	699	735	742	741	1%	0%	
Interest earned - external investments	86	–	–	391	100%	100%	
Interest earned - outstanding debtors	41 367	26 730	40 020	42 452	37%	6%	
Dividends received	19	–	–	20	100%	100%	
Fines	104	14 045	2 809	–	0%	0%	
Licences and permits	–	–	–	–	0%	0%	
Agency services	–	–	–	–	0%	0%	
Transfers recognised - operational	98 991	96 733	96 733	73 379	-32%	-32%	
Other revenue	5 981	9 002	112	49 434	82%	100%	
Gains on disposal of PPE	–	–	–	–	0%	0%	
Environmental Protection	–	–	–	–	0%	0%	
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>262 022</b>	<b>281 602</b>	<b>244 629</b>	<b>275 495</b>	<b>-2.22%</b>	<b>11.20%</b>	
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## APPENDIX L CONDITIONAL GRANTS RECEIVED EXCLUDING MUNICIPAL INFRASTRUCTURE GRANT (MIG)

Conditional Grants: excluding MIG						R' 000
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustments Budget	
<i>Other Specify:</i>						
Regional Bulk Infrastructure	8 896	8 896	17 888	50%	50%	To develop regional bulk infrastructure for water supply to supplement water treatment works at resource development and link such water resource development with the local bulk and local distribution networks on a regional basis cutting across several local municipal boundaries
Water Services Infrastructure Grant	20 000	20 000	–	1%	1%	To facilitate the planning, acceleration and implementation of various projects that will ensure water supply to communities identified as not receiving a water supply service.
Finance Management	3 000	3 000	3 000	0%	0%	To promote and support reforms in financial management by building the capacity in municipality to implement the MFMA Act
EPWP	–	–	–	0%	0%	To incentivise municipalities to increase labour intensive employment through programmes that maximise job creation and skill development in line with the guidelines
<b>Total</b>	<b>31 896</b>	<b>31 896</b>	<b>20 888</b>	<b>-53%</b>	<b>-53%</b>	
<i>* This includes Neighbourhood Development Partnership Grant, Public Transport Infrastructure and Systems Grant and any other</i>						

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**APPENDIX M(i) – CAPITAL EXPENDITURE NEW ASSETS PROGRAMME**

Capital Expenditure - New Assets Programme*								R '000
Description	Year -1	Year 0			Planned Capital expenditure			
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3	
<b>Capital expenditure by Asset Class</b>								
<b>Infrastructure - Total</b>	<b>42 533</b>	<b>24 930</b>	<b>24 930</b>	<b>8 068</b>	–	–	–	
<b>Infrastructure: Road transport - Total</b>	–	889	889	–	–	–	–	
<i>Roads, Pavements &amp; Bridges</i>		889 000	889 000					
<i>Storm water</i>								
<b>Infrastructure: Electricity - Total</b>	7 445	–	–	–	–	–	–	
<i>Generation</i>								
<i>Transmission &amp; Reticulation</i>	7 445 217	0	0	0				
<i>Street Lighting</i>								
<b>Infrastructure: Water - Total</b>	31 431	12 847	12 847	8 068	–	–	–	
<i>Dams &amp; Reservoirs</i>								
<i>Water purification</i>	31 430 759	12 847 000	12 847 000	8 067 795				
<i>Reticulation</i>								
<b>Infrastructure: Sanitation - Total</b>	3 657	11 194	11 194	–	–	–	–	
<i>Reticulation</i>								
<i>Sewerage purification</i>	3 657 212	11 194 000	11 194 000	0				
<b>Infrastructure: Other - Total</b>	–	–	–	–	–	–	–	
<i>Waste Management</i>								
<i>Transportation</i>								
<i>Gas</i>								
<i>Other</i>								
<b>Community - Total</b>	–	<b>919</b>	<b>919</b>	–	–	–	–	
<i>Parks &amp; gardens</i>								
<i>Sportsfields &amp; stadia</i>								
<i>Swimming pools</i>								
<i>Community halls</i>								
<i>Libraries</i>								
<i>Recreational facilities</i>								
<i>Fire, safety &amp; emergency</i>								
<i>Security and policing</i>								
<i>Buses</i>								
<i>Clinics</i>								
<i>Museums &amp; Art Galleries</i>								
<i>Cemeteries</i>								
<i>Social rental housing</i>								
<i>Other</i>		919 000	919 000					

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Capital Expenditure - New Assets Programme*							
Description	Year -1	Year 0			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
<b>Capital expenditure by Asset Class</b>							
<b>Heritage assets - Total</b>	–	–		–	–	–	–
Buildings							
Other							
<b>Investment properties - Total</b>	–	–		–	–	–	–
Housing development							
Other							
<b>Other assets</b>	351	4 688	4 798	330	–	–	–
General vehicles		3 698 000	3 698 000				
Specialised vehicles							
Plant & equipment		240 000	800 000				
Computers - hardware/equipment		650 000	250 000				
Furniture and other office equipment		100 000	50 000				
Abattoirs							
Markets							
Civic Land and Buildings							
Other Buildings							
Other Land							
Surplus Assets - (Investment or Inventory)							
Other	350 679			329 757			
<b>Agricultural assets</b>	–	–		–	–	–	–
List sub-class							
<b>Biological assets</b>	–	–		–	–	–	–
List sub-class							
<b>Intangibles</b>	–	–		–	–	–	–
Computers - software & programming							
Other (list sub-class)							
<b>Total Capital Expenditure on new assets</b>	<b>42 884</b>	<b>30 537</b>	<b>30 647</b>	<b>8 398</b>	–	–	–
<b>Specialised vehicles</b>	–	–		–	–	–	–
Refuse							
Fire							
Conservancy							
Ambulances							

\* Note: Information for this table may be sourced from MBRR (2009: Table SA34a)

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**APPENDIX M (ii): CAPITAL EXPENDITURE –UPGRADE/RENEWAL PROGRAMME**

Capital Expenditure - Upgrade/Renewal Programme*								R '000
Description	Year -1	Year 0			Planned Capital expenditure			
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3	
<b>Capital expenditure by Asset Class</b>								
<b>Infrastructure - Total</b>	–	15 938	15 938	–	–	–	–	
Infrastructure: Road transport -Total	–	–	–	–	–	–	–	
Roads, Pavements & Bridges								
Storm water								
<b>Infrastructure: Electricity - Total</b>	–	–	–	–	–	–	–	
Generation								
Transmission & Reticulation								
Street Lighting								
<b>Infrastructure: Water - Total</b>	–	4 407	4 407	–	–	–	–	
Dams & Reservoirs								
Water purification		4 407 000	4 407 000					
Reticulation								
<b>Infrastructure: Sanitation - Total</b>	–	11 531	11 531	–	–	–	–	
Reticulation								
Sewerage purification		11 531 000	11 531 000					
<b>Infrastructure: Other - Total</b>	–	–	–	–	–	–	–	
Waste Management								
Transportation								
Gas								
Other								
<b>Community</b>	–	–	–	–	–	–	–	
Parks & gardens								
Sportsfields & stadia								
Swimming pools								
Community halls								
Libraries								
Recreational facilities								
Fire, safety & emergency								
Security and policing								
Buses								
Clinics								
Museums & Art Galleries								
Cemeteries								
Social rental housing								
Other								
<b>Heritage assets</b>	–	–	–	–	–	–	–	
Buildings								
Other								

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Capital Expenditure - Upgrade/Renewal Programme*							
Description	Year -1	Year 0			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
<b>Capital expenditure by Asset Class</b>							
<b>Investment properties</b>	-	-		-	-	-	-
Housing development							
Other							
<b>Other assets</b>	-	-		-	-	-	-
General vehicles							
Specialised vehicles							
Plant & equipment							
Computers - hardware/equipment							
Furniture and other office equipment							
Abattoirs							
Markets							
Civic Land and Buildings							
Other Buildings							
Other Land							
Surplus Assets - (Investment or Inventory)							
Other							
<b>Agricultural assets</b>	-	-		-	-	-	-
List sub-class							
<b>Biological assets</b>	-	-		-	-	-	-
List sub-class							
<b>Intangibles</b>	-	-		-	-	-	-
Computers - software & programming							
Other (list sub-class)							
<b>Total Capital Expenditure on renewal of existing assets</b>	-	15 938	15 938	-	-	-	-
<b>Specialised vehicles</b>	-	-		-	-	-	-
Refuse							
Fire							
Conservancy							
Ambulances							

\* Note: Information for this table may be sourced from MBRR (2009: Table SA34b)

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## APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AD CLINICS

SERVICE BACKLOGS: SCHOOLS AND CLINICS				
Establishments lacking basic services	Water	Sanitation	Electricity	Solid Waste Collection
Schools	None	None	None	None
Clinics	None	None	None	None

## APPENDIX Q – SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION

The municipality is an Electricity Services provider, however, the services have been outsourced to Centlec.

The table below will show the backlogs the municipality has with regard to services provided by another government entity:

Town	No. of HH	No. of HH connected to the grid	No. of HH without electricity
Zastron	5149	5149	0
Rouxville	2389	2389	0
Smithfield	1735	1735	200
<b>Total</b>	<b>9273</b>	<b>9273</b>	<b>200</b>

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

The municipality did not make any loans for the year under review.

*Refer to APPENDIX L for all conditional grants made by the municipality.*



# MOHOKARE LOCAL MUNICIPALITY AUDIT REPORT – AUDIT GENERAL

*VOLUME I(ATTACHED AS AN ANNEXURE)*



# **MOHOKARE LOCAL MUNICIPALITY AUDITED FINANCIAL STATEMENTS 2023/2024**

***VOLUME II (ATTACHED AS AN ANNEXURE)***