

GREATER GIYANI MUNICIPALITY ANNUAL REPORT 2021-22



Taking the lead in service delivery



A photograph of a rural village scene with traditional thatched-roof huts and trees. The image is used as a background for the text boxes.

Vision

A Municipality where environmental sustainability, tourism and agriculture thrive for economic growth.

Mission

A democratic and accountable municipality that ensures the provision of **quality and sustainable** services through sound environmental management practices, local economic development, and community participation.

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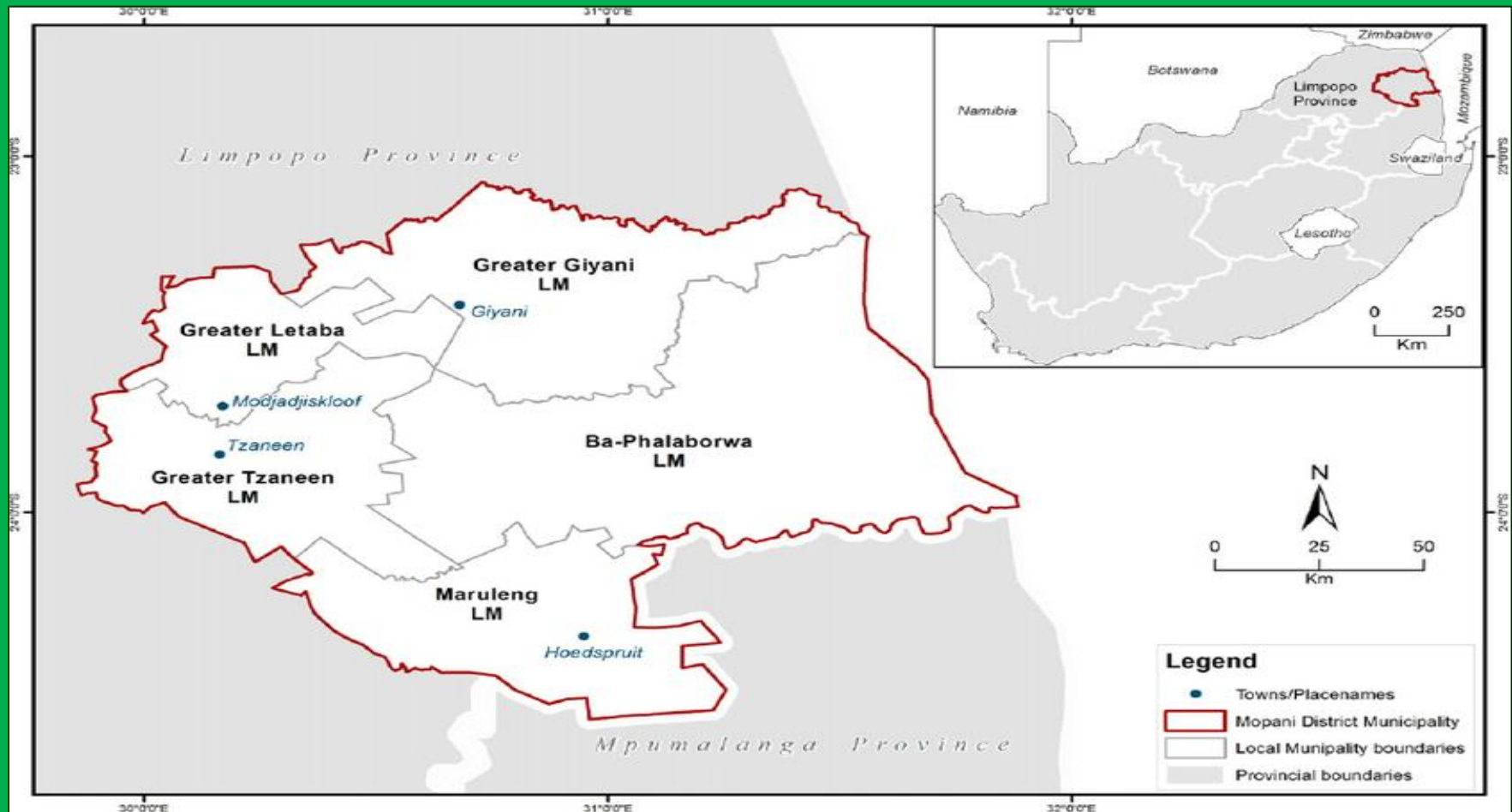
TABLE OF ACRONYMS

| | |
|---------------|---|
| AG | Auditor-General |
| GGM | Grater Giyani Municipality |
| MDM | Mopani District Municipality |
| COMM | Communications Division |
| CWP | Community Works Programme |
| DMP | Disaster Management Plan |
| DoE | Department of Energy |
| DoHS | Department of Human Settlement |
| Strats | Strategic Planning and Local Economic Development |
| EMP | Environmental Management Plan |
| EPWP | Expanded Public Works Programme |
| FBW | Free Basic Water |
| FY | Financial Year |
| IDP | Integrated Development Plan |
| IGR | Intergovernmental Relation |
| LED | Local Economic Development |
| MFMA | Municipal Finance Management Act, No, 56 of 2003 |
| MIG | Municipal Infrastructure Grant |
| MM | Municipal Manager |
| MPAC | Municipal Public Account Committee |
| MSIG | Municipal Systems Improvement Grant |
| MW | Municipal Wide |
| N/A | Not applicable |
| SLA | Service Level Agreement |
| PIA | Project Implementing Agent |
| PMS | Performance Management System |
| PMU | Project Management Unit |
| SCM | Supply Chain Management |
| SLP | Social and Labour Plan |
| SDBIP | Service Delivery and Budget Implementation Plan |

GENERAL INFORMATION

| | |
|---|--|
| NAME OF ORGANIZATION | GREATER GIYANI MUNICIPALITY |
| TYPE OF ORGANAZATION | LOCAL GOVERNMENT/MUNICIPALITY CATEGORY B |
| PROVINCE | LIMPOPO |
| DISTRICT | MOPANI |
| REGISTERED ADDRESS | CIVIC CENTRE GIYANI MAIN ROAD GIYANI 0826 |
| POSTALADDERSS | PRIVATE BAG X 9559 GIYANI 0826 |
| TELEPHONE | 015 811 5500 |
| FAX | 015 812 2068 |
| EMAIL | INFO@GREATERGIYANI.GOV.ZA |
| WEBSITE | www.greatergiyani.gov.za |
| BANKERS | ABSA BANK LIMITED |
| AUDITORS | AUDITOR-GENERAL OF SOUTH AFRICA |
| MAYOR | CLR ZITHA T |
| ACTING ACCOUNTING OFFICER \MUNICIPAL MANAGER | SITHOLE KV |

LOCATIONAL MAP



CHAPTER ONE: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

The Greater Giyani Municipality (GGM) hereby, in terms of Section 46 of Municipal System Act No. 56 of 2003 (MFMA), present to Council the draft 2020/21 Annual Report which outlines achievements and challenges for the year under review.

Vision

A Municipality where environmental sustainability, tourism and agriculture thrive for economic growth

Mission

A democratic and accountable municipality that ensures the provision of quality and sustainable services through sound environmental management practices, local economic development and community participation.

GGM is fully aware and committed to the fact that it needs to continuously search for mechanisms to identify its priorities, issues and problems in the quest for efficient and effective alternatives towards maximum and sustainable fulfilment of Council mandate as enshrined in the Constitution of the Republic of South Africa, Act 108 of 1996. The Municipality has engaged in a strategic planning session, as part of the Integrated Development Plan (IDP) review processes, and the current vision, mission and strategic objectives were reviewed and retained. This process of planning is guided by the following two (2) key national objectives:

- a) The need to set out the core principles, mechanisms and processes that give meaning to development, local governance and to empower the municipality to move progressively towards the social and economic upliftment of communities and the provision of basic services to all communities.
- b) The democratic imperative for local government to actively involve and engage communities.

This process, which in a way facilitates planning and delivery, should arrive at decisions on such issues as Municipal Budgets, Local Economic development and institutional transformation in a consultative, systematic and strategic manner. Noting that the IDP does not only inform municipal management, but also supposed to guide the activities of any agency from the other spheres of government, corporate service providers, NGO's and the private sector within the municipal area, the municipality embarked on a consultative process within very stringent timeframes to elicit the necessary input from various communities, to inform the compilation of this annual report. Emanating from this consultative engagement, the municipality was able to pick a basket of developmental issues which remain endowed to our communities ranging from roads, water, electricity, sanitation, housing, access to health facilities, sporting amenities, crime, and unemployment amongst others.

These issues also find expression in the National Development Plan (NDP), the diagnostic document which points out that "while we have made some progress in reducing poverty, poverty is still pervasive. Millions of people remain unemployed and many working households live below the poverty line".

Critical to the legislated parameters, is the Local Government Municipal Systems Act 32 of 2000, in particular, Chapter 5 which states that a municipality must undertake developmentally-oriented planning so as to ensure that it-

- a) Strives to achieve the objectives of local government set out in Section 152 of the Constitution;
- b) Give effect to its developmental duties as required by Section 152 of the Constitution.

For the municipality to monitor its performance for the realisation of projects and programmes outlined in the IDP, Chapter 6 of the Local Government Municipal Systems Act requires that all municipalities must develop a Performance Management System (PMS) which will monitor the implementation of the IDP. The municipality in line with this legislated imperative has developed an Annual Report which gives account of municipal performance in terms of its own set predetermined objectives which set targets that need to be achieved at the end of that Financial Year. The Annual Report also indicates challenges for targets that were not achieved and the reasons for such non-achievement.

These are some of the achievements for 2021/22 Financial Year:

- Electricity
The following villages have been electrified:
 - Tomu
 - Blinkwater
 - Mavalani
 - Sifasonke
 - Ndengeza
 - Mavhusa
 - Gon'on'o
 - Babangu
- Paving / tarring of streets
The following streets have been paved:
 - Upgrading of parking lot
 - Thomo paving of internal streets
 - Blinkwater paving of internal streets
 - Nkuri-Zamani paving of internal streets
 - Shimange paving of internal streets

These were just few development highlights that the municipality is proud of delivering to our communities for the year under review. There were many projects which were also under-taken by other sectors which also contributed to the upliftment of the lives of our communities.

In conclusion the municipality is calling all the stakeholders to assist the municipality in ensuring that they form part of the planning and development of the municipality by taking part in all the initiatives the municipality is coming up with, by paying for services and participation in the IDP process.

The audit kickstarted on the 1st September 2022 and it is anticipated to be concluded on the 30th November 2022 to take stock of all activities of the prior financial period.



**CLLR. ZITHA T
MAYORA**

DATE

Chapter One: Overview by the Municipal Manager

Component B: Executive Summary

1.1 OVERVIEW BY THE ACTING MUNICIPAL MANAGER

Greater Giyani Municipality is an organization that derives its pride on environmental sustainability, tourism, and agriculture for economic growth.

The 2021/22 Financial Year came with a lot of hard work from the municipal workforce and the collective commitments which resulted in significant achievement recorded in the period under reporting. The Municipality has been able to improve the lives of the Greater Giyani communities through infrastructure development such as electricity connections and paved roads. The provision of electricity will assist in reduction of crime and facilitate economic development to the affected communities. It is highly encouraging that our core business department, Basic Service Delivery, and Infrastructure Development, was able to achieve 62% on the planned targets. Local Economic Development achieved 50% on the LED targets. Our bid specification, evaluation and adjudication committees sit regularly to ensure timeous appointment of service providers, regardless of the overwhelming number of bids we attract.

Significantly, the institutional capacity of Greater Giyani Municipality remains the central pillar of service delivery enabler, thus we managed to complete the third phase of the Municipal Administration building to accommodate all our departments in one roof for efficient coordination of administration. In the main, this development offers us practical opportunity to conveniently deliver services to the citizenry of Greater Giyani.

However, high vacancy rate is a challenge due to limited financial resources and high personnel turnover. We also developed policies that guided the municipality's day to day functions and the policies are reviewed at least once per year.

None payment of services by residents remains our biggest challenge, and we accordingly appeal to all the residents of Greater Giyani to pay for their municipal services and to participate in the IDP and Public Participation Programs.

In conclusion, the municipality has obtained an unqualified audit outcome during 2021/22 financial year with improvements in asset management, revenue management, expenditure management and reduced the number of paragraphs raised by Auditor General. We acknowledge that there are still strategic risks which are embedded on the institution which must be mitigated. The Municipality needs to further improve on its project implementation and management strategy so that project expenditure can increase to 100% in 2022/23

financial year and can therefore realise its objectives.

ACKNOWLEDGEMENT

I would like to extend my appreciation to the Honorable Mayor, Executive Committee and Councilors for strategic direction and leadership demonstrated during the financial year. The guidance and vision of the Acting Chief Financial Officer, Heads of Departments and other staff are acknowledged with gratitude. A special word of appreciation is extended to all my colleagues for their loyalty and support.

SITHOLE KV
ACTING MUNICIPAL MANAGER

DATE

1.2 Municipal Functions, Population and Environmental Overview

1.2.1 Municipal Functions

| FUNCTION | RESPONSIBLE DEPARTMENT | DEFINITION |
|----------------------------|---|---|
| Municipal Planning | Strategic Planning & LED | Development of the integrated development plan in terms of the municipal Systems Act, 32 of 2000. |
| Local Tourism | Strategic Planning & LED | The promotion, marketing and, if applicable, the development of any tourism attraction within the area of the municipality with a view to attract Tourist; to ensure access, and municipal services to such attraction, and to regulate structure and control |
| Markets | Community Services and Strategic planning and LED | The establishment , operations, management , conduct, regulations and / or control of markets other than fresh produce markets including market permits, location, times, conduct, etc. |
| Trading Regulations | Strategic Planning &LED | To regulate of any facility and /or activity related to the trading of goods and services within the municipal area not already regulated by National and provincial legislation |
| Municipal Parks | Technical Services and Community Services | The provision, management, control and maintenance of any land, garden or facility set aside for recreation, sightseeing and / or tourism and including playground, but exclude sport facilities. |
| Open places | Community Services | The management, maintenance and control of any or facility owned by the municipality for public use. |

| | | |
|---|--------------------|--|
| Noise pollution | Community Services | The control and monitoring of noise that adversely affects the well-being of human health or the eco-system that is useful to maintain, now or in the future. |
| Control of public nuisance | Community Services | The regulation, control and monitoring of any facility or activity. |
| Municipal Airport | Technical Services | A demarcation area on land or water or a building which is used or intended to be used, either completely or in part, for the arrival or departure of air craft which includes the establishment and maintenance of such a facility, including all infrastructure and services |
| Municipal Public Transport | Technical Services | The regulation and control and where applicable, the provision of: services for the carriage of passengers, whether scheduled, operated on demand along a specific route or routes or, where applicable, within a particular area. |
| Storm Water drainage | Technical Services | The Management Systems to deal with storm water in building-up areas. |
| Portable Water | Technical Services | The establishment, operation, management and regulation of a potable water supply system, including the services and infrastructure required for the regulation of water conservation, purification, reticulation and distribution; bulk supply to local supply. |
| Sanitation District function | Technical Services | The establishment, operation, management and maintenance and regulation of a system, including infrastructure, for the collection of human excreta and domestic waste-water to ensure minimum standard of service. |
| Refuse Removals, refuse dumps, solid waste disposable | Community Services | Removal of any household or other waste and the disposal of such waste in an area, space or facility established for such purpose, and include the provision, maintenance and control of any infrastructure or facility to ensure a clean and healthy environment. |
| Street Trading | Community Services | The control, regulation and monitoring of the selling of goods and services along a public pavement or road reserve. |
| Bill boards and the display of advertisements in public places | LED | The display of written or descriptive material, any sign or symbol or light that is not intended solely for illumination or as a warning against danger which: promotes the sale and / or encourages the used of goods and services found on the streets. |
| Amusement facilities/beaches | Community Services | A public place for entertainment. The area for recreational opportunities and facilities along the sea shore available for public use and any other aspect in this regard which falls outside the competency of the National and provincial government. |
| Cemeteries, Funeral Palour a and crematoria | Community Services | The establishment, conduct, control facilities for the purpose of disposing of human and animal remains |

| | | |
|-------------------------------|--------------------|--|
| Municipal Roads | Technical Services | The construction, maintenance and control of all public roads |
| Street Lighting | Technical Service | The provision and maintenance of lighting for the illumination of streets. |
| Local Amenities | Technical services | The provision, management, preservation and maintenance of any municipal place, land and building reserved for the protection of places or objects of scenic, natural, historical and cultural value or interest and the provision and control of any of such amenities. |
| Traffic and parking | Community Services | The management and regulation of traffic and parking within the area of the municipality including but not limited to the control over the operating speed of vehicles on municipal roads. |
| Municipal Public works | Technical Services | Any supporting infrastructure or services to empower a municipality to perform its functions |
| Building regulations | Technical Services | The regulation, through by-laws, of any temporary or permanent structure attached to, or to be attached to, the soil within the area of Jurisdiction of a municipality, which must at least provide for approval of building plans, building inspections. |

1.2.2 Population

According to SATSSA of 2016, the total population is **256, 300 with** a total number of households of **70274**.The municipality have **31 wards** grouped into 5 clusters. In most wards, the population exceeds 5000 people. In the past few years, the population has shown a slight increase. In the 2007 survey, the population was counted at **247 565** but according to the 2011 census, it has declined by almost **3000** people. The decline may be attributed to migration to other urban centers, such as Polokwane, Gauteng and Tzaneen in which the migrants search for better working conditions. But in 2016 community population survey has shown a slight increase by 0.14%.

Population by Wards

| Ward | Male | Female | Total |
|------|------|--------|-------|
| 1 | 3636 | 4636 | 8272 |
| 2 | 4531 | 5798 | 10329 |
| 3 | 4607 | 6123 | 10730 |
| 4 | 4411 | 5537 | 9948 |
| 5 | 4482 | 5652 | 10134 |
| 6 | 4663 | 5922 | 10585 |

| | | | |
|--------------|---------------|---------------|---------------|
| 7 | 3487 | 4468 | 7955 |
| 8 | 4704 | 5882 | 10586 |
| 9 | 3113 | 3934 | 7047 |
| 10 | 6363 | 7027 | 13390 |
| 11 | 8829 | 11119 | 19948 |
| 12 | 2432 | 3029 | 5461 |
| 13 | 4122 | 5161 | 9283 |
| 14 | 4172 | 5359 | 9531 |
| 15 | 4057 | 5390 | 9447 |
| 16 | 4487 | 5572 | 10059 |
| 17 | 3512 | 4419 | 7931 |
| 18 | 2045 | 2755 | 4800 |
| 19 | 4362 | 5494 | 9856 |
| 20 | 4583 | 5799 | 10382 |
| 21 | 3682 | 4761 | 8443 |
| 22 | 4464 | 5698 | 10162 |
| 23 | 3313 | 4072 | 7385 |
| 24 | 3305 | 4114 | 7419 |
| 25 | 3732 | 4605 | 8337 |
| 26 | 4326 | 6322 | 10648 |
| 27 | 5111 | 7384 | 12495 |
| 28 | 6214 | 8347 | 14561 |
| 29 | 10100 | 14200 | 24300 |
| 30 | 9432 | 13110 | 22542 |
| 31 | 5434 | 8123 | 13465 |
| TOTAL | 111094 | 148473 | 256300 |

1.2.3 Environmental Overview

The Greater Giyani municipality subscribe to the national environmental management act which means when we conduct our business as a municipality we are conscious of the fact that we need to adhere to the provision of the act. The vision of the municipality also makes specific reference to environmental sustainability as the core of our business.

(Section 152 of the constitution objects of local government) also prescribe to municipalities that they must ensure that communities lives in a safe and healthy environment. Our environment is characterized by different environmental factors e.g. climate, geomorphology, terrain and soil suitability.

There are some environmental challenges that the municipality is having which needs strong intervention from all stakeholders' e.g. illegal occupation of land (sensitive areas) deforestation, overstocking, veld fires and water pollution. GGM has appointed the attorney to deal with issues of the illegal occupations. This environmental challenge has serious impact in terms of sound environmental management practices that will ensure environmental sustainability as enshrined in our vision. GGM is currently implementing various projects that are in line with sustainable development and fight against phenomenon of global warming.

1.3 Service Delivery Overview

Great Giyani Municipality has the responsibility to provide services to the communities. For the year under review the municipality met the target on MIG projects within SDBIP. However, the completion was at the planned targets not final completion since the projects are Multi- Year Projects. The municipality is working hard to ensure that extra High mast lights are provided to communities where there is high crime rate in order to fight crime. Gravel Roads were upgraded to tar and Culvert bridges were also refurbished and other new culvert bridges were constructed. The following are the list of projects and expenditure completed in the 2021/22 financial year:

| Project name | Expenditure |
|---|-----------------|
| Thomo paving of internal street | R 24 761 576.77 |
| Nkuri-Zamani paving of internal street | R 9 257 551.24 |
| Blinkwater paving of internal street | R 7 902 811.27 |
| Section E Voningani paving of internal street | R 20 846 210.38 |

| | |
|-------------------------------|----------------|
| Electrification of Blinkwater | R 2 198 249.99 |
| Electrification of Mavalani | R 6 195 000.00 |
| Electrification of Sifasonke | R 3 203 317.96 |
| Electrification of Ndengeza | R 3 702 655.25 |
| Electrification of Mavhuza | R 1 466 035.91 |
| Electrification of Gon'on'o | R 1 391 684.36 |
| Electrification of Babangu | R 1 481 048.99 |
| | |
| | |

1.4 Financial Health Overview

Like in the previous financial years, the municipality has in the year under review enjoyed a healthy financial status. This is supported by the favourable bank balance that the municipality maintained throughout the whole financial year. While this is the case, the municipality still has revenue collection challenges which is fuelled by limited or low revenue base and poor payment of services by communities. To address this challenge, the municipality continue to implement the developed Revenue Enhancement Strategy and Credit Control and Debt Collection policy. To ensure the municipality's continuous financial viability, municipality continue to implement the Cost Containment Policy as approved by Council and this continues to assist the municipality to maintain its favourable bank balance.

1.5 Organizational Development Overview

The Municipality approved its Organizational Structure and the structure is aligned with the IDP and the powers and functions to be conducted by the municipality, however there is a high vacancy rate of 42 % and 58 % of the positions have been filled (359 positions were vacant and 256 positions were filled). Most of the vacancies were not funded. The municipality is in the process of reviewing its organizational structure to make sure that the structure is realistic to the financial resources of the municipality and that critical positions are funded. The organizational structure will be reviewed with the 2021/22 IDP.

1.6 Auditor General Report

Legislation mandates that upon closure of the financial year the municipality must prepare Annual Performance Report in terms of section 46 of the MSA and Annual Financial statements in terms of section 122 of the MFMA and submit to the Auditor General of South Africa for auditing. For the Financial Years 2021/22 the municipality obtained an Unqualified Audit Opinion. For Financial year 2021/22 the Municipality prepared and submitted the Annual Financial Statement and Annual Performance Report to the Auditor General of South Africa and the Municipality obtain Unqualified Audit Opinion.

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CHAPTER 2: GOVERNANCE

Component A: Political and Administrative Governance

2.1 Political Governance (PUBLIC PARTICIPATION)

Greater Giyani Council constitutes of 62 Councilors of which 40 are males and 22 are females, 31 Ward councilors and 31 Proportional Representatives. It is comprised of 7 full time councilors that are the Mayor, the Chief whip, the Speaker, MPAC Chairperson, Head of Infrastructure Development, Head of Budget and Treasury and Head of Corporate and Shared Services. Ward councilors represents communities in wards they are voted in ensuring that service delivery is brought to the people. Proportional Representative play political roles in wards they are deployed together with respective ward councilors. Ward councilors and Proportional Representative Councilors both form council committees. They all attend quarterly arranged council meetings and monthly portfolio committee meetings and special meetings if arranged. The Municipality had 307 ward committee members

Political decision taking

Political decisions are taken from the submissions of portfolio committee based on administration report generated by management led by the accounting officer. The municipality consist of six directorates namely; Office of the Municipal Manager; Community Services; Technical Services; Corporate Services; Budget and Treasury and Planning and Economic Development. Each of the six directorates is linked to portfolio committees which are chaired by councilors. Community Services Directorate is linked with Health & Social Development Portfolio Committee, Sports Recreation Arts & Culture and part of Public Transport and Roads.

Technical Services Directorate is linked with Water, Sanitation and Energy Portfolio Committee, Infrastructure Development Portfolio Committee and Public Transport and Roads. Corporate Services Directorate is linked with Portfolio Committee of Corporate and Shared Services. Budget and Treasury Directorate is linked with Finance Portfolio Committee. Planning and Economic Development directorate is linked with Portfolio Committee of Planning and Economic Development. All reports of portfolio committees originate from administration and after the portfolio committee has interrogated the report, such reports are recommended to Executive committee which with delegated powers the Executive Committee took decisions and other matters are referred to council as the council is the highest decision-making body. The council appointed the Audit Committee which assist, advice and alerting the municipality on issues of compliance. The council established the MPAC committee which plays an oversight role on the functions of council as well as compliance to all applicable

legislations. The MPAC is comprised of 7 councillors namely: Cllr Makondo Risimati Eric (Chairperson), Cllr Mabunda Rhandu Clarence, Cllr Maluleke Msisinyane Respect, Cllr Maswanganyi Nxalati Nyanisi, Cllr Sambo Sharon, Cllr Mongwe Silence, Cllr Mhangwani Soyaphi Mackson.

POLITICAL MANAGEMENT TEAM

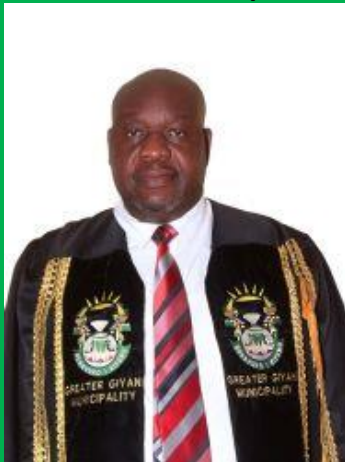
Cllr Thandi Zitha : Mayor



Powers and functions of the Mayor

- Promote the image of the municipality
- To ensure that the executive committee meetings performs its functions properly
- To lead and promotes social and economic development in the municipality
- To preside over public meetings and hearings
- To promote inter- governmental and inter institutional relations
- To ensure in consultation with the municipal manager, that a proper committee service responsible for:
 - The agendas minutes is in place for the executive and other committees and that they meet regularly.
 - Submit reports to the executive committee
 - To take responsibility for the quality and speed of decision making in the executive committee

Cllr Mboweni AE: Speaker



The speaker of Municipal Council Must

- Preside at meetings of council
- Performs the duties and exercises the powers delegated to the speaker in terms of section 59 of The local Government: Municipal system Act, 2000 (Act 32 of 2000) :
- Must ensure that the council meets at least quarterly
- Must ensure compliance in the council and council committee with the code of conduct set out In schedule 1 to the local Government: Municipal system Act, 2000 (Act 32 of 2000) ; and must ensure that council meetings are conducted in accordance with the rules and orders of the council

Clr Makondo T: Chief whip



Duties of the Chief Whip to Municipal Council:

- Political Management of Council meetings and Committee Meetings
- Maintains discipline of Councillors
- Advices the Speaker on the amount of time to be allocated to the speaker and the order of such speakers addressing the council

EXECUTIVE COMMITTEE

Clr Ndaba NHP
Head : Finance



Clr Mashale MR
Head :Public Roads & Transport



Clr Zitha TC
Head :Sports, Recreation, Arts & Culture



Clr Mabunda TJJ
Head :Infrastructure Development



Cllr Maluleke GA
Head : Water, Sanitation
& Energy



Cllr Baloyi C
Head :Planning & Economic Development



Cllr Nghunyule Mabunda RB
Head :Corporate & Shared Services



Cllr Manganyi TC
Head : Health & Social Development



Cllr Sekgobela NR
EXCO Member



2.2 ADMINISTRATIVE GOVERNANCE

TOP Administrative Structure
Acting Municipal Manager
Ms. Sithole K.V.

Acting Chief Financial Officer:
Mr. Nkuna F.
Budget and Treasury Directorate

Director:
Mr. Mdaka N.R.
Corporate Services

Director:
Mr. Mashamba R.H.
Technical Services

Acting Director:
Mr. Nkuna N.J
Planning and Economic Development

Director:
Mrs. Chabalala T.R
Community Services

For the period under review of 2021/22 financial year, the following positions of section 54 and 56 managers were filled: Municipal Manager, Director Planning and Economic Development and Director Technical Services and the following section 54 managers were vacant : Chief financial Officer, Director Corporate Service and Director Community Services.

| No | Initials and Surname | Position | Duration |
|----|----------------------|--|-------------------------|
| 1. | Chauke M.M. | Municipal Manager | 02/01/2018 - 31/12/2022 |
| 2. | Muhlari N. | Acting CFO | - |
| 3. | Mdaka N.R. | Acting Director Corporate Services | - |
| 4. | Mashamba R.H. | Director Technical Services | 01/09/2019 - 31/08/2024 |
| 5. | Sithole K.V. | Director Planning and Local Economic Development | 02/01/2020 - 31/12/2025 |
| 6. | Baloyi K.R. | Acting Director Community Services | - |

COMPONENT B: INTERGOVERNMENTAL RELATIONS

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

COMPONENT B: INTERGOVERNMENTAL RELATIONS

For the period under review the municipality participated in various Co- Operative Governance and Intergovernmental structures at all levels from the local sphere, district sphere, provincial and national sphere. Participation in such forums and IGR structures assisted service delivery in the sense that integration and alignment of various role players is realized to avoid the silo mentality existing in the public sector. Greater Giyani Municipality has benefitted in the IGR structure in the sense of best practice. While remarkable progress

public sector. Greater Giyani Municipality has benefitted in the IGR structure in the sense of best practice. While remarkable progress has been realized in IGR structures challenges still existed in the 2021/22 year with regard to the provision of reliable and accurate information from other public sector players and this affected the municipality 's planning especially the accuracy of the information in the IDP. Provision of progress in the implementation of sector departments within municipal boundaries is also still a challenge.

2.3 Intergovernmental Relations

NATIONAL INTERGOVERNMENTAL STRUCTURES

The municipality participates in national intergovernmental structures such as the following:

- National municipal manager's forum
 - South African Local Government Association sessions including working groups
 - Parliamentary Projects oversight visit (1 visit)
-

PROVINCIAL INTERGOVERNMENTAL STRUCTURES

The municipality participates in the following provincial intergovernmental structures:

- Premier-mayors' forum (1x Meeting)
- monitoring and evaluation forum (4 x meetings)
- provincial planning forum (3 x meetings)
- provincial municipal manager's forum

DISTRICT INTERGOVERNMENTAL STRUCTURES

The municipality participated in the following District IGR structures during the period under review:

- District and Provincial Speakers Forum (2 x meeting)
- District and Provincial Mayors' Forum (2x meeting)
- District and Provincial Chief whips Forum (2x meeting)

- District and Provincial Municipal Manager’s Forum
- District and Provincial CFOs Forum
- District and Provincial Planning Forum (3x meeting)
- District and Provincial Monitoring and Evaluation Forum (x4 meeting)

The existence of the above IGR structures has assisted in the sharing of challenges, best practices and resource mobilization. Alignment of programs and standardization of activities were also achieved from the district IGR structures.

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

The municipality also used its local IGR structures such as sector forums to ensure sector specific programs are aligned with those of other role players in the sectors. All forums were functional and holding their meetings.

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.4 PUBLIC MEETINGS

COMMUNICATION, PARTICIPATION AND FORUMS

The Municipality established six clusters for public participation. Council meetings are held in public venues that are accessible to members of the public. Other forms of communication and public participation during the 2021\22 financial years include the usage of ward public meetings for the 31 wards wherein ward councilors provide feedback and progress report to ward members.

Apart from ward public meetings, the Quarterly Mayoral Imbizos were conducted during 2021/22 financial year and the municipality has adopted the new ways of keeping in touch with its communities through constant weekly media slots at GCRFM where the mayor interacted with the people and issues raised were noted. Those that were related to the municipality were attended to and those related to sector departments were referred to relevant sector departments.

The municipal website, social media (WhatsApp & Facebook) as well as media houses are also useful tools which the municipality employed to communicate with its stakeholders to cover the cyberspace community.

The Municipal Newsletter RITO is published quarterly to communicate municipal programs.

**ISSUES RAISED DURING THE MAYOR'S INTERACTION WITH THE COMMUNITIES THROUGH WEEKLY RADIO SLOTS
AT GCRFM**

| VENUE | DATE | EVENT DESCRIPTION | ISSUES RAISED | PROGRESS |
|-----------------------------|-------------------------|--|---|--|
| 1. Weekly GCRFM radio slots | Weekly, every Wednesday | Mayor's interaction with the community | <p>Shortage of water</p> <p>Inconsistency in Grading of internal streets</p> <p>None / poorly maintenance of access roads</p> <p>Demand for electricity in extensions</p> <p>Demand for tar roads</p> | <p>Our technical services division took the matter up with the district in relation to water challenges.</p> <p>Our technical services attended to the streets on a cluster-to-cluster basis and improved on monitoring.</p> <p>Technical services working together with the department of Public Works, Roads & infrastructure to improve on this aspect</p> <p>To be considered during IDP Public Participation</p> <p>Technical services escalated this challenge to the department of Public Works, Roads and Infrastructure</p> |
| 2. Giyani Community Hall | 03 May 2022 | Public Participation | Shortage of water, | Our technical services division took the matter up with the district. |
| Thomo Community Hall | 09 May 2022 | | streets maintenance | Technical services performed maintenance duties on regular basis |
| Makhuva T/A | 10 May 2022 | | unemployment, | Its national challenge no instant answers to it except to encourage them to apply when they see jobs advert. |
| Golf Course | 11-13 May 2022 | | high mast lights not enough. | We acknowledge this fact but we can only provide one at a time due to budgetary constraints |

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|-----------------------------------|-------------|----------------------|--|---|
| 3. Giyani Community Radio Station | 24 May 2022 | Draft IDP and Budget | Water, Roads, Clinics, schools, culvert bridges, employment, Electricity @ Extensions, | Culvert bridges and Electricity Extensions attended by GGM where budget was provided for. Roads, water, Clinics and school were referred to relevant departments. |
|-----------------------------------|-------------|----------------------|--|---|

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| | |
| WARD COMMITTEE | FORUM |
| | |

WARD COMMITTEES

The municipality has a fully functional ward committee system. All the 31 wards have functioning ward committees with a total of 307 members (due to three (03) outstanding Ward Committee Members from Ward 20 who were never elected to make the total of 310, (Due to Traditionally leadership disputes) participants translating into 10 ward committee members for the 31 wards.

2.5 IDP PARTICIPATION AND ALIGNMENT

The IDP is reviewed annually and in-house. The IDP is reviewed in line with required standard and template and it is aligned to the budget. The IDP Process plan is developed and approved by council as the road map for the review of the IDP/Budget. The IDP Steering committee is responsible for the review of the IDP and Budget. The draft IDP/Budget is tabled before the council for public participation process to unfold to wards and the municipality established six clusters for the purpose of the community accessibility and inputs. The IDP representative’s forum where all the stake holders are represented is also conducted to interrogate the IDP document.

The other stakeholders that are consulted are the Traditional Authorities, NGO’s, Businesses, Traditional Healers and Pastors’ Fraternity. Inputs to the IDP are also submitted physically to the office of the accounting officer.

All the inputs and comments are consolidated and the report is developed based on the inputs. The process of prioritization takes place taking into account the available resources and capacity of the municipality

| 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 54/56 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 |

COMPONENT D: CORPORATE GOVERNANCE

COMPONENT D: OVERVIEW OF CORPORATE GOVERNANCE

For the 2021\22 financial year Greater Giyani Municipality took leaf from the King IV report on good governance by including in its operations the functionality of risk function as well as the development and implementation of corruption and anti-fraud strategies. Risk register was developed and its focus was on Strategic Risks, Operational Risks and Human Resources risks.

Through IGR the municipality used the Premier and Presidential hotlines to track areas of non-compliance to its corporate governance matters.

2.6 RISK MANAGEMENT

The Municipality regards risk management as one of the pillars required for the sustainability and corporate management. In compliance with the MFMA which S62 (i) (c) requires a municipality to have and maintain an effective, efficient and transparent system of risk management. For financial year 2021/22 the municipality had a dedicated risk unit to deal with risk matters. Risk assessment sessions were conducted with the assistance of the provincial Treasury and COGHSTA to help the municipal management with the identification and profiling of risks within the municipality.

Risk Management committee meetings are held on a quarterly basis

| Risk | Action Plan | Progress |
|--------------------------------|---|--|
| Slow implementation of Project | Implementation of completion plan on stalled projects | <p>Progress report on stalled projects:</p> <p>Gawula sports centre: Installation of access gate. Refurbishment of guard house. Refurbishment of roof structure for the change rooms games construction and ablution facilities. Refurbishment of gravel athletic track. Refurbishment of palisade fencing. Construction of steel shed to existing indigenous games. Construction of a grassed soccer pitch with irrigation system.</p> <p>Shivulani sports centre: Refurbishment of change rooms (males and females). Refurbishment of access gates. Refurbishment of existing pit toilets. Refurbishment of athletic tracks. Construction of grassed soccer pitch with</p> |

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| | | <p>immigration system (including blasting of the boulder of soccer pitch).Adjudication has been done, the Contractor has been appointed.</p> <p>Section E sports centre: Refurbishment of guard house. Refurbishment of access gates and installation of turnstile gates. Refurbishment of athletic track. Refurbishment of palisade fence. Construction of grassed soccer pitch with migration system. Construction of change rooms and ablution blocks under pavilion. Construction of pavilion roof.</p> <p>Giyani stadium and Section A Tennis court: Construction of perimeter wall, use of clear view to allow visibility and improve safety. Resurfacing of existing tennis, basket, and volleyball courts that of netball is still in good condition, clearing and marking of athletic tracks. Repair of existing fence around tennis and basketball fence. Renovation of guard house, ablution blocks and change rooms. Construction of parking area and tennis court.</p> <p>Homu 14B sports centre: Refurbishment of access gate. Refurbishment of guard house.</p> |
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| | <p>Refurbishment of change rooms and ablution facilities. Refurbishment of athletic track. Refurbishment of combi courts. Construction of grassed soccer pitch with irrigation system. Construction of pavilion roof.</p> <hr/> <p>Giyani Waste Disposal Site: Project has reached practical completion and awaiting the appointment of service provider to operate the site. The Municipality has appointed security on site.</p> <hr/> <p>Completion plan on stalled projects has been implemented on-going. Adjudication has been done; the Contractor has been appointed.</p> <hr/> <p>No service provider has been penalised for poor performance</p> <hr/> <p>Regular monitoring of projects is being conducted</p> <hr/> <p>Appointment of service providers for infrastructure projects in 2021/22 FY for 2022/23 FY in line with the forward planning</p> <hr/> <p>Penalize service providers for poor performance</p> <hr/> <p>Monitoring of projects</p> | <p>Refurbishment of change rooms and ablution facilities. Refurbishment of athletic track. Refurbishment of combi courts. Construction of grassed soccer pitch with irrigation system. Construction of pavilion roof.</p> <p>Giyani Waste Disposal Site: Project has reached practical completion and awaiting the appointment of service provider to operate the site. The Municipality has appointed security on site.</p> <hr/> <p>Completion plan on stalled projects has been implemented on-going. Adjudication has been done; the Contractor has been appointed.</p> <hr/> <p>No service provider has been penalised for poor performance</p> <hr/> <p>Regular monitoring of projects is being conducted</p> |
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| Dilapidated/ageing infrastructure | <p>Implementation of infrastructure (roads, building and water infrastructure) maintenance plan</p> <hr/> <p>Upgrading of facilities building, roads and streetlights</p> | <p>Maintenance plan on building infrastructure has been implemented. Maintenance plan on water infrastructure has not been implemented.</p> <p>Maintenance plan on roads infrastructure has been implemented.</p> <hr/> <p>Building facilities has not been upgraded. Streetlights upgrade is in progress. Thomo has been upgraded from gravel to pave. Shimange has been upgraded from gravel to pave. Section upgrade from gravel to pave is in progress</p> |
| Environmental degradation | <p>Completion of landfill site development (phase 1)</p> <p>Adoption and Gazeting of the waste management By-Law</p> <p>Implementation of waste management by laws</p> | <p>Project has reached practical completion and awaiting the appointment of service provider to operate the site. The Municipality has appointed security on site.</p> <p>Bi-laws on waste management has been published</p> <p>Waste management by laws has not been implemented</p> |

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| | <p>Conduct waste management education/awareness</p> <hr/> <p>Utilization of landfill site</p> | <p>Waste management awareness has been conducted.</p> <hr/> <p>Landfill site has not yet been utilised waiting for appointment of Operator.</p> |
| Loss of potential investors. | <p>Implementation of council resolution to demolishing/removal of illegal structures</p> <p>Maintenance of the existing new market stalls</p> <p>Relocating street vendors to new market stalls</p> <p>Engagement with traditional authority to acquire land for future development</p> <hr/> <p>Traffic officers to assist with enforcement of by laws</p> | <p>The cluster committee is busy with consultations with the relevant stakeholders</p> <p>Maintenance of the existing market stalls have not been done due to budget constrain</p> <p>Street vendors to be relocated after the maintenance of market stalls</p> <p>Engagements has been conducted with Dzumeri, Shiviti and Siyandhani</p> <hr/> <p>Traffic Officers are available to accompany when issuing contravention notices</p> |
| Under collection of revenue | <p>Implementation of revenue enhancement strategy</p> | <p>Revenue enhancement strategy is being implemented</p> |

| | | |
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| | <p>Enforcement of revenue policy and by-laws.</p> <p>Conducting awareness</p> | <p>Revenue enhancement policy is being implemented and the by-laws has been published</p> <hr/> <p>Awareness has not been conducted</p> |
| Fraud and Corruption | <p>Conducting fraud awareness workshop to all officials</p> <p>Develop a whistle blowing policy</p> <p>Implementation of anti-fraud corruption strategy</p> | <p>Fraud awareness has been conducted to BTO officials</p> <p>Whistleblowing policy has been developed waiting for council's approval.</p> <hr/> <p>Anti-fraud corruption strategy is being implemented.</p> |
| Insufficient land ownership | <p>Submission of SDF (Spatial development framework) to council for approval</p> <p>Submission of LUS (Land use scheme) to council for approval</p> <hr/> <p>Feasibility and research on town expansion. (Ngove town expansion, Application for township establishment)</p> | <p>SDF has been approved</p> <p>LUS has been approved</p> <hr/> <p>Submission to Rural Development for township establishment has been made</p> |
| Inadequate design of IT security management process | <p>Review of disaster recovery plan</p> | <p>Proposed MOU has been prepared awaiting for Municipal Manager's approval</p> |

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| | Implementation of disaster recovery plan | |
| Business Continuity | <p>Review of disaster recovery plan</p> <p>Implementation of disaster recovery plan</p> <p>Implementation of disaster recovery site</p> <p>Finalization of business continuity plan</p> <p>Implementation of business continuity plan</p> <p>Procurement of backup generators</p> | <p>Quotation for the review of Disaster Recovery Plan received.</p> <p>Disaster Recovery site identified, busy with connection feasibilities</p> <p>ICT BCP linked with Municipal wide BCP</p> <p>BCP has not been finalised as yet</p> <p>BCP has not been finalised as yet</p> <p>Civic centre backup generator to be procured by service provider after payment has been made to the service provider</p> |
| Inadequate organizational performance | <p>Filling of vacant positions in line with our recruitment policy</p> <p>Engagement with labour on cascading of performance management to lower level</p> | <p>1 position has been filled.</p> <p>Engagement with labour on cascading of performance management to lower level has not been done</p> <p>key performance indicator on performance agreement for level 2 has not been done as</p> |

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| | Including of key performance indicator on performance agreement for level 2 | performance agreement for level 2 has not been developed |
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2.7 Anti-Corruption and Anti-Fraud AND ANTI-CORRUPTION STRATEGY

The municipality has a Fraud and corruption policy as well as Risk Management Policy in place. Risk Management Unit has been established and has two personnel, Risk Manager and Senior Risk Officer. Fraud and Corruption awareness campaigns are conducted quarterly.

2.8 SUPPLY CHAIN MANAGEMENT

OVERVIEW SUPPLY CHAIN MANAGEMENT

During the 2021\22 financial year the Supply Chain Management policy was tabled to council for revision alongside other budget related policies. The revision took into account the BBEEE codes and changing supply chain regime

SCM has two policies in place.

They have been reviewed together with other budget related policies.

1. Supply Chain management Policy
2. Inventory management policy

Supply Chain Management Policy

The following list entails the deficiencies or limitations regarding the current policy:

1. Definitions

1. Added definitions for the following words which are used frequently in the SCM Policy namely:

- Accounting Officer
- CFO
- Delegation
- Emergency
- Financial Interest
- Single Provider
- CSD

2. Changed year 2011 to 2017 on the Preferential Procurement Regulations as the latest regulations were promulgated now in year 2017.
3. "Long term contract" means a contract with a duration period exceeding one year changed to exceeding 3 years.
4. ""The Act" means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000) has been changed to ""Act" or "MFMA" means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);
5. Added the following acts/regulations under 'Other applicable regulations namely.
 - (a) the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000);
 - (b) the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998
 - (c)

2. Supply Chain Management Policy

1. Paragraph 2(7) (a) states that the Policy states that the municipality is exempt from requesting three formal written quotations when procuring repairs and maintenance of Property, Plant and Equipment. Not all instances of the repairs and maintenance of Property, Plant and Equipment will be an emergency or the municipality cant source three quotations.
2. Added the following on paragraph 2(6) on instances of procurement for goods and services which are exempt from the SCM policy
 - (a) Periodic or quarterly security assessments of political office bearers and key officials (as per paragraph 13(6) of the Municipal Cost Containment Regulations 2019)

3. AMENDMENT AND ADOPTION OF THE SUPPLY CHAIN MANAGEMENT POLICY

1. Changed the following words from

- (b) Reviewed the policy as and when required but within a cycle of 5 years to 'Review at least annually the implementation of this policy.

4. Sub delegations

1. Paragraph 5(4) (b) (i) refers to paragraph 5(2) (c) (iii) of the policy and the policy does not have such paragraph. It should be amended to the correct paragraph. (Paragraph 5(2) (c)).
2. On paragraph 4.2 and paragraph 5.1 the words Sections 79 and 106 of the Act have been changed to Section 79 of the Act because Sec 106 relates to Municipal Entities of which Greater Giyani Local Municipality does not have hence the Section is not applicable.

5. Range of procurement process

1. Paragraph 12(4) was in incomplete and below were the additions.

2The following wording has been changed from

'The Accounting Officer may, after consulting with the municipal council and Heads of Departments, in writing change the different threshold values'

have been changed to

"The accounting officer may, in writing –

- a) Lower, but not increase, the different threshold values specified in sub-clause (1); or

- b) direct that – i) written or verbal quotations be obtained for any specific procurement of a transaction value lower than R2 000 (VAT included);
ii) formal written price quotations be obtained for any specific procurement of a transaction value lower than R30 000 (VAT included); or
iii) a competitive bidding process be followed for any specific procurement of a transaction value lower than R200 000 (VAT included).

2.The following paragraph has been added on panel appointments

-The Municipality reserves the rights to appoint a panel of Service Providers or Contractors for period not more than 36 months and allocation of work must be done on rotational basis taking into account the final ranking and the satisfactory performance of the service provider.

6. GENERAL PRECONDITIONS FOR CONSIDERATION OF WRITTEN QUOTATIONS OR BIDS

1. On Paragraph 13(1), the following items to be furnished by the prospective bidders when submitted quotations or bids:
- (i) Tax Pin
 - (ii) CSD Registration Number

2. On Paragraph 13(1)b, the following items to be furnished by the prospective bidders when submitted quotations or bids:

- whether any Municipal staff member is a close family member of an owner, his/her partner serves on the board of directors, or are members or trustees, of the tendering enterprise.

The above changes have also been effected under item 6 of the General Preconditions to be aligned with legislation.

7. CENTRAL SUPPLIER DATABASE

1. On Paragraph 14(1) d, the following words have been added 'which are currently not validated by the CSD'.

8. PETTY CASH

1. The following sentence has been added on paragraph 15

Petty cash purchases with threshold value from an amount of R1.00 up to an amount of R2 000 (VAT included) to be authorised by the Chief Financial Officer or his delegate.

9. VERBAL QUOTATIONS PROHIBITED

1. The following has been documented under paragraph 16:

The conditions for the procurement of goods or services through written quotations for amounts under the threshold for formal quotations as stated in clause 12(1)(c) & (d) are as follows:

a) quotations for transactions up to a value of R 2 000 (VAT Included) must be obtained from at least two different providers preferably from, but not limited to, providers whose names appear on the list of accredited prospective providers of the Municipality provided that if quotations are obtained from providers who are not listed, such providers must meet the listing criteria set out in clause 14(1) (b), c) and (d) of this Policy;

b) providers must be requested to submit such quotations in writing;

c) if it is not possible to obtain at least two quotations, the reasons must be recorded and reported quarterly to the Supply Chain Manager

d) if a quotation was submitted verbally, the order may be placed only against written confirmation by the selected provider;

e) any other conditions determined by the Accounting Officer.

2) No orders may be placed based on verbal price quotations.

3) No quotation, written or verbal, may be made available by an official to a prospective bidder.

10. THE PROCEDURE FOR THE PROCUREMENT OF GOODS OR SERVICES THROUGH INFORMAL AND FORMAL WRITTEN QUOTATIONS,

1. Paragraph 18 (i) added and deals with the composition of the quotation committee as follows

“procurement requirements exceeding a value of R 30 000 (VAT Inclusive) must be submitted to the Quotations Evaluation Committee which comprises of Supply Chain Manager or his delegate, End User Representative and Secretary. The Quotations Evaluation Committee must make recommendation to the Chief Financial Officer or delegated official for approval”.

11. PROCESS FOR COMPETITIVE BIDDING

1. Paragraph 20 (i) added and deals with the need for Cost Containment Measures before any procurement is done as follows

- a. ✓ Cost containment determination (Needs analysis reports which necessitated the tender to be advertised).
- b. The CFO to formally confirm in writing the availability of budget for adverts above R10m

12. Bid documentation for competitive bids

1. Paragraph 21(5) does not state that the winning bidder's account for municipal rates and taxes and municipal service charges must not be in arrears for more than 3 months at the time of awarding.
2. Column headings for the 80/20 points system have been corrected from (<R30->R50m) to (R30K-<R50m)
3. Column headings for the 90/10 points system have been corrected from (<R50m) to (>R50m)
4. The following paragraphs have been added to paragraph 21

10. Pre-qualification criteria for preferential procurement

- If the municipality decides to apply pre-qualifying criteria to advance certain designated groups, the municipality must a.
- advertise the tender with a specific tendering condition that only one or more of the following tenderers may respond
- b. specify tenderer having a stipulated minimum B-BBEE status level of contributor;

11. Subcontracting as condition of tender

If feasible to subcontract for a contract above R30 million, the municipality must apply subcontracting to advance designated groups. (2) If the municipality applies subcontracting as contemplated in sub-regulation the municipality must advertise the tender with a specific tendering condition that the successful tenderer must subcontract a minimum of 30% of the value of the contract to(a) an EME or QSE;

1.

13. PUBLIC INVITATION FOR COMPETITIVE BIDS

1. Added the following on paragraph 22(1) on public invitation of bids
 - Whether the briefing session/site inspection session is compulsory or not
 - Municipality reserves the right to accept or reject any bid or part thereof and is not obliged to accept the lowest bid.
 - No bid will be accepted from the person in the service of the state.
 - Municipality reserves the right to accept a bid in part.
 - The tender validity period

- Council reserve the right to appoint more than one bidders;
2. On paragraph 22.1.1, the words newspapers commonly circulating locally have been removed as it is not applicable anymore. The municipality advertises on the website and on e-portal as well as the CIDB.
 3. Advertising on the CIDB website has been included as well.

14. NEGOTIATIONS WITH PREFERRED BIDDERS AND COMMUNICATION WITH PROSPECTIVE PROVIDERS AND BIDDERS

1. Paragraph 24(1) (e) (ii) Should be rephrased as it is still referring to the tenderer who scored the highest points. It should refer to a bidder that scored second highest points.
2. Paragraph 24(4) (C) refers to paragraph 25(3) (b) of the policy and the policy does not have that paragraph. It should be amended to the correct paragraph. (Paragraph 24(4)(b))
4. Paragraph 24(4) (d) refers to paragraph 25(3) (C) of the policy and the policy does not have that paragraph. It should be amended to the correct paragraph. (Paragraph 24(4) (C).
5. The last paragraph 24 (e) iv which reads that " If a market related price is not agreed as envisaged in paragraph (e) (iii), the accounting officer must re-advertise the tender", the words re-advertise must be replaced by the words 'CANCEL'.
6. The following has been added on paragraph 24 (1) 'does not lead to a lower price in respect of sale of land / goods'.

15.COMMITTEE SYSTEM FOR COMPETITIVE BIDS

1. Paragraph 26(4)(A) should be amended to paragraph 27,28 and 29 of the SCM policy, and

16. BID SPECIFICATION COMMITTEE

1. The composition of the bid specification committee added to include

Composition of Bid Specification Committee ;
A Bid Specification Committee must be composed of the following

- a) Chairperson
- b) At least 2 members one of which is a Manager or delegated official from the user department requesting goods or services.
- c) One official from SCM Unit providing also secretarial duties

17. Bid Evaluation Committee

1. The policy did not indicate the minimum number of members that the committee must have.

The policy was added as follows: The evaluation committee shall comprise not less than three people. The chairperson shall be an employee of Greater Giyani Municipality with requisite skills. Other members shall include a supply chain management practitioner and where relevant, include an official from the department requiring the goods and services.

2. Paragraph 28(a) (ii) makes reference to paragraph 28(2) (F) which is not in the policy. The correct paragraph should be quoted (Paragraph 21(9)(h))
3. A paragraph should be added on the policy to provide more details on administrative requirements which will lead to disqualification such as, initialling of all pages by an authorised signatory, signing of all places where the signature is required, proof of purchase of bid document.

18. Locality

1. The following wording has been removed from paragraph 34 as it refers to locality which is now outlawed:

- (a) Firstly, suppliers and businesses within the municipality/municipal district;
- (b) Secondly, suppliers and businesses within the relevant province; and
- (c) Thirdly, suppliers and businesses within the Republic of South Africa.

- (2) These principles are to be embodied in the points allocated in terms of the Preferential Procurement Policy of the municipality.

19. APPOINTMENT OF PANEL OF CONSULTANTS

1. The following has been added on paragraph 35 (9) on remuneration of consultants

The Accounting Officer must follow a fair and reasonable remuneration framework for consultants taking into account the rates:

- (a) Determined in the Guideline on fees for audits undertaken on behalf of the Auditor General of South Africa, issued by the South African Institute of Chartered Accountants
- (b) Set out in the 'Guide for Hourly fees for Consultants, issued by the Department of Public Service and Administration
- (c) Where the consultant belongs to a professional body, the rate of remuneration as stipulated by that body; and
- (d) In any other case, the rate stipulated as per competitive process.

2. The following has been added on the minimum clauses of service level agreements with consultants

The service level agreement between the municipality and the consultant must include as a minimum the following clauses namely

- a) How the consultant will transfer skills to the officials of the municipality
- b) objective for transfer of skills, including the nature, scope and goals of the training programme.
- c) The list of employees to be trained
- d) Contents of the skills to be transferred
- e) Fee retention or penalty clause for poor performance

20. Procurement of goods and services under contracts secured by other organs of state

1. Consideration is given to regulation 32 once there has been update from National Treasury from time to time in line with Circulars.

21. Deviation from, and ratification of minor breaches of, procurement processes

1. Paragraph 36(2) refers to paragraph 37(1) (a) and (b) of the policy and the policy does not have such paragraph. The correct paragraph was corrected to be quoted as follows.. (Paragraph 36(1)(a) and (b))
2. Paragraph 36(3) refers to paragraph 37(2) of the policy and it does not relate to the matter on paragraph 36(3). The correct paragraph should be quoted. (Paragraph 36(2).
3. On paragraph 36 (a)i, details of emergency examples have been added as follows

Circumstances that warrant emergency dispensation, includes but are not limited to

- a) the possibility of human injury or death;
- b) the prevalence of human suffering or deprivation of rights;
- c) the possibility of damage to property, or suffering and death of livestock and animals;
- d) the interruption of essential services, including transportation and communication facilities or support services critical to the effective functioning of the municipality as a whole;
- e) the possibility of serious damage occurring to the natural environment;
- f) the possibility that failure to take necessary action may result in the municipality not being able to render an essential community service;
- g) the possibility that the security of the state could be compromised.

b) The prevailing situation, or imminent danger, should be of such a scale and nature that it could not readily be alleviated by interim measures, in order to allow time for the formal tender process.

22.UNSOLICITED BIDS

1. Paragraph 37(3)refers to paragraph 38(2) for unsolicited bid which was incorrect, The correct paragraph should be 37(2)
2. Paragraph 37(4)refers to paragraph 38(3) for unsolicited bid which is incorrect, The correct paragraph should be 37(3)
3. The following has been added on paragraph 37

- (1) The adjudication committee must consider the unsolicited bid and may award the bid or make a recommendation to the Accounting Officer depending on its delegations
- (2) A meeting of the adjudication committee to consider an unsolicited bid must be open to the public.
- (3) When considering the matter, the adjudication committee must take into account –
 - a) any comments submitted by the public; and
 - b) any written comments and recommendations of the National Treasury or the relevant provincial treasury.
- (4) If any recommendations of the National Treasury or provincial treasury are rejected or not followed, the accounting officer must submit to the Auditor General, the relevant provincial treasury and the National Treasury the reasons for rejecting or not following those recommendations.
- (5) Closed bids shall only be accepted after the municipality failed to attract potential service providers through normal competitive bidding processes

23.PAYMENT OF SUB-CONTRACTORS OR JOINT VENTURE PARTNERS

1. The following has been added on paragraph 55
2. Payment of sub-contractors or joint venture partners

The Chief Financial Officer or an official designated by the Chief Financial Officer may consent to the direct payment of sub-contractors or joint venture partners by way of -

- (a) an approved cession; or
- (b) an agreement for direct payment.

3. Cessionary payment

The municipality shall accept cessionary payment under the following conditions:

- a) Signed agreement between the parties involved.
- b) Provided that the cedee submit original and valid tax clearance certificate and pin.
- c) The cedee is not blacklisted in the National Treasury database
- d) The cedee is listed on the Central Supplier Database
- e) The cedee signs the MDB 4' Independence Declaration'

Cessionary payments shall be approved by delegated officials in terms of approved delegations.

3. Cession can only entered into if it is for purchase of the material or stock by the appointed service provider or financing cession to the appointment service provider.

4. No official other than the Accounting Officer shall enter into cession on behalf of the municipality

24. COMBATING OF ABUSE OF SUPPLY CHAIN MANAGEMENT SYSTEM

1. Paragraph 38(2) refers to paragraph 39(1) (b) (ii), (e), or F of the policy and the policy does not have that paragraph. The correct paragraph should be quoted. (Paragraph 38(1)(b)(ii),(e)or F

25.DISPOSAL MANAGEMENT

1. Paragraph 40(5) (b) (ii) refers to paragraph (41) (4) (b) (ii) for property development which is in incorrect section. The correct paragraph to be quoted is paragraph 40(5) (b) (i).

26..Risk Management

1. The municipality should have a fraud helpline or suggestion box to report fraud. This has been added as point no 41.3.9

27.PROHIBITION ON AWARDS TO PERSONS WHOSE TAX MATTERS ARE NOT IN ORDER

1. The policy should also include that the tax status of a bidder should be verified at the time of appointment.

28. ETHICAL STANDARDS

1. Paragraph 46(2) (d) refers to paragraph 47(2) (C) regarding rewards, gift, favour, hospitality or other benefits which is an incorrect paragraph. The correct paragraph should be quoted. (Paragraph 46(2) (c).

2. Paragraph 46(3) refers to paragraph 47(2) (d) and (e) of the policy. The paragraph quoted is incorrect. The correct paragraph to be quoted is paragraph 46(2)(d) and (e)

28.INDUCEMENTS, REWARDS, GIFTS AND FAVOURS TO MUNICIPALITIES, OFFICIALS AND OTHER ROLE PLAYERS

1. Paragraph 47(2) and (3) refers to paragraph 48(1) which is an incorrect paragraph. The correct paragraph should be quoted. (Paragraph 47(1)).

2.9 By laws-New By –Laws introduced in 2021/22

No new By –Laws were introduced during 2021/22 Financial Year however animal control by-laws is under development

2.10 WEBSITES (ICT)

| | Publishing date |
|---|-----------------|
| Municipal website: content and currency of material | 14-07-2021 |
| Supply And Delivery of uniform and Protective Clothing | 14-07-2021 |
| Supply and delivery of office furniture and information centre boardroom chairs | 14-07-2021 |
| Travelling agency the period 3 Years (36 Months) | 14-07-2021 |
| Rental photocopier mechine for the period of 3 years (36 Months) | 14-07-2021 |
| Provision for the automated PMS sytem for the period of 3 years (36 Months) | 14-07-2021 |
| Physical security guard services for the period of 3 years (36 Months) | 14-07-2021 |
| Tender Advert | 14-07-2021 |
| Request for quotation – Tinting materials | 14-07-2021 |
| Request for quotation – Surgical marks | 14-07-2021 |
| Request for quotation – Stationary | 14-07-2021 |
| Request for quotation – Road tools | 14-07-2021 |
| Request for quotation – Road materials | 14-07-2021 |
| Request for quotation – Hand gloves | 14-07-2021 |
| Request for quotation – Disaster relief | 14-07-2021 |
| Request for quotation – Computer consumers | 14-07-2021 |
| Tender validity extension | 14-07-2021 |
| Extension of tender validity period | 14-07-2021 |
| Supply and delivery of heavy refuse bags | 13-07-2021 |
| Supply and delivery of gabions boxes and gore textile | 14-07-2021 |
| Supply and delivery of white road marking paints | 14-07-2021 |
| Supply and delivery of gabions boxes and Binding wires | 14-07-2021 |
| Roads marking paints golden yellow and glass beats | 14-07-2021 |
| Supply and delivery of cold mix bags | 14-07-2021 |
| supply and delivery pf emulsion drums | 14-07-2021 |
| Supply and delivery of RAR remover dump rock | 14-07-2021 |

| | |
|--|------------|
| Supply and delivery of electrical tool | 14-07-2021 |
| supply and delivery of electrical tools and materials for GGM building | 14-07-2021 |
| Supply and delivery of industrial cold water cleaner | 14-07-2021 |
| Supply and delivery of electrical streetlight | 14-07-2021 |
| Supply and delivery of high mast materials | 14-07-2021 |
| Telephone gadgets | 14-07-2021 |
| Supply and delivery of building materials | 14-07-2021 |
| Supply and delivery of JOJO tank | 14-07-2020 |
| Supply and installation of aluminum doors and windows | 14-07-2021 |
| Supply and delivery PPE for general workers | 14-07-2021 |
| Supply and delivery of firearm training | 14-07-2021 |
| Tender advertisement | 14-07-2021 |
| Supply and delivery of law enforcement | 14-07-2021 |
| Request for quotation – Medical surveillance | 14-07-2021 |
| Erratum of advert | 14-07-2021 |
| ICT support | 14-07-2021 |
| Civil advert 6 TO 8 | 14-07-2021 |
| 7 days re-advert | 14-07-2021 |
| Supply and installation of aluminum doors and windows | 14-07-2021 |
| supply and delivery of building materials | 14-07-2021 |
| Supply and delivery of electrical streetlight | 14-07-2021 |
| Supply and delivery of electrical tools and materials for GGM building | 14-07-2021 |
| Supply and delivery of RAR remover and dump rock | 14-07-2021 |
| Supply and delivery off gabions boxes and binding wires | 14-07-2021 |
| Supply and delivery of white road making paints | 14-07-2021 |
| Supply and delivery of gabions and goe textile | 14-07-2021 |

| | |
|---|------------|
| Nkurhi advert | 14-07-2021 |
| EXT Brinkwater, Nkuri, Shimange and Thomo upgrade of gravel to paving | 14-07-2021 |
| Advert fin consultants | 14-07-2021 |
| Panel of financial services final bidding documents | 14-07-2021 |
| 7 days advertisement | 14-07-2021 |
| 7 days advert | 14-07-2021 |
| Supply, Installation and painting of paleside fencing | 14-07-2021 |
| Supply and delivery of roads and stormwater maintenance materials and tools | 14-07-2021 |
| Supply and delivery of stationary | 14-07-2021 |
| Supply and delivery of roads and stormwater tools red and yellow water barriers | 14-07-2021 |
| Supply and delivery of roads and stormwater materials and tools- signage | 14-07-2021 |
| Supply and delivery of emulsion drums 200L | 14-07-2021 |
| Supply and delivery of cold mix bag and cement bag | 14-07-2021 |
| Servicing of fire extinguishers | 14-07-2021 |
| Civic centre parking lot BOQ unprised | 14-07-2021 |
| Fool tender advert | 14-07-2021 |
| Supply and delivery of water & sanitation tools and materials for a period of 36 months | 14-07-2021 |
| Spare parts for a period of 36 months _TM Edition | 14-07-2021 |
| Roads and stormwater materials for a period of 36 months | 14-07-2021 |
| Panel of suppliers for supply and delivery and maintanance of electrical tools and materials for a period of 36 months | 14-07-2021 |

| | |
|--|------------|
| Appointment of civil engineering service provider (Contractor) civic centre parking | 14-07-2021 |
| Various tender advertisement | 14-07-2021 |
| Supply and delivery of PPE for security | 14-07-2021 |
| Supply and delivery of Law enforcement | 14-07-2021 |
| Supply and delivery of firearm training | 14-07-2021 |
| Review of economic development strategy | 14-07-2021 |
| Panel of professional town planners | 14-07-2021 |
| Panel of profession land services | 14-07-2021 |
| Provision for the automated PMS system for the period of 36 months | 14-07-2021 |
| Supply and delivery of heavy refuse bags | 13-09-2021 |
| Supply and delivery of brickyard paving bags | 13-09-2021 |
| Supply and delivery of animals feed | 13-09-2021 |
| Supply and delivery of 50mm brass water meters | 13-09-2021 |
| Electrical meterial (1000w globes) | 13-09-2021 |
| Electrical material (400w flood light fitting x20) | 13-09-2021 |
| Electrical material (54w flood light fitting x20) | 13-09-2021 |
| Supply and delivery of tools and accessories for parks and cementery maintenance | 13-09-2021 |
| Supply and delivery of water and sewerage related materials | 13-09-2021 |
| Supply and delivery of water of sewerage related materials | 13-09-2021 |
| Supply and delivery of 20mm brass water meters | 13-09-2021 |
| Supply and installation of aluminum | 13-09-2021 |
| Supply and delivery of max bricks for maintenance projects | 13-09-2021 |

| | |
|---|-------------------|
| 7 days tender advert | 13-09-2021 |
| Tender advertisement | 13-09-2021 |
| Seven days ext | 13-09-2021 |
| Under cover seating layout 1 | 13-09-2021 |
| Taxi rank shade 1 layout 6 | 13-09-2021 |
| Taxi rank shade 1 layout 5 | 13-09-2021 |
| Tenders advert – Ndhambi taxi rank | 13-09-2021 |
| Tender document vol 2 construction of ndhambi taxi rank | 13-09-2021 |
| Tender documents vol 1 construction of ndhambi taxi rank | 13-09-2021 |
| Tender documents for panel of medical doctors | 13-09-2021 |
| Taxi rankshade 1 layout3 | 13-09-2021 |
| Taxi rankshade 1 layout2 | 13-09-2021 |
| Taxi rankshade1 layout1 | 13-09-2021 |
| Taxi rank office REV Layout1 | 13-09-2021 |
| Taxi rank layout & details | 13-09-2021 |
| Septic tank layout 2 | 13-09-2021 |
| Palisade fence – ablution public | 13-09-2021 |
| Ndhambi layout q | 13-09-2021 |
| Drawing list layout 1 | 13-09-2021 |
| Approved BOQ | 13-09-2021 |
| Ablution block | 13-09-2021 |
| 7 days tender advert | <u>26-07-2021</u> |

| | |
|---|------------|
| Supply and delivery of PPE for EPWP participants | 13-09-2021 |
| Advert for EPWP PPEs | 13-09-2021 |
| Municipal finance management programme advert | 13-09-2021 |
| Training provision of MFMP | 13-09-2021 |
| Addendum Shivulaninof MFMP | 01-03-2022 |
| Addendum Nwazekundzoku community hall | 01-03-2022 |
| Addendum Homu sport centre | 01-03-2022 |
| Various tender advert Jan 2022 | 01-03-2022 |
| High mast materials | 01-03-2022 |
| Electrical street light materials | 01-03-2022 |
| Car rental for mayor | 01-03-2022 |
| A4 paper boxes | 01-03-2022 |
| 7 days advert Feb 2022 | 01-03-2022 |
| 3 fold file and A4 envelopes | 01-03-2022 |
| Supply and delivery of a EOS Camera | 09-06-2022 |
| Reflective Jackets | 03-06-2022 |
| High mast material | 03-06-2022 |
| Electrical material LED street light fitting | 03-06-2022 |
| Electrical material for building mentainance | 03-06-2022 |
| A4 white printing paper (350x boxes) | 03-06-2022 |
| 3 fold file and A4 Envelopes | 03-06-2022 |
| 7 days advert june 2022 | 03-06-2022 |

Advert for supply and delivery of vehicle

03-06-2022

Various tenderd advert june 2022

03-06-2022

MUNICIPAL WEBSITE CONTENT AND ACCESS

Most of prescribed key website content material were placed on the municipal website and the publishing dates are indicated on the table above such as IDP , Budget , Annual Report , Performance Agreements, Budget related policies, Adverts for tenders and Adverts for Vacancies as indicated

2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

PUBLIC SATISFACTION LEVELS

Public Participation surveys were conducted during the period under review. Forms were distributed at various municipal strategic points such as Giyani Library, testing grounds and Civic center. We received relatively balanced responses from the public. The municipality further relied on public participation as well as the usage of the Premier and Presidential Hotlines to gauge the level of satisfaction and \ dissatisfaction with municipal services.

Key general areas of satisfaction/ dissatisfaction include:

- State of roads conditions (Tarred Roads)
- water
- health and education services (Clinics, Hospitals and Schools)
- unemployment
- RDP houses
- Revenue services
- Long ques at the testing ground

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

COMPONENT A: BASIC SERVICES DELIVERY

This component includes: water; waste water (sanitation); electricity; waste management; and housing services; and a summary of free basic services.

3.1 WATER PROVISION

3.1.1 INTRODUCTION TO WATER PROVISION

The Water Services Act 108 of 1997 provides that all residents have a right to access of Water. Mopani District Municipality has been issued with a Licence to become the Water Services Authority for all its Local municipalities, in terms of the National Water Act 36 of 1998. It has appointed such Local Municipalities to become its Water Services Provider whereby a Budget for Operations and Maintenance is allocated to ensure that the Water Infrastructure is well functional. MDM is responsible for distributing water to the main pipeline. New Water Infrastructure projects remain the responsibility of the District Municipality. The report below provides information in terms of Households with water services and those that still remain with the backlog the municipality.

| Employees: Water Services | | | | | | | | | |
|---------------------------|-----------|---------------|-------------------------------------|-------------------------------------|----------|--------------|------------------------------------|--------------------------------------|--|
| Job Level | 2020/21 | | | | 2021/22 | | | | |
| | Posts No. | Employees No. | Vacancies fulltime equivalence) No. | Vacancies (as a % of total posts) % | Post No. | Employees No | Vacancies Fulltime Equivalence No. | Vacancies (as at % of total posts %) | |
| 0-3 | 0 | 0 | 0 | 0% | 0 | 0 | 0 | 0% | |
| 4-6 | 0 | 0 | | 0% | 0 | 0 | 0 | 0% | |
| 7-9 | 0 | 0 | 0 | 0% | 0 | 0 | 0 | 0% | |
| 10-12 | 1 | 1 | 0 | 0% | 1 | 1 | 0 | 0% | |
| 13 - 15 | 13 | 13 | 0 | 0% | 13 | 13 | 0 | 0% | |
| 19-20 | N/A | N/A | N/A | N/A | | N/A | N/A | N/A | |
| Total | 14 | 14 | 0 | 0% | | 14 | 0 | 0% | |

3.2 WASTEWATER

| Sanitation Service Delivery Levels Households | | | |
|--|-------------|------------|-------------|
| Description | 2019/20 | 2020/21 | 2021/22 |
| | Outcome No. | Actual No. | Outcome No. |
| Sanitation/sewerage; (above minimum level) | 6430 | 6430 | 6430 |
| Flush toilet (connected to sewerage) | | | |
| Flush toilet (with septic tank) | 6430 | 6430 | 6430 |
| Chemical toilet | | | |
| Pit toilet (ventilated) | | | |
| Other toilet provisions (above min. service level) | | | |
| Minimum service level and above sub-total | | | |
| Minimum service level and above percentage | | | |
| Sanitation/sewerage; (below minimum level) | | | |
| Bucket toilet | | | |
| Other toilet provisions (below min service level) | | | |
| No toilet provisions | | | |
| Below Minimum service level sub-total | | | |
| Below Minimum service level percentage | | | |
| Total Households | | | |

| Households; Sanitation service delivery levels below the minimum Households | | | | | | | |
|---|---------------------|-----------------------|------------|---------------------|-----------------------|------------|--|
| Description | 2019/20 | 2020/21 | | | 2021/22 | | |
| | Original Budget No. | Adjustment Budget No. | Actual No. | Original Budget No. | Adjustment Budget No. | Actual No. | |
| Formal Settlements | | | | | | | |
| Total Households | 55922 | 55922 | 55922 | 55922 | | | |

| | | | | | | | |
|---|--|--|--|--|--|--|--|
| Households below minimum service level Proportion of households below minimum Service level | | | | | | | |
| Informal Settlements | | | | | | | |
| Total Households Households below minimum service level Proportion of households below Minimum service level | | | | | | | |

| Employees: Electricity Services | | | | | | | | | |
|---------------------------------|--------------|------------------|--|--|--------------|------------------|---|---|--|
| Job Level | 2020/21 | | | | 2021/22 | | | | |
| | Posts No. | Employees No. | Vacancies (fulltime equivalents) No. | Vacancies (as a % of total posts) % | Posts No. | Employees No. | Vacancies (fulltime equivalents) No. | Vacancies (as a % of total posts) % | |
| 0-3 | 1 | 0 | 1 | 100% | 1 | 0 | 1 | 100% | |
| 4-6 | 1 | 1 | 0 | 0% | 1 | 1 | 0 | 0% | |
| 7-9 | 4 | 2 | 1 | 75% | 4 | 2 | 1 | 75% | |
| 10-12 | 0 | 0 | 0 | 0% | 0 | 0 | 0 | 0% | |
| 13-15 | 4 | 4 | 0 | 0% | 4 | 4 | 0 | 0% | |
| 16-18 | 0 | 0 | 0 | 0% | | | | | |
| 19-20 | 0 | 0 | 0 | 0% | 0 | 0 | 0 | 0% | |
| Total | 10 | 7 | 3 | 30% | 10 | 7 | 3 | 30% | |

| Financial performance 2019/20,2020/21 and 2021/22 Electricity Services R'000 | | | | | | | | |
|---|--------------------|----------------------|---------|--------------------|----------------------|---------|--------------------|-------------------|
| Details | 2019/20 | | 2020/21 | | | 2021/22 | | |
| | Original Budget | Adjustment Budget | Actual | Original Budget | Adjustment Budget | Actual | Original Budget | Adjustment Budget |
| | | | | | | | | |

| | | | | | | | | |
|--|-------|-------|---------------|------------|------------|-----------|-----------|------------|
| Total operational revenue (excluding tariffs) | | | | | | 0 | 0 | 0 |
| Expenditure | 24060 | 27088 | 33,419,657.83 | 27,168,764 | 42,590,545 | | | |
| Employees | 2927 | 2962 | 895,676.97 | 3,461,094 | 2,117,269 | 803 572 | 3 670 875 | 2 280 764 |
| Repairs and Maintenance | 2000 | 1400 | 697,583.49 | 1,500,000 | 1,500,000 | 4 401 569 | 2 500 000 | 6 000 000 |
| Other | | | | | | 2 151 604 | 2 114 000 | 2 117 000 |
| Total operational Expenditure | | | 35,012,918.29 | 32,129,858 | 46,207,814 | 7 356 745 | 8 284 875 | 10 397 764 |
| Net Operational (service) expenditure | | | | | | | | |

WASTE MANAGEMENT (THIS SECTION INCLUDES: REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING)

Greater Giyani Municipality Collect refuses from residential units in all townships, Businesses, Schools, Churches and industrial. Litter picking is conducted in all main roads, internal streets and CBD. The municipality currently has one waste disposal site in use.

| Solid waste service delivery levels | | | |
|--|------------------------------------|------------------------------------|------------------------------------|
| Description | 2019/20 | 2020/21 | 2021/22 |
| | Actual No. | Actual No. | Actual No. |
| Solid waste removal: (minimum level) | 7609 | households in townships | households in townships |
| Removed at least once a week | | in rural areas | in rural areas |
| Minimum service level and above sub-total | | Total: 6548 | Total: 6548 |
| Minimum service level and above percentage | 48 weeks per annum (once per week) | 48 weeks per annum (once per week) | 48 weeks per annum (once per week) |

| | | | |
|--|---|---|---|
| Solid waste removal: (below minimum level) | Refuse collected once per week using | Refuse collected once per week using | Refuse collected once per week using |
| Removed less frequently than once a week | All General Waste Disposed at a municipal disposal site Refuse is collected on a daily basis in the CBD | All General Waste Disposed at a municipal disposal site Refuse is collected on a daily basis in the CBD | All General Waste Disposed at a municipal disposal site Refuse is collected on a daily basis in the CBD |
| Using communal refuse dump | | 10955 Household in rural area | |
| Using own refuse dump | | | |
| Other rubbish disposal | Backyard refuse collection in rural area 1 | Backyard refuse collection in rural area | |
| No rubbish disposal | | | |
| Below minimum service level sub-total | | | |
| Below minimum service level percentage | | | |
| Total number of households | | | |

Employees; Solid Waste management services

| Job Level | 2020/21 | | | | 2021/22 | | | | |
|-----------|-----------|---------------|---------------------------|-------------|-------------------------------------|-----------|---------------|-------------------------------------|-------------------------------------|
| | Posts No. | Employees No. | Vacancies equivalent) No. | (fulltime % | Vacancies (as a % of total posts) % | Posts No. | Employees No. | Vacancies (fulltime equivalent) No. | Vacancies (as a % of total posts) % |
| 0-3 | 1 | 1 | 0 | 0% | 1 | 1 | 0 | 0% | |
| 4-6 | 2 | 1 | 1 | 50% | 2 | 1 | 1 | 50% | |
| 7-9 | 1 | 0 | 1 | 100% | 1 | 0 | 0 | 100% | |

| | | | | | | | | |
|-------|----|----|---|--------|----|----|----|--------|
| 10-12 | 12 | 7 | 5 | 42% | 12 | 7 | 5 | 42% |
| 13-15 | 30 | 28 | 2 | 66.6% | 30 | 26 | 4 | 13,33% |
| 16-18 | 0 | 0 | 0 | 0% | 0 | 0 | 0 | 0% |
| 19-20 | 0 | 0 | 0 | 0% | 0 | 0 | 0 | 0% |
| Total | 46 | 37 | 9 | 19.56% | 46 | 35 | 10 | 21,73% |

| Financial performance 2019/20, 2020/21,2021/22 Refuse Solid Waste Management Services (COMMUNITY SERVICES) | | | | | | | | | |
|--|---------|-----------------|---------------|-----------------|-------------------|------------|--------------------|-----------------|-------------------|
| Details | 2019/20 | | 2020/21 | | | 2021/22 | | | |
| | Actual | Original Budget | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget | Original Budget | Adjustment Budget |
| Total operational revenue | 4435 | 4310 | | | | 8 098 053 | 44 825 | 10 221 001 | 8 142 878 |
| Expenditure; | 359 | 620 | 16,935,114.14 | 14,654,229 | 13,693,691.94 | | | | |
| Employees | 7096 | 8122 | 44,668,716.97 | 43,722,755.43 | 41,330,047.96 | 9 795 388 | -1 261 594 | 10778875 | 8 533 794 |
| Repairs and maintenance | 300 | 300 | 148,211.04 | 500,00 | 500,000 | 312 923 | -112 923 | 500 000 | 200 000 |
| Other | | | | | | 1 702 197 | 781 803 | 3 092 000 | 2 484 000 |
| Total operational expenditure | 7755 | 9042 | 61,752,042.15 | 58,876,984.43 | 55,523,739.90 | 11 810 508 | -592 715 | 14 370 875 | 11 217 793 |

ROLL OUT AND BACKLOGS

| WARD | AVAILABLE | BACKLOG |
|------|-----------------------|------------------------------------|
| 1 | Unstructured services | Blinkwater, Ximausa, Noblehoek |
| 2 | 0 | Phikela, Rivala, Maxavela, Mavhuza |
| 3 | 0 | Babangu, Ndengeza RDP, Ntshunxi |
| 4 | 0 | Basani, N'wamankena, Maswanganyi |
| 5 | 0 | Sifasonke, Zamani, Tomu |
| 6 | 0 | Gon'on'o, Hlaneki, Khani |
| 7 | 0 | Siyandhani, Bode |

| | | |
|--------------|---------------------------------------|--|
| 8 | 0 | Silawa,Shimange,Dingamazi, Skhiming, Botshabelo |
| 9 | 0 | Homu 14A, Homu 14B |
| 10 | 0 | Glja-Ngove, Nkomo C, Nkomo B |
| 11 | Giyani E,D1 | 0 |
| 12 | Giyani A | Homu 14 C |
| 13 | Giyani D2 and Giyani F | B9 |
| 14 | Unstructured services | Makosha, Shikukwani |
| 15 | Unstructured services | Nwazekudzeku and Shivulani |
| 16 | Unstructured services | Mninginisi B2, B3, Mhlava Willem |
| 17 | Unstructured services | Thomo |
| 18 | Unstructured services | Gawula, Khakhala, Muyexe |
| 19 | Mahlathi unstructured services | Hlomela, Ndindani, Mahlathi,Shingwedzi Camp |
| 20 | 0 | Bonwani, Mavalani, Mbatlo |
| 21 | Krematart, Ngove unstructured service | Ngove, Kremetart, Dzingi-Dzingi |
| 22 | 0 | Shawela, Shikhumba |
| 23 | 0 | Mbhedle, Guwela, Kheyi, Mushiyani, Nsavulani |
| 24 | 0 | Mnghonghoma, Loloka, Mageva |
| 25 | 0 | Daniel Rabalelo, Mageva township,Dzumeri |
| 26 | 0 | Maphata, Sikhunyani, Nkomo A, Bambeni |
| 27 | 0 | Mayephu, Mzilela, Matsotsosela, Xitlakati, Khaxani |
| 28 | 0 | Mphagani, Zava |
| 29 | 0 | Makhuva, Mbaula, Phalaubeni |
| 30 | 0 | Mapuve, Jim Nghalalume |
| 31 | 0 | Mapayeni, N'wakhuwani, Vuhehli,Mnyangani |
| TOTAL | | |

3.4.1 CHALLENGES

There is a huge backlog of the refuse removal service as the service is yet to be extended to rural communities. Lack of proper waste management infrastructure is also a challenge as waste disposal is not meeting the minimum requirements for safe disposal of waste. The municipality also does

not have sufficient funds to initiate recycling initiatives. There are also ageing staff and shortage of employees as a result the municipality relies on contract workers to render the waste management services. Insufficient resources to extend refuse removal services to rural communities. Lack of law enforcers to enforce by laws. Dumping site is due for rehabilitation and closure.

3.4.2 INTERVENTIONS

Landfill site development project is under way. Buyback Centre constructed to support recycling initiatives. Budget set aside under the EPWP Programme to appoint personnel on a contract basis to work on waste. installed no dumping sign as part of awareness. Waste management by-law is Gazetted and implemented. Skip bins are rented as per the approved tariff structure. Skip bins are place in strategic areas to combat dumping waste in open spaces. Intensification of environmental education awareness to school and community members. Development of Robust Clean-up plan for all villages. Waste disposal closure license extended by two years, thus 2024.

THE TABLE BELOW REFLECTS AVAILABILITY AND BACKLOG OF STANDARD SPORTS FACILITIES WITHIN WARDS

| WARD | AVAILABLE | BACKLOG |
|------|-----------|--|
| 1 | 0 | Blinkwater, Ximawusa, Noblehoek |
| 2 | Mavhuza | Rivala, Phikela, Mashavela |
| 3 | 0 | Babangu, Nden'eza, RDP, Ntshuxi |
| 4 | 0 | Basani, Nwamankena, Maswanganyi |
| 5 | 0 | Sifasonke, Zamani, Tomu |
| 6 | Khani | Gon'on'o, Hlaneki |
| 7 | 0 | Siyandhani, Bode |
| 8 | 0 | Dingamazi, Shimange, Silawa, Sekhimini, Botshabelo |
| 9 | Homu 14B | Homu 14 A |
| 10 | 0 | Nkomo B, Nkomo C, Gija-Ngove |
| 11 | Section E | Giyani D1 |
| 12 | Giyani A | Homu 14C |
| 13 | 0 | Giyani D2, Giyani F, B9 |
| 14 | 0 | Makosha, Shikukwani |
| 15 | Shivulani | Nwazekudzeku |

| | | |
|--------------|----------------|--|
| 16 | 0 | Mninginisi B3,Mninginisi B2,Mhlava Willem |
| 17 | 0 | Thomo |
| 18 | Gawula, Muyexe | Khakhala |
| 19 | 0 | Hlomela, Ndindani, Mahlathi,Shingwedzi Camp |
| 20 | 0 | Bonwani, Mavalani, Mbatlo |
| 21 | 0 | Ngove, Kremetart,Dzingi-Dzingi |
| 22 | Shawela | Shawela RDP, Shikhumba |
| 23 | 0 | Mbhedle, Guwela, Kheyi, Mushiyani, Nsavulani |
| 24 | Mageva | Mnghonghoma, Loloka |
| 25 | 0 | Daniel Rabalelo,Mageva Township, Dzumeri |
| 26 | 0 | Maphata, Sikhunyani,Bambeni, Nkomo A |
| 27 | Mzilela | Mayephu, Matsotsosela, Khaxani, Xitlakati |
| 28 | 0 | Mphagani, Zava |
| 29 | 0 | Makhuva, Mbaula, Phalaubeni |
| 30 | 0 | Mapuve, Nghalalume |
| 31 | 0 | Mapayeni, N'wakhuwani, Vuhehli, Mnyangani |
| TOTAL | | |

The report reflects only halls build by the municipality. Excluded are privately owned halls and those built by other sector departments.

THE TABLE BELOW REFLECTS THE AVAILABILITY AND BACKLOG OF COMMUNITY HALLS WITHIN WARDS

WARD COMMUNITY HALLS

| WARD | AVAILABLE | BACKLOG |
|------|-----------|-------------------------------------|
| 1 | 0 | Blinkwater, Ximawusa, Noblehoek |
| 2 | 0 | Rivala, Phikela, Mashavela, Mavhuza |
| 3 | 0 | Babangu, Nden'eza, RDP, Ntshuxi |
| 4 | 0 | Basani, Nwamankena, Maswanganyi |

| | | |
|-------|-----------------------|--|
| 5 | 0 | Sifasonke,Zamani,Tomu |
| 6 | 0 | Gon'on'oo, Hlaneki, Khani |
| 7 | 0 | Siyandhani, Bode |
| 8 | 0 | Dingamazi, Shimange, Silawa, Sekhimini, Botshabelo |
| 9 | 0 | Homu 14 A, Homu 14B |
| 10 | 0 | Gija-Ngove, Nkomo B, Nkomo C |
| 11 | Giyani Community Hall | Giyani E, Giyani D1 |
| 12 | 0 | Giyani A, Homu 14C |
| 13 | 0 | Giyani D2, Giyani F |
| 14 | 0 | Makosha, Shikukwani |
| 15 | 0 | Shivulani, Nwazekudzeku |
| 16 | 0 | Mninginisi B2, Mninginisi B3, Mhlava Willem |
| 17 | Thomo Community Hall | N/A |
| 18 | 0 | Gawula, Muyexe, Khakhala |
| 19 | 0 | Hlomela, Ndindani, Mahlathi, Shingwedzi Camp |
| 20 | 0 | Bonwani, Mavalani, Mbatlo |
| 21 | 0 | Ngove, Kremetart, Dzingi-Dzingi |
| 22 | 0 | Shawela, Shikhumba |
| 23 | 0 | Mbhedle, Guwela, Kheyi, Mushiyani, Nsavulani |
| 24 | 0 | Mnghonghoma, Loloka, Mageva |
| 25 | 0 | Daniel Rabalelo, Dzumeri, Mageva Township |
| 26 | 0 | Maphata, Sikhunyani, Nkomo A, Bambeni |
| 27 | 0 | Mzilela, Mayephu, Matsotsosela, Khaxani, Xitlakati |
| 28 | 0 | Mphagani, Zava |
| 29 | 0 | Makhuva, Mbaula, Phalaubeni |
| 30 | 0 | Mapuve, Jim Nghalalume |
| 31 | 0 | Mapayeni, N'wakhuwani, Vuhehli, Mnyangani |
| Total | | |

3.5 Housing



The powers and functions for the provision and construction of housing lies with the provincial government under the Department of Co-operative Governance, Human Settlements and Traditional Affairs. The role of the municipality is to identify housing demands needs through the development of the Housing Chapter and identification of beneficiaries. For the 2021/22 financial year a total of 275 houses were allocated to Greater Giyani Municipality. The implementing agent was the Department of Co-operative Governance, Human Settlements and Traditional Affairs.

3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

➤ 18039 households received free basic electricity

INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

| Free basic services to low income households | | | | | | | | | | |
|--|-------|---|--------|---|-----------------------|--------|------------------------|------|-------------------|---|
| Number of households | | | | | | | | | | |
| | Total | Households earnings less than R2000 per month | | | | | | | | |
| | | Free basic water | | | Free basic sanitation | | Free basic electricity | | Free basic refuse | |
| | | Total | Access | % | Access | % | Access | % | Access | % |
| 2018/19 | | 123 | | | 15500 | 86.88% | | | | |
| 2019/20 | | 371 | | | 16000 | | | | | |
| 2020/21 | | 171 | | | 171 | | | 1809 | | |

COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT:

COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT:

The municipality is faced with numerous applications of indigents, however municipality is doing everything in its powers to support local communities with the need of free basic services.

COMPONENT B: ROADS AND TRANSPORT
3.7 INTRODUCTION TO ROADS

| Gravel road infrastructure Kilometers | | | | |
|--|--------------------|------------------------------|------------------------------|--------------------------------|
| | Total gravel roads | New gravel roads constructed | Gravel roads upgraded to tar | Gravel roads graded/maintained |
| 2018/19 | 608 | None | 14.2 KM | 2332 |
| 2019/20 | 608 | None | 7.04 KM | 2332 |
| 2020/21 | 608 | None | 16.95 KM | 2640 |
| 2021/22 | 608 | None | 11.4 KM | 2640 |

| Asphalted Road Infrastructure | | | | | |
|--------------------------------------|-----------------------|-------------------|-------------------------------------|-----------------------------------|--------------------------|
| | Total Asphalted roads | New asphalt roads | Existing asphalt roads re-asphalted | Existing asphalt roads re-sheeted | Asphalt roads maintained |
| 2020/21 | 10.47KM | 2.5KM | 79.97KM | 0KM | 0KM |
| 2021/22 | 91.37KM | 11.4KM | 79.97KM | 0KM | 0KM |

| | Posts No. | Employees No. | Vacancies (fulltime equivalents) No. | Vacancies (as a % of total posts) % | Posts No. | Employees No. | Vacancies (fulltime equivalents) No. | Vacancies (as a % of total posts) % |
|--------------|-----------|---------------|--------------------------------------|-------------------------------------|-----------|---------------|--------------------------------------|-------------------------------------|
| 0-3 | 1 | 1 | 1 | 0% | 1 | 1 | 0 | 0% |
| 4-6 | 1 | 0 | 0 | 0% | 1 | 1 | 0 | 0% |
| 7-9 | 3 | 0 | 0 | 0% | 3 | 1 | 2 | 66,66% |
| 10-12 | 20 | 15 | 5 | 60% | 18 | 13 | 5 | 35% |
| 13-15 | 19 | 18 | 1 | 26% | 33 | 4 | 29 | 87,87% |
| 16-18 | 0 | 0 | 0 | 0% | 0 | 0 | 0 | 0% |
| 19-20 | 0 | 0 | 0 | 0% | 0 | 0 | 0 | 0% |
| Total | 41 | 34 | 7 | 17% | 56 | 20 | 35 | 62,5% |

| Financial performance 2019/20,2020/21 and 2021/22: Road Services | | | | | | | | |
|--|-------------|-----------------|----------------------|-------------------|-------------------|---------------|-----------------|-------------------|
| R`000 | | | | | | | | |
| Details | 2019/20 | | 2020/21 | | | 2021/22 | | |
| | Actual | Original budget | Actual | Original Budget | Adjustment Budget | Actual | Original Budget | Adjustment budget |
| Total operational revenue (excluding tariffs) | | | | | | 00 | 396 000 | 150 000 |
| Expenditure: | 260 | 350 | 3,701,481.69 | 7,894,434 | 10,338,632 | | | |
| Employees | 83 | 7244 | 12,393,408.22 | 10,234,458 | 7,945,765 | 12 294 249 | 13 286 321 | 13 261 844 |
| Repairs & Maintenance | 4918 | 11000 | 604,002.72 | 1,500,000 | 3,000,000 | 13 754 992 | 33 500 000 | 37 000 000 |
| Other | | | | | | 665 506 | 642 000 | 530 000 |
| Total operational expenditure | 5261 | 18594 | 16,698,892.63 | 19,628,892 | 21,284,397 | 26 714 747 | 42 574 321 | 46 137 844 |
| Net operational (service) expenditure | 5261 | 18594 | 16,698,892.63 | 19,628,892 | 21,284,397 | | | |

| Capital expenditure 2020/21 and 2021/22 Road Services | | | | | | | | | | |
|---|--------------------|--------------------|--------------------|-------------------------------|---------------------|-----------|-------------------|--------------------|-------------------------------|---------------------|
| R`000 | | | | | | | | | | |
| Capital project | 2020/21 | | | | | 2021/22 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total project value | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total project value |
| Giyani waste disposal site | | | | | | 500,000 | 1,675,960.0 0 | 1,675,960.00 | -1 175 960 | |
| Capital Projects Waste Management | <i>Operational</i> | <i>Operational</i> | | | | | | | | |
| Civic Centre Building ,Phase 4 | 12,500,000 | 6,000,000 | 0,00 | | | 7,064,924 | 7,064,924.00 | 6 608 107 | 456 817 | |

| | | | | | | | |
|---|---------------|------|---------------|------------|------------|------------|-------------|
| Electrification of Tomu Village | 2 800 000.00 | 0.00 | 2 400 000.00 | 2 800 000 | 3 780 000 | 2 401 739 | 398 261 |
| Electrification of Blinkwater Village | 2 800 000.00 | 0.00 | 2 198 249.99 | 2 200 000 | 2 650 000 | 2 244 130 | -44 130 |
| Electrification of Babangu | | | | 1000 000 | 1 980 000 | 1 509 607 | 509 607 |
| MIG Spending | 64 105 000.00 | 0.00 | 53 879 447.44 | 64 105 000 | 64 105 000 | | |
| Electrification of Mavhuza Village | 2 200 000.00 | 0.00 | 3 702 655.25 | 1 900 000 | 1 800 000 | 1 496 552 | 403 448 |
| Electrification of Mavalani village | | | | 3 200 000 | 7 250 000 | 6 289 434 | -3 089 434 |
| Electrification of Sifasonke Village | 3 300 000.00 | 0.00 | 3 203 3117.96 | 2 800 000 | 3 861 000 | 3 273 319 | 473319 |
| Installation of High Mast Lights in 93 Villages (CBD) | | | | 500 000 | 1 531 417 | 240 196 | 259 804 |
| Installation of energy saving street lights | 0.00 | 0.00 | 0.00 | 7 000 000 | 3 000 000 | 2 608 695 | 4 391 305 |
| Giyani Section E Upgrading From Gravel to tar Phase 2 | 0.00 | 0.00 | 0.00 | 0 | 0 | 0 | 0 |
| Section E upgrading from gravel to paving (Voningani) | 0.00 | 0.00 | 0.00 | 8 000 000 | 20 453 874 | 21 116 098 | -13 116 098 |
| Upgrading of Nkhensani Hospital Access Road | | | | 50 000 | 0 | 0 | 50 000 |
| Mavalani Sports Centre | | | | 2 000 000 | 2 000 000 | 1 712 722 | 287 278 |
| Alternative road to Giyani from R81 | | | | 500 000 | 500 000 | 0 | 500 000 |
| Alternative route from Elim road (R578) to Giyani via Siyandhani | | | | 550 000 | 550 000 | 0 | 550 000 |
| Upgrading of parking lot | | | | 2 000 000 | 4 045 647 | 2 435 125 | -435 125 |
| Extension of Mageva Sports Center | 0.00 | 0.00 | 0.00 | 1 000 000 | 1 000 000 | 0 | 1000 000 |

| | | | | | | | |
|---|------------------|-------------|------------------|-----------------|-------------|-----------|------------|
| Refurbishment Giyani Stadium & Section Tennis Court | | | | 50 000 | 0 | 0 | 50 000 |
| Refurbishment Gawula Sports Centre | | | | 50 000 | 0 | 0 | 50 000 |
| Refurbishment Shivulani Sports Centre | | | | 1 500 000 | 3 500 000 | 630 412 | 869 588 |
| Blinkwater upgrading of internal streets | 5 473 192.29 | 0.00 | 7 902 811.75 | 8 100 000 | 4 969 877 | 3 708 974 | 4 391 026 |
| Thomo upgrading of internal streets | 22 140 298.65 | 0.00 | 24 761 576.77 | 12 21 641 | 26 416 833 | 5 263 522 | 4 041 881 |
| EPWP Social | | | | 4 304 000 | 4 304 000 | 4 082 599 | 221 401 |
| Nkuri Zamani upgrading of internal streets | 4 847 707.59 | 0.00 | 9 257 551.24 | 8 100 000 | 4 705 915 | 3 923 785 | 4 176 215 |
| EPWP Environmental and Culture | 0.00 | 0.00 | 0.00 | 4 000 000 | 4 000 000 | 3 563 680 | 436 320 |
| Shimange upgrading of internal streets | 14 919 236.42 | 0.00 | 17 430 644.09 | 20 100 000 | 19 698 242 | 878 941 | 19 221 059 |
| Jim Nghalalume Community Hall | 0.00 | | 0.00 | 2 000 000 | 2 000 000 | 1 588 859 | 411 141 |
| Nwazekudzeku Community Hall | 0.00 | | 0.00 | 2 000 000 | 7 602 066 | 7 210 056 | -5 210 056 |
| Ndhambhi Taxi rank | | | | 13 456 642 | 12 456 642 | 5 445 109 | 8 011 533 |
| Homu 14B Sports Centre | | | | 4 600 000 | 4 600 000 | 3 391 766 | 1 208 234 |
| Mageva Sport Centre | | | | 1000 000 | 1000 1000 | 0 | 0 |
| Servicing of 539 sites | | | | 500 000 | 500 000 | 0 | 0 |
| Refurbishment of Gawula sport center | | | | 50 000 | 0 | 0 | 0 |
| Environmental Awareness Campaign | Operatio nal | Operational | | Operatio nal | Operational | | |
| Environmental Awareness Campaign | Operatio nal | Operational | | Operatio nal | Operational | | |

| | | | | |
|---|-------------|-------------|-------------|-------------|
| Indigent Burial Support and Pauper Burial Policy | Operational | Operational | Operational | Operational |
| Scholar Patrol | Operational | Operational | Operational | Operational |
| Speed Checks | Operational | Operational | Operational | Operational |
| Warrant of arrests | Operational | Operational | Operational | Operational |
| Traffic summonses issued | Operational | Operational | Operational | Operational |
| Pound Station Operationalization | Operational | Operational | Operational | Operational |
| Drivers License Card Agency | Operational | Operational | Operational | Operational |
| Road Traffic Management Corporation fees | Operational | Operational | Operational | Operational |
| Vehicle Testing Station Calibration | Operational | Operational | Operational | Operational |
| SABS levy | Operational | Operational | Operational | Operational |
| 80% Agency fees | Operational | Operational | Operational | Operational |
| Road blocks | Operational | Operational | Operational | Operational |

3.8 TRANSPORT (INCLUDING VEHICLE LICENSING & PUBLIC BUS OPERATION)

INTRODUCTION TO TRANSPORT

The municipality has a fully established licensing unit with the vehicle testing station, driver's license testing center and registering authority. However, these functions belong to the Department of Transport, therefore the municipality operates under a Service Level Agreement. The municipality also has a law enforcement and traffic services unit responsible for public transport management and community safety. The key activities under this function are vehicle roadworthy compliance, vehicle speed control, scholar patrols, traffic escorts and pound services amongst others.

Majority of the Greater Giyani Municipality residents rely on public transport, this evidenced by the number of buses and taxis on our roads. The municipality usually experiences road congestion during peak hours and in festive seasons. This is due to the lack of bus rank facilities, heavily congested Giyani taxi rank and public road infrastructure such as offloading and loading zones. To resolve this, the municipality needs secure land from Public Works or traditional leaders to develop taxi rank holding facility and bus rank facility. Land negotiation process is under way.

PUBLIC TRANSPORT

STATUS OF TAXI RANK FACILITIES

| LOCATION | STATUS | DESTINATIONS |
|-----------------------|-------------|---|
| Old Spar | Operational | Bushbuckridge, Polokwane, Tzaneen and Phalaborwa, Witbank |
| Shoprite | Operational | Malamulele |
| New Boxer Supermarket | Operational | Mooketsi, Vuhehli, Gawula |
| OBC(Main Taxi Rank) | Operational | Phalaborwa, Acornhoek, Tzaneen, Polokwane, Pretoria, Rustenburg, Johannesburg |

PUBLIC TRANSPORT CHALLENGES

The major challenge experienced by the municipality is the lack of space for loading of passengers. The municipality currently does not have an integrated transport plan which would then be used for management of Public Transport within the area of municipal jurisdiction.

3.9 WASTEWATER (STORMWATER DRAINAGE)

ACTIONS THAT HAVE BEEN TAKEN

- 133 storm water inlets replaced
- 459 stormwater infrastructure inlets cleaned

- 3.7 km of pavement milling constructed
- 7477 m² pavement milling constructed at taxi rank
- 6778 m² of potholes patched

PLANS IN PLACE TO DEVELOP THE TOWN

The Municipality will prioritize the development of Stormwater Master Plan.

COMPONENT C: PLANNING AND DEVELOPMENT

3.10 PLANNING

| Financial performance 2019/20,2020/21 and 2021/22: Planning services | | | | | | | |
|--|---------|----------|--------------|-----------------|-----------|-----------------|-------------------|
| R`000 | | | | | | | |
| Details | 2019/20 | | 2020/21 | | 2021/22 | | |
| | Actual | Variance | Actual | Original Budget | Actual | Original budget | Adjustment Budget |
| Total Operational Revenue | | | | | | | |
| Expenditure: | | | | 14,041,036 | | | |
| Employees | | | 3,540,014.04 | 8,814,977 | 1 102 696 | 1 935 318 | 1 345 455 |
| Repairs & Maintenance | 0 | 0 | 6,845,473.54 | | 0 | 0 | 0 |
| Other | 0 | 0 | | | 100 954 | 610 500 | 215 500 |
| Total Operational Expenditure | 2813 | 4700 | | 22,856,013 | 1 203 650 | 1 995 818 | 1 410 955 |

| | | | |
|---------------------------------------|--------|-------|------------------|
| Net operational (service) expenditure | - 2377 | -5137 | 4,729,821.3 1 |
|---------------------------------------|--------|-------|------------------|

3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

| Employees: Local Economic Development Services | | | | | | | | | |
|--|-----------|---------------|--------------------------------------|-------------------------------------|--|-----------|---------------|--------------------------------------|-------------------------------------|
| Job level | 2020/21 | | | | | 2021/22 | | | |
| | Posts No. | Employees No. | Vacancies (fulltime equivalents) No. | Vacancies (as a % of total posts) % | | Posts No. | Employees No. | Vacancies (fulltime equivalents) No. | Vacancies (as a % of total posts) % |
| 0-3 | 1 | 1 | 1 | 100% | | 1 | 1 | 0 | 0% |
| 4-6 | 2 | 0 | 2 | 100% | | 3 | 3 | 0 | 0% |
| 7-9 | 9 | 9 | 0 | 0% | | 9 | 0 | 0 | 0% |
| 10-12 | 8 | 4 | 4 | 20% | | 9 | 6 | 3 | 33,33% |
| 13-15 | 0 | 0 | 0 | 0% | | 3 | 3 | 0 | 0% |
| 16-18 | 0 | 0 | 0 | 0% | | 0 | 0 | 0 | 0% |
| 19-20 | 0 | 0 | 0 | 0% | | 0 | 0 | 0 | 0% |
| Total | 18 | 14 | 7 | 58.3% | | 32 | 13 | 3 | 9,37% |

COMMENT ON LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL:

.5 SMMEs were exposed to market in the 2021/22 financial year.
3 SMMEs were supported financially in the 2021/22 financial year.

COMPONENT D: COMMUNITY & SOCIAL SERVICES

| Capital expenditure 2020/21 and 2021/22: community Services R`000 | | | | | | | | | |
|--|----------------|--------------------------|---------------------------|----------------------------|----------------|--------------------------|---------------------------|--------------------------------------|----------------------------|
| Capital Projects | 2020/21 | | | | 2021/22 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Total project value | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total project value |
| MAGEVA SPORTS CENTRE | | | | | 1 000 000 | 1 000 000 | 0 | 0 | |
| SECTION E SPORTS CENTRE | | | | | 50 000 | 0 | | 0 | |
| REFURBISHMENT OF SHIVULANI SPORTS CENTRE | | | | | 1 500 000 | 3 500 000 | 630 412 | 869 588 | |
| REFURBISHMENT OF SPORTING FACILITY (GAWULA) | | | | | 50 000 | 0 | | 0 | |
| REFURBISHMENT OF GIYANI STADIUM AND SECTION A TENNIS COURT | | | | | 50 000 | 0 | | 0 | |

3.12 LIBRARIES; ARCHIEVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; OTHER (THEATERS, ZOOS, ETC)

The municipality has five functional community libraries. One library is under construction at Mavalani village.

3.13 CEMETERIES AND CREMATORIUMS

INTRODUCTION TO CEMETERIES & CREMATORIUMS

The municipality has one cemetery under its control; the number of cemeteries under the control of the traditional authorities is yet to be audited. There is also no crematorium within the jurisdiction of the municipality.

| Employees: Cemeteries and Crematoriums | | | | | | |
|--|---------------|--------------------------------------|-------------------------------------|---------------|--------------------------------------|-------------------------------------|
| Job level | 2020/21 | | | 2021/22 | | |
| | Employees No. | Vacancies (fulltime equivalents) No. | Vacancies (as a % of total posts) % | Employees No. | Vacancies (fulltime equivalents) No. | Vacancies (as a % of total posts) % |
| 0-3 | 0 | 0 | 0% | 0 | 0 | 0% |
| 4-6 | 1 | 1 | 0% | 1 | 1 | 0% |
| 7-9 | 0 | 0 | 0% | 0 | 0 | 0%% |
| 10-12 | 2 | 2 | 0% | 2 | 2 | 0 |
| 13-15 | 14 | 14 | 63.15% | 14 | 24 | 63,15% |
| 16-18 | 0 | 0 | 0% | 0 | 0 | 0%% |
| 19-20 | 0 | 0 | 0% | 0 | 0 | 0%% |
| Total | 17 | 27 | 79.41% | 17 | 27 | 79,41% |

| Capital expenditure 2020/21 and 2021/22 Cemeteries and Crematoriums | | | | | | | | | | |
|---|--------|-------------------|--------------------|-------------------------------|---------------------|---------|-------------------|--------------------|-------------------------------|---------------------|
| Capital Projects | Budget | 2020/21 | | | | 2021/22 | | | | |
| | | Adjustment Budget | Actual Expenditure | Variance from original budget | Total project value | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total project value |
| Total all | | | | | | | | | | |

| | | | | | |
|---|---|---|---|---|---|
| REFURBISHMENT OF GIYANI CEMENTRY | - | - | - | - | - |
|---|---|---|---|---|---|

| |
|------------------|
| Project D |
|------------------|

COMMENT ON THE PERFORMANCE OF CEMETORIES & CREMATORIUMS OVERALL:

The municipality is experiencing a challenge of space for the development of future cemetery site since most of the available land is under the control of the traditional leadership. Cemetery by-laws is gazetted and include clauses which will help the municipality to save space. There are no security personnel deployed and vandalization is taking place which results in damaging of tombstones after hours or over the weekend.

3.14 CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

INTRODUCTION TO CHILD CARE; AGED CARE AND SOCIAL PROGRAMMES

The municipality has coordinators who focuses on social programs such HIV and AIDS, Women and Children, Youth, Old age, Gender and Disability. There are also several forums as as Aids council and technical committee, Men’s forum, Disability’s forum and gender forum which champions the interest of these social sectors. At the core of it is that the oversight monitoring is done through the Health and Social Development Portfolio Committee. The municipality works closely with provincial and district departments that deals with social issues such as the Department of Social Development, Department of Health, South African Police Services and Chapter Nine institutions such as Human Rights and Gender Commissions as well as none governmental organisations.

COMPONENT E: ENVIROMENTAL PROTECTION

The municipality is working together with Mopani District, LEDET and DEFF to raise awareness on the needs to protect and conserve the environment.

3.15 POLLUTION CONTROL

The municipality has a functional waste management service, providing refuse removal services to the Giyani township households once per week and daily in the CBD. Due to capacity challenges, the municipality is yet to extend waste management services to rural villages. The municipality is currently developing a landfill site and rehabilitating the current waste disposal site in compliance to the National Environmental Management: Waste Act and the GN No.636 National Norms and Standards for Disposal of Waste to landfill.

3.16 BIO-DIVERSITY; LANDSCAPE; (INCL.OPEN SPACES)

GGM works jointly with DEA and LEDET to ensure biodiversity conservation construction in line with the climate change response strategy of the Province. There are also municipal community parks that are well maintained, though there is a challenge of vandalism in the parks.

COMPONENT F: HEALTH

The clinics and ambulance services are rendered by the provincial department of Health and Social Development.

COMPONENT G: SECURITY AND SAFETY POLICE, FIRE AND OTHER (DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES AND OTHER)

INTRODUCTION TO DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES, ETC

The Police and Fire services are rendered by the provincial department and National Department. And fire rendered by the District Municipality. The municipality has animal pound station to be used for impoundment of animals. The development of by-laws for keeping of animals to deal with licensing and control of animals is in progress.

| Financial performance 2019/20, 2020/21 and 2021/22: Traffic R`000 | | | | | | | | |
|--|---------|--------------------|---------------|--------------------|------------|--------------------|------------|----------------------|
| Details | 2019/20 | | 2020/21 | | 2021/22 | | Variance | Adjustment Budget |
| | Actual | Original budget | Actual | Original Budget | Actual | Original budget | | |
| Total operational revenue | 3755 | 5 547 | | | 7 914 702 | 18 230 000 | 10 315 298 | 8 740 000 |
| Expenditure: | 87 | 130 | 12,298,768.35 | 2,514,680 | | | | |
| Police Officers | | | | | | | | |
| Other Employees | 9708 | 10385 | 20,548,283.84 | 17,720,473.43 | 20 378 428 | 19 214 761 | -1 163 667 | 19 367 237 |
| Repairs & Maintenance | | | | | 203 095 | 100 000 | -103 095 | 200 000 |
| Other | | | | | 84 346 | 1 227 500 | 1 143 154 | 202 000 |

| | | | | | | | | |
|--|-------|-------|---------------|---------------|------------|------------|----------|------------|
| Total operational expenditure | 12157 | 14463 | 32,847,052.19 | 20,235,153.43 | 20 665 869 | 20 542 261 | -123 608 | 19 769 237 |
| Net operational (service) expenditure | -7220 | 14463 | | | | | | |

COMPONENT H: SPORT AND RECREATION

INTRODUCTION TO SPORT AND RECREATION

The municipality currently has 10 sports centers and 3 developed parks to be used for sporting and recreational purposes. The Municipality promotes sporting in local communities through the sport development programmed by providing identified beneficiaries with sports equipment. e.g. kits, balls and funds. The municipality also runs an annual mayor’s cup to assess the progress with regard to sports development with the assistance of the local sports confederation. The report include only sport centers build by the municipality.

3.17 SPORT.

THE TABLE BELOW REFLECTS AVAILABILITY AND BACKLOG OF STANDARD SPORTS FACILITIES WITHIN WARDS

| WARD | AVAILABLE | BACKLOG |
|------|-----------|---------|
| 1 | 0 | 1 |
| 2 | 1 | 0 |
| 3 | 0 | 1 |
| 4 | 0 | 1 |
| 5 | 0 | 1 |
| 6 | 1 | 0 |
| 7 | 0 | 1 |
| 8 | 0 | 1 |
| 9 | 1 | 0 |
| 10 | 0 | 1 |
| 11 | 1 | 0 |
| 12 | 1 | 0 |
| 13 | 0 | 1 |
| 14 | 0 | 1 |

| | | |
|--------------|---|---|
| 15 | 1 | 0 |
| 16 | 0 | 1 |
| 17 | 0 | 1 |
| 18 | 1 | 0 |
| 19 | 0 | 1 |
| 20 | 0 | 1 |
| 21 | 0 | 1 |
| 22 | 1 | 0 |
| 23 | 0 | 1 |
| 24 | 1 | 0 |
| 25 | 0 | 1 |
| 25 | 0 | 1 |
| 26 | 0 | 1 |
| 27 | 1 | 0 |
| 28 | 0 | 1 |
| 29 | 0 | 1 |
| 30 | 0 | 1 |
| 31 | 0 | 1 |
| TOTAL | | |

3.18 RECREATION

The report reflects only halls build by the municipality. Excluded are privately owned halls and those build by other sector departments.

THE TABLE BELOW REFLECTS THE AVAILABILITY AND BACKLOG OF COMMUNITY HALLS WITHIN WARDS WARD COMMUNITY HALLS

| WARD | AVAILABLE | BACKLOG |
|------|-----------|---------|
| 1 | 0 | 1 |
| 2 | 0 | 1 |
| 3 | 0 | 1 |
| 4 | 0 | 1 |

| | | |
|--------------|----------|-----------|
| 5 | 0 | 1 |
| 6 | 0 | 1 |
| 7 | 0 | 1 |
| 8 | 0 | 1 |
| 9 | 0 | 1 |
| 10 | 0 | 1 |
| 11 | 1 | 0 |
| 12 | 0 | 1 |
| 13 | 0 | 1 |
| 14 | 0 | 1 |
| 15 | 0 | 1 |
| 16 | 0 | 1 |
| 17 | 1 | 0 |
| 18 | 0 | 1 |
| 19 | 0 | 1 |
| 20 | 0 | 1 |
| 21 | 0 | 1 |
| 22 | 0 | 1 |
| 23 | 0 | 1 |
| 24 | 0 | 1 |
| 25 | 0 | 1 |
| 26 | 0 | 1 |
| 27 | 0 | 1 |
| 28 | 0 | 1 |
| 29 | 0 | 1 |
| 30 | 0 | 1 |
| 31 | 0 | 1 |
| Total | 2 | 29 |

| Employees: Sport and Recreation | | |
|---------------------------------|---------|---------|
| Job level | 2020/21 | 2021/22 |

| Job Level | Posts No. | Employees No. | Vacancies (fulltime equivalents) No. | Vacancies (as a % of total posts) % | Posts No. | Employees No. | Vacancies (fulltime equivalents) No. | Vacancies (as a % of total posts) % |
|-----------|-----------|---------------|--------------------------------------|-------------------------------------|-----------|---------------|--------------------------------------|-------------------------------------|
| 0-3 | 1 | 1 | 0 | 100% | 1 | 1 | 0 | 0% |
| 0 | 0 | 0 | 0 | 0% | 1 | 1 | 0 | 0% |
| 1 | 0 | 0 | 0 | 0% | 2 | 2 | 0 | 0% |
| 1 | 0 | 0 | 0 | 0% | 1 | 0 | 1 | 100% |
| 1 | 0 | 0 | 0 | 0% | 52 | 18 | 34 | 65,38% |
| 50 | 0 | 0 | 0 | 0% | | | | |
| 0 | 0 | 0 | 0 | 0% | | | | |
| 0 | 0 | 0 | 0 | 0% | | | | |

3.18.1 CHALLENGES

There is underutilization of most sport centers that are situated in rural villages. This is an indication that more still need to be done in terms of receiving and developing various sporting codes within the municipality. The municipality is experiencing challenge of vandalism on its infrastructure in particular sporting facilities. There is also no adequate budget for maintenance of these facilities, as a result some of these facilities are getting dilapidated. Another challenge is that of shortage of personnel to maintain and monitor these facilities.

3.18.2 INTERVENTIONS

The municipality to appropriately develop a program of sporting codes and engage all Ward Councilors and Traditional leaders with regards to sport development to maximize the utilization of sport centers. The municipality to increase the budget for appointment of personnel. The Municipality to develop a management plan for some facilities to allow communities to use them.

COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes: corporate policy offices, financial services, human resource services, ICT services, property services

3.19 INTRODUCTION TO CORPORATE POLICY OFFICES, EXECUTIVE AND COUNCIL

This component includes: Executive office (mayor; councilors; and municipal manager).

INTRODUCTION TO EXECUTIVE AND COUNCIL

| COMMENT ON THE PERFORMANCE OF THE EXECUTIVE AND COUNCIL: | | | | | | | | |
|---|---------|--------------------|---------------|-----------------|-------------------|------------|-----------------|-------------------|
| Financial performance 2019/20,2020/21 and 2021/22 The Executive and Council | | | | | | | | |
| R`000 | | | | | | | | |
| Details | 2019/20 | | 2020/21 | | 2021/22 | | | |
| | Actual | Variance to budget | Actual | Original Budget | Adjustment Budget | Actual | Original Budget | Adjustment Budget |
| Total operational revenue | | | N/A | N/A | N/A | 0 | 0 | 0 |
| Expenditure: | 7554 | | 1,400,367.48 | 8,466,237 | 7,444,248 | | | |
| Other Employees | 22171 | | 21,942,750.76 | 25,022,991 | 23,667,857 | 24 066 373 | 30 198 592 | 23 663 423 |
| Repairs & Maintenance | | | | | | 0 | 0 | 0 |
| Other | | | | | | 8 418 567 | 8 014 284 | 7 830 788 |
| Total operational expenditure | 29725 | | 23343118.24 | 33,489,228 | 31,112,105 | 32 484 940 | 38 212 876 | 31 494 211 |
| Net operational (service) expenditure | -29707 | | | | | | | |

FINANCIAL SERVICES

| Debt recovery | | | | | |
|--|----------------|---|---|----------------|---|
| Details of the types of account raised and recovered | 2020/21 | | | 2021/22 | |
| | Billed in year | Estimated outturn for accounts billed in year | Estimated proportion of accounts billed that were collected % | Billed in year | Estimated outturn for accounts billed in year |
| Property Rates | 72.744.162.16 | 6369 | 45.61% | 69,857,314 | 81.27% |
| Electricity – B | N/A | N/A | | | |
| Water – B | N/A | N/A | | | |
| Water – C | N/A | N/A | | | |
| Sanitation | N/A | N/A | | | |
| Refuse | 8.636.349.77 | 6695 | 86.60% | 9165293.83 | 94.80% |

B-Basic, C-Consumption. See chapter 6 for the Auditor] General`s rating of the quality of the financial Accounts and the systems behind them

| Job level | 2020/21 | | | | 2021/22 | | | |
|-----------|-----------|---------------|--------------------------------------|-------------------------------------|-----------|---------------|--------------------------------------|-------------------------------------|
| | Posts No. | Employees No. | Vacancies (fulltime equivalents) No. | Vacancies (as a % of total posts) % | Posts No. | Employees No. | Vacancies (fulltime equivalents) No. | Vacancies (as a % of total posts) % |
| 0-3 | 1 | 1 | 0 | 0% | 1 | 1 | 0 | 0% |
| 4-6 | 8 | 6 | 2 | 60% | 8 | 7 | 1 | 12,5% |
| 7-9 | 0 | 0 | 0 | 0% | 0 | 0 | 0 | 0% |

| | | | | | | | | |
|-------|----|---|---|-----|----|----|---|-----|
| 10-12 | 4 | 2 | 2 | 50% | 4 | 2 | 2 | 50% |
| 13-15 | 0 | 0 | 0 | 0% | 0 | 0 | 0 | 0% |
| 16-18 | 0 | 0 | 0 | 0% | 0 | 0 | 0 | 0% |
| 19-20 | 0 | 0 | 0 | 0% | 0 | 0 | 0 | 0% |
| Total | 13 | 9 | 2 | % | 13 | 10 | 3 | 24% |

3.20 HUMAN RESOURCE SERVICES

3.21 HUMAN RESOURCE SERVICES

INTRODUCTION TO HUMAN RESOURCE SERVICE

SERVICE STATISTICS FOR HUMAN RESOURCE SERVICES

| Human Resource Services | | | | | | | | | |
|---|----------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|--|--|
| Policy objectives taken from IDP | | | | | | | | | |
| Service Objectives | Outline service targets | 2019/20 | | 2020/21 | | 2021/22 | | | |
| | | Target | Actual | Target | Actual | Target | Actual | | |
| To develop and retain best human capital, effective and efficient administrative and operational support system | Submit Employment equity report. | Equity report submitted | Equity report submitted | Equity report submitted | Equity report submitted | Equity report submitted | Equity report submitted | | |
| Service indicators | | | | | | | | | |
| To submit the Employment equity report to Dept. of Labor by 15 January 2022 | | | | | | | | | |

Service objective

| Employees: Human Resource Services | | | | | | | | | |
|------------------------------------|-----------|----------------|--------------------------------------|-------------------------------------|-----------|---------------|---|-------------------------------------|--|
| Job level | 2020/21 | | | | 2021/22 | | | | |
| Job Level | Posts No. | Emplo yees No. | Vacancies (fulltime equivalents) No. | Vacancies (as a % of total posts) % | Posts No. | Employees No. | Vacan cies (fullti me equiva lents) No. | Vacancies (as a % of total posts) % | |
| 0-3 | 1 | 1 | 0 | 0% | 1 | 1 | 0 | 0% | |
| 4-6 | 8 | 6 | 2 | 60% | 8 | 7 | 1 | 12,5% | |
| 7-9 | 0 | 0 | 0 | 0% | 0 | 0 | 0 | 0% | |
| 10-12 | 4 | 2 | 2 | 50% | 4 | 2 | 2 | 50% | |
| 13-15 | 0 | 0 | 0 | 0% | 0 | 0 | 0 | 0% | |
| 16-18 | 0 | 0 | 0 | 0% | 0 | 0 | 0 | 0% | |
| 19-20 | 0 | 0 | 0 | 0% | 0 | 0 | 0 | 0% | |
| Total | 13 | 9 | 2 | % | 13 | 10 | 3 | 23,07% | |

COMMENTS ON THE PERFORMANCE OF HUMAN RESOURCE SERVICES OVERALL:

The municipality did not manage to fill one (1) critical positions of Director Community Services, however this has been set as a priority to fill this positions in the 1st quarter of the next financial year of 2022/2023.

3.22 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

This component includes: Information and Communication Technology (ICT) services.

INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

Information and Communication Technology ensure provision of services such as Network connectivity, information management, Email messaging for communicating with the internal stakeholders and the outside world, enhancing service delivery by providing reliable systems.

Enabling the integration of systems within the municipality to achieve Municipal objectives. ICT operate under the guidance of ICT policies and frameworks as mandated by corporate governance of ICT. There's also an ICT committee that ensure good governance

SERVICE STATISTICS FOR ICT SERVICES

For period under review 2021/22, Information and Communication Technology provided and supplied ICT equipment's e.g. computers, printers, 3Gs and Memory Sticks. The Unit also updated of Municipal website on a continuous basis and maintained network infrastructure for ease of communication. The Unit provided IT systems, user maintenance and support.

| ICT Services Policy objectives taken from IDP | | | | | | | |
|---|---|---|--|---|--|--|--|
| Service Objectives | Outline service target | 2019/20 | | 2020/21 | | 2021/22 | |
| | | Target | Actual | Target | Actual | Target | Actual |
| To develop and retain best human capital, effective and | 12 payments for leased desk top and lap top computers and Procurement of IT equipment. | 12 payments for leased desk top and lap top computers and | 12 payments of leased desk top and lap top computers and | 12 payments for leased desk top and lap top computers and | 12 payments of leased desk top and lap top computers and | 7 payments for leased desk top and lap top computers and Procurement of IT | 7 payments of leased desk top and lap top computers and Procurement of IT equipmen |
| efficient administrative and operational support system | Maintenance, support and provide connectivity to network (LAN and WAN). 12 payments for 3Gs | Procurement of IT equipment. | IT equipments procured | Procurement of IT equipment. | IT equipments procured | Procurement of IT equipment. | IT equipments procured |
| Number of IT Steering Committee meetings coordinated | 4 x IT Steering Committee meetings coordinated | Co-ordinate 4x IT steering committee | 4 x IT Steering Committee meetings coordinated | Co-ordinate 4x IT steering committee | 4 x IT Steering Committee meetings coordinated | Co-ordinate 4x IT steering committee | 4 x IT Steering Committee meetings coordinated |

| | | | | | | | |
|--|------------------------------------|---|-----------------------------------|---|-----------------------------------|---|-----------------------------------|
| | | | | | | | |
| % of network infrastructure maintenance | Network infrastructure maintenance | 100 % of Network infrastructure maintenance | Network infrastructure maintained | 100% Network infrastructure maintenance | Network infrastructure maintained | 100% Network infrastructure maintenance | Network infrastructure maintained |
| % update of municipal website | 100% municipal website update | 100% municipal website update | Municipal website updated | 100% municipal website update | Municipal website updated | 100% municipal website update | |

OVERAL PERFORMANCE OF ICT SERVICES OVERALL

The unit maintained and supported LAN/WAN connectivity within the Municipality and its remote sites

The municipality appointed a Service Provider to assist with its ICT Security and Support.

The municipality further uploaded the following documents on the website:

- Adverts for Tenders
- Performance Agreements
- Adverts for Vacancies
- Annual Budget and related policies
- SPLUMA By Laws

| Job level | 2020/21 | | | | 2021/22 | | | |
|--------------|-----------|---------------|--------------------------------------|-------------------------------------|-----------|---------------|--------------------------------------|-------------------------------------|
| | Posts No. | Employees No. | Vacancies (fulltime equivalents) No. | Vacancies (as a % of total posts) % | Posts No. | Employees No. | Vacancies (fulltime equivalents) No. | Vacancies (as a % of total posts) % |
| 0-3 | 1 | 1 | 0 | 0% | 1 | 1 | 0 | 0% |
| 4-6 | 3 | 1 | 2 | 50% | 2 | 1 | 1 | 50% |
| 7-9 | 1 | 0 | 0 | 100% | 1 | 1 | 1 | 0% |
| 10-12 | n/a | n/a | n/a | n/a | 0 | 0 | 0 | 0% |
| 13-15 | n/a | n/a | n/a | n/a | 0 | 0 | 0 | 0% |
| 16-18 | n/a | n/a | n/a | n/a | 0 | 0 | 0 | 0% |
| 19-20 | n/a | n/a | n/a | n/a | 0 | 0 | 0 | 0% |
| Total | 5 | 2 | 3 | 60% | 4 | 3 | 1 | 25% |

THE PERFORMANCE OF ICT SERVICES OVERALL:

The user support turnaround for the year under review 2021/22 was satisfactory even though the Unit was unable to meet all their planned targets due to shortage of staff.

3.22 LEGAL; RISK MANAGEMENT

| Employees: legal and Risk Management | | | | | | | | |
|--------------------------------------|-----------|---------------|--------------------------------------|-------------------------------------|-----------|---------------|--------------------------------------|-------------------------------------|
| Job level | 2020/21 | | | | 2021/22 | | | |
| | Posts No. | Employees No. | Vacancies (fulltime equivalents) No. | Vacancies (as a % of total posts) % | Posts No. | Employees No. | Vacancies (fulltime equivalents) No. | Vacancies (as a % of total posts) % |
| 0-3 | 2 | 2 | 0 | 0% | 1 | 1 | 0 | 0% |
| 4-6 | 2 | 1 | 1 | 50% | 1 | 1 | 0 | 50% |
| 7-9 | N/A | | | | N/A | | | |
| 10-12 | | | | | | | | |
| 13-15 | N/A | N/A | N/A | N/A | | | | N/A |

| | | | | | |
|-------|-----|-----|-----|-----|-----|
| 16-18 | N/A | N/A | N/A | N/A | N/A |
| 19-20 | N/A | N/A | N/A | N/A | N/A |

ANNUAL PERFORMANCE INFORMATION

SUMMARY OF PERFORMANCE FOR THE 2021/22 FINANCIAL YEAR

1. INTRODUCTION

The Greater Giyani Municipality 2021/22 annual performance report reflects the institution’s service delivery and developmental achievements, as well as challenges, in recognition of the municipality’s obligation to be an accountable, transparent, and efficient organization. The compilation of this annual performance reports is done in compliance to various pieces of legislation. Key amongst such legislation is local Government: municipal system Act No. 32 of 2000, local Government: municipal finance management Act No 56 of 2003, and National Treasury circulars (especially circular 11 and 63.) The MSA and MFMA state that every municipality and entity must prepare an annual performance report which must form part of the annual report for each financial year in terms of the Act. This annual performance report reflects the municipality’s actual performance in relation to what was planned for in the IDP and SDBIP. It is therefore a post-reflection of planned targets and their actual with a provision for reasons for variance as well as mitigating\corrective measures taken. The annual performance report of the Greater Giyani municipality is aligned to the municipal IDP and Budget for the 2021\22 financial year and that it is aligned to the service delivery and Budget implementation plan and in-year reports.

2. PURPOSE

This annual performance report seeks to attain the following purpose:

- The provision of a report on performance in service delivery and budget implementation plan for the 2021/22 financial year
- To promote transparency and accountability for the activities and programmers of the municipality vis-a –vis the six key performance areas
- To provide a record of activities of the municipality for the 2021/22 financial year to which this report relates

3. THE ROAD MAP

The attached APR of GGM is a product of in-year reports which have been consistently submitted to Council Committees and Council. Upon the signing of the SDBIP 2021/22 on the 25 of June 2021, the Municipality facilitated the signing of performance agreements by the Senior Managers led by the Accounting Officer. Reports on the implementation of the SDBIP were sent to the Executive Committee on a monthly basis and to Council on quarterly basis.

The Greater Giyani Municipality was responsible for a total number of 123 Key Performance Indicators inclusive of projects for 2021/2022 financial year. The institution managed to achieve 69 indicators inclusive of projects ,54 targets were not achieved, while 3 were achieved in the previous financial year out of the planned 116 targets.

The overall institutional performance for 2021/2022 is at **56%** as compared to the **59%** for 2020/2021 financial year, which shows that we have regressed compared to the performance of the previous financial year.

The table below indicates progress per KPA

| Key Performance Area | Annual Indicators Assessed | Total Achieved | Total Not Achieved | Percentages per KPA |
|--|----------------------------|----------------|--------------------|---------------------|
| KPA-1: Spatial Rational | 11 | 06 | 05 | 55% |
| KPA-2: Institutional Development and Transformation | 21 | 13 | 08 | 62% |
| KPA-3: Infrastructure Development And Basic Services | 49 | 26 | 23 | 53% |
| KPA-4: Local Economic Development | 06 | 03 | 03 | 50% |
| KPA-5: Financial Viability | 13 | 11 | 02 | 85% |
| KPA-6: Public Participation And Good Governance | 23 | 10 | 13 | 43% |
| TOTAL | 123 | 69 | 54 | 56% |
| | | | | |

CHAPTER 4– ORGANISATIONAL DEVELOPMENT PERFORMANCE

INTRODUCTION

The municipal Organizational structure was aligned to IDP and budget. The structure was also adopted by the council. All skills gaps that were crucial in work performance were identified and training interventions were made to address skills gap. The institution comply with the national legislations

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

| Description | Employees | | | |
|------------------------------------|---------------|----------------|------------------|----------------|
| | 20/21 | | 21/22 | |
| | No. Employees | % of vacancies | No. of employees | % of vacancies |
| Water | 8 | 0% | 7 | 46,66% |
| Waste Water (sanitation) | 10 | 71% | 5 | 33,335 |
| Electricity | 06 | 67% | 5 | 50% |
| Waste Management | 32 | 80% | 37 | 13,95% |
| Housing | 0 | 0% | 2 | 0% |
| Waste Water (Storm water Drainage) | 0 | 0% | 10 | 20% |
| Roads | 19 | 73% | 19 | 56,81 |
| Transport | 0 | 0% | 4 | 0% |
| Planning | 6 | 100% | 3 | 40% |
| Local Economic Development | 4 | 80% | 4 | 33,33% |
| Planning (Strategic & Regulatory) | 0 | 0% | 1 | 50% |
| Community & social services | 38 | 79% | 0 | |
| Environmental protection | 0 | 0% | 0 | |
| Health | 0 | 0% | 0 | |
| Security & safety | 52 | 98% | 0 | |
| Sport & recreation | 16 | 59% | 0 | |
| Corporate Policy offices & other | 129 | 90% | 0 | |
| Totals | 325 | | 92 | |

| Vacancy Rate: 2020/21 | | | |
|--|---------------------------|---|--|
| Designation | *Total approved posts No. | *Variances (Total time that vacancies exist using fulltime equivalents) No. | *Variances (as a proportion of total posts in each category) % |
| Municipal Manager | 1 | 0 | 0% |
| CFO | 1 | 1 | 100% |
| Other S57 Managers (excluding Finance Posts) | 5 | 1 | 20% |
| Other S57 Managers (Finance posts) | | | |
| Municipal Police | N/A | N/A | |
| Fire Fighters | 0 | 0 | |
| Senior Management: Levels 13-15 (excluding Finance Posts) | | | |
| Senior Management: Levels 13-15 (Finance Posts) | 1 | 0 | 0% |
| Highly skilled supervision: Levels 9-12 (excluding Finance posts) | | | |
| Highly skilled supervision: Levels 9-12 (Finance posts) | | | |
| Total | | | |

| Turn-over Rate | | | |
|----------------|--|--|-----------------|
| Details | Total Appointments as of beginning of financial year No. | Terminations during the financial year No. | Turn-over Rate* |
| 2019/20 | 07 | 34 | |
| 2020/21 | 43 | 16 | |
| 2021/22 | | | |

COMMENT ON VACANCIES AND TURNOVER:

The reason for high turnover is the retirement, death and resignation

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

4.1. INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

The Municipality has taken into cognizance the history of apartheid laws and practices with the resultant disparities and inequalities, in the spirit of Employment Equity Act is geared towards achieving employment equity across all occupational levels and categories and therefore in order to redress the imbalance of the past and move towards a human and representative Labor market underpinned by Equity, Equity redress and Affirmative Action. The Municipality has Employment Equity Plan and active/ functional Employment Equity Committee. 2021/22 Employment Equity report was timeously submitted to the Department of Labour. HR Policies are in place

4.2. POLICIES

| HR Policies & Plans | | | | |
|---------------------|---|-------------|------------|--|
| | Name of Policy | Completed % | Reviewed % | Date adopted by council or comment on failure to adopt |
| 1 | Affirmative Action | | | Legislated |
| 2 | Career & Retention Management | 100% | 100% | |
| 3 | Code of conduct for employees | 100% | N/A | |
| 4 | Delegations, Authorisation & responsibility | | N/A | |
| 5 | Disciplinary Code & Procedures | 100% | N/A | |
| 6 | Essential Services | 100% | N/A | |
| 7 | Employee Assistance/ wellness | | | |
| 8 | Employment Equity | 100% | N/A | |
| 9 | Exit Management | 100% | 0% | |
| 10 | Grievance Procedures | | N/A | |
| 11 | HIV/AIDS | 100% | 100% | |
| 12 | Human Resource & Development | 100% | 100% | |
| 13 | Information Technology | 100% | 100% | |
| 14 | Job Evaluation | 100% | N/A | |
| 15 | Leave | 100% | 100% | |
| 16 | Occupational Health & Safety | 100% | 100% | |

| | | | |
|----|---------------------------------------|------|------|
| 18 | Official Journeys | 100% | 100% |
| 20 | Official working hours and overtime | 100% | 100% |
| 21 | Organisational rights | 100% | 100% |
| 22 | Payroll Deductions | 100% | 100% |
| 23 | Performance Management & Development | | |
| 24 | Recruitment, selection & Appointments | 100% | 100% |
| 25 | Remuneration Scales & Allowances | 100% | 100% |
| 26 | Resettlement | | N/A |
| 27 | Sexual Harassment | | N/A |
| 28 | Skills development | | 100% |
| 29 | Smoking | | N/A |
| 30 | Special skills | | N/A |
| 31 | Work Organisation | | N/A |
| 32 | Uniforms & protect clothing | 100% | 100% |
| 33 | Other | | |

COMMENT ON WORKFORCE POLICY DEVELOPMENT:

Over the years the Municipality has managed to develop all priority human resource policies, procedures and systems in line with the MSA 2000 (S67) to ensure fair, efficient, effective and transparent personnel administration. During 2021/22 emphasis was placed on improving implementation of the policies and amendment of those policies that were outdated. The implementation of the policies is monitored through Council resolution implementation report.

4.3. INJURIES, SICKNESS AND SUSPENSIONS

COMMENT ON INJURY AND SICK LEAVE:

(a) One (1) employee was injured on duty.

COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT:

Only two (2) employees were suspended from council service with full pay pending the institution of disciplinary proceedings against them by the municipality

4.4 PERFORMANCE REWARDS

The municipality did not pay performance awards to employees for 2020/21 financial year.

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

INTRODUCTION TO WORK FORCE

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

4.5 SKILLS

The Work Skills Plan and Annual Training Report were developed and submitted to LGSETA within time frame. The municipality complies with the plan. Mandatory and discretionary grants were claimed and received to assist training interventions.

Skills Matrix

| Management | Gender | Employees in post as at 30 June 2020 No. | Number of skilled employees required and actual as at 30 June 2022 | | | | | | | | | |
|--|--------|---|--|---------------------|--------|--|---------------------|--------|-------------------------|---------------------|--------|-------|
| | | | Learnerships | | | Skills programme & other short courses | | | Other forms of training | | | Total |
| | | | Actual 01 July 2021 | Actual 30 June 2022 | Target | Actual 01 July 2021 | Actual 30 June 2022 | Target | Actual 01 July 2021 | Actual 30 June 2022 | Target | |
| MM & S57 | Female | | | | | | | | | | | |
| | Male | | | | | | | | | | | |
| Councillors, | Female | 02 | 02 | 02 | 02 | | | | | | | |
| | Male | 01 | 01 | 01 | 01 | | | | | | | |
| Senior Officials senior officials | Male | 01 | 1 | 01 | 1 | | | | | | | |
| | Female | | | | | | | | | | | |
| Managers | | | | | | | | | | | | |

| | | | | | | | | | | | | |
|--|--------|-----|----|----|----|--|--|--|--|--|--|--|
| | Male | 02 | 2 | 02 | 2 | | | | | | | |
| | Female | 01 | 1 | 01 | 1 | | | | | | | |
| Technicians & associate professionals | Female | | | | | | | | | | | |
| | Male | 01 | 01 | 01 | 01 | | | | | | | |
| Professionals | Female | N/A | | | | | | | | | | |
| | Male | N/A | | | | | | | | | | |
| Sub Total | Female | N/A | | | | | | | | | | |
| | Male | N/A | | | | | | | | | | |
| Total | | | | | | | | | | | | |

Competency Level Requirement

| 2019/2020 | 2020/21 | 2021/22 |
|---------------------------|-----------|---------|
| Senior Managers | | |
| 01 F | 5 M | 1F 4 M |
| Managers | | |
| 01 F | 1 F 3 M | 1 F M |
| Middle Managers | | |
| 04 M 01 F | 1 F 5 M | 1f 2M |
| Admin | | |
| 04 F | 03 M 02 F | 0 |
| Skills Development | | |
| Lower Level | | |
| 2019/2020 | 2020/21 | 2021/22 |
| 13 M 17 F | 27 M 35 M | 1F 14M |
| 10 M 30 F | 40 M 69 F | 1F |



Chapter: 5

Annual Financial Statements and Financial Performance for the Year Ended 30 June 2022

SEE ATTACHED ANNEXURE B



Greater Giyani Municipality
Annual Financial Statements
for the year ended 30 June 2022

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

General Information

Legal form of entity

Greater Giyani Municipality

Nature of business and principal activities

Greater Giyani Municipality is a municipality performing functions set out in the Constitution (Act 108 of 1996). Providing services to the community as covered in the jurisdiction.

The following councillors were appointed in November 2021

| | |
|----------------------------|--|
| Mayor | Cllr T Zitha |
| Speaker | Cllr AE Mboweni |
| Chief Whip | Cllr T Makondo |
| Exco Member | Cllr N Mabunda (Corporate and Shared Services) |
| Exco Member | Cllr TJ Mabunda (Infrastructure Development) |
| Exco Member | Cllr NHP Ndaba (Finance) |
| Exco Member | Cllr MR Mashale (Public Roads and Transport) |
| Exco Member | Cllr C Baloyi (Planning and Economic Development) |
| Exco Member | Cllr GA Maluleke (Water, Sanitation and Energy) |
| Exco Member | Cllr TC Zitha (Sports, Recreation, Arts and Culture) |
| Exco Member | Cllr TC Manganyi |
| Chairperson of MPAC | Cllr RE Makondo |
| Exco - Office of the Mayor | Cllr RN Sekgobela |
| | Cllr BA Shibambu |
| | Cllr RC Mabunda |
| | Cllr SS Mavasa |
| | Cllr NN Maswangani |
| | Cllr SS Mathebula |
| | Cllr M Shiviti |
| | Cllr GE Kobane |
| | Cllr NP Mlambo |
| | Cllr XL Ngobeni |
| | Cllr NS Monyipote |
| | Cllr VS Makamu |
| | Cllr MC Machipi |
| | Cllr MC Chabalala |
| | Cllr RG Ngunyula |
| | Cllr PT Mokgobi |
| | Cllr MA Khosa |
| | Cllr TE Rikhotso |
| | Cllr MR Maluleke |
| | Cllr TE Nkuna |
| | Cllr S Sambo |
| | Cllr SC Mahlawule |
| | Cllr TN Shirinda |
| | Cllr PH Makhavela |
| | Cllr TA Mathosi |
| | Cllr NR Shilowa |
| | Cllr RE Ngoveni |
| | Cllr KO Maswanganyi |
| | Cllr P Rikhotso |
| | Cllr JP Shibambu |
| | Cllr L Nkuna |

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

General Information

Cllr RT Mabunda
Cllr E Mahasha
Cllr A Rabothata
Cllr JN Mashele
Cllr CS Rikhotso
Cllr KS Dlamini
Cllr MD Hlungwani
Cllr ML Chauke
Cllr STI Rikhotso
Cllr TN Baloyi
Cllr S Mongwe
Cllr TP Mashaba
Cllr PP Mkhari
Cllr MS Hlongwane
Cllr SM Mhangwane
Cllr MJ Nkuna
Cllr MP Mathevula
Cllr Hlungwani
Cllr DJ Hlongwane

The contracts of the following councillors expired in November 2021

Mayoral committee

| | |
|------------------|--|
| Mayor | Cllr Shibambu Basani Agnes |
| Speaker | Cllr Hlungwani Mafemani Patrick |
| Chief Whip | Cllr Mashale Masenyani Richard |
| EXCO Member | Cllr Ndaba Khensani Harmony Pretty (Corporate and Shared Services) |
| EXCO Member | Cllr Manganyi Khazamula Abraham (Finance) |
| EXCO Member | Cllr Baloyi Tintswalo Elizabeth (Infrastructure) |
| EXCO Member | Cllr Mabulana Peter Sello (Office of the Mayor) |
| EXCO Member | Cllr Mboweni Agrey Ernest (Health and Social Development) |
| EXCO Member | Cllr Mthombeni Africa Mavhayisi (Water Sanitation and Energy) |
| EXCO Member | Cllr Mabunda Elisa Nkhensani (Planning and LED) |
| EXCO Member | Cllr Makhubele Hlupheka Winnie (Sports Arts and Recreation) |
| EXCO Member | Cllr Mathebula Sasavona (Public Roads and Transport) |
| MPAC Chairperson | Cllr Mabasa Rhulani Oral |
| | Cllr Baloyi Douglas Emmanuel |
| | Cllr Mthombeni Mchacha William |
| | Cllr Makhubele Sophie |
| | Cllr Malungana Elia |
| | Cllr Makhubele Thankyou Mbhizo |
| | Cllr Valoyi Xavelela Judith |
| | Cllr Hlungwana Trompies Steven |
| | Cllr Kubayi Sevha Solomon |
| | Cllr Kobane Gezani Eric |
| | Cllr Ndlovu Tiyani Lawrance |
| | Cllr Mokoseni Fumani Clarence |
| | Cllr Mokgobi Phillip Thomane |
| | Cllr Masenyani Adolph |
| | Cllr Chauke Mukhacani Juring |
| | Cllr Mhlongo Mashau Calvin |

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

General Information

Cllr Mthombeni Amukelani Florah
Cllr Khosa Jabulani Samuel
Cllr Mahlawule Soyaphi Calvin
Cllr Manganyi Tintswalo Constance
Cllr Rikhotso Hlayiseka Roger
Cllr Mashele Basani Ivy
Cllr Gaveni Bridget
Cllr Ngobeni Risimati Edward
Cllr Rikhotso Risimati Christopher
Cllr Khosa Ringeta Sally
Cllr Maluleke Noel
Cllr Mkansi Xigiya Ben
Cllr Mthombeni Sizeka George
Cllr Mashimbye Dzuni Calvin
Cllr Shivuri Daison Tinyiko
Cllr Makhubele Masenyani Jackson
Cllr Zitha Thandazo Christinah
Cllr Shimange Fazi Mikateko Irene
Cllr Khadhela Nomsa Rachel
Cllr Zitha Thandi
Cllr Baloyi Nyiko Nyumisani
Cllr Siweya Cynthia Masingita
Cllr Maluleka Tinyiko Rose
Cllr Sekgobela Reginah Ntsako
Cllr Chaka Thomas Patrick
Cllr Madzunya Nhlamulo Mavis
Cllr Shivambu Hasani Richard
Cllr Zitha Nyiko Johannah
Cllr Mazivuko Patrick
Cllr Nkuna Soyaphi Robert
Cllr Mathevula Mthakathi Prince
Cllr Makamu Mafakhale Alpheus

Grading of local authority

3

Chief Finance Officer (CFO)

F Nkuna - Acting

Accounting Officer

K V Sithole - Acting

Business address

BA 59
Civic Centre
Giyani CBD
0826

Postal address

Private Bag X9559
Giyani
0826

Bankers

ABSA
Giyani Branch

Auditors

Auditor General South Africa (AGSA)

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

General Information

Level of assurance

These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.

Preparer

The annual financial statements were internally compiled by:
F Nkuna-Acting Chief Financial Officer

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

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The reports and statements set out below comprise the annual financial statements presented to the provincial legislature:

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Abbreviations used:

| | |
|----------|---|
| AC | Audit Committee |
| AGSA | Auditor General of South Africa |
| AO | Accounting Officer |
| ASB | Accounting Standards Board |
| CFO | Chief Financial Officer |
| COIDA | Compensation for Occupational Injuries and Diseases Act |
| COVID-19 | Coronavirus 2019 |
| CPI | Consumer Price Index |
| EPWP | Expanded Public Works Program |
| FMG | Finance Management Grant |
| GRAP | Generally Recognised Accounting Practice |

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

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| | |
|--------|--|
| IAS | International Accounting Standards |
| IASB | International Accounting Standards Board |
| INEG | Integrated National Electrification Grant |
| IT | Information Technology |
| LGSETA | Local Government Sector Education and Training Authority |
| LSA | Long Service Awards |
| MDRG | Municipal Disaster Relief Grant |
| MFMA | Municipal Finance Management Act |
| MSCOA | Municipal Standards Charts Of Accounts |
| MIG | Municipal Infrastructure Grant |
| PAYE | Pay As You Earn |
| PEMA | Post Employment Medical Aid |
| SDL | Skills Development Levy |
| SME | Small Medium Enterprise |
| UIF | Unemployment Insurance Fund |
| VAT | Value Added Tax |

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Accounting Officer's Responsibilities and Approval

The accounting officer is required by the Municipal Finance Management Act (Act 56 of 2003), to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the accounting officer to ensure that the annual financial statements fairly present the state of affairs of the municipality as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements and was given unrestricted access to all financial records and related data.

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.

The accounting officer acknowledges that he is ultimately responsible for the system of internal financial control established by the municipality and place considerable importance on maintaining a strong control environment. To enable the accounting officer to meet these responsibilities, the accounting officer sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the municipality and all employees are required to maintain the highest ethical standards in ensuring the municipality's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the municipality is on identifying, assessing, managing and monitoring all known forms of risk across the municipality. While operating risk cannot be fully eliminated, the municipality endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The accounting officer is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The accounting officer has reviewed the municipality's cash flow forecast for the year to 30 June 2023 and, in the light of this review and the current financial position, he is satisfied that the municipality has or has access to adequate resources to continue in operational existence for the foreseeable future.

The municipality is wholly dependent on the municipality for continued funding of operations. The annual financial statements are prepared on the basis that the municipality is a going concern and that the municipality has neither the intention nor the need to liquidate or curtail materially the scale of the municipality.

Although the accounting officer are primarily responsible for the financial affairs of the municipality, they are supported by the municipality's external auditors.

The external auditors are responsible for independently reviewing and reporting on the municipality's annual financial statements. The annual financial statements have been examined by the municipality's external auditors and their report is presented on page 10.

The annual financial statements set out on page 12 to 95, which have been prepared on the going concern basis, were approved by the accounting officer on 30 November 2022 and were signed on its behalf by:

**K V Sithole - Acting
Acting Municipal Manager**

AUDIT COMMITTEE ANNUAL REPORT 2021/22

We are pleased to present our report for the financial year ended 30 June 2022

1. Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 166 of the Municipal Finance Management Act and Circular 65 issued by National Treasury. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, and it has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein, except that we have not reviewed changes in accounting policies and practices.

2. Audit Committee members and attendance

The Audit Committee, consisting of independent outside members, meets at least four times per annum as per its approved terms of reference, although additional special meetings may be called as the need arises. The table below illustrates the number of meetings held during the 2021/2022 financial year and the attendance thereof by members:

| Surname and Initial | Ordinary meeting | Special meetings | Total |
|---------------------|------------------|------------------|-------|
| Ngobeni SAB | 4 | 2 | 6 |
| Ramutsheli MP | 4 | 2 | 6 |
| Sikhosana M | 4 | 2 | 6 |
| Baloyi N | 4 | 2 | 6 |
| Hlungwani ER | 4 | 2 | 6 |

3. The Effectiveness of Internal Control

Internal control environment system has remain stagnated and everal deficiencies in the system of internal control and/or deviations were reported by the internal auditors and the Auditor-General.

4. In-Year Management and Monthly/Quarterly Report

The municipality has partially effective monthly and quarterly reporting system to the Council as required by the Municipal Finance Management Act (MFMA).

5. Performance Management

The AC reviewed functionality of the performance management system and it appears to be functional, however there is a room for improvement in so far as achievement of planned targets is concerned and capacitating the Performance Management Unit.

6. Risk Management

The AC is of the opinion that municipality's risk management appears to be effective for the better of the year in material respect, and the municipality did implement a comprehensive risk management strategy and related policies. Management has sound and effective approach has been followed in developing strategic risk management plans and there is a sense of appreciation of the impact of the municipality's risk management framework on the control environment. However, there is a room for improvement in so far as implementation of hotline as part of fraud prevention strategy.

7. Compliance with laws and regulations

A number of non-compliance with the enabling laws and regulations were revealed by Audit Committee, AGSA, and Internal Audit during the year. Consequently, an establishment an effective system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of non-compliance is key.

8. Internal Audit

The AC is not satisfied with the effectiveness of Internal Audit and Management and Council need to capacitating this unit. However, there is a need to fast-track the implementation of Combined Assurance Model.

9. IT Governance

IT Governance maturity level is very and lack of reciprocal IT site is major risks.

10. Progress in implementation of Internal Audit and AGSA findings from prior year

AGSA and Internal Audit recommendations were not material implemented by management at the time of this report.

11. Implementations of Audit Committee Recommendations by management

A material number of Audit Committee recommendations to management were implemented which is commendable.

12. Draft Annual Financial Statements and Annual Performance Report

Audit Committee reviewed the draft unaudited Annual Financial Statements and draft Annual Performance report before submission to AGSA for audit and concur with the submission subject to all the inputs being factor in by management.

13. Conclusion

The Audit Committee wishes to acknowledge the commitment from Council, management and staff of the municipality. The stability in terms of the political and administrative leadership of the municipality has contributed to these improvements reported above. We would also like to thank the Mayor for her support, Councillors, senior management for their efforts and internal audit for their contribution.

A handwritten signature in black ink, consisting of the letters 'SAB' followed by a stylized flourish, enclosed within an oval shape.

SAB Ngobeni (Mr)
Chairperson of the Audit Committee
Greater Giyani Municipality
August 2022

Report of the Auditor General

To the Provincial Legislature of Greater Giyani Municipality

Auditor General South Africa (AGSA)

Partner's name
Additional description
Additional description

30 November 2022

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Accounting Officer's Report

The accounting officer submits his report for the year ended 30 June 2022.

1. Review of activities

Main business and operations

The municipality is engaged in greater giyani municipality is a municipality performing functions set out in the constitution (act 108 of 1996). providing services to the community as covered in the jurisdiction.

The operating results and state of affairs of the municipality are fully set out in the attached annual financial statements and do not in our opinion require any further comment.

2. Going concern

We draw attention to the fact that at 30 June 2022, the municipality had an accumulated surplus of 1 241 690 076 and that the municipality's total assets exceed its liabilities by 1 241 690 076.

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

3. Subsequent events

On the 05 September 2022 the municipal manager Mr M M Chauke was suspended and Ms K V Sithole was since appointed the acting municipal manager on the same day.

Application for rollover on grants for R 10 591 733 has since been approved by treasury.

4. Accounting Officer

The accounting officer of the municipality during the year was Mr M M Chauke up 05 September 2022 and Ms K V Sithole was appointed acting municipal manager to the date of this report.

5. Auditors

Auditor General South Africa (AGSA) will continue in office for the next financial period.

The annual financial statements set out on page 12 to 95, which have been prepared on the going concern basis, were approved by the accounting officer on 31 August 2022 and were signed on its behalf by:

**K V Sithole - Acting
Acting Municipal Manager**

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Statement of Financial Position as at 30 June 2022

| Figures in Rand | Note(s) | 2022 | 2021 Restated* |
|--|---------|----------------------|----------------------|
| Assets | | | |
| Current Assets | | | |
| Inventories | 9 | 33 038 033 | 33 870 103 |
| Other financial assets | 7 | - | - |
| Receivables from exchange transactions | 10 | 13 257 921 | 29 595 586 |
| Receivables from non-exchange transactions | 11 | 103 353 601 | 76 613 355 |
| VAT receivable | 12 | 20 440 439 | 16 131 014 |
| Other receivables from exchange transactions | 13 | 38 086 198 | 21 381 748 |
| Cash and cash equivalents | 14 | 220 050 953 | 179 411 408 |
| | | 428 227 145 | 357 003 214 |
| Non-Current Assets | | | |
| Investment property | 3 | 25 599 820 | 25 690 570 |
| Property, plant and equipment | 4 | 991 184 532 | 964 002 860 |
| Intangible assets | 5 | 901 273 | 946 658 |
| Heritage assets | 6 | 206 303 | 206 303 |
| | | 1 017 891 928 | 990 846 391 |
| Total Assets | | 1 446 119 073 | 1 347 849 605 |
| Liabilities | | | |
| Current Liabilities | | | |
| Payables from exchange transactions | 18 | 104 485 992 | 102 455 110 |
| Employee benefit obligation | 8 | 870 000 | 623 000 |
| Unspent conditional grants and receipts | 15 | 10 591 733 | - |
| Rehabilitation of dumping-site | 17 | 4 568 091 | 3 877 099 |
| Deferred income | 16 | 23 121 083 | 19 769 358 |
| | | 143 636 899 | 126 724 567 |
| Non-Current Liabilities | | | |
| Employee benefit obligation | 8 | 24 020 000 | 22 023 000 |
| Rehabilitation of dumping-site | 17 | 36 772 098 | 35 127 919 |
| | | 60 792 098 | 57 150 919 |
| Total Liabilities | | 204 428 997 | 183 875 486 |
| Net Assets | | 1 241 690 076 | 1 163 974 119 |
| Accumulated surplus | | 1 241 690 076 | 1 163 974 119 |
| Total Net Assets | | 1 241 690 076 | 1 163 974 119 |

* See Note 60

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Statement of Financial Performance

| Figures in Rand | Note(s) | 2022 | 2021 Restated* |
|---|---------|----------------------|----------------------|
| Revenue | | | |
| Revenue from exchange transactions | | | |
| Service charges | 20 | 8 209 455 | 8 388 020 |
| Rental of facilities and equipment | 21 | 103 253 | 383 352 |
| Interest received - overdue accounts (other services) | 22 | 2 903 025 | 2 069 410 |
| Agency services | 23 | 1 154 816 | 1 797 113 |
| Licences and permits | 24 | 6 755 368 | 5 762 344 |
| Recoveries | 25 | 10 727 810 | - |
| Actuarial gains | 26 | 2 781 000 | 137 000 |
| Other income | 27 | 1 078 356 | 2 504 570 |
| Interest received - investment | 28 | 8 150 056 | 5 845 631 |
| Total revenue from exchange transactions | | 41 863 139 | 26 887 440 |
| Revenue from non-exchange transactions | | | |
| Taxation revenue | | | |
| Property rates | 29 | 67 093 366 | 71 190 715 |
| Traffic fines | 30 | 1 262 056 | 1 625 605 |
| Interest-overdue accounts (property rates) | 31 | 27 429 499 | 22 333 782 |
| Transfer revenue | | | |
| Government grants & subsidies | 32 | 407 340 942 | 458 488 580 |
| Donations received | 33 | - | 6 038 305 |
| Total revenue from non-exchange transactions | | 503 125 863 | 559 676 987 |
| Total revenue | 19 | 544 989 002 | 586 564 427 |
| Expenditure | | | |
| Employee related costs | 34 | (159 435 179) | (153 333 870) |
| Remuneration of councillors | 35 | (24 066 373) | (23 738 556) |
| Depreciation and amortisation | 36 | (96 276 758) | (90 769 847) |
| Impairments loss | 4 | (1 786 619) | (6 298 942) |
| Finance costs | 37 | (6 670 136) | (3 941 143) |
| Lease rentals on operating lease | 38 | (1 906 274) | (1 412 436) |
| Debt Impairment | 39 | (14 419 155) | (41 731 106) |
| Contracted services | 40 | (73 972 158) | (44 889 693) |
| Transfers and Subsidies | 41 | (600 000) | (955 000) |
| Loss on assets written off | 4 | (10 142 256) | (7 393 461) |
| Actuarial losses | 8 | - | (208 000) |
| Obsolete inventory written off | 43 | (19 736) | (5 799) |
| Repairs and maintenance | 44 | (6 011 408) | (5 516 108) |
| General expenses | 42 | (71 966 994) | (56 384 096) |
| Total expenditure | | (467 273 046) | (436 578 057) |
| Surplus for the year | | 77 715 956 | 149 986 370 |

* See Note 60

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Statement of Changes in Net Assets

| Figures in Rand | Accumulated surplus / deficit | Total net assets |
|---|-------------------------------|----------------------|
| Opening balance as previously reported | 1 017 379 852 | 1 017 379 852 |
| Adjustments | | |
| Correction of errors 60 | (3 392 103) | (3 392 103) |
| Balance at 01 July 2020 as restated* | 1 013 987 749 | 1 013 987 749 |
| Changes in net assets | | |
| Surplus for the year | 149 986 370 | 149 986 370 |
| Total changes | 149 986 370 | 149 986 370 |
| Restated* Balance at 01 July 2021 | 1 163 974 120 | 1 163 974 120 |
| Changes in net assets | | |
| Surplus for the year | 77 715 956 | 77 715 956 |
| Total changes | 77 715 956 | 77 715 956 |
| Balance at 30 June 2022 | 1 241 690 076 | 1 241 690 076 |
| Note(s) | | |

* See Note 60

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Cash Flow Statement

| Figures in Rand | Note(s) | 2022 | 2021 Restated* |
|---|---------|-----------------------------|-----------------------------|
| Cash flows from operating activities | | | |
| Receipts | | | |
| Cash receipts from customers | | 80 881 393 | 48 533 643 |
| Grants | | 417 932 677 | 458 488 580 |
| Interest income | | 8 150 056 | 5 845 631 |
| | | <u>506 964 126</u> | <u>512 867 854</u> |
| Payments | | | |
| Employee costs | | (175 303 620) | (171 185 113) |
| Suppliers | | (149 157 543) | (86 333 205) |
| Finance costs | | (6 670 136) | (31 714) |
| | | <u>(331 131 299)</u> | <u>(257 550 032)</u> |
| Net cash flows from operating activities | 47 | <u>175 832 827</u> | <u>255 317 822</u> |
| Cash flows from investing activities | | | |
| Purchase of property, plant and equipment | 4 | (132 194 584) | (164 686 530) |
| Proceeds from sale of property, plant and equipment | 4 | 158 333 | - |
| Purchase of other intangible assets | 5 | (3 157 031) | (2 260 786) |
| | | <u>(135 193 282)</u> | <u>(166 947 316)</u> |
| Net cash flows from investing activities | | <u>(135 193 282)</u> | <u>(166 947 316)</u> |
| Cash flows from financing activities | | | |
| Finance lease payments | | - | (480 166) |
| | | <u>-</u> | <u>(480 166)</u> |
| Net increase/(decrease) in cash and cash equivalents | | 40 639 545 | 87 890 340 |
| Cash and cash equivalents at the beginning of the year | | 179 411 408 | 91 521 068 |
| Cash and cash equivalents at the end of the year | 14 | <u>220 050 953</u> | <u>179 411 408</u> |

* See Note 60

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

| | Approved budget | Adjustments | Final Budget | Actual amounts on comparable basis | Difference between final budget and actual | Reference |
|---|----------------------|---------------------|----------------------|------------------------------------|--|-----------|
| Figures in Rand | | | | | | |
| Statement of Financial Performance | | | | | | |
| Revenue | | | | | | |
| Revenue from exchange transactions | | | | | | |
| Service charges | 10 121 001 | (2 076 773) | 8 044 228 | 8 209 455 | 165 227 | |
| Rental of facilities and equipment | 789 836 | (55 578) | 734 258 | 103 253 | (631 005) | A |
| Interest received (overdue accounts) other services | 21 510 640 | 17 657 | 21 528 297 | 2 903 025 | (18 625 272) | B |
| Agency services | 20 248 144 | 9 100 000 | 29 348 144 | 1 154 816 | (28 193 328) | C |
| Licences and permits | 16 730 000 | (8 300 000) | 8 430 000 | 6 755 368 | (1 674 632) | D |
| Recoveries | - | - | - | 10 727 810 | 10 727 810 | E |
| Actuarial gains | - | - | - | 2 781 000 | 2 781 000 | F |
| Other income | 51 772 236 | (41 743 225) | 10 029 011 | 1 078 356 | (8 950 655) | G |
| Interest received - investment | 7 100 000 | (794 887) | 6 305 113 | 8 150 056 | 1 844 943 | H |
| Gains | - | 11 227 810 | 11 227 810 | - | (11 227 810) | I |
| Total revenue from exchange transactions | 128 271 857 | (32 624 996) | 95 646 861 | 41 863 139 | (53 783 722) | |
| Revenue from non-exchange transactions | | | | | | |
| Taxation revenue | | | | | | |
| Property rates | 76 383 096 | 426 347 | 76 809 443 | 67 093 366 | (9 716 077) | J |
| Traffic fines | 2 250 195 | (1 873 042) | 377 153 | 1 262 056 | 884 903 | K |
| Interest received (overdue accounts) property rates | - | - | - | 27 429 499 | 27 429 499 | |
| Transfer revenue | | | | | | |
| Government grants & subsidies | 408 774 000 | 9 200 000 | 417 974 000 | 407 340 942 | (10 633 058) | |
| Total revenue from non-exchange transactions | 487 407 291 | 7 753 305 | 495 160 596 | 503 125 863 | 7 965 267 | |
| Total revenue | 615 679 148 | (24 871 691) | 590 807 457 | 544 989 002 | (45 818 455) | |
| Expenditure | | | | | | |
| Employee costs | (182 634 307) | 19 622 666 | (163 011 641) | (159 435 179) | 3 576 462 | |
| Remuneration of councillors | (29 978 732) | 6 493 802 | (23 484 930) | (24 066 373) | (581 443) | |
| Depreciation and amortisation | (74 800 000) | 9 000 000 | (65 800 000) | (96 276 758) | (30 476 758) | L |
| Impairment loss/ Reversal of impairments | - | - | - | (1 786 619) | (1 786 619) | |
| Finance costs | - | - | - | (6 670 136) | (6 670 136) | M |
| Lease rentals on operating lease | (3 000 000) | 150 000 | (2 850 000) | (1 906 274) | 943 726 | |
| Debt Impairment | (32 000 000) | 3 000 000 | (29 000 000) | (14 419 155) | 14 580 845 | N |
| Contracted Services | (76 016 284) | (5 865 504) | (81 881 788) | (73 972 158) | 7 909 630 | |
| Transfers and Subsidies | (1 000 000) | 400 000 | (600 000) | (600 000) | - | |
| Repairs and maintenance | (44 600 000) | (5 273 400) | (49 873 400) | (6 011 408) | 43 861 992 | O |
| General Expenses | (57 977 523) | (806 046) | (58 783 569) | (71 414 442) | (12 630 873) | |
| Total expenditure | (502 006 846) | 26 721 518 | (475 285 328) | (456 558 502) | 18 726 826 | |
| Operating surplus | 113 672 302 | 1 849 827 | 115 522 129 | 88 430 500 | (27 091 629) | |
| Loss on assets written off | - | - | - | (10 142 256) | (10 142 256) | |
| Obsolete inventory written off | - | - | - | (19 736) | (19 736) | |

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

| | Approved budget | Adjustments | Final Budget | Actual amounts on comparable basis | Difference between final budget and actual | Reference |
|--|--------------------|------------------|--------------------|------------------------------------|--|-----------|
| Figures in Rand | | | | | | |
| | - | - | - | (10 161 992) | (10 161 992) | |
| Surplus before taxation | 113 672 302 | 1 849 827 | 115 522 129 | 78 268 508 | (37 253 621) | |
| Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement | 113 672 302 | 1 849 827 | 115 522 129 | 78 268 508 | (37 253 621) | |

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

| | Approved budget | Adjustments | Final Budget | Actual amounts on comparable basis | Difference between final budget and actual | Reference |
|--|----------------------|----------------------|----------------------|------------------------------------|--|-----------|
| Figures in Rand | | | | | | |
| Statement of Financial Position | | | | | | |
| Assets | | | | | | |
| Current Assets | | | | | | |
| Inventories | 24 531 942 | 238 161 | 24 770 103 | 33 038 033 | 8 267 930 | |
| Receivables from exchange transactions | - | - | - | 13 257 921 | 13 257 921 | |
| Receivables from non-exchange transactions | - | - | - | 103 353 601 | 103 353 601 | |
| VAT receivable | - | - | - | 20 440 439 | 20 440 439 | |
| Other receivables from exchange transactions | 78 813 106 | 2 973 782 | 81 786 888 | 38 086 198 | (43 700 690) | |
| Cash and cash equivalents | 229 201 021 | (88 787 777) | 140 413 244 | 220 050 953 | 79 637 709 | |
| | 332 546 069 | (85 575 834) | 246 970 235 | 428 227 145 | 181 256 910 | |
| Non-Current Assets | | | | | | |
| Investment property | 26 026 364 | (90 794) | 25 935 570 | 25 599 820 | (335 750) | |
| Property, plant and equipment | 1 021 489 422 | 73 093 272 | 1 094 582 694 | 991 184 532 | (103 398 162) | |
| Intangible assets | 2 163 894 | (667 236) | 1 496 658 | 901 273 | (595 385) | |
| Heritage assets | 206 303 | - | 206 303 | 206 303 | - | |
| | 1 049 885 983 | 72 335 242 | 1 122 221 225 | 1 017 891 928 | (104 329 297) | |
| Total Assets | 1 382 432 052 | (13 240 592) | 1 369 191 460 | 1 446 119 073 | 76 927 613 | |
| Liabilities | | | | | | |
| Current Liabilities | | | | | | |
| Payables from exchange transactions | 394 206 922 | (673 237 138) | (279 030 216) | 104 485 990 | 383 516 206 | |
| Employee benefit obligation | - | - | - | 870 000 | 870 000 | |
| Unspent conditional grants and receipts | - | - | - | 10 591 733 | 10 591 733 | |
| Rehabilitation of dumping-site | - | - | - | 4 568 091 | 4 568 091 | |
| Deferred income | - | - | - | 23 121 083 | 23 121 083 | |
| | 394 206 922 | (673 237 138) | (279 030 216) | 143 636 897 | 422 667 113 | |
| Non-Current Liabilities | | | | | | |
| Employee benefit obligation | - | - | - | 24 020 000 | 24 020 000 | |
| Rehabilitation of dumping-site | 57 323 408 | 2 141 878 | 59 465 286 | 36 772 098 | (22 693 188) | |
| | 57 323 408 | 2 141 878 | 59 465 286 | 60 792 098 | 1 326 812 | |
| Total Liabilities | 451 530 330 | (671 095 260) | (219 564 930) | 204 428 995 | 423 993 925 | |
| Net Assets | 930 901 722 | 657 854 668 | 1 588 756 390 | 1 241 690 078 | (347 066 312) | |
| Net Assets | | | | | | |
| Net Assets Attributable to Owners of Controlling Entity | | | | | | |
| Reserves | | | | | | |
| Accumulated surplus | 930 901 722 | 657 854 668 | 1 588 756 390 | 1 241 690 078 | (347 066 312) | |

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

| | Approved budget | Adjustments | Final Budget | Actual amounts on comparable basis | Difference between final budget and actual | Reference |
|---|----------------------|-----------------------------|-----------------------------|------------------------------------|--|-------------------|
| Figures in Rand | | | | | | |
| Cash Flow Statement | | | | | | |
| Cash flows from operating activities | | | | | | |
| Receipts | | | | | | |
| Cash receipts from customers | 142 792 792 | (82 819 620) | 59 973 172 | 80 881 393 | 20 908 221 | |
| Grants | 408 774 000 | - | 408 774 000 | 417 932 677 | 9 158 677 | |
| Interest income | 20 006 384 | (13 701 271) | 6 305 113 | 8 150 056 | 1 844 943 | |
| | 571 573 176 | (96 520 891) | 475 052 285 | 506 964 126 | 31 911 841 | |
| Payments | | | | | | |
| Employee costs | (212 613 039) | (26 116 468) | (238 729 507) | (175 303 620) | 63 425 887 | |
| Suppliers | (213 575 420) | 70 819 599 | (142 755 821) | (149 157 541) | (6 401 720) | |
| Finance costs | - | - | - | (6 670 136) | (6 670 136) | |
| | (426 188 459) | 44 703 131 | (381 485 328) | (331 131 297) | 50 354 031 | |
| Net cash flows from operating activities | 145 384 717 | (51 817 760) | 93 566 957 | 175 832 829 | 82 265 872 | |
| Cash flows from investing activities | | | | | | |
| Purchase of property, plant and equipment | (113 672 306) | (27 992 815) | (141 665 121) | (132 194 584) | 9 470 537 | |
| Proceeds from sale of assets | - | - | - | 158 333 | 158 333 | |
| Purchase of intangible assets | - | - | - | (3 157 031) | (3 157 031) | |
| Net cash flows from investing activities | (113 672 306) | (27 992 815) | (141 665 121) | (135 193 282) | 6 471 839 | |
| Net increase/(decrease) in cash and cash equivalents | 31 712 411 | (79 810 575) | (48 098 164) | 40 639 547 | 88 737 711 | |
| Cash and cash equivalents at the beginning of the year | 179 411 408 | - | 179 411 408 | 179 411 408 | - | |
| Cash and cash equivalents at the end of the year | 211 123 819 | (79 810 575) | 131 313 244 | 220 050 955 | 88 737 711 | |
| Reconciliation | | | | | | |
| | | Operating Activities | Investing Activities | Financing Activities | Opening cash balance | Total |
| Amounts as per adjusted budget | | 93 566 967 | (141 665 121) | - | 179 411 408 | 131 313 254 |
| Actual amount as per cash flow statement | | 175 832 827 | (135 193 282) | - | 179 411 408 | 220 050 953 |
| | | 82 265 860 | (6 471 839) | - | - | 88 737 699 |

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Accounting Policies

| Figures in Rand | Note(s) | 2022 | 2021 |
|-----------------|---------|------|------|
|-----------------|---------|------|------|

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised 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).

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below.

These accounting policies are consistent with the previous period.

1.1 Presentation currency

These annual financial statements are presented in South African Rand, which is the functional currency of the municipality.

1.2 Going concern assumption

These annual financial statements have been prepared based on the expectation that the municipality will continue to operate as a going concern for at least the next 12 months.

1.3 Materiality

Material omissions or misstatements of items are material if they could, individually or collectively, influence the decisions or assessments of users made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatement judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor.

Assessing whether an omission or misstatement could influence decisions of users, and so be material, requires consideration of the characteristics of those users. The Framework for the Preparation and Presentation of Financial Statements states that users are assumed to have a reasonable knowledge of government, its activities, accounting and a willingness to study the information with reasonable diligence. Therefore, the assessment takes into account how users with such attributes could reasonably be expected to be influenced in making and evaluating decisions.

1.4 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

Trade receivables

The municipality assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the municipality makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for trade receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio. These annual loss ratios are applied to loan balances in the portfolio and scaled to the estimated loss emergence period.

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Accounting Policies

1.4 Significant judgements and sources of estimation uncertainty (continued)

Fair value estimation

The fair value of financial instruments traded in active markets (such as trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the municipality is the current bid price.

The fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) is determined by using valuation techniques. The municipality uses a variety of methods and makes assumptions that are based on market conditions existing at the end of each reporting period. Quoted market prices or dealer quotes for similar instruments are used for long-term debt. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward foreign exchange contracts is determined using quoted forward exchange rates at the end of the reporting period.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the municipality for similar financial instruments.

The carrying amount of available-for-sale financial assets would be an estimated - lower or - higher were the discounted rate used in the discount cash flow analysis to differ by 10% from management's estimates.

Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions.

The municipality reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. In addition, goodwill is tested on an annual basis for impairment. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of goodwill and tangible assets are inherently uncertain and could materially change over time.

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 17 - Provisions.

Post-retirement benefits

The present value of the post-retirement obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) include the discount rate. Any changes in these assumptions will impact on the carrying amount of post-retirement obligations.

The municipality determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the municipality considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

Other key assumptions for pension obligations are based on current market conditions. Additional information is disclosed in Note 8.

Effective interest rate

The municipality used the prime interest rate to discount future cash flows.

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Accounting Policies

1.4 Significant judgements and sources of estimation uncertainty (continued)

Allowance for doubtful debts

On debtors an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the debtors carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

1.5 Investment property

Investment property is property (land or a building - or part of a building - or both) held to earn rentals or for capital appreciation or both, rather than for:

- use in the production or supply of goods or services or for
- administrative purposes, or
- sale in the ordinary course of operations.

Investment property is recognised as an asset when, it is probable that the future economic benefits or service potential that are associated with the investment property will flow to the municipality, and the cost or fair value of the investment property can be measured reliably.

Investment property is initially recognised at cost.

The useful lives of items of investment property has been assessed as follows:

| | |
|----------------------|----------|
| Straight line method | 30 years |
|----------------------|----------|

Investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal.

Gains or losses arising from the retirement or disposal of investment property is the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in surplus or deficit in the period of retirement or disposal.

1.6 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the municipality; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Accounting Policies

1.6 Property, plant and equipment (continued)

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Items such as spare parts, standby equipment and servicing equipment are recognised when they meet the definition of property, plant and equipment.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment are depreciated on the straight-line basis over their expected useful lives to their estimated residual value.

The useful lives of items of property, plant and equipment have been assessed as follows:

| Item | Depreciation method | Average useful life |
|----------------------------------|---------------------|---------------------|
| Buildings | Straight-line | 30years |
| Plant and machinery | Straight-line | |
| • Graders | | 5 - 15 years |
| • Tractors | | 5 - 15 years |
| • Lawn mowers | | 5 -15 years |
| • Compressors | | 5 -15 years |
| • Radio equipment | | 5 - 15 years |
| • Tippers | | 5 -15 years |
| Furniture and fixtures | Straight-line | |
| • Chairs | | 5 -10 years |
| • Tables and desks | | 5 -10 years |
| • Cabinets and cupboards | | 5 -10 years |
| Motor vehicles | Straight-line | |
| • Truck and light vehicles | | 5 - 7 years |
| • Ordinary motor vehicles | | 3 - 20 years |
| Office equipment | Straight-line | |
| • Office machines | | 3 - 5 years |
| • Air conditioners | | 5 - 8 years |
| IT equipment | Straight-line | |
| • Computer hardware | | 3 - 9 years |
| Community | Straight-line | |
| • Cemeteries | | 25 - 30 years |
| • Community halls | | 25 - 30 years |
| • Libraries | | 25 -30 years |
| • Parks | | 30 years |
| • Sports and related stadiums | | 25 - 30 years |
| • Tennis courts | | 10 -30 years |
| • Golf courses | | 10 - 30 years |
| • Outdoor sports facilities | | 10 - 30 years |
| • Flood lighting | | 10 -30 years |
| Infrastructure | Straight-line | |
| • Roads and road furniture | | |
| • Other roads | | 10 years |
| • Traffic lights | | 20 years |
| • Traffic islands | | 15 years |
| • Streets lights | | 20 - 25 years |
| • Overhead bridges | | 30 years |
| • Storm water drains | | 20 years |
| • Bridges, subways and culverts | | 60 - 80 years |
| • Car parks | | 20 years |
| • Bus terminals | | 20 years |
| • Bulk refuse containers (skips) | | 10 years |
| • Household refuse bins | | 5 years |
| • Fire horses | | 5 years |
| • Other fire fighting equipments | | 15 years |
| • Emergency equipment | | 5 years |

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Accounting Policies

1.6 Property, plant and equipment (continued)

Mayoral chain

No asset life as no depreciation is charged

Mace

No asset life as no depreciation is charged

Mayoral gown

No asset life as no depreciation is charged

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the municipality. The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate.

The municipality assesses at each reporting date whether there is any indication that the municipality expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the municipality revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

The municipality separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note 4).

The municipality discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note 4).

1.7 Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the municipality; and
- the cost or fair value of the asset can be measured reliably.

The municipality assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight-line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Amortisation is provided to write down the intangible assets, on a straight-line basis, to their residual values as follows:

| Item | Depreciation method | Average useful life |
|------------------------------|---------------------|---------------------|
| Computer software - licenses | Straight-line | 12 months |

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Accounting Policies

1.8 Heritage assets

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations. No assets lives are allocated.

Recognition

The municipality recognises a heritage asset as an asset if it is probable that future economic benefits or service potential associated with the asset will flow to the municipality, and the cost or fair value of the asset can be measured reliably.

Initial measurement

Heritage assets are measured at cost.

Where a heritage asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

Subsequent measurement

After recognition as an asset, a class of heritage assets is carried at its cost less any accumulated impairment losses.

Impairment

The municipality assesses at each reporting date whether there is an indication that it may be impaired. If any such indication exists, the municipality estimates the recoverable amount or the recoverable service amount of the heritage asset.

Derecognition

The municipality derecognises heritage asset on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of a heritage asset is included in surplus or deficit when the item is derecognised (unless the Standard of GRAP on leases requires otherwise on a sale and leaseback).

1.9 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment.

Derecognition is the removal of a previously recognised financial asset or financial liability from an entity's statement of financial position.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, an entity shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but shall not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate (see the Standard of GRAP on Revenue from Exchange Transactions), transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Accounting Policies

1.9 Financial instruments (continued)

Initial recognition

The entity recognises a financial asset or a financial liability in its statement of financial position when the entity becomes a party to the contractual provisions of the instrument.

Initial measurement of financial assets and financial liabilities

The entity measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Subsequent measurement of financial assets and financial liabilities

The entity measures all financial assets and financial liabilities after initial recognition using the following categories:

Financial instruments at amortised cost.

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

Fair value measurement considerations

The best evidence of fair value is quoted prices in an active market. If the market for a financial instrument is not active, the entity establishes fair value by using a valuation technique. The objective of using a valuation technique is to establish what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal operating considerations. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models. If there is a valuation technique commonly used by market participants to price the instrument and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, the entity uses that technique. The chosen valuation technique makes maximum use of market inputs and relies as little as possible on entity-specific inputs. It incorporates all factors that market participants would consider in setting a price and is consistent with accepted economic methodologies for pricing financial instruments. Periodically, a municipality calibrates the valuation technique and tests it for validity using prices from any observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on any available observable market data.

Reclassification

The entity does not reclassify a financial instrument while it is issued or held unless it is:

- combined instrument that is required to be measured at fair value; or
- an investment in a residual interest that meets the requirements for reclassification.

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Accounting Policies

1.9 Financial instruments (continued)

If fair value can no longer be measured reliably for an investment in a residual interest measured at fair value, the entity reclassifies the investment from fair value to cost. The carrying amount at the date that fair value is no longer available becomes the cost.

If a reliable measure becomes available for an investment in a residual interest for which a measure was previously not available, and the instrument would have been required to be measured at fair value, the entity reclassifies the instrument from cost to fair value.

Gains and losses

A gain or loss arising from a change in the fair value of a financial asset or financial liability measured at fair value is recognised in surplus or deficit.

For financial assets and financial liabilities measured at amortised cost or cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired, or through the amortisation process.

Impairment and uncollectibility of financial assets

The entity assess at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets measured at amortised cost:

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting an allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

If there is objective evidence that an impairment loss has been incurred on an investment in a residual interest that is not measured at fair value because its fair value cannot be measured reliably, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed.

1.10 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

Finance leases - lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease.

Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of on the remaining balance of the liability.

Any contingent rents are expensed in the period in which they are incurred.

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Accounting Policies

1.10 Leases (continued)

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

1.11 Inventories

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Subsequently inventories are measured at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

Current replacement cost is the cost the municipality incurs to acquire the asset on the reporting date.

The cost of inventories comprises of all costs of purchase.

The cost of inventories is assigned using the weighted average cost formula. The same cost formula is used for all inventories having a similar nature and use to the municipality.

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered.

The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.12 Cash and cash equivalents

Cash and cash equivalents comprise bank balances and deposits held at call with banks which are available on demand.

1.13 Impairment of cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets used with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable amount of an asset or a cash-generating unit is the higher its fair value less costs to sell and its value in use.

Useful life is either:

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1.13 Impairment of cash-generating assets (continued)

- the period of time over which an asset is expected to be used by the municipality; or
- the number of production or similar units expected to be obtained from the asset by the municipality.

Judgements made by management in applying the criteria to designate assets as cash-generating assets or non-cash-generating assets, are as follows:

Identification

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the municipality also tests a cash-generating intangible asset with an indefinite useful life or a cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

Value in use

Value in use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life.

When estimating the value in use of an asset, the municipality estimates the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal and the municipality applies the appropriate discount rate to those future cash flows.

Basis for estimates of future cash flows

In measuring value in use the municipality:

- base cash flow projections on reasonable and supportable assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the asset. Greater weight is given to external evidence;
- base cash flow projections on the most recent approved financial budgets/forecasts, but excludes any estimated future cash inflows or outflows expected to arise from future restructuring's or from improving or enhancing the asset's performance. Projections based on these budgets/forecasts covers a maximum period of five years, unless a longer period can be justified; and
- estimate cash flow projections beyond the period covered by the most recent budgets/forecasts by extrapolating the projections based on the budgets/forecasts using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. This growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used, unless a higher rate can be justified.

Composition of estimates of future cash flows

Estimates of future cash flows include:

- projections of cash inflows from the continuing use of the asset;
- projections of cash outflows that are necessarily incurred to generate the cash inflows from continuing use of the asset (including cash outflows to prepare the asset for use) and can be directly attributed, or allocated on a reasonable and consistent basis, to the asset; and
- net cash flows, if any, to be received (or paid) for the disposal of the asset at the end of its useful life.

Estimates of future cash flows exclude:

- cash inflows or outflows from financing activities; and
- income tax receipts or payments.

The estimate of net cash flows to be received (or paid) for the disposal of an asset at the end of its useful life is the amount that the municipality expects to obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the estimated costs of disposal.

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1.13 Impairment of cash-generating assets (continued)

Discount rate

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money, represented by the current risk-free rate of interest and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

Recognition and measurement (individual asset)

If the recoverable amount of a cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

Any impairment loss of a revalued cash-generating asset is treated as a revaluation decrease.

When the amount estimated for an impairment loss is greater than the carrying amount of the cash-generating asset to which it relates, the municipality recognises a liability only to the extent that is a requirement in the Standard of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Cash-generating units

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the municipality determines the recoverable amount of the cash-generating unit to which the asset belongs (the asset's cash-generating unit).

If an active market exists for the output produced by an asset or group of assets, that asset or group of assets is identified as a cash-generating unit, even if some or all of the output is used internally. If the cash inflows generated by any asset or cash-generating unit are affected by internal transfer pricing, the municipality use management's best estimate of future price(s) that could be achieved in arm's length transactions in estimating:

- the future cash inflows used to determine the asset's or cash-generating unit's value in use; and
- the future cash outflows used to determine the value in use of any other assets or cash-generating units that are affected by the internal transfer pricing.

Cash-generating units are identified consistently from period to period for the same asset or types of assets, unless a change is justified.

The carrying amount of a cash-generating unit is determined on a basis consistent with the way the recoverable amount of the cash-generating unit is determined.

An impairment loss is recognised for a cash-generating unit if the recoverable amount of the unit is less than the carrying amount of the unit. The impairment is allocated to reduce the carrying amount of the cash-generating assets of the unit on a pro rata basis, based on the carrying amount of each asset in the unit. These reductions in carrying amounts are treated as impairment losses on individual assets.

In allocating an impairment loss, the entity does not reduce the carrying amount of an asset below the highest of:

- its fair value less costs to sell (if determinable);
- its value in use (if determinable); and
- zero.

The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other cash-generating assets of the unit.

Where a non-cash-generating asset contributes to a cash-generating unit, a proportion of the carrying amount of that non-cash-generating asset is allocated to the carrying amount of the cash-generating unit prior to estimation of the recoverable amount of the cash-generating unit.

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1.13 Impairment of cash-generating assets (continued)

Reversal of impairment loss

The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a cash-generating asset may no longer exist or may have decreased. If any such indication exists, the entity estimates the recoverable amount of that asset.

An impairment loss recognised in prior periods for a cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a cash-generating asset is recognised immediately in surplus or deficit.

Any reversal of an impairment loss of a revalued cash-generating asset is treated as a revaluation increase.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

A reversal of an impairment loss for a cash-generating unit is allocated to the cash-generating assets of the unit pro rata with the carrying amounts of those assets. These increases in carrying amounts are treated as reversals of impairment losses for individual assets. No part of the amount of such a reversal is allocated to a non-cash-generating asset contributing service potential to a cash-generating unit.

In allocating a reversal of an impairment loss for a cash-generating unit, the carrying amount of an asset is not increased above the lower of:

- its recoverable amount (if determinable); and
- the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior periods.

The amount of the reversal of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit.

Re-designation

The re-designation of assets from a cash-generating asset to a non-cash-generating asset or from a non-cash-generating asset to a cash-generating asset only occur when there is clear evidence that such a re-designation is appropriate.

1.14 Impairment of non-cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Non-cash-generating assets are assets other than cash-generating assets.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets managed with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

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1.14 Impairment of non-cash-generating assets (continued)

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

Useful life is either:

- the period of time over which an asset is expected to be used by the municipality; or
- the number of production or similar units expected to be obtained from the asset by the municipality.

Judgements made by management in applying the criteria to designate assets as non-cash-generating assets or cash-generating assets, are as follows:

Value in use

Value in use of non-cash-generating assets is the present value of the non-cash-generating assets remaining service potential.

The present value of the remaining service potential of a non-cash-generating assets is determined using the following approach:

Depreciated replacement cost approach

The present value of the remaining service potential of a non-cash-generating asset is determined as the depreciated replacement cost of the asset. The replacement cost of an asset is the cost to replace the asset's gross service potential. This cost is depreciated to reflect the asset in its used condition. An asset may be replaced either through reproduction (replication) of the existing asset or through replacement of its gross service potential. The depreciated replacement cost is measured as the current reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.

The replacement cost and reproduction cost of an asset is determined on an "optimised" basis. The rationale is that the municipality would not replace or reproduce the asset with a like asset if the asset to be replaced or reproduced is an overdesigned or overcapacity asset. Overdesigned assets contain features which are unnecessary for the goods or services the asset provides. Overcapacity assets are assets that have a greater capacity than is necessary to meet the demand for goods or services the asset provides. The determination of the replacement cost or reproduction cost of an asset on an optimised basis thus reflects the service potential required of the asset.

Recognition and measurement

If the recoverable service amount of a non-cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

Any impairment loss of a revalued non-cash-generating asset is treated as a revaluation decrease.

When the amount estimated for an impairment loss is greater than the carrying amount of the non-cash-generating asset to which it relates, the municipality recognises a liability only to the extent that is a requirement in the Standards of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

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1.14 Impairment of non-cash-generating assets (continued)

Reversal of an impairment loss

The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a non-cash-generating asset may no longer exist or may have decreased. If any such indication exists, the municipality estimates the recoverable service amount of that asset.

An impairment loss recognised in prior periods for a non-cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable service amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a non-cash-generating asset is recognised immediately in surplus or deficit.

Any reversal of an impairment loss of a revalued non-cash-generating asset is treated as a revaluation increase.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Redesignation

The redesignation of assets from a cash-generating asset to a non-cash-generating asset or from a non-cash-generating asset to a cash-generating asset only occur when there is clear evidence that such a redesignation is appropriate.

1.15 Employee benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees.

Other long-term employee benefits are employee benefits (other than post-employment benefits and termination benefits) that are not due to be settled within twelve months after the end of the period in which the employees render the related service.

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Accounting Policies

1.15 Employee benefits (continued)

Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

When an employee has rendered service to the entity during a reporting period, the entity recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The entity measures the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The entity recognises the expected cost of bonus, incentive and performance related payments when the entity has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the entity has no realistic alternative but to make the payments.

Post-employment benefits

Post-employment benefits are employee benefits (other than termination benefits) which are payable after the completion of employment.

Post-employment benefit plans are formal or informal arrangements under which an entity provides post-employment benefits for one or more employees.

Multi-employer plans are defined contribution plans (other than state plans and composite social security programmes) or defined benefit plans (other than state plans) that pool the assets contributed by various entities that are not under common control and use those assets to provide benefits to employees of more than one entity, on the basis that contribution and benefit levels are determined without regard to the identity of the entity that employs the employees concerned.

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1.15 Employee benefits (continued)

Post-employment benefits: Defined benefit plans

Defined benefit plans are post-employment benefit plans other than defined contribution plans.

Actuarial gains and losses comprise experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred) and the effects of changes in actuarial assumptions. In measuring its defined benefit liability the entity recognises actuarial gains and losses in surplus or deficit in the reporting period in which they occur.

Assets held by a long-term employee benefit fund are assets (other than non-transferable financial instruments issued by the reporting entity) that are held by an entity (a fund) that is legally separate from the reporting entity and exists solely to pay or fund employee benefits and are available to be used only to pay or fund employee benefits, are not available to the reporting entity's own creditors (even in liquidation), and cannot be returned to the reporting entity, unless either:

- the remaining assets of the fund are sufficient to meet all the related employee benefit obligations of the plan or the reporting entity; or
- the assets are returned to the reporting entity to reimburse it for employee benefits already paid.

Current service cost is the increase in the present value of the defined benefit obligation resulting from employee service in the current period.

Interest cost is the increase during a period in the present value of a defined benefit obligation which arises because the benefits are one period closer to settlement.

Past service cost is the change in the present value of the defined benefit obligation for employee service in prior periods, resulting in the current period from the introduction of, or changes to, post-employment benefits or other long-term employee benefits. Past service cost may be either positive (when benefits are introduced or changed so that the present value of the defined benefit obligation increases) or negative (when existing benefits are changed so that the present value of the defined benefit obligation decreases). In measuring its defined benefit liability the entity recognises past service cost as an expense in the reporting period in which the plan is amended.

Plan assets comprise assets held by a long-term employee benefit fund and qualifying insurance policies.

The present value of a defined benefit obligation is the present value, without deducting any plan assets, of expected future payments required to settle the obligation resulting from employee service in the current and prior periods.

The return on plan assets is interest, dividends or similar distributions and other revenue derived from the plan assets, together with realised and unrealised gains or losses on the plan assets, less any costs of administering the plan (other than those included in the actuarial assumptions used to measure the defined benefit obligation) and less any tax payable by the plan itself.

The entity account not only for its legal obligation under the formal terms of a defined benefit plan, but also for any constructive obligation that arises from the entity's informal practices. Informal practices give rise to a constructive obligation where the entity has no realistic alternative but to pay employee benefits. An example of a constructive obligation is where a change in the entity's informal practices would cause unacceptable damage to its relationship with employees.

The amount recognised as a defined benefit liability is the net total of the following amounts:

- the present value of the defined benefit obligation at the reporting date;
- minus the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly;
- plus any liability that may arise as a result of a minimum funding requirement

The amount determined as a defined benefit liability may be negative (an asset). The entity measures the resulting asset at the lower of:

- the amount determined above; and
- the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. The present value of these economic benefits is determined using a discount rate which reflects the time value of money.

Any adjustments arising from the limit above is recognised in surplus or deficit.

The entity determines the present value of defined benefit obligations and the fair value of any plan assets with sufficient regularity such that the amounts recognised in the annual financial statements do not differ materially from the amounts that would be determined at the reporting date.

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1.15 Employee benefits (continued)

The entity recognises the net total of the following amounts in surplus or deficit, except to the extent that another Standard requires or permits their inclusion in the cost of an asset:

- current service cost;
- interest cost;
- the expected return on any plan assets and on any reimbursement rights;
- actuarial gains and losses;
- past service cost;
- the effect of any curtailments or settlements; and
- the effect of applying the limit on a defined benefit asset (negative defined benefit liability).

The entity uses the Projected Unit Credit Method to determine the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost. The Projected Unit Credit Method (sometimes known as the accrued benefit method pro-rated on service or as the benefit/years of service method) sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

In determining the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost, an entity shall attribute benefit to periods of service under the plan's benefit formula. However, if an employee's service in later years will lead to a materially higher level of benefit than in earlier years, an entity shall attribute benefit on a straight-line basis from:

- the date when service by the employee first leads to benefits under the plan (whether or not the benefits are conditional on further service); until
- the date when further service by the employee will lead to no material amount of further benefits under the plan, other than from further salary increases.

Actuarial valuations are conducted on an annual basis by independent actuaries separately for each plan. The results of the valuation are updated for any material transactions and other material changes in circumstances (including changes in market prices and interest rates) up to the reporting date.

The entity recognises gains or losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs. The gain or loss on a curtailment or settlement comprises:

- any resulting change in the present value of the defined benefit obligation; and
- any resulting change in the fair value of the plan assets.

Before determining the effect of a curtailment or settlement, the entity re-measure the obligation (and the related plan assets, if any) using current actuarial assumptions (including current market interest rates and other current market prices).

When it is virtually certain that another party will reimburse some or all of the expenditure required to settle a defined benefit obligation, the right to reimbursement is recognised as a separate asset. The asset is measured at fair value. In all other respects, the asset is treated in the same way as plan assets. In surplus or deficit, the expense relating to a defined benefit plan is [OR is not] presented as the net of the amount recognised for a reimbursement.

The entity offsets an asset relating to one plan against a liability relating to another plan when the entity has a legally enforceable right to use a surplus in one plan to settle obligations under the other plan and intends either to settle the obligations on a net basis, or to realise the surplus in one plan and settle its obligation under the other plan simultaneously.

Greater Giyani Municipality

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1.15 Employee benefits (continued)

Actuarial assumptions

Actuarial assumptions are unbiased and mutually compatible.

Financial assumptions are based on market expectations, at the reporting date, for the period over which the obligations are to be settled.

The rate used to discount post-employment benefit obligations (both funded and unfunded) reflect the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the post-employment benefit obligations.

Post-employment benefit obligations are measured on a basis that reflects:

- estimated future salary increases;
- the benefits set out in the terms of the plan (or resulting from any constructive obligation that goes beyond those terms) at the reporting date; and
- estimated future changes in the level of any state benefits that affect the benefits payable under a defined benefit plan, if, and only if, either:
 - those changes were enacted before the reporting date; or
 - past history, or other reliable evidence, indicates that those state benefits will change in some predictable manner, for example, in line with future changes in general price levels or general salary levels.

Assumptions about medical costs take account of estimated future changes in the cost of medical services, resulting from both inflation and specific changes in medical costs.

Other post retirement obligations

The municipality provides post-retirement health care benefits, housing subsidies and gratuities upon retirement to some retirees.

The entitlement to post-retirement health care benefits is based on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment. Independent qualified actuaries carry out valuations of these obligations. The municipality also provides a gratuity and housing subsidy on retirement to certain employees. An annual charge to income is made to cover both these liabilities.

The amount recognised as a liability for other long-term employee benefits is the net total of the following amounts:

- the present value of the defined benefit obligation at the reporting date;
- minus the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly.

The entity shall recognise the net total of the following amounts as expense or revenue, except to the extent that another Standard requires or permits their inclusion in the cost of an asset:

- current service cost;
- interest cost;
- the expected return on any plan assets and on any reimbursement right recognised as an asset;
- actuarial gains and losses, which shall all be recognised immediately;
- past service cost, which shall all be recognised immediately; and
- the effect of any curtailments or settlements.

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1.15 Employee benefits (continued)

Termination benefits

The entity recognises termination benefits as a liability and an expense when the entity is demonstrably committed to either:

- terminate the employment of an employee or group of employees before the normal retirement date; or
- provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

The entity is demonstrably committed to a termination when the entity has a detailed formal plan for the termination and is without realistic possibility of withdrawal. The detailed plan includes [as a minimum]:

- the location, function, and approximate number of employees whose services are to be terminated;
- the termination benefits for each job classification or function; and
- the time at which the plan will be implemented.

Implementation begins as soon as possible and the period of time to complete implementation is such that material changes to the plan are not likely.

Where termination benefits fall due more than 12 months after the reporting date, they are discounted using an appropriate discount rate. The rate used to discount the benefit reflects the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the benefit.

In the case of an offer made to encourage voluntary redundancy, the measurement of termination benefits shall be based on the number of employees expected to accept the offer.

1.16 Provisions and contingencies

Provisions are recognised when:

- the municipality has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the municipality settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating surplus (deficit).

If an entity has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

Greater Giyani Municipality

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1.16 Provisions and contingencies (continued)

A constructive obligation to restructure arises only when an entity:

- has a detailed formal plan for the restructuring, identifying at least:
 - the activity/operating unit or part of an activity/operating unit concerned;
 - the principal locations affected;
 - the location, function, and approximate number of employees who will be compensated for services being terminated;
 - the expenditures that will be undertaken; and
 - when the plan will be implemented; and
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

A restructuring provision includes only the direct expenditures arising from the restructuring, which are those that are both:

- necessarily entailed by the restructuring; and
- not associated with the ongoing activities of the municipality

No obligation arises as a consequence of the sale or transfer of an operation until the municipality is committed to the sale or transfer, that is, there is a binding arrangement.

After their initial recognition contingent liabilities recognised in entity combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note .

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions.

The municipality recognises a provision for financial guarantees and loan commitments when it is probable that an outflow of resources embodying economic benefits and service potential will be required to settle the obligation and a reliable estimate of the obligation can be made.

Determining whether an outflow of resources is probable in relation to financial guarantees requires judgement. Indications that an outflow of resources may be probable are:

- financial difficulty of the debtor;
- defaults or delinquencies in interest and capital repayments by the debtor;
- breaches of the terms of the debt instrument that result in it being payable earlier than the agreed term and the ability of the debtor to settle its obligation on the amended terms; and
- a decline in prevailing economic circumstances (e.g. high interest rates, inflation and unemployment) that impact on the ability of entities to repay their obligations.

Where a fee is received by the municipality for issuing a financial guarantee and/or where a fee is charged on loan commitments, it is considered in determining the best estimate of the amount required to settle the obligation at reporting date. Where a fee is charged and the municipality considers that an outflow of economic resources is probable, an municipality recognises the obligation at the higher of:

- the amount determined using in the Standard of GRAP on Provisions, Contingent Liabilities and Contingent Assets; and
- the amount of the fee initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the Standard of GRAP on Revenue from Exchange Transactions.

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Accounting Policies

1.16 Provisions and contingencies (continued)

Provision for rehabilitation for dumping site

Provision for rehabilitation of landfill site is determined by the expert and it is initially and subsequently recognised at cost.

Changes in the measurement of an existing decommissioning, restoration and similar liability that result from changes in the estimated timing or amount of the outflow of resources embodying economic benefits or service potential required to settle the obligation, or a change in the discount rate.

The periodic unwinding of the discount is recognised in surplus or deficit as a finance cost as it occurs.

1.17 Commitments

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

Disclosures are required in respect of unrecognised contractual commitments.

Commitments for which disclosure is necessary to achieve a fair presentation should be disclosed in a note to the financial statements, if both the following criteria are met:

- Contracts should be non-cancellable or only cancellable at significant cost (for example, contracts for computer or building maintenance services); and
- Contracts should relate to something other than the routine, steady, state business of the entity – therefore salary commitments relating to employment contracts or social security benefit commitments are excluded.

1.18 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the municipality receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the municipality has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Accounting Policies

1.18 Revenue from exchange transactions (continued)

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Agency Services

Income for agency services is recognised on a monthly basis once the income collected on behalf of agents has been quantified. The income recognised is in terms of the agency agreement.

The revenue is limited to the amount of any fee or commission payable to the municipality as compensation for executing the agreed services.

Collection charges are recognised when such amounts are incurred.

Interest

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality, and
- The amount of the revenue can be measured reliably.

Interest is recognised using the effective interest rate method for financial instruments, and using the nominal interest rate method for statutory receivables. Interest levied on transactions arising from exchange or non-exchange transactions is classified based on the nature of the underlying transaction.

Deferred Income

Deferred income (also known as deferred revenue, unearned revenue, or unearned income) is, in accrual accounting, money received for goods or services which has not yet been earned.

Deferred income is recorded as a liability until delivery of goods and services is made, at which time it is converted into revenue.

1.19 Revenue from non-exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received and receivable by a municipality, which represents an increase in net assets, other than increases relating to contributions from owners.

Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange.

Fines are economic benefits or service potential received or receivable by entities, as determined by a court or other law enforcement body, as a consequence of the breach of laws or regulations.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, a municipality either receives value from another municipality without directly giving approximately equal value in exchange, or gives value to another municipality without directly receiving approximately equal value in exchange.

The taxable event is the event that the government, legislature or other authority has determined will be subject to taxation.

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Accounting Policies

1.19 Revenue from non-exchange transactions (continued)

Taxes are economic benefits or service potential compulsorily paid or payable to entities, in accordance with laws and or regulations, established to provide revenue to government. Taxes do not include fines or other penalties imposed for breaches of the law.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the municipality satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the municipality.

When, as a result of a non-exchange transaction, the municipality recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

Taxes

Resources arising from taxes satisfy the definition of an asset when the municipality controls the resources as a result of a past event (the taxable event) and expects to receive future economic benefits or service potential from those resources. Resources arising from taxes satisfy the criteria for recognition as an asset when it is probable that the inflow of resources will occur and their fair value can be reliably measured. The degree of probability attached to the inflow of resources is determined on the basis of evidence available at the time of initial recognition, which includes, but is not limited to, disclosure of the taxable event by the taxpayer.

The taxable event for value added tax is the undertaking of taxable activity during the taxation period by the taxpayer.

Taxation revenue is determined at a gross amount. It is not reduced for expenses paid through the tax system.

Transfers

Apart from Services in kind, which are not recognised, the municipality recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

The municipality recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

Transferred assets are measured at their fair value as at the date of acquisition.

Fines

Fines are recognised as revenue when the receivable meets the definition of an asset and satisfies the criteria for recognition as an asset.

Assets arising from fines are measured at the best estimate of the inflow of resources to the municipality.

Where the municipality collects fines in the capacity of an agent, the fine will not be revenue of the collecting entity.

Fines are recognised when traffic fines are issued or when the date to appear in court per traffic fine arrive or on cash received by municipality

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Accounting Policies

1.19 Revenue from non-exchange transactions (continued)

Gifts and donations, including goods in-kind

Gifts and donations, including goods in kind, are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably.

Grants

Unconditional Grants

Equitable share and LGSETA allocations are recognised as revenue as and when they are received.

Conditional Grants

Conditional grants are recognized as revenue to the extent that the Municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. Where the agreement contains a stipulation to return the asset, other future economic benefits, or service potential, in the event of non-compliance to these stipulations and would be enforced by the transferor.

1.20 Investment income

Investment income is recognised on a time-proportion basis using the effective interest method.

1.21 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year. When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are restated. The nature and reason for the reclassification is disclosed.

Where accounting errors have been identified in the current year, the correction is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

1.22 Unauthorised expenditure

Unauthorised expenditure means:

- overspending of a vote or a main division within a vote; and
- expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

All expenditure relating to unauthorised expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.23 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.24 Irregular expenditure

Irregular expenditure that was incurred and identified during the current financial and which was written off before year end and/or before finalisation of the financial statements must also be recorded appropriately in the irregular expenditure register. In such an instance, no further action is also required with the exception of updating the note to the financial statements.

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Accounting Policies

1.24 Irregular expenditure (continued)

Irregular expenditure that was incurred and identified during the current financial year and for which writing off is being awaited at year end must be recorded in the irregular expenditure register. No further action is required with the exception of updating the note to the financial statements.

Where irregular expenditure was incurred in the previous financial year and is only written off in the following financial year, the register and the disclosure note to the financial statements must be updated with the amount written off.

Irregular expenditure that was incurred and identified during the current financial year and which was not wrote off by the National Treasury or the relevant authority must be recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law. Immediate steps must thereafter be taken to recover the amount from the person concerned. If recovery is not possible, the accounting officer or accounting authority may write off the amount as debt impairment and disclose such in the relevant note to the financial statements.

The irregular expenditure register must also be updated accordingly. If the irregular expenditure has not been written off and no person is liable in law, the expenditure related thereto must remain against the relevant programme/expenditure item, be disclosed as such in the note to the financial statements and updated accordingly in the irregular expenditure register.

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the economic entity's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance

1.25 Budget information

General purpose financial reporting by municipality shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on a modified cash basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 2021/07/01 to 2022/06/30.

The budget for the economic entity includes all the entities approved budgets under its control.

Explanation of Variances

Differences between budget and actuals which are less than 10% are considered immaterial and will be accepted without further explanation.

Differences between Original Budget and Adjustment budget which are less than 10% are considered immaterial and will be accepted without further explanation.

Explanations will be provided for all variances which exceeds 10% of budget versus actuals and Original Budget versus Adjustment Budget.

Comparative information is not required.

1.26 Related parties

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Joint control is the agreed sharing of control over an activity by a binding arrangement, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the ventures).

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Accounting Policies

1.26 Related parties (continued)

Related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

Significant influence is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies.

Management are those persons responsible for planning, directing and controlling the activities of the municipality, including those charged with the governance of the municipality in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by that person in their dealings with the municipality.

The municipality is exempt from disclosure requirements in relation to related party transactions if that transaction occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable to expect the municipality to have adopted if dealing with that individual entity or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting entity's legal mandate.

Where the municipality is exempt from the disclosures in accordance with the above, the municipality discloses narrative information about the nature of the transactions and the related outstanding balances, to enable users of the entity's financial statements to understand the effect of related party transactions on its annual financial statements.

1.27 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The municipality will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The municipality will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

1.28 Value Added Tax

Revenue, expenses and assets are recognised net of amounts of Value Added Tax. The net amount of Value Added Tax recoverable from or payable to SARS is included as part of receivables or payables in the Statement of Financial Position.

The municipality is a registered VAT vendor and account for VAT on a payment basis.

The following rates are applicable:

Standard rated supplies (15%)

Zero rated supplies (0%)

Exempted supplies (-)

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

| | | |
|-----------------|------|------|
| Figures in Rand | 2022 | 2021 |
|-----------------|------|------|

2. New standards and interpretations

2.1 Standards and interpretations issued, but not yet effective

The municipality has not applied the following standards and interpretations, which have been published and are mandatory for the municipality's accounting periods beginning on or after 01 July 2022 or later periods:

2.2 Standards and interpretations not yet effective or relevant

The following standards and interpretations have been published and are mandatory for the municipality's accounting periods beginning on or after 01 July 2022 or later periods but are not relevant to its operations:

Guideline: Guideline on Accounting for Landfill Sites

The objective of this guideline: The Constitution of South Africa, 1996 (Act No. 108 of 1996) (the constitution), gives local government the executive authority over the functions of cleaning, refuse removal, refuse dumps and solid waste disposal. Even though waste disposal activities are mainly undertaken by municipalities, other public sector entities may also be involved in these activities from time to time. Concerns were raised about the inconsistent accounting practices for landfill sites and the related rehabilitation provision where entities undertake waste disposal activities. The objective of the Guideline is therefore to provide guidance to entities that manage and operate landfill sites. The guidance will improve comparability and provide the necessary information to the users of the financial statements to hold entities accountable and for decision making. The principles from the relevant Standards of GRAP are applied in accounting for the landfill site and the related rehabilitation provision. Where appropriate, the Guideline also illustrates the accounting for the land in a landfill, the landfill site asset and the related rehabilitation provision.

It covers: Overview of the legislative requirements that govern landfill sites, Accounting for land, Accounting for the landfill site asset, Accounting for the provision for rehabilitation, Closure, End-use and monitoring, Other considerations, and Annexures with Terminology & References to pronouncements used in the Guideline.

The effective date of the guideline is for years beginning on or after 01 April 2009.

The municipality does not envisage the adoption of the guideline until such time as it becomes applicable to the municipality's operations.

It is unlikely that the standard will have a material impact on the municipality's annual financial statements.

GRAP 25 (as revised): Employee Benefits

Background

The Board issued the Standard of GRAP on Employee Benefits (GRAP 25) in November 2009. GRAP 25 was based on the International Public Sector Accounting Standard on Employee Benefits (IPSAS 25) effective at that time. However, GRAP 25 was modified in some respects where the Board decided the requirements of the International Accounting Standard on Employee Benefits (IAS® 19) were more appropriate. Specifically, the Board:

- Eliminated the corridor method and required recognition of actuarial gains and losses in full in the year that they arise.
- Required the recognition of past service costs in the year that a plan is amended, rather than on the basis of whether they are vested or unvested.

Since 2009, the International Accounting Standards Board® has made several changes to IAS 19, including changes to the recognition of certain benefits, and where these changes are recognised. The IPSASB made similar changes to its standard and as a result of the extent of changes, issued IPSAS 39 on Employee Benefits to replace IPSAS 25 in 2016.

When the Board consulted locally on the proposed amendments to IPSAS 25 in 2016, stakeholders welcomed the amendments to align IPSAS 25 to IAS 19 and supported the changes that resulted in IPSAS 39.

In developing GRAP 25, the Board agreed to include the guidance from the IFRS Interpretation on IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (IFRIC 14®) partly in GRAP 25 and partly in the Interpretation of the Standards of GRAP on The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (IGRAP 7).

Notes to the Annual Financial Statements

2. New standards and interpretations (continued)

Key amendments to GRAP 25

The Board agreed to align GRAP 25 with IPSAS 39, but that local issues and the local environment need to be considered. As a result of this decision, there are areas where GRAP 25 departs from the requirements of IPSAS 39. The Board's decisions to depart are explained in the basis for conclusions.

The amendments to GRAP 25 are extensive and mostly affect the accounting for defined benefit plans. A new renumbered Standard of GRAP (e.g. GRAP 39) will not be issued, but rather a new version of the current GRAP 25.

The effective date of these revisions have not yet been set. 01 April 2009.

The municipality does not envisage the adoption of the revisions until such time as it becomes applicable to the municipality's operations.

It is unlikely that the revisions will have a material impact on the municipality's annual financial statements.

iGRAP 7 (as revised): Limit on defined benefit asset, minimum funding requirements and their interaction

Background

The Board issued the Standard of GRAP on Employee Benefits (GRAP 25) in November 2009. GRAP 25 was based on the International Public Sector Accounting Standard on Employee Benefits (IPSAS 25) effective at that time. However, GRAP 25 was modified in some respects where the Board decided the requirements of the International Accounting Standard on Employee Benefits (IAS® 19) were more appropriate. Specifically, the Board:

- Eliminated the corridor method and required recognition of actuarial gains and losses in full in the year that they arise.
- Required the recognition of past service costs in the year that a plan is amended, rather than on the basis of whether they are vested or unvested.

Since 2009, the International Accounting Standards Board® has made several changes to IAS 19, including changes to the recognition of certain benefits, and where these changes are recognised. The IPSASB made similar changes to its standard and as a result of the extent of changes, issued IPSAS 39 on Employee Benefits to replace IPSAS 25 in 2016.

When the Board consulted locally on the proposed amendments to IPSAS 25 in 2016, stakeholders welcomed the amendments to align IPSAS 25 to IAS 19 and supported the changes that resulted in IPSAS 39.

In developing GRAP 25, the Board agreed to include the guidance from the IFRS Interpretation on IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (IFRIC 14®) partly in GRAP 25 and partly in the Interpretation of the Standards of GRAP on The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (IGRAP 7).

The effective date of these revisions have not yet been set. 01 April 2009.

The municipality does not envisage the adoption of the expects to adopt until such time as it becomes applicable to the revisions's operations.

It is unlikely that the revisions will have a material impact on the municipality's annual financial statements.

GRAP 104 (as revised): Financial Instruments

Following the global financial crisis, a number of concerns were raised about the accounting for financial instruments. This included that (a) information on credit losses and defaults on financial assets was received too late to enable proper decision-making, (b) using fair value in certain instances was inappropriate, and (c) some of the existing accounting requirements were seen as too rules based. As a result, the International Accounting Standards Board® amended its existing Standards to deal with these issues. The IASB issued IFRS® Standard on Financial Instruments (IFRS 9) in 2009 to address many of the concerns raised. Revisions were also made to IAS® on Financial Instruments: Presentation and the IFRS Standard® on Financial Instruments: Disclosures. The IPSASB issued revised International Public Sector Accounting Standards in June 2018 so as to align them with the equivalent IFRS Standards.

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

2. New standards and interpretations (continued)

The revisions better align the Standards of GRAP with recent international developments. The amendments result in better information available to make decisions about financial assets and their recoverability, and more transparent information on financial liabilities.

The most significant changes to the Standard affect:

- Financial guarantee contracts issued
- Loan commitments issued
- Classification of financial assets
- Amortised cost of financial assets
- Impairment of financial assets
- Disclosures

The effective date of the revisions is not yet set by the Minister of Finance.

The municipality does not envisage the adoption of the revisions until such time as it becomes applicable to the municipality's operations.

It is unlikely that the standard will have a material impact on the municipality's annual financial statements.

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand

3. Investment property

| | 2022 | | | 2021 | | |
|---------------------|------------------|---|----------------|------------------|---|----------------|
| | Cost / Valuation | Accumulated depreciation and accumulated impairment | Carrying value | Cost / Valuation | Accumulated depreciation and accumulated impairment | Carrying value |
| Investment property | 26 199 580 | (599 760) | 25 599 820 | 26 199 580 | (509 010) | 25 690 570 |

Reconciliation of investment property - 2022

| | | | |
|---------------------|-----------------|--------------|------------|
| Investment property | Opening balance | Depreciation | Total |
| | 25 690 570 | (90 750) | 25 599 820 |

Reconciliation of investment property - 2021

| | | | | |
|---------------------|-----------------|------------------|--------------|------------|
| Investment property | Opening balance | Reclassification | Depreciation | Total |
| | 26 026 364 | (245 000) | (90 794) | 25 690 570 |

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

| Figures in Rand | 2022 | 2021 |
|--|------------------|------------------|
| 3. Investment property (continued) | | |
| The following properties are not in the name of the Municipality: These properties are not in the investment property register: Rental of these properties is not billed to the | | |
| GIYANI A ERF 121 | 600 000 | 600 000 |
| GIYANI A ERF 123 | 200 000 | 200 000 |
| GIYANI E ERF 401 | 400 000 | 400 000 |
| GIYANI A ERF 149 | 200 000 | 200 000 |
| GIYANI E ERF 655 | 240 000 | 240 000 |
| GIYANI E ERF 656 | 240 000 | 240 000 |
| GIYANI E ERF 662 | 400 000 | 400 000 |
| GIYANI E ERF 666 | 400 000 | 400 000 |
| GIYANI A ERF 187 | 440 000 | 440 000 |
| GIYANI A ERF 188 | 520 000 | 520 000 |
| GIYANI A ERF 189 | 600 000 | 600 000 |
| GIYANI A ERF 190 | 460 000 | 460 000 |
| GIYANI A ERF 195 | 200 000 | 200 000 |
| GIYANI A ERF 1989 | 500 000 | 500 000 |
| GIYANI A ERF 236 | 200 000 | 200 000 |
| GIYANI A ERF 518 | 200 000 | 200 000 |
| GIYANI A ERF 561 | 200 000 | 200 000 |
| GIYANI A ERF 562 | 500 000 | 500 000 |
| GIYANI A ERF 736 | 200 000 | 200 000 |
| GIYANI A ERF 741 | 320 000 | 320 000 |
| GIYANI A ERF 742 | 360 000 | 360 000 |
| GIYANI A ERF 744 | 200 000 | 200 000 |
| GIYANI A ERF 86 | 200 000 | 200 000 |
| | 7 780 000 | 7 780 000 |

Recognition of investment properties

The municipality has registered the investment properties (land and houses) in the Deeds Office and were recognised in the investment property register.

In the financial year 2019/2020 the council passed a resolution to demarcate (for residential purposes) and sell land belonging to the municipality. As a result of this land to the value R 31 085 000 was transferred from investment property to inventory.

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

Restrictions on the realisability of investment property or the remittance of revenue and proceeds of disposal are as follows:

Contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements is as follows:

In the exceptional cases when the municipality has to measure investment property using the cost model in the Standard of GRAP on Property, Plant and Equipment when the municipality subsequently uses the fair value measurement, disclose the following:

- a description of the investment property,
- an explanation of why fair value cannot be determined reliably,
- if possible, the range of estimates within which fair value is highly likely to lie, and
- on disposal of investment property not carried at fair value:
 - the fact that the entity has disposed of investment property not carried at fair value,
 - the carrying amount of that investment property at the time of sale, and
 - the amount of gain or loss recognised.

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand

4. Property, plant and equipment

| | 2022 | | | 2021 | | |
|------------------------|----------------------|---|--------------------|----------------------|---|--------------------|
| | Cost / Valuation | Accumulated depreciation and accumulated impairment | Carrying value | Cost / Valuation | Accumulated depreciation and accumulated impairment | Carrying value |
| Land | 30 270 035 | - | 30 270 035 | 30 270 035 | - | 30 270 035 |
| Buildings | 141 561 751 | (29 811 500) | 111 750 251 | 135 005 979 | (25 431 605) | 109 574 374 |
| Plant and machinery | 36 044 366 | (12 785 597) | 23 258 769 | 29 226 253 | (10 636 180) | 18 590 073 |
| Furniture and fixtures | 6 678 045 | (2 141 914) | 4 536 131 | 6 735 404 | (1 566 361) | 5 169 043 |
| Motor vehicles | 17 620 929 | (9 192 212) | 8 428 717 | 17 146 761 | (7 978 513) | 9 168 248 |
| Office equipment | 1 011 608 | (732 161) | 279 447 | 1 039 154 | (622 783) | 416 371 |
| IT equipment | 9 666 688 | (4 453 577) | 5 213 111 | 8 769 754 | (3 926 546) | 4 843 208 |
| Infrastructure | 1 108 960 615 | (499 826 031) | 609 134 584 | 1 038 773 101 | (434 431 526) | 604 341 575 |
| Community | 223 905 642 | (28 115 190) | 195 790 452 | 203 604 077 | (24 985 506) | 178 618 571 |
| Air conditioners | 3 740 536 | (1 217 501) | 2 523 035 | 3 845 639 | (834 277) | 3 011 362 |
| Total | 1 579 460 215 | (588 275 683) | 991 184 532 | 1 474 416 157 | (510 413 297) | 964 002 860 |

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand

4. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2022

| | Opening balance | Additions | Disposals | WIP | Assets written off | Derecognition | Depreciation | Impairment loss | Total |
|------------------------|--------------------|------------------|------------------|--------------------|--------------------|--------------------|---------------------|--------------------|--------------------|
| Land | 30 270 035 | - | - | - | - | - | - | - | 30 270 035 |
| Buildings | 109 574 374 | - | - | 6 608 108 | (26 164) | - | (4 376 831) | (29 236) | 111 750 251 |
| Plant and machinery | 18 590 073 | 7 005 302 | - | - | (40 234) | - | (2 296 372) | - | 23 258 769 |
| Furniture and fixtures | 5 169 043 | - | - | - | (13 887) | - | (618 516) | (509) | 4 536 131 |
| Motor vehicles | 9 168 248 | 706 624 | - | - | (15 494) | - | (1 430 661) | - | 8 428 717 |
| Office equipment | 416 371 | - | - | - | (11) | - | (136 913) | - | 279 447 |
| IT equipment | 4 843 208 | 1 710 068 | (158 333) | - | (56 481) | - | (1 116 335) | (9 016) | 5 213 111 |
| Infrastructure | 604 341 575 | - | - | 94 509 594 | (3 743 290) | (5 087 384) | (79 149 196) | (1 736 715) | 609 134 584 |
| Community | 178 618 571 | - | - | 21 654 888 | (1 073 158) | - | (3 402 372) | (7 477) | 195 790 452 |
| Air conditioners | 3 011 362 | - | - | - | (28 264) | - | (456 397) | (3 666) | 2 523 035 |
| | 964 002 860 | 9 421 994 | (158 333) | 122 772 590 | (4 996 983) | (5 087 384) | (92 983 593) | (1 786 619) | 991 184 532 |

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4. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2021

| | Opening balance | Additions | Donations received | Prior Period error | Transfers | WIP | Depreciation | Impairment loss | Loss on written off | Total |
|------------------------|--------------------|-------------------|--------------------|--------------------|---------------------|--------------------|---------------------|--------------------|---------------------|--------------------|
| Land | 7 219 718 | - | - | 23 050 317 | - | - | - | - | - | 30 270 035 |
| Buildings | 117 957 797 | - | - | - | (6 871 967) | 2 088 383 | (3 599 839) | - | - | 109 574 374 |
| Plant and machinery | 8 233 051 | 4 108 539 | 5 377 400 | 2 768 806 | - | - | (1 700 925) | (18 239) | (178 559) | 18 590 073 |
| Furniture and fixtures | 623 838 | 4 992 198 | 46 000 | 14 837 | - | - | (466 610) | - | (41 220) | 5 169 043 |
| Motor vehicles | 6 124 317 | 3 471 558 | - | 968 327 | - | - | (1 379 802) | - | (16 152) | 9 168 248 |
| Office equipment | 306 503 | 117 600 | 172 960 | 1 379 | - | - | (157 927) | - | (24 144) | 416 371 |
| IT equipment | 2 888 054 | 2 850 989 | 417 910 | 132 649 | - | - | (1 044 102) | - | (402 292) | 4 843 208 |
| Infrastructure | 615 110 257 | 190 000 | - | (17 996 400) | - | 95 984 657 | (77 000 007) | (5 223 352) | (6 723 580) | 604 341 575 |
| Community | 151 076 277 | - | - | - | - | 31 686 846 | (3 087 200) | (1 057 352) | - | 178 618 571 |
| Electricity projects | - | - | - | (8 547 902) | (14 735 282) | 23 283 184 | - | - | - | - |
| Air conditioners | 550 876 | 2 784 543 | 18 401 | - | - | - | (334 618) | - | (7 840) | 3 011 362 |
| | 910 090 688 | 18 515 427 | 6 032 671 | 392 013 | (21 607 249) | 153 043 070 | (88 771 030) | (6 298 943) | (7 393 787) | 964 002 860 |

Capitalisation of Electrified Villages

From the 2018/2019 financial year all electrification of villages' projects which are not complete at year-end are capitalised

Electrification of villages' projects which are not complete at year-end are capitalised under Work-in-Progress in Property, Plant and Equipment.

Electrification of villages are only expensed upon completion in the Statement of Financial Performance when they are transferred to Eskom.

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|--|------------------|------------------|
| 4. Property, plant and equipment (continued) | | |
| During the year all assets were assessed for impairment and the following assets were impaired: | | |
| Buildings | 29 236 | - |
| Plant and machinery | 509 | 18 239 |
| IT equipment | 9 016 | - |
| Infrastructure | 1 736 715 | 5 223 352 |
| Community | 7 477 | 1 057 352 |
| Air conditioners | 3 666 | - |
| | 1 786 619 | 6 298 943 |

During the financial year the following assets were written off as follows at carrying value

| | | |
|------------------------|------------------|------------------|
| Buildings | 26 164 | - |
| Plant and machinery | 40 234 | 178 559 |
| Furniture and fixtures | 13 887 | 41 220 |
| Motor vehicles | 15 494 | 16 152 |
| Office equipment | 11 | 24 144 |
| IT equipment | 56 481 | 402 292 |
| Infrastructure | 3 743 290 | 6 723 580 |
| Community | 1 073 158 | - |
| Air conditioners | 28 264 | 7 840 |
| | 4 996 983 | 7 393 787 |

Reconciliation of Work-in-Progress 2022

| | Included within Infrastructure | Included within Community | Included within Other PPE | Included within Electricity Projects | Total |
|--------------------------------|--------------------------------|---------------------------|---------------------------|--------------------------------------|--------------------|
| Opening balance | 72 125 904 | 98 008 912 | 5 823 540 | - | 175 958 356 |
| Additions/capital expenditure | 94 509 594 | 21 654 887 | 6 608 108 | 19 417 905 | 142 190 494 |
| Transferred to completed items | (111 981 265) | - | - | (19 417 905) | (131 399 170) |
| | 54 654 233 | 119 663 799 | 12 431 648 | - | 186 749 680 |

Reconciliation of Work-in-Progress 2021

| | Included within Infrastructure | Included within Community Assets | Included within Other PPE | Included within Electricity Projects | Restated Opening Balance |
|----------------------------------|--------------------------------|----------------------------------|---------------------------|--------------------------------------|--------------------------|
| Opening balance | 81 118 980 | 102 269 574 | 80 075 623 | - | 263 464 177 |
| Additions/capital expenditure | 95 984 657 | 31 686 845 | 2 088 383 | 23 283 184 | 153 043 069 |
| Transferred to completed items | (105 710 148) | (35 947 507) | (76 340 466) | (14 735 282) | (232 733 403) |
| Correction of prior period error | 732 393 | - | - | (8 547 902) | (7 815 509) |
| | 72 125 882 | 98 008 912 | 5 823 540 | - | 175 958 334 |

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|-----------------|------|------|

4. Property, plant and equipment (continued)

Halted projects

Carrying value of property, plant and equipment where construction or development has been halted either during the current or previous reporting period(s), including reasons and any impairment losses recognised in relation to these assets:

| | | |
|--|-------------------|-------------------|
| A. Development of Giyani section E sports centre | 25 463 079 | 25 463 079 |
| B. Access road to tribal offices | 2 982 099 | 2 982 099 |
| C. Refurbishment of Giyani Stadium | 1 800 822 | 1 800 822 |
| D. Refurbishment of Sporting Facilities (Gawula) | 4 238 167 | 4 238 167 |
| E. Ndhambi Taxi rank | - | 591 840 |
| | 34 484 167 | 35 076 007 |

A. Development of Section E sports Centre: The project is under litigation, until such matters have been concluded.

B. Access Road to Tribal Offices: Consultant was appointed for designs, the project was earmarked for MIG, COGTA no longer funding and the project to be withdrawn.

C. Refurbishment of Giyani Stadium: Sporting: Project encountered community interferences which resulted in Project stoppages, however the Municipality has a plan to complete the project through the 2022/23 FY.

D. Refurbishment of Sporting Facilities (Gawula): There are defects on the project where the previous contractor must come and rectify before the Municipality can start with the process of appointing the new service provider to do the remaining scope of works.

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5. Intangible assets

| | 2022 | | | 2021 | | |
|-------------------|------------------|---|----------------|------------------|---|----------------|
| | Cost / Valuation | Accumulated amortisation and accumulated impairment | Carrying value | Cost / Valuation | Accumulated amortisation and accumulated impairment | Carrying value |
| Computer software | 9 674 315 | (8 773 042) | 901 273 | 6 517 284 | (5 570 626) | 946 658 |

Reconciliation of intangible assets - 2022

| | Opening balance | Additions | Amortisation | Total |
|-------------------|-----------------|-----------|--------------|---------|
| Computer software | 946 658 | 3 157 031 | (3 202 416) | 901 273 |

Reconciliation of intangible assets - 2021

| | Opening balance | Additions | Amortisation | Total |
|-------------------|-----------------|-----------|--------------|---------|
| Computer software | 593 894 | 2 260 786 | (1 908 022) | 946 658 |

6. Heritage assets

| | 2022 | | | 2021 | | |
|------------------------|------------------|-------------------------------|----------------|------------------|-------------------------------|----------------|
| | Cost / Valuation | Accumulated impairment losses | Carrying value | Cost / Valuation | Accumulated impairment losses | Carrying value |
| Council Related Assets | 206 303 | - | 206 303 | 206 303 | - | 206 303 |

Reconciliation of heritage assets 2022

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6. Heritage assets (continued)

Council Related Assets

| Opening balance | Total |
|-----------------|---------|
| 206 303 | 206 303 |

Reconciliation of heritage assets 2021

Council Related Assets

| Opening balance | Total |
|-----------------|---------|
| 206 303 | 206 303 |

Age and/or condition of heritage assets

All heritage assets have a condition grading of 3, which translate to fair per the municipality's generic condition assessment methodology.

Council related assets are not held for sale.

Council related assets are not held for security at year end.

There are no contractual commitment to procure, maintain and restore any Council related assets.

No Council related assets were impaired the year end.

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|----------------------------------|---------------|---------------|
| 7. Other financial assets | | |
| VBS Investments | 148 534 882 | 159 262 692 |
| Impairment on VBS investment | (148 534 882) | (159 262 692) |
| | - | - |

Impairment is provided for investment in VBS as per National Treasury communication in 2018 financial year due to the bank being put under curatorship and the possibility that the capital invested might be irrecoverable.

Subsequent to the payment of R10 727 810 during the month of February 2022 through the bank liquidator, the status has since changed. The municipality has since received impairment as a result of the payment received.

National Treasury has commissioned investigation into the transactions and the council has implemented consequence management.

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8. Employee benefit obligations

Defined benefit plan

The effective date of the valuation is 30 June 2022 (the "Valuation Date 30 June 2022").

The valuation considers all employees, retirees and their dependents whose participation in the health care arrangements entitles them to a post-employment medical aid subsidy. The post-employment health care liability is not a funded arrangement, i.e. no separate assets have been set aside to meet this liability

Eligible employees will receive a post-employment subsidy of 60% of the contribution payable should they be a member of a medical scheme at retirement. All subsidies are subject to a maximum of R 4 773.12 for the year ending 30 June 2022. The maximum subsidy amount has been assumed to increase in the future at 6.25% of salary inflation.

Table below shows the development of the accrued liability over the current period, and projects the Municipality's Unfunded Accrued Liability and periodic costs over the two-year period following the Valuation Date.

Past year and future projected liability

| | Year ending 30/06/2019 | Year ending 30/06/2020 | Year ending 30/06/2021 | Year ending 30/06/2022 |
|----------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Opening accrued liability | 16 504 209 | 18 884 884 | 14 421 000 | 16 755 000 |
| Current service cost | 928 478 | 1 233 262 | 832 000 | 1 164 000 |
| Interest cost | 1 633 917 | 2 020 683 | 1 639 000 | 1 798 000 |
| Actuarial loss/(gain) | (181 720) | (7 717 829) | (137 000) | (2 749 000) |
| Closing accrued liability | 18 884 884 | 14 421 000 | 16 755 000 | 16 968 000 |

Notes

- These projections assume that the Municipality's health care arrangements and subsidy policy will remain as outlined above, and that all the actuarial assumptions made are borne out in practice. In addition, it is assumed that no contributions are made by the Municipality towards prefunding its liability via an off-balance sheet vehicle.
- Contributions or benefits paid refer to medical scheme contributions made by the Municipality with respect to its subsidy of current continuation members.
- There are no Past Service Costs, Curtailments or Settlements to reflect.

Key Assumptions

| | | |
|---------------------------------|--------|--------|
| Discount rate | 11,84% | 10,73% |
| Health care cost inflation rate | 8,45% | 7,2% |
| Maximum subsidy inflation rate | 5,96% | 5,03% |
| Average retirement age | 62 | 62 |

Long service awards

The Municipality offers employees Long service award for every five years of service completed, from ten years of service to 45 years of service.

The salaries used in the valuation include an assumed increase on 1 July 2022 of 4.9% as per the SALGBC Circular No.: 01/2022. The next salary increase was assumed to take place on 1 July 2023.

The accrued liabilities and the plan assets for the current period and the previous four periods.

| Past year and future projected liability | 30 June 2019 | 30 June 2020 | 30 June 2021 | 30 June 2022 | 30 June 2023 |
|--|------------------|------------------|------------------|------------------|------------------|
| Opening accrued balance | 6 384 849 | 4 891 500 | 5 434 000 | 5 891 000 | 6 377 000 |
| Current service cost | 517 458 | 466 133 | 546 000 | 623 000 | 653 000 |
| Interest cost | 437 514 | 365 230 | 372 000 | 518 000 | 659 000 |
| Payment made during the year | (2 311 411) | (321 080) | (669 000) | (623 000) | (870 000) |
| Actuarial loss/(gain) | (136 910) | 32 217 | 208 000 | (32 000) | - |
| Closing accrued liability | 4 891 500 | 5 434 000 | 5 891 000 | 6 377 000 | 6 819 000 |

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|--|------|------|
|--|------|------|

8. Employee benefit obligations (continued)

The amounts recognised in the statement of financial position are as follows:

| | | |
|-------------------------|---------------------|---------------------|
| Non-current liabilities | (24 020 000) | (22 023 000) |
| Current liabilities | (870 000) | (623 000) |
| | (24 890 000) | (22 646 000) |

Key assumptions used

Assumptions used at the reporting date:

| | | |
|---------------------------------|---------|--------|
| Discount rates used | 11,08 % | 9,27 % |
| General earnings inflation rate | 7,32 % | 5,79 % |
| Expected increase in salaries | 4,90 % | 6,25 % |

9. Inventories

| | | |
|-------------------|-------------------|-------------------|
| Consumable stores | 1 953 033 | 2 785 103 |
| Sale of stands | 31 085 000 | 31 085 000 |
| | 33 038 033 | 33 870 103 |

Inventory Reconciliation

| | | |
|--|-------------------|-------------------|
| Opening balance | 33 870 103 | 33 831 942 |
| Add: purchases for the year | 7 723 825 | 9 447 184 |
| Less: consumables for the year | (7 364 170) | (7 695 108) |
| Less: inventory on hand (Mopani District Municipality) | (1 172 289) | (1 708 116) |
| Less: obsolete inventory written off | (19 436) | (5 799) |
| Closing balance | 33 038 033 | 33 870 103 |

There was no inventory held as collateral at year end.

In 2019/2020 financial year the municipality took a resolution to sell stands available for sale as per council resolution.

10. Receivables from exchange transactions

| | | |
|--|-------------------|-------------------|
| Inter Municipal Account (Mopani District Municipality) | 4 991 802 | 22 403 937 |
| Agency fee (Mopani District Municipality) | 7 205 104 | 6 050 288 |
| Sundry receivables | 4 173 221 | 3 596 581 |
| Prepaid expenses | - | 96 000 |
| Accrued interest receivables | 392 600 | 858 474 |
| Other receivables | - | 166 139 |
| Sundry receivables-Provision for doubtful debts | (3 602 953) | (3 602 953) |
| Staff receivables | 91 461 | 6 372 |
| Payroll debtors | 6 686 | 20 748 |
| | 13 257 921 | 29 595 586 |

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|--|--------------------|---------------------|
| 10. Receivables from exchange transactions (continued) | | |
| Reconciliation of provision for impairment of trade and other receivables | | |
| Inter municipal Account Reconciliation - Mopani District Municipality | - | - |
| Accumulated Surplus - MDM | 47 874 916 | 43 206 998 |
| Revenue - Water | 14 244 118 | 13 740 655 |
| Revenue - Sewerage | 3 647 376 | 3 495 391 |
| Revenue - Interest | 11 390 342 | 9 731 033 |
| Water and Sewerage connections | 26 207 | 41 781 |
| Overheads -Employee related costs | (5 960 082) | (5 172 671) |
| Overheads - Operational expenditure | (1 257 576) | (2 932 901) |
| Debt Impairment | - | (13 873 556) |
| Gains and losses on provisions | 147 670 | (361 813) |
| Accounts Receivable - Water | (114 700 280) | (117 953 455) |
| Accounts Receivables - Sewerage | (25 779 341) | (21 332 122) |
| Account Receivable - Interest | (62 093 296) | (60 157 366) |
| Inventory | (1 172 289) | (1 708 126) |
| Accrued leave | - | 711 020 |
| Accrued bonus | - | 124 219 |
| Accrued overtime | - | 3 544 |
| Long service awards | - | 268 000 |
| Post - retirement medical contribution | - | 1 125 000 |
| Provision for doubtful debts | 128 640 432 | 128 640 432 |
| Inter municipal balance as at year end | (4 991 803) | (22 403 937) |

Please refer to Note 51 Accounting for principal and agency - for details of transactions and nature of the agreement.

Staff receivables of R 91 461 in the current year and prior year of R 6 372 relate to the overpayment of salaries to the councillors and employees. The amount is supposed to be paid back to the Municipality by the councillors. This is as per the council resolution taken by the Greater Giyani Municipal Council.

11. Receivables from non-exchange transactions

| | | |
|--|--------------------|-------------------|
| Consumer debtors-Traffic Fines | 25 306 457 | 24 349 484 |
| Consumer debtors- Rates | 257 819 368 | 221 851 413 |
| Provision for impairment- Traffic fines | (24 971 034) | (24 175 384) |
| Sundry receivables | 19 881 203 | 19 881 203 |
| Provision for impairment- Consumer debtors | (174 682 393) | (165 293 361) |
| | 103 353 601 | 76 613 355 |

Sundry receivables

Sundry receivables relates to property rates that was not billed to customers in the prior years. The municipality could not billed property rates to customers as this was discovered at a later stage and retrospective correction was done in the control account.

Reconciliation of provision for impairment of receivables from non-exchange transactions

| | | |
|---|----------------------|----------------------|
| Opening balance | (189 445 945) | (146 373 361) |
| Provision for impairment - consumer debtors | (9 389 032) | (35 015 265) |
| Provision for impairment - traffic fines | (808 450) | (8 057 319) |
| | (199 643 427) | (189 445 945) |

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| 11. Receivables from non-exchange transactions (continued) | | |
| Age Analysis for Rates | | |
| Current (0-30 days) | 7 925 166 | 5 760 283 |
| 31-60 days | 6 731 658 | (5 723 695) |
| 61-90 days | 6 560 853 | 7 018 230 |
| 91-120 days | 5 500 133 | 6 420 488 |
| 121-365 days | 4 987 346 | 5 320 132 |
| >365 days | 226 114 212 | 203 055 975 |
| | 257 819 368 | 221 851 413 |
| 12. VAT receivable | | |
| VAT | 20 440 439 | 16 131 014 |
| 13. Other receivables from exchange transactions | | |
| Gross balances | | |
| Debtors with credit balances | 5 538 970 | 5 990 428 |
| Refuse | 48 717 121 | 29 794 278 |
| Housing rental | 2 609 108 | 907 584 |
| Cemeteries | 15 815 505 | 15 062 292 |
| | 72 680 704 | 51 754 582 |
| Less: Allowance for impairment | | |
| Refuse | (32 659 767) | (20 116 618) |
| Housing rental | (381 063) | (642 327) |
| Cemeteries | (1 553 676) | (9 613 889) |
| | (34 594 506) | (30 372 834) |
| Net balance | | |
| Debtors with credit balances | 5 538 970 | 5 990 428 |
| Refuse | 16 057 354 | 9 677 660 |
| Housing rental | 2 228 045 | 265 257 |
| Cemeteries | 14 261 829 | 5 448 403 |
| | 38 086 198 | 21 381 748 |
| Cemeteries | | |
| Current (0 -30 days) | 29 004 | 13 565 |
| 31 - 60 days | 30 995 | 102 775 |
| 61 - 90 days | 30 244 | 16 347 |
| 91 - 120 days | 32 764 | 23 990 |
| 121 - 365 days | 33 178 | 24 567 |
| > 365 days | 2 131 526 | 913 247 |
| | 2 287 711 | 1 094 491 |
| Refuse | | |
| Current (0 -30 days) | 1 077 238 | 909 898 |
| 31 - 60 days | 1 027 623 | 1 845 287 |
| 61 - 90 days | 934 659 | 562 727 |
| 91 - 120 days | 799 636 | (851 178) |
| 121 - 365 days | 1 022 823 | 637 073 |
| > 365 days | 43 855 142 | 22 495 352 |
| | 48 717 121 | 25 599 159 |

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13. Other receivables from exchange transactions (continued)

Housing rental

| | | |
|----------------------|----------------|------------------|
| Current (0 -30 days) | 42 050 | 567 946 |
| 31 - 60 days | 41 814 | 201 697 |
| 61 - 90 days | 41 391 | 50 443 |
| 91 - 120 days | 40 930 | 50 975 |
| 121 - 365 days | 41 598 | 48 083 |
| > 365 days | 363 077 | 6 482 588 |
| | 570 860 | 7 401 732 |

Debtors with credit balances

| | | |
|----------------------|--------------------|--------------------|
| Current (0 -30 days) | (192 084) | (1 287 192) |
| 31 - 60 days | (635 772) | (208 753) |
| 61 - 90 days | (122 346) | (89 602) |
| 91 - 120 days | (690 143) | (78 959) |
| 121 - 365 days | (781 125) | (62 675) |
| > 365 days | (3 117 499) | (5 512 957) |
| | (5 538 969) | (7 240 138) |

Reconciliation of allowance for impairment of consumer debtors

| | | |
|-----------------|---------------------|---------------------|
| Opening balance | (30 372 834) | (27 847 950) |
| Refuse removal | (12 543 149) | (1 974 487) |
| House rental | 261 264 | (392 562) |
| Cemetery | 8 060 213 | (157 835) |
| | (34 594 506) | (30 372 834) |

14. Cash and cash equivalents

Cash and cash equivalents consist of:

| | | |
|---------------------------------|--------------------|--------------------|
| Bank balances | 219 962 630 | 179 322 985 |
| Other cash and cash equivalents | 88 323 | 88 423 |
| | 220 050 953 | 179 411 408 |

The municipality had the following bank accounts

| Account number / description | Bank statement balances | | | Cash book balances | | |
|--|-------------------------|--------------------|-------------------|--------------------|--------------------|-------------------|
| | 30 June 2022 | 30 June 2021 | 30 June 2020 | 30 June 2022 | 30 June 2021 | 30 June 2020 |
| ABSA - Current Account - 4077078193 (Main Account) | 71 175 907 | 65 719 594 | 879 675 | 71 457 309 | 65 791 133 | 1 077 421 |
| ABSA - Current Account - 4077078486 (Salaries Account) | 2 296 095 | 1 676 111 | 5 332 768 | 2 347 724 | 1 676 111 | 5 532 769 |
| ABSA - Call Deposit - 4078155655 | 42 964 190 | 41 641 612 | 40 458 293 | 43 108 973 | 41 641 612 | 40 458 293 |
| ABSA - Current Account - 4093302071 (Traffic Account) | 4 315 531 | 4 114 323 | 3 241 625 | 4 319 248 | 4 114 323 | 3 241 625 |
| ABSA - Call Deposit - 4078155744 | 98 398 398 | 66 099 806 | 41 114 479 | 98 729 376 | 66 099 806 | 41 114 479 |
| Total | 219 150 121 | 179 251 446 | 91 026 840 | 219 962 630 | 179 322 985 | 91 424 587 |

Included in the balance for cash and cash equivalent, there is a balance of R 17 378 790: 2022 and R 12 759 525: 2021 relating to Mopani District Municipality for water and sewer transactions.

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|--|-------------------|--------------|
| 15. Unspent conditional grants and receipts | | |
| Additions during the year | 97 356 000 | 88 700 000 |
| Income recognition during the year | (86 764 268) | (88 700 000) |
| | 10 591 732 | - |

The nature and extent of government grants recognised in the annual financial statements and an indication of other forms of government assistance from which the municipality has directly benefited.

Unfulfilled conditions and other contingencies attaching to government assistance that has been recognised.

See note for reconciliation of grants from National/Provincial Government.

These amounts are invested in a ring-fenced investment until utilised.

16. Deferred income

During the period under review the Municipality has sold stands/sites but the transfer of ownership of the stands to the customers has not been done with Deeds Registration office.

| | | |
|----------------------------------|------------|------------|
| Deferred income - sale of stands | 23 121 083 | 19 769 358 |
|----------------------------------|------------|------------|

17. Rehabilitation of dumping-site

Reconciliation of rehabilitation of dumping-site - 2022

| | Opening Balance | Interest costs | Change in discount factor | Total |
|--------------------------------|-----------------|----------------|---------------------------|------------|
| Rehabilitation of dumping-site | 39 005 018 | 3 877 099 | (1 541 928) | 41 340 189 |

Reconciliation of rehabilitation of dumping-site - 2021

| | Opening Balance | Interest costs | Change in discount factor | Total |
|--------------------------------|-----------------|----------------|---------------------------|------------|
| Rehabilitation of dumping-site | 40 933 517 | 3 909 429 | (5 837 928) | 39 005 018 |

| | | |
|-------------------------|-------------------|-------------------|
| Non-current liabilities | 36 772 098 | 35 127 919 |
| Current liabilities | 4 568 091 | 3 877 099 |
| | 41 340 189 | 39 005 018 |

The dumping site rehabilitation is created for the rehabilitation of the current operational site which is evaluated at each year end to reflect the best estimate at reporting date. The site under consideration is at Giyani Section C landfill site.

The 2022 discounted value of the dumping site closure provision of R 41 340 189, compared to the provision of R 39 005 018 in the previous financial year. Composition of this change relate to changes in the CPI, discount rate and unit costs. The interest charge relating to the assessment amounts to R 3 877 099 and decrease in discount rate of R 1 541 928.

The dumping site closure provision is calculated as the net present value of future cash flows based on the expected remaining life of the dumping site and based on the size of the area that had been used for waste disposal as at 30 June 2022.

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

| Figures in Rand | 2022 | 2021 |
|---|--------------------|--------------------|
| 18. Payables from exchange transactions | | |
| Trade payables | 9 890 147 | 2 |
| Retentions | 37 319 461 | 36 945 351 |
| Accrued leave pay | 23 442 253 | 20 460 268 |
| Accrued 13th cheque | 3 544 240 | 3 289 873 |
| Payroll Creditors | - | 42 329 |
| Accruals | 21 322 733 | 32 479 051 |
| Unspecified direct deposits | 2 457 110 | 2 104 616 |
| Debtors with credit balances | 5 538 970 | 5 990 428 |
| Accrued overtime | 971 078 | 992 169 |
| Income received in advance | - | 151 023 |
| | 104 485 992 | 102 455 110 |
| 19. Revenue | | |
| Service charges | 8 209 455 | 8 388 020 |
| Rental of facilities and equipment | 103 253 | 383 352 |
| Interest received (overdue accounts) | 2 903 025 | 2 069 410 |
| Agency services | 1 154 816 | 1 797 113 |
| Licences and permits | 6 755 368 | 5 762 344 |
| Recoveries | 10 727 810 | - |
| Actuarial gains | 2 781 000 | 137 000 |
| Other income | 1 078 356 | 2 504 570 |
| Interest received - investment | 8 150 056 | 5 845 631 |
| Property rates | 67 093 366 | 71 190 715 |
| Traffic fines | 1 262 056 | 1 625 605 |
| Interest on overdue accounts - property rates | 27 429 499 | 22 333 782 |
| Government grants & subsidies | 407 340 942 | 458 488 580 |
| Public contributions and donations | - | 6 038 305 |
| | 544 989 002 | 586 564 427 |
| The amount included in revenue arising from exchanges of goods or services are as follows: | | |
| Service charges | 8 209 455 | 8 388 020 |
| Rental of facilities and equipment | 103 253 | 383 352 |
| Interest received (overdue accounts) | 2 903 025 | 2 069 410 |
| Agency services | 1 154 816 | 1 797 113 |
| Licences and permits | 6 755 368 | 5 762 344 |
| Recoveries | 10 727 810 | - |
| Actuarial gains | 2 781 000 | 137 000 |
| Other income | 1 078 356 | 2 504 570 |
| Interest received - investment | 8 150 056 | 5 845 631 |
| | 41 863 139 | 26 887 440 |
| The amount included in revenue arising from non-exchange transactions is as follows: | | |
| Taxation revenue | | |
| Property rates | 67 093 366 | 71 190 715 |
| Traffic fines | 1 262 056 | 1 625 605 |
| Interest on overdue accounts - property rates | 27 429 499 | 22 333 782 |
| Transfer revenue | | |
| Government grants & subsidies | 407 340 942 | 458 488 580 |
| Public contributions and donations | - | 6 038 305 |
| | 503 125 863 | 559 676 987 |

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

| Figures in Rand | 2022 | 2021 |
|---|------------------|------------------|
| 20. Service charges | | |
| Refuse removal | 7 972 320 | 8 158 976 |
| Cemeteries | 237 135 | 229 044 |
| | 8 209 455 | 8 388 020 |
| 21. Rental of facilities and equipment | | |
| Premises | | |
| Community services | 38 119 | 5 887 |
| Housing rental | 34 032 | 360 453 |
| | 72 151 | 366 340 |
| Facilities and equipment | | |
| Rental of facilities | 31 102 | 17 012 |
| | 103 253 | 383 352 |
| 22. Interest received-overdue accounts (other services) | | |
| Interest received-overdue accounts (other services) | 2 903 025 | 2 069 410 |
| | - | - |
| | 2 903 025 | 2 069 410 |
| 23. Agency services | | |
| Water and Sanitation | 1 154 816 | 1 797 113 |
| 24. Licences and permits | | |
| Licences and permits | 6 755 368 | 5 762 344 |
| 25. Recoveries | | |
| Recoveries - VBS Investment | 10 727 810 | - |
| Since the lodge of the claim with the bank (VBS) curator, the municipality has subsequently received an amount of R 10 727 810 during the month of February 2022. | | |
| 26. Actuarial gains | | |
| Actuarial gains on PEMA and LSA | 2 781 000 | 137 000 |

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

| Figures in Rand | 2022 | 2021 |
|---|------------------|------------------|
| 27. Other income | | |
| Advertisements | 149 844 | 93 619 |
| Application fees | - | 4 590 |
| Building plans | 57 622 | 68 799 |
| Clearance certificates | 14 477 | 9 963 |
| Confirmation letters | 219 631 | 228 915 |
| Device refund | 34 882 | - |
| Escort fees | 3 946 | 2 025 |
| Insurance recoveries | - | 956 |
| Library fees | 2 029 | 888 |
| Reconnections | - | 10 975 |
| Sale of grave plots | 118 778 | 172 984 |
| Sale of refuse bins | 125 733 | 104 249 |
| Skip bins | - | 2 423 |
| Sundry income | 134 816 | 273 460 |
| Tender documents | 134 974 | 1 450 537 |
| Transfer and registration | 81 624 | 80 187 |
| | 1 078 356 | 2 504 570 |
| 28. Interest received-Investment | | |
| Interest revenue | | |
| Call accounts | 4 053 431 | 2 988 125 |
| Bank | 4 096 625 | 2 857 506 |
| | 8 150 056 | 5 845 631 |

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand 2022 2021

29. Property rates

Rates received

| | | |
|------------------------------|-------------------|-------------------|
| Residential | 16 278 073 | 17 435 338 |
| Commercial | 22 419 669 | 24 469 416 |
| State | 27 670 973 | 27 415 724 |
| Small holdings and farms | 10 094 | 633 274 |
| Public benefit organisations | - | 10 441 |
| Industrial | 714 557 | 1 226 522 |
| | 67 093 366 | 71 190 715 |

Valuations

| | | |
|--|----------------------|----------------------|
| Residential | 2 612 057 800 | 2 564 449 800 |
| Commercial | 705 623 000 | 722 925 000 |
| State | 484 333 000 | 484 068 000 |
| Institute | 31 682 000 | 31 682 000 |
| Agricultural | 5 230 000 | 5 230 000 |
| Municipal and Public open space | 121 472 000 | 120 672 000 |
| Public service infrastructure | 27 467 000 | 27 467 000 |
| Industrial | 129 042 000 | 128 351 000 |
| Churches | 43 787 000 | 43 787 000 |
| Inconsistent with or in contravention of the permitted use of the property | 2 612 000 | 2 612 000 |
| Inconsistent with or in contravention of the permitted use of the property-Illegal | - | 1 000 000 |
| | 4 163 305 800 | 4 132 243 800 |

The valuation of land and buildings are performed every 5 years in terms of the Municipal Property Rates Act.

The municipality appointed a Municipal Valuer to compile the General Valuation Roll for implementation in the 2020-2025 financial years and to cause the Supplementary.

Valuation Roll in terms of section 78 of the Municipal Property Rates Act.

30. Traffic fines

| | | |
|----------------------|-----------|-----------|
| Traffic fines issued | 1 262 056 | 1 625 605 |
|----------------------|-----------|-----------|

31. Interest-overdue accounts (property rates)

| | | |
|--|------------|------------|
| Interest - Overdue accounts (Property rates) | 27 429 499 | 22 333 782 |
|--|------------|------------|

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

| Figures in Rand | 2022 | 2021 |
|--|--------------------|--------------------|
| 32. Government grants & subsidies | | |
| Operating grants | | |
| Equitable share | 320 318 000 | 369 568 000 |
| Expanded Public Works Program (EPWP) | 3 851 000 | 3 409 000 |
| Finance Management Grant (FMG) | 2 200 000 | 2 000 000 |
| Local Govt Sector Education & Training Authority (LGSETA) | 258 675 | 220 580 |
| | 326 627 675 | 375 197 580 |
| Capital grants | | |
| Municipal Infrastructure Grant (MIG) | 55 157 907 | 71 567 000 |
| Integrated National Electrification Grant (INEG) | 25 555 360 | 11 724 000 |
| | 80 713 267 | 83 291 000 |
| | 407 340 942 | 458 488 580 |
| Equitable Share | | |
| In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members. | | |
| Equitable share - Reconciliation | | |
| Current-year receipts original | 320 318 000 | 307 293 000 |
| Current-year receipts additional funding | - | 62 275 000 |
| Conditions met - transferred to revenue | (320 318 000) | (307 293 000) |
| Conditions met - transferred to revenue Covid relief | - | (62 275 000) |
| | - | - |
| Municipal Infrastructure Grant (MIG) | | |
| Current-year receipts | 64 105 000 | 71 567 000 |
| Conditions met - transferred to revenue | (55 157 909) | (71 567 000) |
| | 8 947 091 | - |
| Conditions still to be met - remain liabilities (see note 15). | | |
| Integrated National Electrification Grant (INEG) | | |
| Current-year receipts | 27 200 000 | 11 724 000 |
| Conditions met - transferred to revenue | (25 555 360) | (11 724 000) |
| | 1 644 640 | - |
| Conditions still to be met - remain liabilities (see note 15). | | |
| Expanded Public Works Program (EPWP) | | |
| Current-year receipts | 3 851 000 | 3 409 000 |
| Conditions met - transferred to revenue | (3 851 000) | (3 409 000) |
| | - | - |
| Finance Management Grant (FMG) | | |
| Current-year receipts | 2 200 000 | 2 000 000 |
| Conditions met - transferred to revenue | (2 200 000) | (2 000 000) |
| | - | - |

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand

| | 2022 | 2021 |
|--|------|------|
|--|------|------|

33. Donations received

| | | |
|----------------------------------|---|-----------|
| Department of Transport-National | - | 6 038 305 |
|----------------------------------|---|-----------|

The Municipality received a mobile Vehicle Testing Station (VST) from the National Department of Transport to assist the municipality with Traffic Law Enforcement as a donation. This was due to compliance in terms of implementing the 80/20 principle between Transport Department and the Municipality.

34. Employee related costs

| | | |
|-------------------------------------|--------------------|--------------------|
| Acting allowances | 115 055 | 43 007 |
| Bargain council | 39 923 | 38 322 |
| Basic | 100 250 967 | 96 833 136 |
| Car allowance | 11 714 437 | 11 644 985 |
| Cellphone Allowance | 924 713 | 909 427 |
| Clothing Allowance | 15 000 | 15 000 |
| Danger allowance | 282 000 | - |
| Defined contribution plans | 17 416 231 | 17 133 345 |
| Housing benefits and allowances | 387 624 | 325 709 |
| Leave and bonus provision | 2 423 358 | 3 198 105 |
| Leave pay | 1 182 939 | 793 675 |
| Long-service awards | 556 786 | 770 528 |
| LSA and PEMA provision | 3 480 000 | 2 720 000 |
| Medical aid - company contributions | 6 597 601 | 5 754 692 |
| Night Shift | 315 254 | 312 789 |
| Overtime payments | 4 520 207 | 4 258 420 |
| UIF | 703 605 | 613 809 |
| Standby allowance | 157 212 | 153 192 |
| SDL | 1 174 364 | 942 286 |
| Rural Allowance | 189 959 | 213 042 |
| 13th Cheques | 6 987 944 | 6 660 401 |
| | 159 435 179 | 153 333 870 |

Remuneration of municipal manager

| | | |
|---|------------------|------------------|
| Annual Remuneration | 1 089 712 | 1 089 712 |
| Rural Allowance | 50 683 | 50 683 |
| Car Allowance | 121 080 | 121 080 |
| Contributions to UIF, Medical and Pension Funds | 69 836 | 65 813 |
| Subsistence and Travelling | 24 663 | 10 537 |
| Cellphone Allowance | 16 800 | 16 800 |
| Performance Bonus | 177 389 | - |
| | 1 550 163 | 1 354 625 |

Remuneration of chief finance officer

| | | |
|---|----------------|------------------|
| Annual Remuneration | 601 688 | 802 250 |
| Rural Allowance | 28 527 | 38 036 |
| Car Allowance | 117 081 | 156 108 |
| Contributions to UIF, Medical and Pension Funds | 39 202 | 49 412 |
| Subsistence and Travelling | 15 206 | 14 811 |
| Cellphone Allowance | 12 600 | 16 800 |
| Acting allowance | 4 767 | - |
| Leave pay | 76 073 | - |
| | 895 144 | 1 077 417 |

Mr D Mhangwana resigned as the CFO at the end of March 2022. Mr N Muhlari was appointed Acting CFO from the 13th of April 2022.

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand

| | 2022 | 2021 |
|--|------|------|
|--|------|------|

34. Employee related costs (continued)

Remuneration of Directors-Corporate & Shared Services

| | | |
|---|------------------|------------------|
| Annual Remuneration | 596 222 | 679 371 |
| Car Allowance | 243 900 | 325 200 |
| Cellphone Allowance | 14 000 | 16 800 |
| Contributions to UIF, Medical and Pension Funds | 41 238 | 43 503 |
| Subsistence & Travelling | 33 938 | 14 603 |
| Rural Allowance | 34 678 | 41 613 |
| Leave pay | 91 549 | - |
| Performance bonus | 93 629 | - |
| Acting Allowance | 4 767 | - |
| | 1 153 921 | 1 121 090 |

Mr MT Shiviti's contract expired at the end of April 2022. Mr NR Mdaka was appointed as the acting director on the 12th of May 2022.

Remuneration of director Technical Services

| | | |
|---|------------------|------------------|
| Annual Remuneration | 693 090 | 675 362 |
| Rural Allowance | 38 036 | 38 036 |
| Car Allowance | 240 000 | 240 000 |
| Contributions to UIF, Medical and Pension Funds | 45 370 | 42 675 |
| Cellphone Allowance | 16 800 | 16 800 |
| Subsistence & Travelling | 33 489 | 13 836 |
| | 1 066 785 | 1 026 709 |

Remuneration of Strategic Planning and LED

| | | |
|---|------------------|------------------|
| Annual Remuneration | 678 656 | 678 656 |
| Car Allowance | 153 502 | 155 364 |
| Rural Allowance | 38 036 | 38 036 |
| Contributions to UIF, Medical and Pension Funds | 132 337 | 130 667 |
| Cellphone Allowance | 16 800 | 16 800 |
| Subsistence & Travelling | 45 595 | 17 726 |
| | 1 064 926 | 1 037 249 |

Remuneration of Director Community Services

| | | |
|---|---------------|----------------|
| Annual Remuneration | - | 45 683 |
| Rural Allowance | - | 3 467 |
| Contributions to UIF, Medical and Pension Funds | - | 4 314 |
| Cellphone Allowance | - | 1 400 |
| Acting Allowance | 47 063 | 36 556 |
| Leave pay | - | 47 984 |
| | 47 063 | 139 404 |

The position of the director is vacant. Mr KR Baloyi has been the acting director for the year 2021/2022.

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

| Figures in Rand | 2022 | 2021 |
|---|-------------------|-------------------|
| 35. Remuneration of councillors | | |
| Mayor | 970 282 | 905 259 |
| Speaker | 744 480 | 733 088 |
| Councillors | 21 446 415 | 21 252 705 |
| Chief Whip | 709 693 | 690 046 |
| SDL | 195 503 | 157 458 |
| | 24 066 373 | 23 738 556 |
| In-kind benefits | | |
| The Executive Mayor, Deputy Executive Mayor, Speaker and Mayoral Committee Members are full-time. Each is provided with an office and secretarial support at the cost of the Council. | | |
| The Mayor and the Speaker each have the use of separate Council owned vehicles for official duties. | | |
| 36. Depreciation and amortisation | | |
| Property, plant and equipment | 92 983 592 | 88 771 030 |
| Investment property | 90 750 | 90 795 |
| Intangible assets | 3 202 416 | 1 908 022 |
| | 96 276 758 | 90 769 847 |
| 37. Finance costs | | |
| Interest expense - litigation loss | 2 793 037 | - |
| Finance leases | - | 31 714 |
| Interest expense- rehabilitation of dumping site | 3 877 099 | 3 909 429 |
| | 6 670 136 | 3 941 143 |
| 38. Lease rentals on operating lease | | |
| Premises | | |
| Contractual amounts | 1 906 274 | 1 412 436 |
| 39. Debt impairment | | |
| Debt impairment | 14 419 155 | 41 731 106 |
| 40. Contracted services | | |
| Presented previously | | |
| Infrastructure Services | 26 374 456 | 19 038 077 |
| Electrical Services | 19 384 015 | 1 862 938 |
| Business and advisory services | 24 357 501 | 22 798 360 |
| Other Contractors | 3 856 186 | 1 190 318 |
| | 73 972 158 | 44 889 693 |
| 41. Transfer and subsidies | | |
| SMME support | 600 000 | 955 000 |

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

| Figures in Rand | 2022 | 2021 |
|--|-------------------|-------------------|
| 42. General expenses | | |
| Accommodation | 2 876 546 | 1 667 459 |
| Advertising | 269 910 | 459 207 |
| Auditors remuneration | 4 070 713 | 4 872 051 |
| Bank charges | 276 885 | 333 570 |
| Cleaning | 331 041 | 40 118 |
| Community development and training | 4 845 339 | 5 554 850 |
| Consumables | 7 363 871 | 7 703 218 |
| Electricity | 2 111 506 | 1 845 800 |
| Free basic electricity | 15 969 990 | 16 253 018 |
| Fuel and oil | 3 756 497 | 2 591 773 |
| Gifts | 84 976 | - |
| Hire | 545 475 | - |
| Insurance | 1 461 547 | 1 019 323 |
| IT expenses | 1 747 569 | 2 336 182 |
| Legal services | 8 497 562 | 5 852 173 |
| Litigation loss | 8 140 229 | - |
| Motor vehicle expenses | 137 242 | 152 337 |
| Postage and courier | 355 097 | 4 141 |
| Printing and stationery | 649 453 | 417 128 |
| Protective clothing | 1 475 512 | 832 921 |
| Seating allowance | 120 000 | 120 000 |
| Subscriptions and membership fees | 2 096 674 | 1 986 965 |
| Telephone and fax | 919 766 | 843 933 |
| Travel - local | 3 863 594 | 1 497 929 |
| | 71 966 994 | 56 384 096 |
| 43. Obsolete inventory written | | |
| Obselete inventory written off | 19 736 | 5 799 |
| 44. Repairs and maintenance | | |
| Repairs and maintenance -Fleet and machinery | 2 976 358 | 4 574 801 |
| Repairs and maintenance - Equipment | 203 096 | 34 419 |
| Repairs and maintenance - other assets | 2 831 954 | 906 888 |
| | 6 011 408 | 5 516 108 |
| 45. Auditors' remuneration | | |
| Fees | 4 070 713 | 4 872 051 |
| 46. Free basic electricity | | |
| Public lights | 4 768 956 | 4 801 972 |
| Free basic | 11 201 034 | 11 451 046 |
| | 15 969 990 | 16 253 018 |

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

| Figures in Rand | 2022 | 2021 |
|--|--------------------|--------------------|
| 47. Cash generated from operations | | |
| Surplus | 77 715 956 | 149 986 370 |
| Adjustments for: | | |
| Depreciation and amortisation | 96 276 758 | 90 769 847 |
| Obsolete inventory written off | 19 736 | 5 799 |
| Loss on assets written off | 10 084 369 | 7 393 461 |
| Contracted services (Transfers of completed projects) | - | 11 196 494 |
| Impairment deficit | 1 786 619 | 6 298 942 |
| Debt impairment | 14 419 155 | 41 731 106 |
| Movements in retirement benefit assets and liabilities | 2 244 000 | 2 791 000 |
| Movements in provisions | 2 335 171 | (1 928 499) |
| Donation received | - | (6 038 305) |
| Donation expense | - | 5 635 |
| Changes in working capital: | | |
| Inventories | 812 338 | (43 960) |
| Receivables from exchange transactions | 16 337 665 | (4 104 056) |
| Consumer debtors | (31 123 605) | (43 933 290) |
| Other receivables from non-exchange transactions | (26 740 246) | (12 645 611) |
| Payables from exchange transactions | 2 030 878 | 453 024 |
| VAT | (4 309 425) | (6 389 493) |
| Unspent conditional grants and receipts | 10 591 733 | - |
| Deferred income | 3 351 725 | 19 769 358 |
| | 175 832 827 | 255 317 822 |

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

| Figures in Rand | 2022 | 2021 |
|--|--------------------|--------------------|
| 48. Commitments | | |
| Authorised capital expenditure | | |
| Contract approved and some services have been rendered | | |
| • Formalisation of settlement | 138 368 | 138 368 |
| • Refurbishment of Gawula sports centre | - | 661 716 |
| • Alternative access road to Giyani | 2 350 403 | 2 350 403 |
| • Upgrading of Xikukwani from gravel to tar | 8 955 284 | 8 955 284 |
| • Development of waste disposal site | - | 3 142 506 |
| • Nkomo Upgrading From Gravel To Tar | - | 2 301 190 |
| • Construction Of Culvert Bridge At Makosha Village | - | 640 717 |
| • Shimange upgrading from gravel to tar | 87 276 | 15 236 851 |
| • Blinkwater upgrading of internal street | - | 5 437 509 |
| • Thomo upgrading of internal street | - | 22 807 740 |
| • Nkuri internal streets upgrading from gravel to paving | - | 4 752 435 |
| • Section E (Voningani) internal street upgrading from gravel to paving | 19 269 100 | 40 453 874 |
| • Preventative maintenance of roads and storm water: 1.2km pavement milling – Parliament (Limdev) road leading to Giyani CBD and Giyani Section D1 | - | 3 129 954 |
| • Preventative maintenance of roads and storm water: 750m2 tar patch within Giyani township Section F | - | 86 595 |
| • Preventative maintenance of roads and storm water: 1.770km pavement milling within Giyani CBD | - | 1 601 959 |
| • Construction of Civic Centre Parking lot | 1 245 253 | - |
| • Ndambi Taxi rank | 6 381 234 | - |
| • Construction of Civic Centre phase IV | 43 422 580 | - |
| • Construction of culvert bridge at Dzumeri village | 498 903 | - |
| • Construction of culvert bridge at Makhuva village | 199 951 | - |
| • Construction of Nwazekudzeku community hall | 12 734 743 | - |
| • Construction of Homu sports centre | 12 017 534 | - |
| • Construction of Shivulani sports centre | 2 729 281 | - |
| • Installation of energy saving streetlights in Giyani CBD | 5 517 063 | - |
| | 115 546 973 | 111 697 101 |
| Contract approved but where services have not been rendered | | |
| • Preventative maintenance of roads and storm water: 500m2 tar patch within giyani township Section E | - | 479 715 |
| • Preventative maintenance of roads and storm water: 750m2 tar patch within giyani township Section F | - | 663 894 |
| • Construction of culvert bridge at ECO Park | 958 982 | - |
| • Construction of culvert bridge at Ndengeza village | 1 477 599 | - |
| • Construction of culvert bridge at Mavalani village | 953 639 | - |
| • Installation of streets lights at OLD Khensani Hospital | 1 198 887 | - |
| | 4 589 107 | 1 143 609 |
| Total capital commitments | | |
| Already contracted for but not provided for | 115 546 973 | 111 697 101 |
| Not yet contracted for and authorised by accounting officer | 4 589 107 | 1 143 609 |
| | 120 136 080 | 112 840 710 |
| Authorised operational expenditure | | |
| Contract approved and some services have been rendered | | |
| • Rezoning and subdivision of parks | 110 000 | 110 000 |
| • Proclamation program, land audit and land acquisition | 111 238 | 263 665 |
| • Township establishment of various villages | 213 038 | 213 038 |

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

| Figures in Rand | 2022 | 2021 |
|--|-------------------|-------------------|
| 48. Commitments (continued) | | |
| • Ngove township expansion | 651 858 | 651 858 |
| • Site demarcation at Sikhunyani Village and site demarcation at Dzumeri | 685 000 | 685 000 |
| Traditional Authority | | |
| • Street naming (including registration) | 47 500 | 47 500 |
| • General Valuation Roll | 1 200 000 | 3 600 000 |
| • Provision for Procurement of Services: Municipal Standard Chart Of Accounts | 142 039 | 1 531 668 |
| Financial System Support (Sage Evolution) | | |
| • Insurance | 368 263 | 1 051 412 |
| • Physical security guarding services | 4 789 368 | 7 989 961 |
| • Rental of photocopy machine | 1 475 774 | 2 469 450 |
| • Design ,compiling,developing,editing and producing GGM news letters for 12 months | - | 582 576 |
| • Procurement of 75 3GS for the Municipal Officials | 50 500 | 346 700 |
| • Procurement of 100 MBPS internet line for the municipal officials | 158 123 | 306 405 |
| • Subdivision, rezoning, consolidation and road closure on ERF 1946,1947,1952,1547, Giyani Section F | 271 720 | 475 510 |
| • Rezoning and subdivision of municipal properties including registration with surveyor general | 506 000 | 782 000 |
| • Street naming in Giyani Section C and Giyani BA | 474 375 | 733 125 |
| • Subdivision and rezoning of ERF561 Giyani D into mixed land used development | 428 993 | 1 143 982 |
| • Civil Engineering Professional Service Provider to perform post construction | 190 272 | 190 272 |
| Technical Investigation | | |
| • Formalisation of Church View | 130 025 | 130 025 |
| • ICT security, service support, ICT auditing and ICT network services | 5 848 077 | - |
| • Street naming in Giyani section a and section f | 673 100 | - |
| • Supply chain management support for the financial year | 1 004 900 | - |
| • Supply and delivery of 31 cellphones contract | 324 923 | - |
| • Supply and delivery of firearms and training | 346 530 | - |
| • Supply installation of electrical cables at Giyani stadium | 1 581 847 | - |
| • Preparation of GRAP compliant asset register for the financial year 2021/22 | 2 721 365 | - |
| • Appointment of service provider for training of MFMP | 440 416 | - |
| | 24 945 244 | 23 304 147 |
| Contract approved but where services have not been rendered | | |
| • Development of website and internet | - | 98 324 |
| • ICT security,service support, ICT auditing and ICT network services | - | 7 039 976 |
| • Preparation of GRAP compliant asset register for the financial year 2020/21 | - | 5 165 506 |
| • Preparation of Annual Financial Statement for the financial year 2020/21 | - | 3 105 000 |
| • Township Establishment at Savulani Village | 1 400 000 | 1 400 000 |
| • Street Naming in Giyani Section A and Section F | - | 791 800 |
| • Preparation of annual financial statement for the financial year 2021/22 | 2 796 760 | - |
| • Management and operations of the landfill site | 11 137 600 | - |
| • Replacement of air conditioner at library and Civic Centre | 188 600 | - |
| • Purchase of Cartridge 80a | 29 820 | - |
| • Purchase of C4 brown envelope | 29 700 | - |
| • Purchase of Cartridge 305a | 25 900 | - |
| | 15 608 380 | 17 600 606 |
| Total operational commitments | | |
| Already contracted for but not provided for | 24 945 244 | 23 304 147 |
| Not yet contracted for and authorised by accounting officer | 15 608 380 | 17 600 606 |
| | 40 553 624 | 40 904 753 |
| Total commitments | | |
| Total commitments | | |
| Authorised capital expenditure | 120 136 080 | 112 840 710 |

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

| Figures in Rand | 2022 | 2021 |
|------------------------------------|--------------------|--------------------|
| 48. Commitments (continued) | | |
| Authorised operational expenditure | 40 553 624 | 40 904 753 |
| | 160 689 704 | 153 745 463 |

The following contracts are longer than 12 months

| | Contract start date | Contract end date | Contract Amounts |
|---|---------------------|-------------------|-------------------|
| General Valuation Roll | 01/02/2019 | 31/01/2024 | 5 620 000 |
| ICT security, service support, ICT auditing and ICT network service. G/G/M/6105/001/2021 | 01/08/2021 | 31/07/2024 | 7 039 976 |
| Rental of photocopier machine | 01/10/2020 | 31/09/2023 | 3 420 226 |
| Physical security guarding services | 01/09/2020 | 23/08/2023 | 10 736 087 |
| Appointment of civil engineering services provider (contractor) for the construction of civic centre building phase iv (cidb 7gb/7ce or higher) | 24/01/2022 | 30/06/2024 | 43 608 465 |
| Appointment of a service provider for supply and delivery of 31 cell phones through rt15-2021 contract for the period of 24 months | 24/01/2022 | 24/01/2024 | 445 656 |
| Management and operation of the landfill site | 01/07/2022 | 30/06/2025 | 11 137 600 |
| | | | 82 008 010 |

Operating leases - as lessee (expense)

The municipality has entered into a 3 years contract, which commenced from 01 October 2020 to 31 September 2023 for photocopiers.

There is no option for renewal or escalation at the end of the contract.

The municipality does not have option to purchase the equipment's at the end of the contract.

Operating lease payments represent rentals payable by the municipality with a minimum lease payments of R 864 065.63 (2022) (R 621 610.43 : 2021) for photocopiers and radiophones (R 67 280 (2022) :R 67 280 (2021)). Contingent rent is payable on the number of copies made for the month.

Rental expenses relating to operating leases

| | | |
|----------------------|------------------|------------------|
| Contingent rents | 67 280 | 67 280 |
| Contractual Payments | 1 838 994 | 1 345 156 |
| | 1 906 274 | 1 412 436 |

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

| Figures in Rand | 2022 | 2021 |
|---|-------------------|-------------------|
| 49. Contingent Liabilities | | |
| The municipality has various claims of legal disputes with suppliers that are subject to mediation or legal process. The table below indicates the details of the claims: | | |
| Case Description | | |
| Eternity vs GGM. Suing the Municipality for services rendered | - | 10 931 266 |
| Mpongwa Heseke Emmanuel vs GGM. The plaintiff is suing the Municipality for damages he suffered as result of rain | 1 000 000 | 1 000 000 |
| Dane Projects vs GGM. The municipality is being sued for outstanding invoices for work done. | 7 140 948 | 7 140 948 |
| Lunnick Base Khoza vs GGM. The municipality is sued for damage to a car accident owing to its failure to fix potholes | 66 531 | 66 531 |
| GGM vs TR construction & plant hire. The municipality is being sued for the claim of payment for the work allegedly done whilst claimant was a subcontractor. | 863 598 | 863 598 |
| Botshabelo Consulting Engineers vs GGM. The municipality is being sued for outstanding invoices for work done | 6 501 144 | 6 501 144 |
| PGN Civils (Pty) Ltd vs GGM. The municipality is being sued for outstanding invoices for work done | 1 186 328 | 1 186 328 |
| Rev Dr Mafrecha F Chabalala vs GGM Land dispute | 1 600 000 | 1 600 000 |
| SIDA Consulting & Projects (Pty) Ltd//GGM - Contractual dispute | 267 536 | - |
| Mashimbye Witness//GGM | 400 000 | - |
| | 19 026 085 | 29 289 815 |

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

| Figures in Rand | 2022 | 2021 |
|-----------------|------|------|
|-----------------|------|------|

50. Related parties

Relationships

Accounting Officer

Councillors

Members of key personnel

Refer to accounting officers' report note

Refer to general information on page 1 to 3

M T Shiviti Director Corporate and Shared Services -

contract expired at the end of April 2022 and N R

Mdaka acted from 12 May 2022 to 30 June 2022)

D Mhangwana Chief Financial Officer resigned at the

end of march 16 April 2022 and N R Muhlari acted

from 12 May 2022 to 30 June 2022)

R H Mashamba Director Technical Services

K V Sithole Director Strategic Planning and LED

Community Services (M I Khosa resigned on the 15

July 2020 and K R Baloyi acted from 01 August 2020

to date.)

Remuneration of management

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand

50. Related parties (continued)

Management class: Councillors

2022

| Name | Basic salary | Data Card | Cellphone | Car Allowance | SDL | Backpay | Total |
|---------------------------|--------------|-----------|-----------|---------------|-------|---------|---------|
| Cllr. T Zitha | 400 145 | 2 400 | 27 200 | 143 476 | 5 415 | 7 604 | 586 240 |
| Cllr. AE Mboweni | 321 592 | 2 400 | 27 200 | 114 781 | 3 806 | 9 647 | 479 426 |
| Cllr. T Makondo | 301 954 | 2 400 | 27 200 | 107 607 | 3 501 | - | 442 662 |
| Cllr. RB Ngunyule Mabunda | 282 470 | 2 100 | 23 800 | 94 157 | 3 161 | - | 405 688 |
| Cllr. TJ Mabunda | 301 954 | 2 400 | 27 200 | 107 608 | 3 501 | - | 442 663 |
| Cllr. NHP Ndaba | 301 954 | 2 400 | 27 200 | 107 608 | 3 979 | 16 561 | 459 702 |
| Cllr. MR Mashale | 171 716 | 2 400 | 27 200 | 60 032 | 2 282 | 16 561 | 280 191 |
| Cllr. C Baloyi | 171 716 | 2 400 | 27 200 | 60 032 | 2 116 | - | 263 464 |
| Cllr. GA Maluleke | 171 716 | 2 400 | 27 200 | 60 032 | 2 116 | - | 263 464 |
| Cllr. TC Zitha | 171 716 | 2 400 | 27 200 | 60 032 | 2 367 | 7 604 | 271 319 |
| Cllr. TC Manganyi | 171 716 | 2 400 | 27 200 | 60 032 | 2 192 | - | 263 540 |
| Cllr. RE Makondo | 296 036 | 2 400 | 27 200 | 107 608 | 3 455 | - | 436 699 |
| Cllr. RN Sekgobela | 180 721 | 2 400 | 27 200 | 60 032 | 2 282 | 7 604 | 280 239 |
| Cllr. BA Shibambu | 131 107 | 2 400 | 27 200 | 45 405 | 1 902 | 21 726 | 229 740 |
| Cllr. RC Mabunda | 131 107 | 2 400 | 27 200 | 45 405 | 1 685 | - | 207 797 |
| Cllr. SS Mavasa | 131 107 | 2 400 | 27 200 | 45 405 | 1 685 | - | 207 797 |
| Cllr. NN Maswanganyi | 131 107 | 2 400 | 27 200 | 45 405 | 1 685 | - | 207 797 |
| Cllr. SS Mathebula | 131 107 | 2 400 | 27 200 | 45 405 | 1 914 | 9 710 | 217 736 |
| Cllr. M Shiviti | 155 228 | 2 400 | 27 200 | 53 445 | 1 988 | 6 432 | 246 693 |
| Cllr. GE Kobane | 131 107 | 2 400 | 27 200 | 45 405 | 1 780 | 9 456 | 217 348 |
| Cllr. NP Mlambo | 131 107 | 2 400 | 27 200 | 45 405 | 1 685 | - | 207 797 |
| Cllr. XL Ngobeni | 160 052 | 2 400 | 27 200 | 55 053 | 1 971 | - | 246 676 |
| Cllr. NS Monyipote | 131 107 | 2 400 | 27 200 | 45 405 | 1 685 | - | 207 797 |
| Cllr. VS Makamu | 131 107 | 2 400 | 27 200 | 45 405 | 1 685 | - | 207 797 |
| Cllr. MC Machipi | 131 107 | 2 400 | 27 200 | 45 405 | 1 685 | - | 207 797 |
| Cllr. NC Chabalala | 160 052 | 2 400 | 27 200 | 55 053 | 1 971 | - | 246 676 |
| Cllr. RG Ngunyula | 160 052 | 2 400 | 27 200 | 55 053 | 2 092 | - | 246 797 |
| Cllr. PT Mokgobi | 160 052 | 2 400 | 27 200 | 55 053 | 2 047 | 7 604 | 254 356 |
| Cllr. MA Khosa | 131 107 | 2 400 | 27 200 | 45 405 | 1 780 | 7 604 | 215 496 |
| Cllr. TE Rikhotso | 131 107 | 2 400 | 27 200 | 45 405 | 1 685 | - | 207 797 |

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

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Figures in Rand

50. Related parties (continued)

| | | | | | | | |
|----------------------|---------|-------|--------|--------|-------|--------|---------|
| Cllr. MR Maluleke | 131 107 | 2 400 | 27 200 | 45 405 | 1 685 | - | 207 797 |
| Cllr. TE Nkuna | 160 052 | 2 400 | 27 200 | 55 053 | 1 973 | - | 246 678 |
| Cllr. S Sambo | 131 107 | 2 400 | 27 200 | 45 405 | 1 685 | - | 207 797 |
| Cllr. SC Mahlawule | 131 107 | 2 400 | 27 200 | 45 405 | 1 782 | 9 710 | 217 604 |
| Cllr. TN Shirinda | 160 052 | 2 400 | 27 200 | 55 053 | 1 971 | - | 246 676 |
| Cllr. PH Makhuvela | 131 107 | 2 400 | 27 200 | 45 405 | 1 685 | - | 207 797 |
| Cllr. TA Mathosi | 131 107 | 2 400 | 27 200 | 45 405 | 1 685 | - | 207 797 |
| Cllr. NR Shilowa | 160 052 | 2 400 | 27 200 | 55 053 | 1 971 | - | 246 676 |
| Cllr. RE Ngoveni | 131 107 | 2 400 | 27 200 | 45 405 | 1 761 | 7 604 | 215 477 |
| Cllr. KO Maswanganyi | 131 107 | 2 400 | 27 200 | 45 405 | 1 685 | - | 207 797 |
| Cllr. P Rikhotso | 131 107 | 2 400 | 27 200 | 45 405 | 1 685 | - | 207 797 |
| Cllr. JP Shibambu | 131 107 | 2 400 | 27 200 | 45 405 | 1 685 | - | 207 797 |
| Cllr. L Nkuna | 131 107 | 2 400 | 27 200 | 45 405 | 1 685 | - | 207 797 |
| Cllr. RT Mabunda | 131 107 | 2 400 | 27 200 | 45 405 | 1 685 | - | 207 797 |
| Cllr. E Mahasha | 131 107 | 2 400 | 27 200 | 45 405 | 1 685 | - | 207 797 |
| Cllr. A Rabothata | 131 107 | 2 400 | 27 200 | 45 405 | 1 780 | - | 207 892 |
| Cllr. JN Mashele | 160 052 | 2 400 | 27 200 | 55 053 | 1 971 | - | 246 676 |
| Cllr. CS Rikhotso | 160 052 | 2 400 | 27 200 | 55 053 | 1 971 | - | 246 676 |
| Cllr. KS Dlamini | 131 107 | 2 400 | 27 200 | 45 405 | 1 685 | - | 207 797 |
| Cllr. MD Hlungwani | 131 107 | 2 400 | 27 200 | 45 405 | 1 685 | 17 781 | 225 578 |
| Cllr. ML Chauke | 131 107 | 2 400 | 27 200 | 45 405 | 1 780 | - | 207 892 |
| Cllr. TI Tikhoto | 131 107 | 2 400 | 27 200 | 45 405 | 1 685 | - | 207 797 |
| Cllr. TN Baloyi | 131 107 | 2 400 | 27 200 | 45 405 | 1 685 | - | 207 797 |
| Cllr. S Mongwe | 131 107 | 2 400 | 27 200 | 45 405 | 1 780 | - | 207 892 |
| Cllr. TP Mashaba | 131 107 | 2 400 | 27 200 | 45 405 | 1 685 | - | 207 797 |
| Cllr. PP Mkhari | 131 107 | 2 400 | 27 200 | 45 405 | 1 685 | - | 207 797 |
| Cllr. MS Hlongwane | 131 107 | 2 400 | 27 200 | 45 405 | 1 685 | - | 207 797 |
| Cllr. SM Mahangwane | 131 107 | 2 400 | 27 200 | 45 405 | 1 780 | - | 207 892 |
| Cllr. MJ Nkuna | 131 107 | 2 400 | 27 200 | 45 405 | 1 685 | - | 207 797 |
| Cllr. MP Mathevula | 131 107 | 2 400 | 27 200 | 45 405 | 1 685 | - | 207 797 |
| Cllr. MP Hlungwani | 131 107 | 2 400 | 27 200 | 45 405 | 1 685 | - | 207 797 |
| Cllr. DJ Hlongwane | 131 107 | 2 400 | 27 200 | 45 405 | 1 780 | - | 207 892 |
| Cllr. SS Mathebula | 92 299 | 1 243 | 14 090 | 31 097 | 1 190 | - | 139 919 |
| Cllr. MP Hlungwani | 176 476 | 1 243 | 14 090 | 59 457 | 1 517 | 7 604 | 260 387 |
| Cllr. MR Mashale | 165 447 | 1 243 | 14 090 | 55 741 | 1 790 | - | 238 311 |
| Cllr. NHP Ndaba | 165 447 | 1 243 | 14 090 | 55 741 | 2 012 | - | 238 533 |
| Cllr. TE Baloyi | 165 447 | 1 243 | 14 090 | 55 741 | 2 177 | 16 561 | 255 259 |

Greater Giyani Municipality

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Figures in Rand

50. Related parties (continued)

| | | | | | | | |
|------------------------|---------|-------|--------|--------|-------|--------|---------|
| Cllr. DE Baloyi | 89 590 | 1 243 | 14 090 | 30 184 | 1 254 | 9 456 | 145 817 |
| Cllr. B Gaveni | 79 941 | 1 243 | 14 090 | 26 967 | 1 404 | 35 186 | 158 831 |
| Cllr. E Malungana | 89 590 | 1 243 | 14 090 | 30 184 | 1 134 | 9 456 | 145 697 |
| Cllr. MI Shimange Fazi | 69 810 | 1 243 | 14 090 | 23 520 | 1 013 | 7 604 | 117 280 |
| Cllr. RO Mabasa | 162 123 | 1 243 | 14 090 | 54 621 | 2 137 | 16 063 | 250 277 |
| Cllr. S Makhubele | 89 590 | 1 243 | 14 090 | 30 184 | 1 254 | 9 456 | 145 817 |
| Cllr. MW Mthombeni | 89 590 | 1 243 | 14 090 | 30 184 | 1 254 | 9 456 | 145 817 |
| Cllr. PT Mokgobi | 69 810 | 1 243 | 14 090 | 23 520 | 844 | - | 109 507 |
| Cllr. FC Makoseni | 89 590 | 1 243 | 14 090 | 30 184 | 1 134 | 9 456 | 145 697 |
| Cllr. XJ Valoyi | 89 590 | 1 243 | 14 090 | 30 184 | 1 254 | 9 456 | 145 817 |
| Cllr. BA Shibambu | 220 595 | 1 243 | 14 090 | 74 321 | 2 335 | - | 312 584 |
| Cllr. CM Siweya | 69 810 | 1 243 | 14 090 | 23 520 | 920 | 7 604 | 117 187 |
| Cllr. NR Khandhela | 69 810 | 1 243 | 14 090 | 23 520 | 1 013 | 7 604 | 117 280 |
| Cllr. GR Kobane | 89 590 | 1 243 | 14 090 | 30 184 | 1 160 | - | 136 267 |
| Cllr. EN Mabunda | 92 299 | 1 243 | 14 090 | 31 097 | 1 287 | 9 710 | 149 726 |
| Cllr. SG Mthombeni | 89 590 | 1 243 | 14 090 | 30 184 | 1 134 | 9 456 | 145 697 |
| Cllr. NN Baloyi | 69 810 | 1 243 | 14 090 | 23 520 | 920 | 7 604 | 117 187 |
| Cllr. MC Mhlongo | 69 810 | 1 243 | 14 090 | 23 520 | 920 | 7 604 | 117 187 |
| Cllr. RE Ngoveni | 69 810 | 1 243 | 14 090 | 23 520 | 844 | - | 109 507 |
| Cllr. TR Maluleke | 69 810 | 1 243 | 14 090 | 23 520 | 920 | - | 109 583 |
| Cllr. MA Khosa | 69 810 | 1 243 | 14 090 | 23 520 | 920 | - | 109 583 |
| Cllr. T Makhubele | 69 810 | 1 243 | 14 090 | 23 520 | 844 | - | 109 507 |
| Cllr. HW Mhlari | 92 299 | 1 243 | 14 090 | 31 097 | 1 163 | 9 710 | 149 602 |
| Cllr. RN Sekgobela | 69 810 | 1 243 | 14 090 | 23 520 | 844 | 9 456 | 118 963 |
| Cllr. TM Makhuvele | 89 590 | 1 243 | 14 090 | 30 184 | 1 134 | - | 136 241 |
| Cllr. MP Mathevula | 69 810 | 1 243 | 14 090 | 23 520 | 920 | 7 604 | 117 187 |
| Cllr. XB Mkansi | 69 810 | 1 243 | 14 090 | 23 520 | 844 | - | 109 507 |
| Cllr. DC Mashibye | 69 810 | 1 243 | 14 090 | 23 520 | 920 | 7 604 | 117 187 |
| Cllr. RS Khosa | 69 810 | 1 243 | 14 090 | 23 520 | 920 | 7 604 | 117 187 |
| Cllr. HR Rikhotso | 69 810 | 1 243 | 14 090 | 23 520 | 920 | 7 604 | 117 187 |
| Cllr. MJ Chauke | 69 810 | 1 243 | 14 090 | 23 520 | 920 | 7 604 | 117 187 |
| Cllr. RC Rikhotso | 69 810 | 1 243 | 14 090 | 23 520 | 920 | 7 604 | 117 187 |
| Cllr. KA Manganyi | 165 447 | 1 243 | 14 090 | 55 741 | 2 177 | 16 561 | 255 259 |
| Cllr. JS Khosa | 69 810 | 1 243 | 14 090 | 23 520 | 920 | 7 604 | 117 187 |
| Cllr. AF Mthombeni | 18 125 | 300 | 3 400 | 5 676 | 215 | 7 604 | 35 320 |
| Cllr. DT Shivuri | 69 810 | 1 243 | 14 090 | 23 520 | 920 | 7 604 | 117 187 |
| Cllr. N Maluleke | 69 810 | 1 243 | 14 090 | 23 520 | 920 | 7 604 | 117 187 |

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand

50. Related parties (continued)

| | | | | | | | |
|----------------------|-------------------|----------------|------------------|------------------|----------------|----------------|-------------------|
| Cllr. MA Makamu | 51 081 | 900 | 10 200 | 17 027 | 681 | - | 79 889 |
| Cllr. BI Mashele | 69 810 | 1 243 | 14 090 | 23 520 | 920 | 7 604 | 117 187 |
| Cllr. AM Mthombeni | 92 299 | 1 243 | 14 090 | 31 097 | 1 287 | 9 710 | 149 726 |
| Cllr. PS Mabulana | 92 299 | 1 243 | 14 090 | 31 097 | 1 163 | 9 710 | 149 602 |
| Cllr. TC Manganyi | 69 810 | 1 243 | 14 090 | 23 520 | 937 | 7 604 | 117 204 |
| Cllr. SS Kubayi | 69 810 | 1 243 | 14 090 | 23 520 | 920 | 7 604 | 117 187 |
| Cllr. AE Mboweni | 92 299 | 1 243 | 14 090 | 30 184 | 1 059 | - | 138 875 |
| Cllr. NM Madzunye | 69 810 | 1 243 | 14 090 | 23 520 | 920 | 7 604 | 117 187 |
| Cllr. SC Mahlawule | 92 299 | 1 243 | 14 090 | 31 097 | 1 066 | - | 139 795 |
| Cllr. TC Zitha | 69 810 | 1 243 | 14 090 | 23 520 | 937 | - | 109 600 |
| Cllr. HR Shivambu | 69 810 | 1 243 | 14 090 | 23 520 | 1 013 | 7 604 | 117 280 |
| Cllr. MJ Makhubela | 69 810 | 1 243 | 14 090 | 23 520 | 1 013 | 7 604 | 117 280 |
| Cllr. SR Nkuna | 34 054 | 600 | 6 800 | 11 351 | 407 | - | 53 212 |
| Cllr. P Mazivuko | 69 810 | 1 243 | 14 090 | 23 520 | 920 | 7 604 | 117 187 |
| Cllr. TS Hlungwana | 69 810 | 1 243 | 14 090 | 23 520 | 920 | 7 604 | 117 187 |
| Cllr. NJ Zitha | 69 810 | 1 243 | 14 090 | 23 520 | 844 | 7 604 | 117 111 |
| Cllr. TP Chaka | 69 810 | 1 243 | 14 090 | 23 520 | 920 | 7 604 | 117 187 |
| Cllr. FJ Manganyi | 51 081 | 900 | 10 200 | 17 027 | 611 | - | 79 819 |
| Cllr. TJ Moshwana | 69 810 | 1 243 | 14 090 | 23 520 | 920 | 7 604 | 117 187 |
| Cllr. MD Hlungwani | 35 756 | 643 | 7 290 | 12 169 | 778 | 10 177 | 66 813 |
| Cllr. DR Maswanganyi | 69 810 | 1 243 | 14 090 | 23 520 | 920 | 7 604 | 117 187 |
| | 15 271 238 | 223 937 | 2 538 110 | 5 252 436 | 195 496 | 585 156 | 24 066 373 |

2021

| Name | Basic salary | Data card | Cellphone Allowance | Car Allowance | SDL | Backpay | Total |
|--------------------|--------------|-----------|---------------------|---------------|-------|---------|---------|
| Cllr. SS Mathebula | 270 145 | 3 600 | 40 800 | 90 048 | 2 884 | - | 407 477 |
| Cllr. MP Hlungwani | 516 516 | 3 600 | 40 800 | 172 172 | 5 177 | - | 738 265 |
| Cllr. MR Mashale | 484 235 | 3 600 | 40 800 | 161 411 | 4 321 | - | 694 367 |
| Cllr. NHP Ndaba | 484 235 | 3 600 | 40 800 | 161 411 | 4 876 | - | 694 922 |
| Cllr. TE Baloyi | 484 235 | 3 600 | 40 800 | 161 411 | 4 877 | - | 694 923 |
| Cllr. DE Baloyi | 262 214 | 3 600 | 40 800 | 87 404 | 2 810 | - | 396 828 |
| Cllr. B Gaveni | 204 323 | 3 600 | 40 800 | 68 107 | 2 272 | - | 319 102 |
| Cllr. E Malungwani | 262 214 | 3 600 | 40 800 | 87 404 | 2 510 | - | 396 528 |

Greater Giyani Municipality

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Notes to the Annual Financial Statements

Figures in Rand

50. Related parties (continued)

| | | | | | | | |
|------------------------|---------|-------|--------|---------|-------|---|---------|
| Cllr. MI Shimange-Faze | 204 323 | 3 600 | 40 800 | 68 107 | 2 272 | - | 319 102 |
| Cllr. RO Mabasa | 474 506 | 3 600 | 40 800 | 158 168 | 4 786 | - | 681 860 |
| Cllr. TL Ndlovu | 17 027 | 300 | 3 400 | 5 676 | - | - | 26 403 |
| Cllr. S Makhubele | 262 214 | 3 600 | 40 800 | 87 404 | 2 810 | - | 396 828 |
| Cllr. MW Mthombeni | 262 214 | 3 600 | 40 800 | 87 404 | 2 810 | - | 396 828 |
| Cllr. PT Mokgobi | 204 323 | 3 600 | 40 800 | 68 107 | 2 037 | - | 318 867 |
| Cllr. FC Makoseni | 262 214 | 3 600 | 40 800 | 87 404 | 2 510 | - | 396 528 |
| Cllr. XJ Valoyi | 262 214 | 3 600 | 40 800 | 87 404 | 4 310 | - | 398 328 |
| Cllr. BA Shibambu | 645 644 | 3 600 | 40 800 | 215 215 | 5 639 | - | 910 898 |
| Cllr. CM Siweya | 204 323 | 3 600 | 40 800 | 68 107 | 2 037 | - | 318 867 |
| Cllr. NR Khandlela | 204 323 | 3 600 | 40 800 | 68 107 | 2 272 | - | 319 102 |
| Cllr. GR Kobane | 262 214 | 3 600 | 40 800 | 87 404 | 2 810 | - | 396 828 |
| Cllr. EN Mabunda | 270 145 | 3 600 | 40 800 | 90 048 | 2 884 | - | 407 477 |
| Cllr. SG Mthombeni | 262 214 | 3 600 | 40 800 | 87 404 | 2 510 | - | 396 528 |
| Cllr. NN Baloyi | 204 323 | 3 600 | 40 800 | 68 107 | 2 037 | - | 318 867 |
| Cllr. MC Mhlongo | 204 323 | 3 600 | 40 800 | 68 107 | 2 037 | - | 318 867 |
| Cllr. RE Ngoveni | 204 323 | 3 600 | 40 800 | 68 107 | 2 037 | - | 318 867 |
| Cllr. TR Maluleke | 204 323 | 3 600 | 40 800 | 68 107 | 2 037 | - | 318 867 |
| Cllr. MA Khosa | 204 323 | 3 600 | 40 800 | 68 107 | 2 037 | - | 318 867 |
| Cllr. T Makhubele | 204 323 | 3 600 | 40 800 | 68 107 | 2 037 | - | 318 867 |
| Cllr. TN Mthombeni | 152 958 | 2 100 | 23 800 | 50 986 | 1 255 | - | 231 099 |
| Cllr. HW Mhlari | 270 145 | 3 600 | 40 800 | 90 048 | 2 575 | - | 407 168 |
| Cllr. RN Sekgobela | 204 323 | 3 600 | 40 800 | 68 107 | 2 037 | - | 318 867 |
| Cllr. TM Makhuvele | 262 214 | 3 600 | 40 800 | 87 404 | 2 510 | - | 396 528 |
| Cllr. MP Mathevula | 204 323 | 3 600 | 40 800 | 68 107 | 2 037 | - | 318 867 |
| Cllr. XB Mkansi | 204 323 | 3 600 | 40 800 | 68 107 | 2 037 | - | 318 867 |
| Cllr. DC Mashimbye | 204 323 | 3 600 | 40 800 | 68 107 | 2 037 | - | 318 867 |
| Cllr. RS Khosa | 204 323 | 3 600 | 40 800 | 68 107 | 2 037 | - | 318 867 |
| Cllr. HR Rikhotso | 204 323 | 3 600 | 40 800 | 68 107 | 2 037 | - | 318 867 |
| Cllr. MJ Chauke | 204 323 | 3 600 | 40 800 | 68 107 | 2 037 | - | 318 867 |
| Cllr. RC Rikhotso | 204 323 | 3 600 | 40 800 | 68 107 | 2 037 | - | 318 867 |
| Cllr. KA Manganyi | 484 235 | 3 600 | 40 800 | 161 411 | 4 876 | - | 694 922 |
| Cllr. JS Khosa | 204 323 | 3 600 | 40 800 | 68 107 | 2 037 | - | 318 867 |
| Cllr. AF Mthombeni | 204 323 | 3 600 | 40 800 | 68 107 | 2 037 | - | 318 867 |
| Cllr. DT Shivuri | 204 323 | 3 600 | 40 800 | 68 107 | 2 037 | - | 318 867 |
| Cllr. MP Hlungwani | 34 054 | 600 | 6 800 | 11 351 | 530 | - | 53 335 |
| Cllr. N Maluleke | 204 323 | 3 600 | 40 800 | 68 107 | 2 037 | - | 318 867 |

Greater Giyani Municipality

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Figures in Rand

50. Related parties (continued)

| | | | | | | | |
|----------------------|-------------------|----------------|------------------|------------------|----------------|---------------|-------------------|
| Cllr. MA Makamu | 204 323 | 3 600 | 40 800 | 68 107 | 2 272 | - | 319 102 |
| Cllr. BI Mashele | 204 323 | 3 600 | 40 800 | 68 107 | 2 037 | - | 318 867 |
| Cllr. AM Mthombeni | 270 145 | 3 600 | 40 800 | 90 048 | 2 884 | - | 407 477 |
| Cllr. PS Mabulana | 270 145 | 3 600 | 40 800 | 90 048 | 2 575 | - | 407 168 |
| Cllr. TC Manganyi | 204 323 | 3 600 | 40 800 | 68 107 | 2 272 | - | 319 102 |
| Cllr. SS Kubayi | 204 323 | 3 600 | 40 800 | 68 107 | 2 037 | - | 318 867 |
| Cllr. AE Mboweni | 270 145 | 3 600 | 40 800 | 87 404 | 2 557 | - | 404 506 |
| Cllr. MM Madzunya | 204 323 | 3 600 | 40 800 | 68 107 | 2 037 | - | 318 867 |
| Cllr. SC Mahlaule | 270 145 | 3 600 | 40 800 | 90 048 | 2 575 | - | 407 168 |
| Cllr. TC Zitha | 222 047 | 3 600 | 40 800 | 68 107 | 2 422 | - | 336 976 |
| Cllr. HR Shivambu | 204 323 | 3 600 | 40 800 | 68 107 | 2 272 | - | 319 102 |
| Cllr. MJ Makhubele | 204 323 | 3 600 | 40 800 | 68 107 | 2 272 | - | 319 102 |
| Cllr. SR Nkuna | 204 323 | 3 600 | 40 800 | 68 107 | 2 037 | - | 318 867 |
| Cllr. P Mazivuko | 204 323 | 3 600 | 40 800 | 68 107 | 2 037 | - | 318 867 |
| Cllr. TS Hlungwana | 204 323 | 3 600 | 40 800 | 68 107 | 2 037 | - | 318 867 |
| Cllr. NJ Zitha | 204 323 | 3 600 | 40 800 | 68 107 | 2 037 | - | 318 867 |
| Cllr. TP Chaka | 204 323 | 3 600 | 40 800 | 68 107 | 2 037 | - | 318 867 |
| Cllr. MP Hlungwani | 12 084 | 300 | 3 400 | 5 676 | 203 | - | 21 663 |
| Cllr. MJ Manganyi | 130 539 | 2 400 | 27 200 | 45 405 | 1 573 | - | 207 117 |
| Cllr. TJ Moshwana | 72 932 | 1 200 | 13 600 | 24 310 | 958 | 3 349 | 116 349 |
| Cllr. DR Maswanganyi | 17 027 | 300 | 3 400 | 5 676 | 468 | 26 403 | 53 274 |
| | 15 634 520 | 219 600 | 2 488 800 | 5 206 459 | 159 425 | 29 752 | 23 738 556 |

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51. Accounting by principals and agents

The municipality is a party to a principal-agent arrangement(s).

Mopani District Municipality

Greater Giyani Municipality and Mopani District Municipality entered into legislated arrangement under which the municipality serves as an agent and Mopani District as a Principal.

Under this arrangement, Greater Giyani Municipality performs water and sewer functions on behalf of the Mopani District, all monies earned by the Greater Giyani Municipality.

Municipality from water and sewer services are disclosed as a liability and any monies paid by Greater Giyani Municipality to ensure smooth running of the water and sewer functions are disclosed as a receivable by Greater Giyani Municipality.

| | | |
|------------------|-----------|-----------|
| Agency fee @ 25% | 1 154 816 | 1 797 113 |
|------------------|-----------|-----------|

Inter municipal Account

| | | |
|------------------------------|-------------|--------------|
| Mopani District Municipality | (4 991 802) | (22 403 947) |
|------------------------------|-------------|--------------|

Department of Transport - Limpopo

The Municipality has entered into an agreement with the Department of Transport under which the Department serves as a Principal and the Municipality as an agent.

Under this arrangement, the Municipality performs licencing functions on behalf of the department of transport and earns a commission of the total revenue collected from this services. The balance is transferred to the department of transport and other stakeholders. The following is a summary of revenue as a result of the arrangements at year end.

Agency fee

| | | |
|---|------------------|------------------|
| Total collection on behalf of the principal | 23 286 718 | 21 326 378 |
| Total amount paid or transferred to the principal | (16 531 351) | (16 416 398) |
| | 6 755 367 | 4 909 980 |

Details of the arrangement(s) are as follows:

The municipality has been appointed to distribute water to local residences as distribution agent by the district municipality for which it is then entitled to a commission/agency fee for service rendered. The municipality accounts for revenue, expenditures and receivables relating to water transactions into loan account and it is disclosed under the same section of the annual financial statements. Refer to disclosure note for other receivables for full details note 10 for further reconciliation.

The municipality is entitled to 25%.

The municipality is also a party to an agreement between the municipality and the department of roads and transport to collect revenue licensing and permits. The municipality is entitled to 20% of the revenue collected.

52. Risk management

Liquidity risk

The municipality's risk to liquidity is a result of the funds available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments and credit facilities.

Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

The table below analyses the municipality's financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

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52. Risk management (continued)

At 30 June 2022

Payables from exchange transactions - 104 485 992

At 30 June 2021

Payables from exchange transactions - 102 455 112

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored. Sales to retail customers are settled in cash or using major credit cards. Credit guarantee insurance is purchased when deemed appropriate.

Financial assets exposed to credit risk at year end were as follows:

Financial instrument

| | | |
|--|--------------------|--------------------|
| Cash and cash equivalents | 220 050 953 | 179 411 408 |
| Receivables from exchange transactions | 13 257 921 | 29 595 586 |
| Receivables from non-exchange transactions | 103 353 601 | 76 613 355 |
| Other receivables from exchange transactions | 38 086 198 | 21 381 748 |
| VAT | 20 440 439 | 16 131 014 |
| | <u>395 189 112</u> | <u>323 133 111</u> |

Market risk

Interest rate risk

As the municipality has no significant interest-bearing assets, the municipality's income and operating cash flows are substantially independent of changes in market interest rates.

53. Deviations

| | | |
|---|----------------|----------------|
| Magezi Brandon Muhluri (PTY) LTD | - | 113 090 |
| Makhawukani investment trading | - | 148 801 |
| Hasler Business systems (PTY) LTD | - | 4 692 |
| M and R projects and investment | - | 40 050 |
| Smith Sam Trading | - | 113 591 |
| Baseccho at RMC INC | - | 66 000 |
| BBBB Trading Enterprise (Pty) Ltd - in an emergency (SCM) Regulations 36(1)(i) | 65 024 | - |
| Walala Bisson Enterprise (Pty) Ltd - in an emergency (SCM) Regulations 36(1)(i) | 68 640 | - |
| M and R Projects and Investment - in an emergency (SCM) Regulations 36(1)(i) | 79 950 | - |
| | <u>213 614</u> | <u>486 224</u> |

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|---|------------------|------------------|
| 54. Fruitless and wasteful expenditure | | |
| Opening balance as previously reported | 2 208 553 | 11 335 |
| Add: Fruitless and wasteful expenditure identified - current | 5 027 908 | 86 005 |
| Add: Fruitless and wasteful expenditure identified - prior period | - | 2 183 514 |
| Less: Amount written off | - | (72 301) |
| Closing balance | 7 236 461 | 2 208 553 |

Fruitless and wasteful expenditure is presented inclusive of VAT

An amount of R 9 870.28 for 2019/2020 financial year is yet to be recovered, as per recommendation by MPAC.

An amount R 13 704 for 2021 financial year is to be recovered from the officials responsible, as per MPAC recommendation.

An amount of R 2 202 970 was paid for free basic electricity for unqualified beneficiaries in the current year and R 2 183 514 in the prior period.

Amount of R 13 151 was paid to Eskom for late payments of Free basic electricity.

Amount of R 11 250 was paid attending a Microsoft Teams on the 28th August and the technical team did not attend.

Amount of R 7 500 was paid attending a Microsoft Teams on the 28th August and the technical team did not attend

Details of fruitless and wasteful expenditure

| | | |
|--|------------------|------------------|
| Penalty for late submission of annual return of earnings | - | 72 301 |
| Overcharged for PPE | - | 13 704 |
| Interest charged on litigation loss | 2 793 037 | - |
| Free basic electricity paid for deceased beneficiaries | 2 202 970 | 2 183 514 |
| Interest for late payment on the disputed FBE bill | 13 151 | - |
| Failure to attend a Microsoft Teams meeting on the 28th of August 2021 by Technical Team | 11 250 | - |
| Absence of Technical Team in a Microsoft Teams meeting on the 29th of August 2021 | 7 500 | - |
| | 5 027 908 | 2 269 519 |

55. Irregular expenditure

| | | |
|--------------------------------------|-------------------|-------------------|
| Opening Balance | 11 224 426 | 11 292 032 |
| Add: Irregular expenditure - current | 6 281 720 | 8 945 632 |
| Less: Amount written off by council | (1 583 433) | (9 013 238) |
| Closing balance | 15 922 713 | 11 224 426 |

MPAC could not reach a conclusion on the investigation of R 9 640 992.69 for periods 2015/16 and 2016/17 respectively due to inadequate information.

Incidents/cases identified/reported in the current year include those listed below:

| | | |
|---|------------------|------------------|
| Inadequate reasons provided for approved deviation memorandum for purchase of personal protective equipment | - | 524 640 |
| Awards made to suppliers in which persons in service of other state institutions have an interest | 1 228 237 | 473 572 |
| Tender which did not meet the pre-qualification criteria was evaluated further | - | 585 221 |
| Regulation 32 contract was entered to beyond the scope of original contract | - | 232 066 |
| The tender requirements did not include a condition for mandatory subcontracting to advance designated groups as required by PPR even though the amount was above R30 million | - | 7 130 133 |
| Non compliance with SCM policy | 5 053 483 | - |
| | 6 281 720 | 8 945 632 |

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|--|-------------------|--------------------|
| 56. Unauthorised expenditure | | |
| Opening balance as previously reported | 103 258 108 | 51 976 064 |
| Add: Unauthorised expenditure - incurred in the current year | 49 095 505 | 51 282 044 |
| Less: Amount written off by council | (103 258 108) | - |
| Closing balance | 49 095 505 | 103 258 108 |
| The over expenditure incurred by municipal departments during the year is attributable to the following categories: | | |
| Non-cash | 49 095 505 | 51 252 194 |
| Cash | - | 29 850 |
| | 49 095 505 | 51 282 044 |
| Analysed as follows: non-cash | | |
| Actuarial valuations | - | 208 000 |
| Depreciation and amortisation | 30 476 758 | 22 353 857 |
| Finance costs | 6 670 136 | 3 909 429 |
| Impairment loss | 1 786 619 | 6 298 942 |
| Debt impairment | - | 11 082 706 |
| Loss on assets written off | 10 142 256 | 7 393 461 |
| Obsolete inventory written off | 19 736 | 5 799 |
| | 49 095 505 | 51 252 194 |
| Analysed as follows: cash | | |
| Finance and administration | 49 095 505 | 47 342 765 |
| Waste management | - | 3 909 429 |
| Public safety | - | 1 975 |
| Housing | - | 27 875 |
| | 49 095 505 | 51 282 044 |
| 57. Additional disclosure in terms of Municipal Finance Management Act | | |
| Audit fees | | |
| Current year subscription / fee | 4 067 384 | 4 870 451 |
| Amount paid - current year | (4 067 384) | (4 870 451) |
| | - | - |
| PAYE and UIF | | |
| Current year subscription / fee | 25 488 532 | 22 753 076 |
| Amount paid - current year | (25 488 532) | (22 753 076) |
| | - | - |
| Pension and Medical Aid Deductions | | |
| Current year subscription / fee | 27 380 992 | 26 192 817 |
| Amount paid - current year | (27 380 992) | (26 192 817) |
| | - | - |

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57. Additional disclosure in terms of Municipal Finance Management Act (continued)

VAT

VAT receivable 20 440 439 16 131 014

VAT output payables and VAT input receivables are shown in note .

All VAT returns have been submitted by the due date throughout the year.

Councillors' arrear consumer accounts

The following Councillors had arrear accounts outstanding for more than 90 days at 30 June 2022:

| 30 June 2022 | Outstanding less than 90 days | Outstanding more than 90 days | Total |
|-------------------------------|-------------------------------------|-------------------------------------|----------------|
| Cllr. Mboweni Agrey Ernest | 1 880 | 9 397 | 11 277 |
| Cllr. Makondo Thomas | 3 038 | 24 516 | 27 554 |
| Cllr. Dlamini Khanyisa Sylvia | 2 361 | 18 038 | 20 399 |
| Cllr. Rikhotso Tsakane Idah | 4 096 | 67 642 | 71 738 |
| | 11 375 | 119 593 | 130 968 |

| 30 June 2021 | Outstanding less than 90 days | Outstanding more than 90 days | Total |
|---------------------------------|-------------------------------------|-------------------------------------|----------------|
| Cllr Mboweni Agrey Ernest | 1 846 | 54 695 | 56 541 |
| Cllr Chauke Mukhachani Juring | 4 170 | 63 303 | 67 473 |
| Cllr Shivambu Hasani Richard | 2 498 | 31 376 | 33 874 |
| Cllr Baloyi Tintswalo Elizabeth | 2 963 | 1 116 | 4 079 |
| Cllr Makamu Mafakhale Alpjeus | 2 429 | 7 128 | 9 557 |
| Cllr Shibambu Basani Agnes | 1 938 | 340 | 2 278 |
| | 15 844 | 157 958 | 173 802 |

During the year the following Councillors' had arrear accounts outstanding for more than 90 days.

58. Going concern

We draw attention to the fact that at 30 June 2022, the municipality had an accumulated surplus (deficit) of 1 241 690 076 and that the municipality's total assets exceed its liabilities by 1 241 690 076.

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

59. Events after the reporting date

Mr N Mdaka was appointed director for corporate services on the 01 August 2022.

Ms RT Chabalala was appointed as director for community services on the 01 September 2022.

Mr F Nkuna was appointed as the acting CFO on the 15 August 2022.

On the 05 September 2022 the municipal manager Mr M M Chauke was suspended and Ms K V Sithole was since appointed the acting municipal manager on the same day.

Greater Giyani Municipality

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|-----------------|------|------|

60. Prior period errors

1. Other financial assets relating to VBS refund of R 10 727 810 was incorrectly reported at the end of 30 June 2021. The refund was supposed to have been reported under events after reporting date note.
2. Water and Sewer payments amounting to R 965 273.35 relating to on hold accounts were incorrectly billed in the prior year.
3. Properties amounting to R 4 808 108 relating to oh hold accounts were incorrectly billed in the prior year.
4. Rental housing, Refuse removal and cemetery with a net movement of R 3 619 980.84 relating to on hold accounts and rental houses which are not in the municipality name were incorrectly billed in the prior years.
5. Investment property amounting to R 245 000 was misclassified as building in the prior year.
6. Buildings of R 245 000 was incorrectly classified as investment property in the prior year. Accumulated depreciations R 268 977 was incorrectly accounted for in the prior years
7. Rent houses that does not belong to the municipality were incorrectly charged property rates with an amount of R 38 595 in the prior years.
8. Deprecation on property, plant and equipment were understated with an amount of R 415 990 in the prior year.
9. Impairment of receivables on rental housing with an amount of R 3 651 600 was reversed due to the houses not belonging to the municipality.
10. Completed project for electrical services amounting to R 8 489 284 were not transferred to Eskom.
11. Commitments on rental of photocopiers, National Treasury transversal contract for procurement of 75 3gs for the municipal officials and National Treasury transversal contract for procurement of 100mbps internet line for the municipal officials were incorrectly disclosed in the prior year.
14. Fruitless and wasteful expenditure, the amount of R 2 183 514 relates to the Free basic electricity that was paid for unqualified beneficiaries in the prior year.

The correction of the error(s) results in adjustments as follows:

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60. Prior period errors (continued)

| Statement of financial position | As previously reported | Correction of error | Reclassification | Restated |
|--|------------------------|---------------------|------------------|----------------------|
| Other financial assets | 10 727 810 | (10 727 810) | - | - |
| Receivable from exchange transaction | 30 560 859 | (965 273) | - | 29 595 586 |
| Receivable from non exchange transaction | 81 421 463 | (4 808 108) | - | 76 613 355 |
| Other receivables from exchange transactions | 25 001 738 | (3 619 990) | - | 21 381 748 |
| Investment property | 25 935 570 | (245 000) | - | 25 690 570 |
| Property, plant and equipment | 964 026 837 | (23 977) | - | 964 002 860 |
| | 1 137 674 277 | (20 390 158) | - | 1 117 284 119 |

| Statement of financial performance | As previously reported | Correction of error | Restated |
|--------------------------------------|------------------------|---------------------|----------------------|
| Recoveries | 10 727 810 | (10 727 810) | - |
| Rental of facilities and equipment | 965 172 | (581 820) | 383 352 |
| Interest received (overdue accounts) | 2 465 564 | (396 154) | 2 069 410 |
| Property rates | 71 229 310 | (38 595) | 71 190 715 |
| Depreciation and amortisation | (90 353 857) | (415 990) | (90 769 847) |
| Debt impairment | (45 382 706) | 3 651 600 | (41 731 106) |
| Contracted services | (36 400 409) | (8 489 284) | (44 889 693) |
| General expenses | (56 384 096) | - | (56 384 096) |
| | (143 133 212) | (16 998 053) | (160 131 265) |

| Commitments | As previously reported | Correction of error | Restated |
|---|------------------------|---------------------|------------------|
| Rental of photocopier machine | 2 072 016 | 397 434 | 2 469 450 |
| National Treasury transversal contract for procurement of 75 3gs for the municipal officials. | 134 000 | 212 700 | 346 700 |
| National Treasury transversal contract for procurement of 100mbps internet line for the municipal officials | 165 836 | 140 569 | 306 405 |
| | 2 371 852 | 750 703 | 3 122 555 |

| Fruitless and Wasteful expenditure | | | |
|--|--|---|-----------|
| Fruitless and wasteful expenditure identified - prior period | | - | 2 183 514 |

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61. EXPLANATION OF DIFFERENCES BETWEEN FINAL BUDGET AND ACTUAL AMOUNTS

Material differences between budget and actual amounts

A. Rental of facilities

Decline in revenue for rental of facilities is due to removal of certain houses that do not belong to the municipality.

B. Agency Services

This is due to water shortages in Mopani District and it resulted in lower billing for water consumption.

C. Actuarial gains

The actuarial gain is attributable to membership changes due to more exists than expected since the last valuation most notable including nine in service members with an average of 59 years. Subsidy increases lower than assumed.

D. Licence and permits

The use of the service was slow than expected which may be signs of the effect of covid 19.

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61. EXPLANATION OF DIFFERENCES BETWEEN FINAL BUDGET AND ACTUAL AMOUNTS (continued)

E. Other income

Services in this category is depended on the demand of services by consumers.

F. Interest on investment

Increase on interest on investment is due to the municipality investing VAT recoveries in the call accounts.

G. Interest on overdue accounts

This was due to the increase on debt owed by the municipality. The payment of the services by consumers was slow.

H. Traffic fines

This was due to more roadblocks and enforcement measures employed by the municipality.

I. Property rates

This was due to the exemptions of churches on billing of property rates.

J. Depreciations

Due to the completion of more projects and acquisition of other assets. Other assets were also discovered on the floor.

K. Impairment loss

It was due to the declassification of assets which were discovered during verification and when performing assessment for impairment.

L. Obsolete inventory written off

Obsolete inventory written off was not budgeted for.

M. Finance costs

Due to the interest portion of the provision of dumping site and interest portion of the execution order relating to a litigation.

N. Debt impairment

Decrease in debt impairment is due to the system allocating payments from old debts to current.

O. Lease rentals on operating lease

Due to the less use of rental of photocopiers which is payable based on the use of such equipment.

P. Repairs and maintenance

This is because of the reclassification from repairs and maintenance vote to WIP (Work in progress) because some of the maintenance was capital in nature.

Q. Loss on assets written off

Due to the pavement milling projects undertaken by the municipality is part of the repairs and maintenance of the municipality infrastructure.

R. General Expenses

There increase in general expenses was due to litigation loss of R 8 140 229, fuel oil due to exponential fuel increase, Increase in legal services, and travelling due to lifting of Covid19 restrictions.

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61. EXPLANATION OF DIFFERENCES BETWEEN FINAL BUDGET AND ACTUAL AMOUNTS (continued)

EXPLANATION OF DIFFERENCES BETWEEN APPROVED BUDGET AND FINAL ADJUSTED BUDGET

A. Services charges

Budget was based on the 2020/2021 final figures and CPI for 2021/2022 financial year. Subsequent reconciliation of refuse removal was performed in the period under review where corrective adjustments were processed which in turn increased refuse removal billing.

B. Agency Services

The budget was based on the actual amount the district is owing to the municipality as per the 2020 2021 financial statement but the district failed to pay as promised.

C. Licence & permits

The adjustment budget was based on the actuals for the first six months of the financial year.

D. Other income

The budget was reduced due to the sale of stands that was no longer moving in the first half of the financial year.

E. Interest on Investment

Approved budget was based on the estimates of the 2020 /2021 figures and the municipality ended investing more vat refunds from the call account in the period under review.

F. Traffic fines

The budget was adjusted downward while checking the trend of the first six months.

G. Employee Related costs

The budget was decreased due to the budgeted vacant positions which were not filled for the first six month of the financial year and termination of employment during the first six month.

H. Remuneration of councillors

The budget was reduced during adjustment budget because the determination of upper limits was not received.

I. Depreciations

The budget was reduced during the adjustment budget while checking the actuals for the first six months.

J. Repairs and maintenance

The budget was increased due to the need by the community to maintain roads.

K. Transfer and subsidies

The budget was reduced during the adjustment budget while checking the actuals for the first six months



Chapter 6

AUDITOR-GENERAL'S REPORT

SEE ATTACHED ANNEXURE D

Report of the auditor-general to Limpopo Provincial Legislature and the council on Greater Giyani Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Greater Giyani municipality set out on pages ... to ..., which comprise the statement of financial position as at 30 June 2022, the statement of financial performance, statement of changes in net assets and cash flow statement and statement of comparison of budget information with actual information for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Greater Giyani Municipality as at 30 June 2022, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (Standards of GRAP) and the requirements of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act, 2021 (Act No. 9 of 2021) (DoRA).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.
4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

6. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Restatement of corresponding figures

7. As disclosed in note 60 to the financial statements, the corresponding figures for 30 June 2021 were restated as a result of an error in the financial statements of the municipality, and for the year ended, 30 June 2022.

Significant uncertainty

8. With reference to note 49 to the financial statements, the municipality is the defendant in multiple lawsuits. The ultimate outcome of the matters could not be determined and no provision for any liability that may result was made in the financial statements.

Material impairments

9. As disclosed in note 39 to the financial statements, material impairment of R14 419 155 was incurred as a result of debt of which recovery is doubtful due to inadequate collecting systems.

Other matters

10. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Unaudited disclosure schedules

11. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA in the financial statements. The disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.

Unaudited supplementary schedules

12. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA in the financial statements. The disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.

Responsibilities of the accounting officer for the financial statements

13. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the standards of GRAP and the requirements of the MFMA, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
14. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

15. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a

material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

16. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

17. In accordance with the Public Audit Act, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected development priorities presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
18. My procedures address the usefulness and reliability of the reported performance information, which must be based on the municipality's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the municipality enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
19. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected development priority presented in the municipality's annual performance report for the year ended 30 June 2022:

| Development priority | Pages in the annual performance report |
|---|--|
| KPA 3 – Basic services and infrastructure | x – x |

20. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
21. The material findings on the usefulness and reliability of the performance information of the selected development priorities are as follows:

KPA 3: Basic services and infrastructure development

Various indicators

22. The achievement below were reported in the annual performance report for the listed indicators. However, some supporting evidence provided, materially differed from the reported achievement, while in other instances I was unable to obtain sufficient appropriate audit evidence. This was due to lack of accurate and complete records. I was unable to further confirm the reported achievements by alternative means. Consequently, I was unable to determine whether any further adjustments were required to the reported achievements.

| Indicator description | Reported achievement |
|--|---|
| To connect 413 units at Mavalani Village by 30 June 2022 | Target achieved (413 households connected with electricity) |
| To connect 250 units at Ndengeza Village by 30 June 2022 | Target not achieved (213 households connected with electricity) |
| To develop a waste disposal site by 30 June 2022 | Target achieved (Construction of waste disposal site development) |

Various indicators

23. I was unable to obtain sufficient appropriate audit evidence that clearly defined the predetermined source information and method of collection or that related systems and processes were established to enable consistent measurement and reliable reporting of the actual achievement of the indicators listed below. This was due to a lack of measurement definitions and processes. I was unable to confirm that the indicator is well-defined and verifiable by alternative means. As a result, I was unable to audit the reliability of the achievements reported in the annual performance report of the listed indicators.

| Indicator description | Planned outcomes | Reported achievement |
|--|--|---|
| Construction of Ndhambi taxi rank | Construction of Ndhambi taxi rank | Target not achieved (In progress) |
| To develop a waste disposal site by 30 June 2022 | Construction of waste disposal site development by 30 June 2022 | Target achieved (Construction of waste disposal site development) |
| To upgrade access road to Nkhensani hospital by 30 June 2022 | Designs to upgrade access road to Nkhensani hospital by 30 June 2022 | Target not achieved (Detailed design report not conducted) |
| To develop and construct Mavalani indoor sport centre by 30 June 2022 | Designs and draft tender document by 30 June 2022 | Target not achieved (Service provider not appointed) |
| To develop and construct Jim Nghalalume community hall by 30 June 2022 | Designs and draft tender document by 30 June 2022 | Target achieved (Detailed designs and draft tender document) |

| Indicator description | Planned outcomes | Reported achievement |
|--|---|--|
| To develop and construct Nwazekudzoku community hall by 30 June 2022 | Designs and draft tender document by June 2022 | Target not achieved |
| To construct an extension of Mageva soccer pitch | To construct an extension of Mageva soccer pitch by June 2022 | Target not achieved (service provider not appointed) |
| Construction of sports centre at section E by 30 June 2022 | Section E sports centre constructed by 30 June 2022 | Target not achieved |

Other matters

24. I draw attention to the matters below.

Achievement of planned targets

25. Refer to the annual performance report on pages ... to... for information on the achievement of planned targets for the year. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraph 21 to 23 of this report.

Adjustment of material misstatements

26. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of basic service delivery and infrastructure development. As management subsequently corrected only some of the misstatements, I raised material findings on the usefulness and reliability of the reported performance information. Those that were not corrected are reported above.

Report on the audit of compliance with legislation

Introduction and scope

27. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the municipality's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

28. The material findings on compliance with specific matters in key legislation are as follows:

Annual financial statements, performance and annual report

29. The annual financial statements submitted for audit were not prepared in all material respects in accordance with the requirements of section 122 of the MFMA.

Material misstatements of current assets, liabilities and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected, resulting in the financial statements receiving an unqualified audit opinion.

Procurement and contract management

30. Awards were made to providers who were in the service of other state institutions or whose directors/ principal shareholders were in the service of other state institutions, in contravention of section 112(1)(j) and Supply Chain Management (SCM) regulation 44. Similar awards were identified in the previous year and no effective steps were taken to prevent or combat the abuse of the SCM process, as required by SCM regulation 38(1).
31. Some of the quotations were accepted from bidders who did not submit a declaration on whether they are employed by the state or connected to any person employed by the state, as required by SCM regulations 13(c). Similar non-compliance was also reported in the prior year.

Expenditure management

32. Reasonable steps were not taken to prevent irregular expenditure amounting to R6 281 720 as disclosed in note 55 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the disclosed irregular expenditure was caused by the non-compliance with SCM regulations.
33. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R5 027 908, as disclosed in note 54 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the disclosed fruitless and wasteful expenditure was caused by late payments of suppliers and payment of free basic electricity to non-qualifying beneficiaries.
34. Reasonable steps were not taken to prevent unauthorised expenditure amounting to R49 095 505, as disclosed in note 56 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the unauthorised expenditure was caused by non-cash items.

Strategic planning and performance management

35. The performance management system and related controls were not maintained due to internal control deficiencies identified, as required by the municipal planning and performance management regulation 7(1).

Other information

36. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report, which includes the audit committee's report. The other information does not include the financial statements, the auditor's report and those selected development priorities presented in the annual performance report that have been specifically reported in this auditor's report.

37. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.
38. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected development priorities presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
39. I did not receive the other information prior to the date of this auditors report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract the auditor's report and re-issue an emended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

40. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on the annual performance report and the findings on compliance with legislation included in this report.
41. The financial statements contained material misstatements which were subsequently corrected. This is mainly due to insufficient reviews performed on the annual financial statements.
42. Non-compliance with legislation could have been prevented had compliance been properly reviewed and monitored. The municipality did not take reasonable steps to prevent irregular expenditure, fruitless and wasteful expenditure and unauthorised expenditure.
43. The annual performance report contained material misstatements which were subsequently corrected. This is mainly due to insufficient reviews performed on the annual performance report.

Material irregularities

44. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit and on the status of the material irregularities reported in the previous year's auditor's report.

Material irregularities identified during the audit

Prohibited investment with a mutual bank

45. The municipality invested a total of R153 254 435 with Venda Building Society Mutual Bank (VBS), which accrued interest of R6 008 257, the first investment of R100 000 000 was made in March 2017, which was re-invested after maturity. An amount of R104 598 153 was re-invested in September 2017. An additional investment of R48 656 282 million was made in October 2017. The municipality did not comply with regulation 6 of the municipal investment regulations as VBS is not registered in terms of the Bank's Act.
46. The non-compliance is likely to result in a financial loss of R142 526 625 for the municipality if the amount invested is not recovered in full from the estate of VBS.
47. The accounting officer was notified of the material irregularity on 9 December 2021 and invited to make a written submission on the actions taken to address the matter. The accounting officer responded on 24 February 2022 and indicated the following actions were taken:
- On 11 May 2018, the municipal council approved the suspension of the Chief financial officer (CFO) and director: technical services and further approved the appointment of an independent investigator to investigate the alleged acts of misconduct committed by the CFO and the director: technical services, the investigation was finalised on 25 June 2022.
 - On 29 June 2018, the municipal council approved to initiate disciplinary processes against the CFO and director: technical services. Council authorised the municipal manager to appoint and sign letters of appointment of an external chairperson and prosecutor/ officer to lead evidence for the disciplinary proceedings for the suspended officials. Council further approved that civil recovery measures be instituted against all who are implicated in the financial misconduct of irregular investments with VBS.
 - The director: technical services resigned on 13 July 2018 and the CFO was found guilty and subsequently dismissed on 19 October 2018.
 - The municipality instituted civil action proceedings against the CFO and director: technical service to recover a portion of money lost as a result of the investment with VBS in terms of section 32(1)(c) and (d) and section 32(2) of the MFMA. The same was also instituted against VBS.
48. The municipality received an amount of R10 727 810 on 4 February 2022 from the liquidator and will continue to monitor the liquidation process.
49. I will follow up on progress made during my next audit.

Free basic electricity provided to none qualifying customers.

50. During the 2020-21 and 2021-22 financial year, the municipality paid Eskom an estimated amount of R4 386 484 for free basic electricity relating to beneficiaries who did not qualify to be classified as indigents as some were either deceased, employed by other organs of state and/ or the spouse where employed by an organ of state. This matter is a non-compliance with section 78(1)(a) of the MFMA as the senior managers of the municipality did not take

reasonable steps within their respective areas of responsibility to ensure that the system of financial management and internal control established for the municipality is carried out diligently as the municipality established an internal policy which stipulated the process and steps to be followed for identification, validation and approval of customers as indigents.

51. The non-compliance has resulted in a likely material financial loss of R4 386 484 for the municipality, as payment was made for non-qualifying customers.

52. The accounting officer was notified of the material irregularity on 22 February 2022 and invited to make a written submission on the actions that will be taken to address the matter. The accounting officer responded on 22 March 2022 and 4 November 2022 and indicated that the following actions will be taken:

- The beneficiary list that lead to the material irregularity was cancelled on 1 March 2022 with Eskom and the beneficiaries were re-registered up until 30 June 2022. A new beneficiary list was compiled, validated and sent to Eskom in October 2022.
- The likely financial loss of R4 386 484 was disclosed as fruitless and wasteful expenditure in note 54 to the annual financial statements for the 2021-22 financial year.
- An investigation was instituted to investigate and report on the circumstances that lead to the material irregularity on 4 November 2022. The investigation is planned to be finalised on or before February 2023. The accounting officer plans to take action against the person/s found responsible and to initiate steps to recover the financial loss based on the outcome of the investigation.

53. I will follow up on this investigation and the implementation of any planned actions during my next audit.

Auditor - General

Polokwane

30 November 2022



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure – Auditor-general’s responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected development priorities and on the municipality’s compliance with respect to the selected subject matters.

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in this auditor’s report, I also:
 - identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
 - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality’s internal control
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer.
 - conclude on the appropriateness of the accounting officer’s use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the Greater Giyani Municipality to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor’s report. However, future events or conditions may cause a municipality to cease operating as a going concern
 - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and

other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

ANNEXURE E

AUDIT COMMITTEE REPORT



REPORT OF THE AUDIT COMMITTEE ON GREATER GIYANI MUNICIPALITY (GGM)

We are pleased to present our report for the financial year ended 30 June 2022.

Audit Committee Structure

Greater Giyani Municipality has an Audit Committee which is composed of five independent members and reports directly to Council. Attendance of meeting was as follows:

| Initials and Surname | Position | Ordinary meeting | Special meeting |
|-----------------------------|-----------------|-------------------------|------------------------|
| SAB Ngobeni | Chair | 4/4 | 2/2 |
| P Ramutsheli | Member | 4/4 | 2/2 |
| N Baloyi | Member | 4/4 | 2/2 |
| S Skhosana | Member | 4/4 | 2/2 |
| E Hlungwani | Member | 4/4 | 2/2 |

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 166 and 165 of the Municipal Finance Management Act and Treasury Regulation 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein and the related code of conduct, policies and practices.

Stakeholder Engagement/s

The committee has been able to engage with the following stakeholders:

- Limpopo Provincial Treasury
- Limpopo Municipality of Corporate Governance, Human Settlement and Traditional Affairs
- Limpopo SALGA
- Limpopo Provincial Auditor (AGSA)

The Effectiveness of Internal Control

Based on the results of the formal documented review of the design, implementation and effectiveness of the municipality's system of internal controls conducted by the internal audit and AGSA during the financial year ended 30 June 2022, and in addition, considering information and explanations given by management plus discussions held with the external auditor on the results of their audit, the Audit Committee concluded that the municipality's system of internal financial controls is partial effective and several material internal control breaches come to the Committee's attention.

Risk Management

The Audit committee reviewed the municipality's policies on risk management and strategy (including IT Governance) and monitored the implementation of risk management policy and strategy and concluded that the municipality's risk management maturity level is satisfactorily and improving

In-Year Management and Monthly/Quarterly Report

Based on the quarterly review of in-year monitoring systems and reports, the Audit Committee is somewhat satisfied with the quality, accuracy, usefulness, reliability, appropriateness, and adequacy of the municipality in-year reporting systems. However, the year-end reporting should improve to avoid adjustment of the annual financial statements after submission to the AGSA.

Internal Audit Arrangement

The Audit committee:

- Reviewed and approved the annual Internal Audit plans and evaluated the independence, effectiveness and performance of the internal audit function;
- Considered the reports of the Internal Auditors on the municipality's systems of internal control;
- Reviewed issues raised by internal audit and the adequacy of corrective action taken by management in response thereto;

Combined assurance

The Audit committee reviewed the plans and reports of the external and internal auditors and other assurance providers including management and concluded that these were adequate to address all significant risks facing the municipality.

Compliance with the relevant laws and regulations

The Audit Committee considered reports provided by management, internal assurance providers and the independent auditors regarding compliance with legal and regulatory requirements and concluded that the municipality did not fully comply with the enabling laws and regulations as well as its municipality policies and standard operating procedures, especially in the areas of addressing the irregular and fruitless expenditure, quality of annual financial statement and supply chain management (including expenditure management)..

Evaluation of Annual Financial Statements

Following the review by the Audit Committee of the draft annual financial statements for the year ended 30 June 2022 before the audit, the committee is of the view that, annual financial statements fairly present the financial performance of the municipality for the year under review and can be incorporated into the annual report.

Evaluation of Annual Performance Report

Following the review by the Audit Committee of the annual performance report for the year ended 30 June 2022 and after the audit, the committee is of the view that, draft annual performance report fairly presents the non-financial performance of the

municipality for the year under review and can be incorporated into the annual report, with exception of areas raised by AGSA.

Consideration of the Final Audit report

The Audit Committee considered final audit report and concurred with the AGSA's unqualified audit opinion. Furthermore, the Audit Committee commended the municipality for obtaining the unqualified audit opinion.

A handwritten signature in black ink, consisting of the letters 'SAB' followed by a period, enclosed within an oval shape.

SAB Ngobeni

Chairperson of the Audit Committee

Date 30 November 2022

ANNEXURE A

AUDITED ANNUAL PERFORMANCE REPORT

ANNUAL PERFORMAMANCE REPORT 2021/22



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1. Introduction and Legislation

The purpose of this report is to give feedback regarding the performance of the Greater Giyani Municipality as required by the Municipal Systems Act No 32 of 2000, section 41(e) and the Municipal Finance Management Act 56 of 2003, section 52(d). This report emanates from the Integrated Development Plan (IDP) and the Adjusted Service Delivery, Budget and Implementation Plan (SDBIP). The scorecards were developed to reflect cumulative performance, therefore the status of indicators are a reflection of the overall performance level achieved year to date.

METHODOLOGY FOLLOWED IN COMPILING THE REPORT

In terms of Section 46 of the Municipal Systems Act 32 of 2000, Municipalities are required to prepare for each financial year an annual performance reporting reflecting-

- (a) the performance of the municipality and of each external service provider during that financial year;
- (b) a comparison of the performances referred to in paragraph (a) with targets set for and performances in the previous financial year and
- (c) Measures taken to improve performance.

According to the provisions of the Municipal Systems Act, 32 of 2000, municipalities must monitor and measure the progress of their performance by preparing quarterly and mid-year performance reports and annual performance report, in terms of Chapter 6 of the MSA, on performance management systems. These quarterly and mid-year reports make up the municipality's annual performance reports (Section 46 report), which are submitted to the Auditor-General, together with the Annual financial statements, for auditing.

2. ACRONYMS AND ABBREVIATIONS

| | |
|-------|---|
| AG | Auditor General |
| GGM | Greater Giyani Municipality |
| MDM | Mopani District Municipality |
| CWP | Community Works Programme |
| DMP | Disaster Management Plan |
| DoE | Department of Energy |
| DoHS | Department of Human Settlement |
| EMP | Environmental Management Plan |
| EPWP | Expanded Public Works Programme |
| IDP | Integrated Development Plan |
| IGR | Inter-Governmental Relations |
| LED | Local Economic Development |
| MFMA | Municipal Finance Management Act |
| MIG | Municipal Infrastructure Grant |
| MM | Municipal Manager |
| MPAC | Municipal Public Account Committee |
| MSIG | Municipal Systems Improvement Grant |
| N/A | Not Applicable |
| SLA | Service Level Agreement |
| PMS | Performance Management System |
| PMU | Project Management Unit |
| SCM | Supply Chain Management |
| SDBIP | Service Delivery and Budget Implementation Plan |

3. VISION AND MISSION

Vision

“A municipality where environmental sustainability, Agriculture and Tourism thrives for economic growth”

Mission

Democratic and accountable Municipality that ensures the provision of quality and sustainable services through sound environmental management practices, local economic development and community participation.

4. DEPARTMENTS

Greater Giyani Municipality administration is composed of the following departments: 1. Office of the Municipal Manager, 2. Corporate Services, 3. Planning & Development, 4. Budget and Treasury Office, 5. Technical Services, 6. Community Services

| | |
|---|---|
| Municipal Manager | To lead, direct and manage a motivated and inspired Administration and account to the Greater Giyani Municipality Council as Accounting Officer for long term Municipal sustainability to achieve a good creditor rating within the requirements of the relevant legislation and whereas the following sections within the department, i.e. Performance Management, Risk Management and Internal Auditing is managed for integration, efficient, economic and effective communication and service delivery. |
| Budget and Treasury Office (Finance) | To secure sound and sustainable management of the financial affairs of Greater Giyani Municipality by managing the budget and treasury office and advising and if necessary, assisting the accounting officer and other directors in their duties and delegation contained in the MFMA. Ensuring that the Greater Giyani Municipality is 100% financially viable when it comes to Cost Coverage and to manage the Grant Revenue of the municipality so that no grant funding is foregone |
| Community Services | To coordinate Sports, Arts and culture, Library services, Traffic and Licensing Services, Community Safety, Environmental and Waste management, Parks and Cemeteries. |
| Technical Services | To ensure that the service delivery requirements for roads are met and maintenance of water, sewerage and electricity are conducted for access to basic services as well as no less than an average of 100% MIG expenditure |
| Planning and Development | To direct the Greater Giyani Municipality's resources for advanced economic development and investment growth through appropriate town and infrastructure planning in order that an environment is created whereby all residents will have a sustainable income |
| Corporate Services | To ensure efficient and effective operation of council services, human resources and management, Communication, Events and the provision of high quality customer orientated administrative systems. Ensuring 100% compliance to the Skills Development Plan |

5. MUNICIPAL MANAGER'S OVERVIEW

The 2021/22 Financial Year brought with it some re-invigorated collective efforts from the municipal workforce, resulting in significant achievement recorded in the period under reporting. The Municipality has been able to improve the lives of the Greater Giyani communities through infrastructure development which include among others, electricity connections, high masts, sports centres, and paved roads. In view of the massive backlog on service delivery - exacerbated by low revenue collection on some of our projects, the municipality needs to accelerate implementation of the revenue enhancement strategy. This, in order to boost revenue collection.

The institutional capacity of Greater Giyani remains the central pillar of service delivery enablers, hence, we are continuing to construct phase 4 of the new municipal building to accommodate all our departments in one roof, for efficient coordination of administration. Meanwhile the high vacancy rate remains a serious challenge due to limited financial resources and high personnel turnover.

This report is based on information received from each department. This in view of the municipal performance in the 2021/22 financial year ending on the 30th of June 2022. It is a high-level report based on scores obtained through a process whereby actual information related to Key Performance Area (KPA), Strategic Objective, Programme and the aligned Key Performance Indicators are compared to the approved 2020/21 IDP and Adjusted SDBIP scorecards.

OVERVIEW OF SERVICE DELIVERY ACHIEVEMENTS

Water

The municipality provides 6 kilolitres of free basic water to all households with piped water. Boreholes are also used in communities where there is an acute shortage of water to augment the supply; the municipality is paying for diesel and electricity used for pumping water to the communities.

Electricity

Electricity is generated and distributed by Eskom. Electricity and energy are provided by means of the following sources: • Grid electricity, which is supplied from power stations. • Non-Grid electricity generated from solar panels, petrol and diesel generators, as well as • Other sources of energy which include batteries, paraffin, coal, wood, candles, gas, etc.

The municipality also provides free basic electricity to all qualifying household by providing electricity tokens worth 50kwh.

Sanitation

Sanitation is a major problem, which also contributes to health hazards and underground water pollution. Most of the people within the municipal jurisdiction area use pit latrines (22.5% in 2011) without ventilation while others have no sanitation facilities at all (54.9% in 2011). 22.2% of Households had RDP standard sanitation in 2011 with 41 108 (77.8%) households still below the RDP standard. The department of water and sanitation is in the planning process of constructing new sewer treatment works to augment the existing plant. (STATS SA 2011)

Refuse removal / solid waste

The municipality has two solid waste disposal sites. The legal status of the old site is challenged since it does not adhere to the requirements of the Department of Environmental Affairs and Tourism. The site is located at the confluence of Murhogolo and Klein Letaba rivers and waste material overflows and contaminate rivers, causing health hazards. Littering and illegal dumping is also a major problem, particularly in the CBD area of Giyani Town and along the main roads. There is no proper refuse removal systems in the rural areas (63.2% use their own dump site) therefore, causing a health hazard. The municipality is intending to extend this service to rural areas (8 villages). A new land fill site has been established and has acquired the related legal status. The site is not functional. Fencing is completed and this financial year, the second phase will commence. The municipality currently is responsible for maintenance of the Waste Disposal Site.

Roads and stormwater

The road network within Municipal area which was damaged by the rainfall during 2000 has been repaired. What remains now is for provisions to be made to ensure that they are maintained regularly. Most of the roads need rehabilitation and maintenance and bridges need to be repaired. Giyani has 79km of provincial tarred road and 608km of gravel road.

Project Management

The Municipality has completed 8 projects under building, roads and electrification ,21 projects were not achieved for 2021/22 financial ye
The Municipality spent 84% of its MIG budget



MUNICIPAL MANAGER
CHAUKE MM

31/08/2022
DATE

6. Institutional Performance

The institution was responsible for a total number of 123 indicators in the SDBIP.

KPA 3. Basic Service Delivery

The municipality did not fully achieve its planned targets on Spatial Rationale and Basic Service Delivery which contributed to the municipality not achieving 100% of planned targets in the approved Service Delivery and Budget Implementation Plan. The overall institutional performance on Service Delivery for 2021/2022 financial year as of 30 June 2022 was at 53%. All the assessed KPI's and Projects contribute to the overall performance level of the combined IDP and SDBIP Scorecards as reflected in this report. Institutional statistics were as follows:

7. Comparison of Institutional Performance Levels 2020/2021 – 2021/2022 Financial Year

In terms of Section 46 of the Municipal Systems Act, paragraph (b): the municipality must prepare for each financial year a performance report reflecting a comparison of performance referred to in paragraph (a) with targets set for and performances in the previous financial year.

The Greater Giyani Municipality was responsible for a total number of 123 Key Performance Indicators inclusive of projects for 2021/2022 financial year. The institution managed to achieve 69 indicators inclusive of projects ,54 targets were not achieved.

The overall institutional performance for 2021/2022 is at **56%** as compared to the **59%** for 2020/2021 financial year, which shows that we have regressed compared to the performance of the previous financial year.

SUMMARY OF PERFORMANCE TARGETS ACHIEVED AND NOT ACHIEVED PER STRATEGIC OBJECTIVE

| N o | Strategic Objective | 2020/21 | | | | 2021/2022 | | | |
|----------------------------|--|------------------------------|-----------------------------------|-------------------------------|--------------------------|------------------------------|-----------------------------------|-------------------------------|--------------------------|
| | | Number of indicators Planned | Number of indicators Not Achieved | Number of Indicators Achieved | % of indicators Achieved | Number of indicators Planned | Number of indicators Not Achieved | Number of Indicators Achieved | % of indicators Achieved |
| 1. | KPA 1: Spatial Rational | 16 | 12 | 04 | 25% | 11 | 05 | 06 | 55% |
| 2. | KPA 2: Institutional Development and Municipal Transformation | 16 | 04 | 12 | 75% | 21 | 08 | 13 | 62% |
| 3. | KPA 3: Basic Services and Infrastructure Development | 47 | 14 | 30 | 64% | 49 | 23 | 26 | 53% |
| 4. | KPA 4: Local Economic Development | 03 | 03 | 00 | 0% | 06 | 03 | 03 | 50% |
| 5. | KPA 5: Municipal Financial and Management Viability | 10 | 00 | 10 | 100% | 13 | 02 | 11 | 85% |
| 6. | KPA 6: Good Governance & Public Participation | 24 | 12 | 12 | 50% | 23 | 13 | 10 | 43% |
| Overall Performance | | 116 | 45 | 68 | 59% | 123 | 54 | 69 | 56% |

| Priority Issue/Programme | Development Objective | Key performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project /Indicator Description | Location | Ward | Funding Source | Budget 2021/2022 | Adjusted Budget 2021/22 | Special Budget Adjustment 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept. |
|-----------------------------|--|---|------------------|--------------------------------------|------------------|--------------------------------|-----------------------------|-----------|----------------|------------------|-------------------------|-----------------------------------|--|----------------------|---------------------------------------|-----------------------------------|-----------------------------------|-----------|
| 8.1 SPATIAL RATIONAL | | | | | | | | | | | | | | | | | | |
| Spatial and town planning | To develop an effective spatial framework that promotes integrated and sustainable development | To Reviewing of the SDF by 30 June 2022 | New Indicator | Reviewing of the SDF by 30 June 2022 | Review of SDF | Reviewing of SDF | Greater Giyani Municipality | All wards | Income | 350 000 | 350 000 | 350 000 | Target not achieved (SDF not gazetted) | SDF not yet Gazetted | Government still processing Gazetting | Follow up with Government Gazette | SDF, Council Resolution & Gazette | P & D e v |
| Spatial and town planning | To develop an effective spatial framework that promotes integrated and sustainable development | To align the LUS by 30 June 22 | New indicator | Alignment of LUS by 30 June 22 | Alignment of LUS | Alignment of LUS | Greater Giyani Municipality | All wards | Income | 300 000 | 300 000 | 300 000 | Target not achieved (LUS not Gazzeted) | LUS not yet Gazetted | Government still processing Gazetting | Follow up with Government Gazette | LUS, Council Resolution & Gazette | P & D e v |

| Priority Issue/Programme | Development Objective | Key performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project /Indicator Description | Location | Ward | Funding Source | Budget 2021/2022 | Adjusted Budget 2021/22 | Special Budget Adjustment 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept. |
|---|--|--|--|---|------------------------------|---|-----------------------------|----------------|----------------|------------------|-------------------------|-----------------------------------|---|----------|---|---------------------|---|-------|
| 8.2. MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT | | | | | | | | | | | | | | | | | | |
| Council Services | To develop and retain the best human capital, effective and efficient administrative and operational support systems | # of Council Meetings convened by 30 June 2022 | 10 Council meetings held in 2022/22 | 6 Council Meetings coordinated and supported by 30 June 2022 | Council Meeting | Organize Council Meeting as per schedule | Greater Giyani Municipality | Administration | Income | Operational | Operational | | Target achieved (16 Council Meetings conducted) | 10 | There was a need for Special Council sittings | N/A | Notices of Invitations, Minutes, Attendance Register | CORP |
| Council Services | To develop and retain the best human capital, effective and efficient administrative and operational support systems | # of Executive Committee Meetings convened by 30 June 2022 | 12 Executive Committee held in 2022/22 | 12 Executive Committee Meetings coordinated and supported by 30 June 2022 | Executive Committee Meetings | Organize Executive Committee Meetings as per schedule | Greater Giyani Municipality | Administration | Income | Operational | Operational | | Target achieved (18 EXCO meetings convened) | 6 | There was a need for Special EXCO sittings | N/A | Notices of Invitations, Minutes, Attendance register, | CORP |

| Priority Issue/Programme | Development Objective | Key performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project /Indicator Description | Location | Ward | Funding Source | Budget 2021/2022 | Adjusted Budget 2021/22 | Special Budget Adjustment 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept. |
|--------------------------|--|---|-----------------------------------|---|-----------------------------------|--|-----------------------------|----------------|----------------|------------------|-------------------------|-----------------------------------|--|----------|---|--|---|-------|
| Council Services | To develop and retain the best human capital, effective and efficient administrative and operational support systems | # of Portfolio Committee Meetings to be held by 30 June 2022 | Portfolio Committee Meetings held | 96 Portfolio Committee Meetings (12 Per Portfolio Committee) held by 30 June 2022 | Portfolio Committee Meetings | Organize Portfolio Committee meeting as per schedule | Greater Giyani Municipality | Administration | Income | Operational | Operational | | Target not achieved (42 portfolio meetings held) | 54 | Committee members not adhering to portfolio schedules | Chairpersons of portfolio committees to ensure meetings schedules are adhered to | Notices of Invitation, Minutes, Attendance Register | CORP |
| Council Services | To develop and retain the best human capital, effective and efficient administrative and operational support systems | # of reports developed on implementation of council resolutions by 30 June 2022 | 4 reports developed in 2020/21 | 4 progress reports on implementation of council resolutions to be developed by 30 | Council resolution implementation | Development of Council Resolution Register and monitor implementation of council | Greater Giyani Municipality | Administration | Income | Operational | Operational | | Target achieved (4 implementation reports developed) | N/A | N/A | N/A | Progress report and Council Resolution | CORP |

| Priority Issue/Programme | Development Objective | Key performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project /Indicator Description | Location | Ward | Funding Source | Budget 2021/2022 | Adjusted Budget 2021/22 | Special Budget Adjustment 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept. |
|--|---|--|--|---|--------------|---|-----------------------------|----------------|----------------|------------------|-------------------------|-----------------------------------|--|----------|---------------------|---------------------|----------------------------------|-------|
| | | | | June 2022 | | resolutions | | | | | | | | | | | | |
| Human Resources and Organizational Development | To develop and retain the best human capital, effective and efficient administrative and operational support system | To Develop Work Skills Plan (WSP) and Annual Training Report (ATR) and submit to LGSETA by 30 April 2022 | WSP and ATR submitted on the 30 April 2022 | Developed WSP and ATR and submit to LGSETA by 30 April 2022 | WSP and ATR | Development and submission of the WSP and ATR | Greater Giyani Municipality | Administration | Income | Operational | Operational | | Target Achieved (WSP and ATR submitted to LGSETA) | N/A | N/A | N/A | WSP, ATR and Proof of Submission | CORP |

| Priority Issue/Programme | Development Objective | Key performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project /Indicator Description | Location | Ward | Funding Source | Budget 2021/2022 | Adjusted Budget 2021/22 | Special Budget Adjustment 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept. |
|--|---|---|--|--|--------------|--|-----------------------------|----------------|----------------|------------------|-------------------------|-----------------------------------|--|----------|---------------------|---------------------|---|-------|
| Human Resources and Organizational Development | To develop and retain the best human capital, effective and efficient administrative and operational support system | To submit the Employment Equity report to Department of Labour (DoL) by 15 January 2022 | 2020/21 Employment Equity Report submitted | Employment Equity Report submitted to DoL by 15 January 2022 | Equity | Development and submission of the Employment Equity Report | Greater Giyani Municipality | Administration | Income | Operational | Operational | | Target achieved (Employment Equity Report submitted to DoL by 15 January 2022) | N/A | N/A | N/A | Employment Equity Report, Acknowledgement | CORP |
| Human Resources and Organizational Development | To develop and retain the best human capital, effective and efficient administrative and operational support system | To review HR policies | HR policies reviewed | Review of HR policies by 30 June 2022 | HR Policies | Reviewing HR Policies for levels | Greater Giyani Municipality | Administration | Income | Operational | Operational | | Target achieved (HR Policies and Council resolution approved) | N/A | N/A | N/A | HR policies and Council Resolution | CORP |

| Priority Issue/Programme | Development Objective | Key performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project /Indicator Description | Location | Ward | Funding Source | Budget 2021/2022 | Adjusted Budget 2021/22 | Special Budget Adjustment 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept. |
|-----------------------------------|--|---|---------------------------------------|---|------------------|---|---------------------------------------|-----------------------|----------------|------------------|-------------------------|-----------------------------------|---|----------|---------------------|---------------------|-----------------------|-------|
| 8.3 BASIC SERVICE DELIVERY | | | | | | | | | | | | | | | | | | |
| Waste Management | Accessible basic and infrastructure services | Collection of waste in all the townships section A,D1,D2 ,E,F,kremetart and CBD household with access to refuse removal by 30 June 2022 | 63537 having access to refuse removal | Collect refuse removal to all township households by 30 June 2022 | Waste Management | Collection of waste in all the Townships in wards 11, 12, 13 & 21 | Section A, D1, D2, E, F and Kremetart | Wards 11, 12, 13 & 21 | Income | | Operational | | Target achieved (Refuse collection done once in a week in A,E,F,D1,D2 Kremetart and CBD | N/A | N/A | N/A | Billing report | COM |

| Priority Issue/Programme | Development Objective | Key performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project /Indicator Description | Location | Ward | Funding Source | Budget 2021/2022 | Adjusted Budget 2021/22 | Special Budget Adjustment 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept. |
|--------------------------------|---|--|------------------|---|--|--|------------|------|----------------|------------------|-------------------------|-----------------------------------|--|----------------------|--|---------------------|--|-------|
| Roads, Bridges and Storm water | To develop sustainable infrastructure networks which promotes economic growth and improve quality of life | To upgrade 3.5 km from gravel to paving at Thomo Village by 30 June 2022 | New Indicator | Designs and Draft tender document | Thomo upgrading of internal streets | 3.5 km upgrading from gravel to paving at Thomo village | Thomo | 17 | LGES/MIG | 12 112 641 | 13 556 042 | 13 556 042 | Target achieved (Designs and draft tender document and there was an overachievement the project was completed) | Practical Completion | Target was for designs and draft document, however, due to bonus received from MIG Council recommended that we should proceed with the project | N/A | Progress report and Practical Completion Certificate | TECH |
| Roads, Bridges and Storm water | To develop sustainable infrastructure networks which promotes economic growth and | To upgrade 1km from gravel to paving at Blinkwater by 30 June 2022 | New Indicator | Designs and Draft tender document by 30 June 2022 | Blinkwater upgrading of internal streets | 1 km upgrading from gravel to paving at Blinkwater Village | Blinkwater | 1 | LGES/MIG | 8 000 000 | 4 080 843 | 4 080 843 | Target achieved (Designs and draft tender document and there was an overachievement the | Practical Completion | Target was for designs and draft document, however, due to bonus received from MIG Council recommended that we should proceed with the project | N/A | Progress report and Practical Completion Certificate | TECH |

| Priority Issue/Programme | Development Objective | Key performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project/Indicator Description | Location | Ward | Funding Source | Budget 2021/2022 | Adjusted Budget 2021/22 | Special Budget Adjustment 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept. |
|--------------------------------|---|--|------------------|--|--|--|----------------------|------|----------------|------------------|-------------------------|-----------------------------------|--|----------------------|--|---------------------|--|-------|
| | | | | | | | | | | | | | project was completed) | | | | | |
| Roads, Bridges and Storm water | To develop sustainable infrastructure networks which promotes economic growth and | To upgrade 1km from gravel to paving at Nkuri Zamani by 30 June 2022 | New Indicator | Designs and Draft tender document 30 June 2022 | Nkuri Zamani upgrading of internal streets | 1 km upgrading from gravel to paving at Nkuri Zamani Village | Nkuri Zamani Village | 5 | LGES/MIG | 8 000 000 | 3 918 915 | 3 918 915 | Target achieved (Designs and draft tender document and there was an overachievement the project was completed) | Practical Completion | Target was for designs and draft document, however, due to bonus received from MIG Council recommended that we should proceed with the project | N/A | Progress report and Practical Completion Certificate | TECH |

| Priority Issue/Programme | Development Objective | Key performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project /Indicator Description | Location | Ward | Funding Source | Budget 2021/2022 | Adjusted Budget 2021/22 | Special Budget Adjustment 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept. |
|--------------------------------|---|--|------------------|---|--|--|------------------|------|----------------|------------------|-------------------------|-----------------------------------|--|----------------------|--|---------------------------------|---|-------|
| Roads, Bridges and Storm water | To develop sustainable infrastructure networks which promotes economic growth and | To upgrade 2.5 km from gravel to paving at Shiman ge village by 30 June 2022 | New Indicator | Designs and Draft tender document by 30 June 2022 | Shimange upgrading from gravel to paving | 2.5 km upgrading from gravel to paving at Shimange village | Shimange Village | 8 | LGES/MIG | 20 000 000 | 19 285 242 | 19 285 242 | Target achieved (Designs and draft tender document and there was an overachievement the project was completed) | Practical Completion | Target was for designs and draft document, however, due to bonus received from MIG Council recommended that we should proceed with the project | N/A | Progress report and Practical Completion Certificate | TECH |
| Building and Construction | Accessible basic and infrastructure services | Construction of Ndhambi taxi rank | New Indicator | Construction of Ndhambi taxi rank | Ndhambi Taxi Rank | Construction of Ndhambi taxi rank | Dzumeri | 25 | MIG/LGES | 12 456 642 | 12 456 642 | 12 456 642 | Target not achieved (In progress) | Under Construction | The project was delayed due to community differences in terms of the approved designs | Improved Stakeholder engagement | Advert, Appointment, Progress report and Practical handover certificate | TECH |

| Priority Issue/Programme | Development Objective | Key performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project/Indicator Description | Location | Ward | Funding Source | Budget 2021/2022 | Adjusted Budget 2021/22 | Special Budget Adjustment 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept. |
|--------------------------|---|---------------------------------------|-----------------------|--|--------------|-------------------------------------|-----------------------------|----------------|----------------|------------------|-------------------------|-----------------------------------|------------------------------|----------|---|--|-----------------------|-------|
| PMU | To improve financial management systems to enhance venue base | % of MIG Budget spent by 30 June 2022 | 100% MIG budget spent | 100% of MIG Budget spent by 30 June 2022 | MIG Spending | Spending 100% of MIG allocated fund | Greater Giyani Municipality | Administration | MIG | 64 105 000,00 | | | Target not achieved (84,05%) | 16% | The project was delayed due to community differences in terms of the approved designs | Improved Stakeholder engagement and Expenditure monitoring | MIG Spending Report | TECH |

8.4 LOCAL ECONOMIC DEVELOPMENT

| Priority Issue/Programme | Development Objective | Key performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project /Indicator Description | Location | Ward | Funding Source | Budget 2021/2022 | Adjusted Budget 2021/22 | Special Budget Adjustment 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept. |
|--------------------------|---|---|-------------------------------|---|---------------------------|---|-----------------------------|-----------|----------------|------------------|-------------------------|-----------------------------------|--|---|--|--|---|-----------------|
| LED Strategy | To Create An Enabling Environment For Sustainable Economic Growth | To review LED Strategy by 30 June 2022 | Existing LED strategy | 1 LED Strategy reviewed and approved by Council by 30 June 2022 | LED Strategy Review | LED Strategy to be reviewed and submitted to Council for approval | Greater Giyani Municipality | Giyani | Income | 400,000 | 300,000 | 300,000 | Target not achieved (LED strategy not reviewed) | LED strategy not reviewed and approved by council | Treasury Circular prohibited procurement process | Appointment to be conducted in the next financial year | Terms of reference, methodology, stakeholders' attendance register and appointment letter | P & Development |
| SMME Exposure to markets | To Create An Enabling Environment For Sustainable Economic Growth | # of SMME's to be exposed to LED market by 30 June 2022 | 5 SMMEs exposed to LED market | 4 SMMEs exposed to LED market by 30 June 2022 | SMME's exposure to market | SMMEs exposed to market by taking them along to different exhibition, tourism indaba, marul | Greater Giyani Municipality | All Wards | Income | Operational | Operational | Operational | Target achieved (4 SMME's exposed to LED Market) | 4 SMME's exposed | N/A | N/A | Invitation & Attendance Register | P & Development |

| Priority Issue/Programme | Development Objective | Key performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project /Indicator Description | Location | Ward | Funding Source | Budget 2021/2022 | Adjusted Budget 2021/22 | Special Budget Adjustment 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept. |
|--|---|--|------------------|--|--------------|---|-----------------------------|-----------|-------------------|------------------|-------------------------|-----------------------------------|--------------------------------------|----------|-------------------------------------|---------------------|-----------------------|---------|
| | | | | | | a festival and rand show | | | | | | | | | | | | |
| SMME Support (Projects & Cooperatives) | To Create An Enabling Environment For Sustainable Economic Growth | Financially support projects & cooperatives that are operational but facing some challenges. | 4 SMME supported | 2 SMME'S Supported financially by 30 June 2022 | SMME Support | 4 SMME'S supported to the tune of R250 000 each by the end of 1st Quarter | Greater Giyani Municipality | All Wards | LED Support funds | 600 000 | | | Target achieved (3 SMME'S supported) | 1 | Catered for the needs of the SMME'S | N/A | Supported SMME'S | P & D e |

| Priority Issue/Programme | Development Objective | Key performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project /Indicator Description | Location | Ward | Funding Source | Budget 2021/2022 | Adjusted Budget 2021/22 | Special Budget Adjustment 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept. |
|--------------------------|---|--|-------------------------------------|--|--------------------------------------|---|-----------------------------|-----------|----------------|-------------------|-------------------------|-----------------------------------|--|--|---|---------------------|---|-----------|
| LIBRA | To Create An Enabling Environment For Sustainable Economic Growth | Holding monthly Business Registration and licensing adjudication committee meetings. | 12 Adjudication committee meetings | To hold 12 Business Registration and Licensing adjudication committee meetings | Adjudication committee meetings | 1 adjudication committee meeting held per month | Greater Giyani Municipality | All Wards | Income | Operational | | | Target not achieved (2 Adjudication meeting conducted) | 10 Adjudication meetings not conducted | No applications received from applicants | N/A | Invitation, Attendance Register & minutes | P & D e v |
| LED FORUM | To Create An Enabling Environment For Sustainable Economic Growth | 4 LED Forum | To hold 4 LED Forum by 30 June 2022 | LED Forum meeting | 1 LED Forum meeting held per quarter | Greater Giyani Municipality | All Wards | Income | Operational | LED Forum meeting | | | Target not achieved (2 LED forum conducted) | 2 | LED Forums were not conducted during first and second quarter due to covid restrictions | Adhere to schedule | Invitations, Minutes, and Attendance Register | P & D e v |

| Priority Issue/Programme | Development Objective | Key performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project /Indicator Description | Location | Ward | Funding Source | Budget 2021/2022 | Adjusted Budget 2021/22 | Special Budget Adjustment 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept. |
|--------------------------|-----------------------|---------------------------|------------------|----------------|--------------|--------------------------------|----------|------|----------------|------------------|-------------------------|-----------------------------------|--------------------|----------|---------------------|---------------------|-----------------------|-------|
|--------------------------|-----------------------|---------------------------|------------------|----------------|--------------|--------------------------------|----------|------|----------------|------------------|-------------------------|-----------------------------------|--------------------|----------|---------------------|---------------------|-----------------------|-------|

8.5 MUNICIPL FINANCE MANAGEMENT AND VIABILITY

| | | | | | | | | | | | | | | | | | | |
|----------------------|---|---|-------------------------|---|---------------------------|---|-----------------------------|----------------|--------|-------------|-------------|--|---|-------------------------|--|--|-------------------|-------|
| Budget and Reporting | To improve financial management systems to enhance venue base | Unqualified Audit Opinion by 30 June 2022 | Qualified Audit Opinion | Unqualified Audit Opinion by 30 June 2022 | Unqualified Audit Opinion | Complying with legislative frameworks, keeping records and submit AFS | Greater Giyani Municipality | Administration | Income | Operational | Operational | | Target not achieved (Qualified Audit Opinion) | Qualified audit opinion | Sufficient appropriate audit evidence to substantiate free basic electricity could not be provided | Development and implementation of the audit action plan. Audit to serve on the Audit steering Committee and the Audit Committee. Strengthening record management system. | AGSA Audit Report | B & T |
|----------------------|---|---|-------------------------|---|---------------------------|---|-----------------------------|----------------|--------|-------------|-------------|--|---|-------------------------|--|--|-------------------|-------|

| Priority Issue/Programme | Development Objective | Key performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project /Indicator Description | Location | Ward | Funding Source | Budget 2021/2022 | Adjusted Budget 2021/22 | Special Budget Adjustment 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept. |
|---|---|--|---|--|--------------|---|-----------------------------|----------------|----------------|------------------|-------------------------|-----------------------------------|--|----------|---------------------|---------------------|--|---------|
| 8.6 GOOD GOVERNANCE AND PUBLIC PARTICIPATION | | | | | | | | | | | | | | | | | | |
| Integrated Development Planning | To develop governance structures and systems that will ensure effective public consultation and organizational discipline | To review the IDP for 2021/2022 and development of 2022/23 IDP financial year by 31 May 2022 | IDP review for 2020/2021 was completed and approved by Council on the 30 May 2020 | To review the IDP for 2021/2022 and development of 2022/2023 IDP financial year by 31 May 2022 | IDP Review | Complete IDP analysis phase, Organise the IDP rep forum. Conduct Strategic Planning session and present to the IDP rep forum, Draft IDP completed and submitted | Greater Giyani Municipality | Administration | Income | 550 000 | 550 000 | | Target achieved (IDP for 2021/2022 and development of 2022/2023 IDP financial year by 31 May 2022) | N/A | N/A | N/A | Council resolutions, Draft IDP, Strategic plan report, Attendance register, Invitations for strategic plan, IDP Consultation attendance register, IDP Analysis phase | P & Dev |

| Priority Issue/Programme | Development Objective | Key performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project /Indicator Description | Location | Ward | Funding Source | Budget 2021/2022 | Adjusted Budget 2021/22 | Special Budget Adjustment 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept. |
|--------------------------|-----------------------|---------------------------|------------------|----------------|--------------|--|----------|------|----------------|------------------|-------------------------|-----------------------------------|--------------------|----------|---------------------|---------------------|-----------------------|-------|
| | | | | | | tted to Council for adoption by 31 March 2022, IDP Public participation , Final IDP submitted to council for adoption by 31 May 2022 | | | | | | | | | | | | |

| Priority Issue/Programme | Development Objective | Key performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project /Indicator Description | Location | Ward | Funding Source | Budget 2021/2022 | Adjusted Budget 2021/22 | Special Budget Adjustment 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept. |
|--------------------------|---|--|--|--|--|--|-----------------------------|----------------|----------------|------------------|-------------------------|-----------------------------------|---|----------|---------------------|---------------------|-----------------------|-------|
| Performance Management | To develop governance structures and systems that will ensure effective public consultation and organizational discipline | To develop the SDBIP 2022/23 and submit to the Mayor for signature within 28 days after approval of the budget by 30 June 2022 | SDBIP 2020/2021 was developed and submitted to the Mayor within 28 days after approval of the budget | Development and submission of the 2022/2023 SDBIP to the Mayor for signature within 28 days after approval of the budget by 30 June 2022 | Development of Service Delivery and Budget Implementation Plan (SDBIP) | Collect information from departments, develop a draft SDBIP, Submit to departments for inputs, Incorporate inputs Submit to the Mayor for signature, Submit to council | Greater Giyani Municipality | Administration | Income | Operational | Operational | | Target achieved (2022/2023 SDBIP developed and submitted) | N/A | N/A | N/A | Signed SDBIP | MM |

| Priority Issue/Programme | Development Objective | Key performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project /Indicator Description | Location | Ward | Funding Source | Budget 2021/2022 | Adjusted Budget 2021/22 | Special Budget Adjustment 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept. |
|--------------------------|---|---|------------------------------------|---|-------------------------|--|-----------------------------|----------------|----------------|------------------|-------------------------|-----------------------------------|---|----------|---------------------|---------------------|-----------------------|-------|
| | | | | | | l for noting | | | | | | | | | | | | |
| Risk Management | To develop governance structures and systems that will ensure effective public consultation | # of risk management activities to be coordinated by 30 June 2022 | 4 risk activities were coordinated | 4 risk activities coordinated by 30 June 2022 | Risk Management project | Facilitate and coordinate risk management meetings | Greater Giyani Municipality | Administration | Income | Operational | Operational | | Target achieved. (4 Risk Committee meetings held) | N/A | N/A | N/A | Attendance Register | MM |

| Priority Issue/Programme | Development Objective | Key performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project /Indicator Description | Location | Ward | Funding Source | Budget 2021/2022 | Adjusted Budget 2021/22 | Special Budget Adjustment 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept. |
|--------------------------|---|--|--|--|--|---|-----------------------------|----------------|----------------|------------------|-------------------------|-----------------------------------|---|----------|---------------------|---------------------|--|-------|
| Internal Auditing | To develop governance structures and systems that will ensure effective public consultation and organizational discipline | To develop Audit Committee Charter and submit to council for approval by 30 June 2022 | Audit Committee Charter was developed and submitted to council for approval | Audit Committee Charter developed and submitted to council for approval by 30 June 2022 | Audit Committee Charter | Audit Committee Charter submitted to council for approval | Greater Giyani Municipality | Administration | Income | Operational | Operational | | Target achieved (Audit Committee Charter developed and submitted to council for approval) | N/A | N/A | N/A | Approved Audit Committee Charter and Council Resolution | MM |
| Internal Auditing | To develop governance structures and systems that will ensure effective public consultation and organizational discipline | To develop the 3year Internal Audit Plan, and Internal Audit Charter and submit to Audit Committee for | 3 year Internal Audit plan and Internal Audit Charter was developed and submitted to Audit Committee for | 3 year Internal Audit plan and Internal Audit Charter developed and submitted to Audit Committee for | Internal Audit Plan and Internal Audit Charter | Develop the Internal Audit Plan and Internal Audit Charter and submit to Audit Comm | Greater Giyani Municipality | All Wards | Income | Operational | Operational | | Target achieved (3 year Internal Audit plan and Internal Audit Charter developed and submitted to Audit | N/A | N/A | N/A | Approved 3-year Internal Audit plan and Internal Audit Charter, AC Resolutions | MM |

| Priority Issue/Programme | Development Objective | Key performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project /Indicator Description | Location | Ward | Funding Source | Budget 2021/2022 | Adjusted Budget 2021/22 | Special Budget Adjustment 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept. |
|--------------------------|---|--|--------------------------------------|---|----------------------|--|-----------------------------|----------------|----------------|------------------|---|-----------------------------------|---------------------------------------|----------|--|---------------------|-----------------------------------|-------|
| | | approval by 30th June 2022 | approval | approval by 30 June 2022 | | Committee for approval | | | | | | | Committee) | | | | | |
| Public Participation | To develop governance structures and systems that will ensure effective public consultation and organizational discipline | # of public participation/imbizos to be convened by 30 June 2022 | 4 Public participation /imbizos held | 4 Public participation/imbizos convened by 30 June 2022 | Public Participation | Consult members of the public on service delivery issues | Greater Giyani Municipality | Administration | Income | Operational | To develop governance structures and systems that will ensure effective public consultation and organ | | Target Achieved (5 Imbizos conducted) | 1 | To allow the community to participate on the proposed budget and IDP plans | N/A | Attendance Register and Programme | M |

| Priority Issue/Programme | Development Objective | Key performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project/Indicator Description | Location | Ward | Funding Source | Budget 2021/2022 | Adjusted Budget 2021/22 | Special Budget Adjustment 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept. |
|--------------------------|-----------------------|---------------------------|------------------|----------------|--------------|-------------------------------|----------|------|----------------|------------------|-------------------------|-----------------------------------|--------------------|----------|---------------------|---------------------|-----------------------|-------|
| | | | | | | | | | | | izational | | | | | | | |

9. LOWER LEVEL SDBIP

| Priority Issue/Programme | Development Objective | Key Performance Indicator | Baseline 2020/21 | Annual Target | Project Name | Project /Indicator Description | Location | Ward | Funding Source | Budget 2021/22 | Adjustment Budget 2021/22 | Special Adjustment Budget 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept |
|-----------------------------|--|---|------------------|--|--------------------------------|---|---------------|---------|----------------|----------------|---------------------------|-----------------------------------|--|----------|---------------------|---------------------|--|---------|
| 9.1 SPATIAL RATIONAL | | | | | | | | | | | | | | | | | | |
| Spatial and Town Planning | To develop an effective spatial framework that promotes integrated and sustainable development | To conduct township establishment expansion (Ngove village) by 30 June 2022 | New Indicator | To submit application to Rural Development for deeds to state land (Ngove Village) by 30 June 2022 | Town Expansion (Ngove Village) | Expansion | Ngove Village | Ward 21 | Income | 1 500 000 | 500 000 | 500 000 | Target achieved (application submitted to Rural Development) | N/A | N/A | N/A | Draft Layout and confirmation letter | P & Dev |
| Spatial and Town Planning | To develop an effective spatial framework that promotes integrated and sustainable development | Golf Course Development by 30 June 2022 | New Indicator | Application to rezone and subdivide Golf Course 30 June 2022 | Golf Course Development | Rezoning and subdivision of Golf Course | Giyani D1 | Ward 11 | Income | 1 000 000 | 1 000 000 | 1 000 000 | Target achieved (land use application done) | N/A | N/A | N/A | Draft Layout and rezoning applications | P & Dev |

| | | | | | | | | | | | | | | | | | | |
|---------------------------|--|--|-------------------|--|------------------------------------|------------------------------------|----------------------|--------------|-------|---------|---------|---------|--|------------------------------------|----------------------------------|--|---------------------|---------|
| Spatial and Town Planning | To develop an effective spatial framework that promotes integrated and sustainable development | Formalisation of Church view by 30 June 2022 | Draft Layout Plan | To submit application to Rural Development for deeds to state land by 30 June 2022 | Formalisation of Church View | Formalisation of Church View | Church View | Ward 11 | LGE S | 300 000 | 150 000 | 150 000 | Target achieved (application to Rural Development for deeds to state land submitted) | N/A | N/A | N/A | Proof of submission | P & Dev |
| Spatial and Town Planning | To develop an effective spatial framework that promotes integrated and sustainable development | Street naming Giyani Section A by 30 June 2022 | New Indicator | To conduct public participation on street naming project | Street naming Giyani section A & F | Street naming Giyani Section A & F | Giyani Section A & F | Ward 12 & 13 | LGE S | 400 000 | 400 000 | 400 000 | Target not achieved (Conduct Public Participation not conducted) | Public Participation not conducted | Tribunal Committee not appointed | Tribunal Committee appointed during fourth quarter | Attendance register | P & Dev |
| Spatial and Town Planning | To develop an effective spatial framework that promotes integrated and sustainable development | Street naming Giyani BA & C by 30 June 2022 | New Indicator | To conduct public participation on street naming project | Street naming Giyani BA & C | Street naming Giyani BA & C | Giyani BA and C | 21 | LGE S | 300 000 | 600 000 | 600 000 | Target not achieved (Conduct Public Participation not conducted) | Public Participation not conducted | Tribunal Committee not appointed | Tribunal Committee appointed during fourth quarter | Attendance register | P & Dev |

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|---------------------------|--|--|---------------|--|---|--|-------------------------|---------|--------|---------|---------|---------|--|-----|-----|-----|------------------------------|---------|
| Spatial and Town Planning | To develop an effective spatial framework that promotes integrated and sustainable development | Subdivision, Rezoning and Registration of Municipal Properties in Villages | New Indicator | Application to Rezone and subdivide 3 Municipal Properties by 30 June 2022 | Subdivision, Rezoning of Municipal Properties | Rezoning and subdivision of 3 Municipal Properties in villages | Homu, Thomo and Dzumeri | 17,10 | Income | 300 000 | 480 000 | 480 000 | Target achieved (Application to Rezone and subdivide 3 Municipal Properties) | N/A | N/A | N/A | Draft layout and application | P & Dev |
| Spatial and Town Planning | To develop an effective spatial framework that promotes integrated and sustainable development | To subdivide & rezone remainder of 1946 Giyani F | New Indicator | Application to Rezoning of remainder 1946 Giyani F | Subdivision & Rezoning of remainder 1946 Giyani F | Subdivision & Rezoning of remainder 1946 Giyani F | Giyani section F | Ward 13 | LGES | 200 000 | 450 000 | 450 000 | Target achieved (Application to Rezoning of remainder 1946 Giyani F) | N/A | N/A | N/A | Draft layout and application | P & Dev |
| Spatial and Town Planning | To develop an effective spatial framework that promotes integrated and sustainable development | To Amend General Plan for the Rezoning and subdivision of parks to be approved by 30 June 2022 | New Indicator | Application to Rezoning and subdivision of parks by 30 June 2022 | Rezoning and subdivision of parks | Rezoning and subdivision of parks | Giyani township | Ward 13 | LGES | 300 000 | 300 000 | 300 000 | Target achieved (Application to Rezoning and subdivision of parks) | N/A | N/A | N/A | Application | P & Dev |

| Spatial and Town Planning | To develop an effective spatial framework that promotes integrated and sustainable development | To upgrade GIS System by 30 June 2022 | New Indicator | Upgrade GIS System by 30 June 2022 | GIS Upgrade | GIS Upgrade | N/A | All wards | LGE S | 400 000 | 500 000 | 500 000 | Target not achieved (GIS not upgraded) | Service provider not appointed | Due to Constitutional Court ruling on Preferential Procurement Regulations, 2017 | Fastrack appointment process | Advertisement and appointment | P & Dev |
|---|---|--|-----------------------|---|---------------------|-----------------------------------|-----------------------------|----------------|----------------|----------------|---------------------------|-----------------------------------|---|--------------------------------|--|------------------------------|-------------------------------|---------|
| Priority Issue/Programme | Development Objective | Key Performance Indicator | Baseline 2020/21 | Annual Target | Project Name | Project /Indicator or Description | Location | Ward | Funding Source | Budget 2021/22 | Adjustment Budget 2021/22 | Special Adjustment Budget 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept |
| 9.2. MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT | | | | | | | | | | | | | | | | | | |
| Wellness Program | To develop and Retain the best Human Capital, Effective and Efficient Administrative and Operational Support System | To conduct inspection on OHS by 30 June 2022 | 4 OHS reports on site | OHS onsite inspection conducted by 30 June 2022 | Occupational health | Development of 4 OHS reports | Greater Giyani Municipality | Administration | Income | Operational | Operational | Operational | Target achieved (4 OHS onsite inspection conducted) | N/A | N/A | N/A | OHS inspection report | CORP |
| Human Resources and | To develop and Retain the best | # of Local Labour | 12 Local Labour Forum | 12 LLF meetings to be | Labour Relations | Maintain good labour | Greater Giyani | Administration | Income | Operational | Human Resou | | Target not achieved | 8 | Due to unavailability of | Invitation to be | Invitations, minutes | CORP |

| Organizational Development | Human Capital, Effective and Efficient Administrative and Operational Support System | Forum meetings held by 30 June 2022 | Meetings held in 2020/2021 | held by 30 June 2022 | | relations | Municipality | | | | Resources and Organizational Development | | (4 LLF meetings held) | | other LLF Members | circulated in time to all members | es, and attendance registers | |
|--|---|--|-------------------------------|--|-----------------------|--|-----------------------------|----------------|--------|-------------|--|-------------|---|---------------------|--|-----------------------------------|--|------|
| Human Resources and Organizational Development | To develop and Retain the best Human Capital, Effective and Efficient Administrative and Operational Support System | To review the Organogram by 30 June 2022 | Approved Organogram 2020/2021 | Reviewed organizational structure by 30 June 2022 | Organogram review | Review organizational structure | Greater Giyani Municipality | Administration | Income | Operational | Operational | Operational | Target achieved (Reviewed organizational structure) | N/A | N/A | N/A | Approved Organogram and Council Resolution | CORP |
| Human Resources and Organizational Development | To develop and Retain the best Human Capital, Effective and Efficient Administrative and Operational Support System | # of posts filled in terms of the organogram by 30 June 2022 | Approved Organogram 2020/2021 | Forty (40) posts to be filled in terms of the organogram by 30 June 2022 | Personnel Recruitment | Personnel Recruitment as per priority list | Greater Giyani Municipality | Administration | Income | Operational | Operational | Operational | Target not achieved (24 posts filled) | 16 posts not filled | Postponement of interviews due to urgent engagements by panellists | Adhere to the schedule | Advertisements and Appointment letters | CORP |

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|-------------------------------|---|---|--|--|-------------------------------------|--|-----------------------------|----------------|--------|-------------|-------------|-------------|---|-----|-------------------------------------|--|----------------------------------|------|
| Information Technology | To develop and Retain the best Human Capital, Effective and Efficient Administrative and Operational Support System | % of network Infrastructure maintained by 30 June 2022 | Network Infrastructure maintained | 100% of network Infrastructure maintained by 30 June 2022 | Infrastructure Maintenance | Maintaining of the network infrastructure | Greater Giyani Municipality | Administration | Income | 2,500,000 | 2,500,000 | 2,500,000 | Target achieved (100% of network Infrastructure maintained) | N/A | N/A | N/A | Maintenance Register | CORP |
| Information Technology | To develop and Retain the best Human Capital, Effective and Efficient Administrative and Operational Support System | % of municipal website updated by 30 June 2022 | Website updated 100% in 2020/21 Financial Year | 100% of municipal website updated by 30 June 2022 | Update of Municipal website | Placing of compliance documents on municipal website | Greater Giyani Municipality | Administration | Income | Operational | Operational | Operational | Target achieved (100% of municipal website updated) | N/A | N/A | N/A | Website register | CORP |
| Information Technology | To develop and Retain the best Human Capital, Effective and Efficient Administrative and Operational Support System | # of IT Steering Committee Meetings to be conducted by 30 June 2022 | 4 meetings held in 2020/2021 Financial year | 4 IT Steering Committee meetings conducted by 30 June 2022 | IT Governance, Risks and Compliance | Coordination of the IT Steering Committee Meeting | Greater Giyani Municipality | Administration | Income | Operational | Operational | Operational | Target not achieved (3 IT Steering Committee meetings held) | 1 | Delays in scheduling of the meeting | The meeting to be held on 05 August 2022 | Attendance Registers and Minutes | CORP |
| Provisioning and supply of IT | To develop and Retain the best Human | # of payments made | 70 3Gs and Vodacom | 12 Payments for Internet | Provisioning and supply | To provide IT Equipm | Greater Giyani | Administration | Income | Operational | income | operational | Target achieved (12 Payment | N/A | N/A | N/A | Invoices | CORP |

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|--|---|--|---------------|--|---|-------------------------------|-----------------------------|----------------|--------|-------------|--|--|--|--------------------------------|--|------------------------------|----------------------------|------|
| equipment | Capital, Effective and Efficient Administrative and Operational Support System | for provision of internet connection By 30 June 2022 | internet line | t connection | of IT equipment | ent (75 3Gs and Vodacom line) | Municipality | | | | | | s facilitated) | | | | | |
| Provisioning and supply of IT equipment | To develop and Retain the best Human Capital, Effective and Efficient Administrative and Operational Support System | # of payments made for Tools of Trade for Councilors By 31 December 2021 | 62 laptops | 1 payment made for Tools of Trade for Councilors By 31 December 2021 | Provisioning and supply of IT equipment | To provide IT Equipment | Greater Giyani Municipality | Administration | Income | 2 200 000 | | | Target achieved (Payment for laptops made) | N/A | N/A | N/A | Invoices | CORP |
| Office Support - Provision of Office Furniture | To ensure conducive working environment by providing office furniture | Procure and distribute office furniture by June 2022 | New Indicator | To Provide office furniture to 20 Offices | Office Furniture | Provision of office furniture | GGM | Administration | Income | Operational | | | Target not Achieved (Furniture not procured) | Service provider not appointed | Due to Constitutional Court ruling on Preferential Procurement Regulations ,2017 | Fastrack appointment process | Invoices and delivery note | CORP |

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|--|--|---|-----------------|---|--|---|-----------------------------|----------------|--------|-------------|--|--|---|--|--|--|--------------------------------------|------|
| Security of Municipal Premises | To install Cameras at Civic Centre | Acquisition and installation of Cameras by June 2022 | New Indicator | To install security Cameras at Civic Centre | Installation of Security cameras at | Provision of security cameras | GGM | Administration | Income | Operational | | | Target not Achieved (Report on installation of cameras not compiled) | Report on installation of cameras not compiled | Due to Constitutional Court ruling on Preferential Procurement Regulations ,2017 | Appointment to be conducted in the next financial year | Invoice and installation Certificate | CORP |
| Installation of Walkthrough Metal Detector and X-Ray Machine at Civic Centre | To install Metal detector and X-Ray Machine at Civic Centre | Acquisition and installation of Walkthrough metal detector and X-Ray Machine by June 2022 | New Indicator | Acquisition and installation of Walkthrough metal detector and X-Ray Machine by June 2022 | Acquisition and installation of Walkthrough metal detector and X-Ray Machine at Civic Centre | To install Metal detector and X-Ray Machine at Civic Centre | GGM | Administration | Income | Operational | | | Target not Achieved (metal detector and X-ray machine not procured) | Metal detector and X-ray machine not procured | Due to Constitutional Court ruling on Preferential Procurement Regulations ,2017 | Appointment to be conducted in the next financial year | Invoice and Installation Certificate | CORP |
| Management of litigation | To develop and Retain the best Human Capital, Effective and Efficient Administrative and Operational | # of litigation matter reduced by 30 June 2022 | 10 Active Cases | # of litigation matter reduced by 30 June 2022 | Management of litigations | Attending and finalizing all litigation cases of the municipality | Greater Giyani Municipality | Administration | Income | 7 000 000 | | | Target not achieved (0 litigation matter reduced) | 16 | Delays on court allocation for dates | To have meetings with service providers and settle | Litigation Register and Report | MM |

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|--|-------------------|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--------------------------------------|--|--|
| | Support System | | | | | | | | | | | | | | | the matte r out of court | | |
|--|-------------------|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--------------------------------------|--|--|

| Priority Issue | Development Objective | Key Performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project Description | Location | Ward | Funding Source | Budget 2021/22 | Budget adjustment 2021/22 | Special Adjustment Budget 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio of Evidence | Dept |
|---|---|--|------------------|---|---|---|--------------------|---------|----------------|----------------|---------------------------|-----------------------------------|--|----------|--|--|--|------|
| 9.3. BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT | | | | | | | | | | | | | | | | | | |
| Electricity Provision | To develop sustainable infrastructure networks which promotes economic growth and improve quality of life | To connect 160 units at Tomu Village by 30 June 2022 | New Indicator | Connection of 160 units at Tomu Village by 30 June 2022 | Electrification of Tomu Village (160) | Construction of Electrical Network Infrastructure | Tomu Village | Ward 05 | INEP/LGES | 1 800 000 | 2 900 000 | 3 780 000 | Target not achieved (86 households connected with electricity) | 74 | Empty stands only provided with capacity | Customers will be covered with free post connection by ESKOM | Progress report Certificate of Completion for Tomu Village | TECH |
| Electricity Provision | To develop sustainable infrastructure networks which promotes economic growth and improve quality of life | To connect 150 units at Blinkwater Village by 30 June 2022 | New Indicator | Connection of 150 units at Blinkwater Village by 30 June 2022 | Electrification of Blinkwater Village (150) | Construction of Electrical Network Infrastructure | Blinkwater Village | Ward 1 | INEP/LGES | 2 200 000 | 2 650 000 | 2 650 000 | Target achieved (150 households connected with electricity) | N/A | N/A | N/A | Progress report Certificate of Completion for Blinkwater Village | TECH |

| Priority Issue | Development Objective | Key Performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project Description | Location | Ward | Funding Source | Budget 2021/22 | Budget adjustment 2021/22 | Special Adjust ment Budget 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio of Evidence | Dept |
|-----------------------|--|---|------------------|---|---|---|------------------|---------|----------------|----------------|---------------------------|------------------------------------|---|------------------------------|------------------------------|--|--|------|
| Electricity Provision | To develop sustainable infrastructure networks which promotes economic growth and improve quality of life. | To connect 413 units at Mavalani Village by 30 June 2022 | New Indicator | Connection of 413 units at Mavalani Village by 30 June 2022 | Electrification of Mavalani Village (413) | Construction of Electrical Network Infrastructure | Mavalani Village | Ward 20 | INEP/LGES | 3 200 000 | 7 250 000 | | Target achieved (413 households connected with electricity) | N/A | N/A | N/A | Progress report Certificate of Completion for Mavalani Village | TECH |
| Electricity Provision | To develop sustainable infrastructure networks which promotes economic growth and improve quality of life. | To connect 220 units at Sifasonke Village by 30 June 2022 | New Indicator | Connection of 220 units at Sifasonke by 30 June 2022 | Electrification of Sifasonke (220) | Construction of Electrical Network Infrastructure | Sifasonke | Ward 05 | INEP/LGES | 2 700 000 | 2 700 000 | 3 780 000 | Target not achieved | 220 households not energized | Delay from Eskom to energize | Customers will be covered with free post connection by ESKOM | Progress report Certificate of Completion for Tomu Village | TECH |

| Priority Issue | Development Objective | Key Performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project Description | Location | Ward | Funding Source | Budget 2021/22 | Budget adjustment 2021/22 | Special Adjustment Budget 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio of Evidence | Dept |
|-----------------------|--|--|------------------|---|---|---|--------------------|---------|----------------|----------------|---------------------------|-----------------------------------|---|---|--|--|--|------|
| Electricity Provision | To develop sustainable infrastructure networks which promotes economic growth and improve quality of life. | To connect 450 units at Siyandhani Village by 30 June 2022 | New Indicator | Connection of 450 units at Siyandhani Village by 30 June 2022 | Electrification of Siyandhani (450) | Construction of Electrical Network Infrastructure | Siyandhani Village | Ward 7 | INEP/LGES | 3 700 000 | 3 600 000 | 598 696 | Target not achieved (Close out reports for Siyandhani Village) | Project could not start due to interference | Project failed to commence due to community interference | Funds were deviated to Mavalani village for electrification | Certificate of Completion for Siyandhani Village | TECH |
| Electricity Provision | To develop sustainable infrastructure networks which promotes economic growth and improve quality of life. | To connect 250 units at Ndengeza Village by 30 June 2022 | New Indicator | Connection of 250 units at Ndengeza Village by 30 June 2022 | Electrification of Ndengeza Village (250) | Construction of Electrical Network Infrastructure | Ndengeza Village | Ward 3 | INEP/LGES | 1 900 000 | 4 390 000 | 4 390 000 | Target not achieved (213 households connected with electricity) | 37 | Empty stands only provided with capacity | Customers will be covered with free post connection by ESKOM | Progress report Certificate of Completion for Ndengeza Village | TECH |
| Electricity Provision | To develop sustainable infrastructure networks which | To connect 150 units at Mavhuza Village | New Indicator | Connection of 150 units at Mavhuza | Electrification of Mavhuza | Construction of Electrical Network Infrastructure | Mavhuza Village | Ward 02 | INEP/LGES | 1 900 000 | 1 800 000 | 1 800 000 | Target not achieved | 150 households not energised | Delay from Eskom to energise | Customers will be covered with free | Progress report Certificate of Completion for | TECH |

| Priority Issue | Development Objective | Key Performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project Description | Location | Ward | Funding Source | Budget 2021/22 | Budget adjustment 2021/22 | Special Adjustment Budget 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio of Evidence | Dept |
|-----------------------|--|--|------------------|---|---|---|------------------|--------|----------------|----------------|---------------------------|-----------------------------------|---|------------------------------|--|--|---|------|
| | promotes economic growth and improve quality of life. | by 30 June 2022 | | Village by 30 June 2022 | Village (150) | | | | | | | | | | | post connection by ESKOM | Mavhuza Village | |
| Electricity Provision | To develop sustainable infrastructure networks which promotes economic growth and improve quality of life. | To connect 100 units at Gon'on'o Village by 30 June 2022 | New Indicator | Connection of 100 units at Gon'on'o Village by 30 June 2022 | Electrification of Gon'on'o Village (100) | Construction of Electrical Network Infrastructure | Gon'on'o Village | Ward 6 | INEP/LGES | 1 900 000 | 1 800 000 | 1 800 000 | Target not achieved (58 households connected) | 42 | Empty stands only provided with capacity | Customers will be covered with free post connection by ESKOM | Certificate of Completion for Gon'on'o Village | TECH |
| Electricity Provision | To develop sustainable infrastructure networks which promotes economic growth and improve quality of life. | To connect 100 units at Babangu Village by 30 June 2022 | New Indicator | Connection of 100 units at Babangu Village by 30 June 2022 | Electrification of Babangu Village (100) | Construction of Electrical Network Infrastructure | Babangu Village | Ward 3 | INEP/LGES | 1 000 000 | 1 950 000 | | Target not achieved | 100 households not energized | Delay from Eskom to energize | Customers will be covered with free post connection by ESKOM | Progress report Certificate of Completion for Babangu Village | TECH |

| Priority Issue | Development Objective | Key Performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project Description | Location | Ward | Funding Source | Budget 2021/22 | Budget adjustment 2021/22 | Special Adjustment Budget 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio of Evidence | Dept |
|-----------------------|--|---|------------------|---|---|---|-----------------|--------------------|----------------|----------------|---------------------------|-----------------------------------|--|---|------------------------------|--|--|------|
| Electricity Provision | To develop sustainable infrastructure networks which promotes economic growth and improve quality of life. | To connect 539 sites Section F by 30 June 2022 | New Indicator | 539 sites connect with electricity at Section F by 30 June 2022 | Electrification of 539 sites (150) | Construction of Electrical Network Infrastructure | Section F | Ward 13 | LGES | 50 000 | 50 000 | 50 000 | Target not achieved | Appointment of service provider not conducted | We did not have enough funds | To be prioritize in the next financial year | Appointment Letter | TECH |
| Electricity Provision | To develop sustainable infrastructure networks which promotes economic growth and improve quality of life | To install Traffic Lights in Giyani Township Lighting by 30 June 2022 | New Indicator | To install Traffic Lights in Giyani Township Lighting by 30 June 2022 | Installation of Traffic Lights in Giyani Township | Installation of Traffic Lights in Giyani Township | Giyani Township | Ward 11,12,13 & 21 | LGES | 100 000 | 100 000 | 1 198 887 | Target not achieved (Appointment letter and Project handover | Project not yet commenced | Contract delayed starting | A Mora Letter to be issued to the contractor | Progress report and Completion certificate | TECH |

| Priority Issue | Development Objective | Key Performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project Description | Location | Ward | Funding Source | Budget 2021/22 | Budget adjustment 2021/22 | Special Adjustment Budget 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio of Evidence | Dept |
|-----------------------|--|---|------------------|--|---|---|----------------|-----------|----------------|----------------|---------------------------|-----------------------------------|--|--------------------------------|---------------------|---|-----------------------|------|
| Electricity Provision | To develop sustainable infrastructure networks which promotes economic growth and improve quality of life. | To install high mast lights in 93 villages (CBD) by 30 June 2022 | New Indicator | To Install high mast lights in 93 villages (CBD) by 30 June 2022 | Installation of High Mast Lights in 93 Villages (CBD) | Installation of High Mast Lights in 93 Villages (CBD) | Greater Giyani | All wards | LGES | 500 000 | 500 000 | 1 531 417 | Target not achieved (Appointment of Service Provider for CBD High Mast Lights) | Service provider not appointed | Budget constraints | Appointments to be prioritise next financial year | Appointment letter | TECH |
| Electricity Provision | To develop sustainable infrastructure networks which promotes economic growth and improve quality of life. | To install energy saving street lights in 93 villages (CBD) by 30 June 2022 | New Indicator | To install energy saving streetlights in R81 (CBD) by 30 June 2022 | Installation of energy saving streetlights | Installation of energy saving street lights | Giyani CBD | All wards | LGES | 7 000 000 | 3 000 000 | 3 000 000 | Target achieved (Service provider appointed) | Service provider appointed | N/A | N/A | Appointment letter | TECH |

| Priority Issue | Development Objective | Key Performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project Description | Location | Ward | Funding Source | Budget 2021/22 | Budget adjustment 2021/22 | Special Adjustment Budget 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio of Evidence | Dept |
|--------------------------------|--|--|--------------------------------------|---|---|--|---------------|---------|----------------|----------------|---------------------------|-----------------------------------|--|---|--|--|---|------|
| Waste Disposal | To develop sustainable infrastructure networks which promotes economic growth and improve quality of life. | To Develop A waste disposal site by 30 June 2022 | Construction of Waste disposal site | Construction of waste disposal site development by 30 June 2022 | Waste Disposal Site Development | Development of Giyani waste disposal site | Dzingi dzingi | Ward 21 | MIG | 500 000 | 1 675 960 | 1 675 960 | Target achieved (Construction of waste disposal site development) | Project completed | N/A | N/A | Progress report, Practical completion certificate | TECH |
| Roads, Bridges and Storm water | To develop sustainable infrastructure networks which promotes economic growth and improve quality of life | To upgrade 3.5 Km road from gravel to paving at Giyani Section E "Voningani" by 30 June 2022 | Detailed designs and tender document | Upgrading of 3.5km road from gravel to Paving by 30 June 2022 | Section E upgrading from gravel to paving (Voningani) | Giyani section E "Voningani" Upgrading from gravel to paving | Section E | 11 | LGES | 8 000 000 | 20 453 874 | 20 453 874 | Target not achieved | Upgrading of 3.5km road from gravel to Paving by 30 June 2022 | The project could not be completed due to rainfall | The contractor has been granted extension based on the time lost due to rainfall | Appointment letter, Site handover report Progress report and practical completion certificate | TECH |

| Priority Issue | Development Objective | Key Performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project Description | Location | Ward | Funding Source | Budget 2021/22 | Budget adjustment 2021/22 | Special Adjustment Budget 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio of Evidence | Dept |
|--------------------------------|---|---|---|--|--|---|---------------------------|----------------|----------------|----------------|---------------------------|-----------------------------------|--|--|---------------------|--|------------------------|------|
| Roads, Bridges and Storm water | To develop sustainable infrastructure networks which promotes economic growth and improve quality of life | To develop designs for construction of alternative road to Giyani from R81 by 30 June 2022 | Inception, scoping report and Preliminary design. | Designs for Alternative road to Giyani from R81 to developed by 30 June 2022 | Alternative road to Giyani from R81 | Development of designs for construction of alternative road to Giyani from R81 | Ngove, Giyani A | Ward 10 and 12 | LGES | 500 000 | 500 000 | 500 000 | Target not achieved (detailed designs not concluded) | Concluding of detailed designs not conducted | Budget constraints | The Municipality to look at the alternative implementing the project | Detailed design report | TECH |
| Roads, Bridges and Storm water | To develop sustainable infrastructure networks which promotes economic growth and improve quality of life | To develop designs for construction of alternative route from Elim road (R578) to Giyani via Siyandhani by 30 June 2022 | New Indicator | Designs for Alternative route from Elim road (R578) to Giyani via Siyandhani by 30 June 2022 | Alternative route from Elim road (R578) to Giyani via Siyandhani | Development of designs for construction of alternative route from Elim road (R578) to Giyani via Siyandhani | Dzingi dzingi, Siyandhani | Ward 07 and 21 | LGES | 550 000 | 550 000 | 550 000 | Target achieved (Detailed design report developed) | Detailed design report developed | N/A | N/A | Detailed design report | TECH |

| Priority Issue | Development Objective | Key Performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project Description | Location | Ward | Funding Source | Budget 2021/22 | Budget adjustment 2021/22 | Special Adjustment Budget 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio of Evidence | Dept |
|--------------------------------|---|--|-----------------------|--|---|--|-------------|---------|----------------|----------------|---------------------------|-----------------------------------|--|-----------------------------|---------------------|--|--|-------|
| Roads, Bridges and Storm water | To develop sustainable infrastructure networks which promotes economic growth and improve quality of life | To upgrade access road to Nkhensani Hospital by 30 June 2022 | New Indicator | Designs to upgrade access road to Nkhensani Hospital by 30 June 2022 | Upgrading of Nkhensani Hospital Access Road | To upgrade access road to Nkhensani Hospital | Section A | Ward 12 | LGES | 50 000 | 0 | 0 | Target not achieved (Detailed design report not conducted) | design report not conducted | Budget constraints | To be prioritized in the next financial year | Detailed design report | TE CH |
| Building and Construction | To develop sustainable infrastructure networks which promotes economic growth and | To upgrade civic centre parking lot by 30 June 2022 | Available Parking Lot | Parking lot at Civic Centre upgraded By 30 June 2022 | Upgrading of parking lot | To upgrade the parking lot within the municipal offices | GGM offices | CBD | LGES | 2 000 000 | 4 045 647 | 4 045 647 | Target achieved (Parking lot at Civic Centre upgraded) | N/A | N/A | N/A | Advert, Appointment letter, Progress Report & Practical Completion Certificate | TE CH |
| Building and Construction | To develop sustainable infrastructure networks which promotes | Construction of Civic Centre Phase 4 by 30 June 2022 | New Indicator | Construction of Civic Centre Phase 4 by 30 June 2022 | Civic Centre Building, Phase 4 | Construction of Civic centre council chamber, Hvac, Elevator | Giyani | CBD | LGES | 7 064 924 | 7 064 924 | 7 064 924 | Target achieved (progress report developed) | Progress report developed | N/A | N/A | Progress report. | TE CH |

| Priority Issue | Development Objective | Key Performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project Description | Location | Ward | Funding Source | Budget 2021/22 | Budget adjustment 2021/22 | Special Adjustment Budget 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio of Evidence | Dept |
|---------------------------|---|---|------------------|---|-------------------------------|---|------------------|---------|----------------|----------------|---------------------------|-----------------------------------|--|--------------------------------|---------------------|--|---|------|
| | economic growth and | | | | | and upgrading of electricity reticulation | | | | | | | | | | | | |
| PMU | To develop an effective spatial framework that promotes integrated and sustainable development | # of sites serviced by 30 June 2022 | New Indicator | Servicing of 539 sites by 30 June 2022 | Servicing of 539 sites | Servicing of 539 sites | Giyani section F | ward 13 | LGES | 500 000 | 500 000 | 500 000 | Target not achieved (Appointment) | Service provider not appointed | Budget constraints | To be implemented in the next financial year | Progress report. | TECH |
| Building and Construction | To develop sustainable infrastructure networks which promotes economic growth and improve quality of life | To Develop and Construct Mavalani indoor sport centre by 30 June 2022 | New Indicator | Designs and Draft tender document by 30 June 2022 | Mavalani indoor sports centre | Development and construction of Mavalani indoor sport centre. | Mavalani village | 20 | LGES | 2 000 000 | 2 000 000 | 2 000 000 | Target achieved (Design and draft tender document) | N/A | N/A | N/A | Appointment letter, Preliminary design, Detailed design and draft tender document | TECH |

| Priority Issue | Development Objective | Key Performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project Description | Location | Ward | Funding Source | Budget 2021/22 | Budget adjustment 2021/22 | Special Adjustment Budget 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio of Evidence | Dept |
|---------------------------|---|--|------------------|---|---|---|--------------------|------|----------------|----------------|---------------------------|-----------------------------------|--|--|---------------------|-------------------------------|--|------|
| Building and Construction | To develop sustainable infrastructure networks which promotes economic growth and improve quality of life | To Develop and Construct Jim Nghalalu Community Hall by 30 June 2022 | New Indicator | Designs and Draft tender document by 30 June 2022 | Jim-Nghalalu Community Hall | Development and construction of Jim Nghalalu hall | Jim Nghalalu | 30 | LGES | 2 000 000 | 2 000 000 | 2 000 000 | Target achieved (Detailed designs and Draft tender document) | Detailed designs and Draft tender document | N/A | N/A | Appointment letter, Preliminary design, Detailed design and draft tender document | TECH |
| Building and Construction | To develop sustainable infrastructure networks which promotes economic growth and improve quality of life | To Develop and Construct Nwazekudze Community Hall by 30 June 2022 | New Indicator | Designs and Draft tender document by June 2022 | Nwazekudze Community Hall | Development and construction of Nwazekudze community hall | Nwazekudze village | 15 | LGES | 2 000 000 | 7 602 066 | 7 602 066 | Target achieved (Design and draft tender document) | N/A | N/A | N/A | Appointment letter, Site hand over certificate, progress report and Practical completion certificate | TECH |
| Sports Facilities | To develop sustainable infrastructure networks which | To Refurbish of Giyani Stadium & | New Indicator | Refurbishment of Giyani Stadium & | Refurbishment of Giyani Stadium & Section A | Refurbishment of Giyani Stadium & Section A | Section A | 12 | LGES | 50 000 | 0 | 0 | Target not achieved (service provider | Service provider not appointed | Budget constraints | Project to be prioritize next | Appointment letter | TECH |

| Priority Issue | Development Objective | Key Performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project Description | Location | Ward | Funding Source | Budget 2021/22 | Budget adjustment 2021/22 | Special Adjustment Budget 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio of Evidence | Dept |
|-------------------|---|--|------------------|--|----------------------------------|--|------------------|-----------|----------------|----------------|---------------------------|-----------------------------------|--|---|--|---|---|------|
| | promotes economic growth and improve quality of life | Section A Tennis Court by 30 June 2022 | | Section A Tennis Court by 30 June 2022 | Section A Tennis Court | Tennis Court | | | | | | | not Appointment) | | | financial year | | |
| Sports Facilities | To develop sustainable infrastructure networks which promotes economic growth and improve quality of life | To Refurbish Homu 14B sport centre by 30 June 2022 | New Indicator | Designs and Draft tender document by June 2022 | Homu 14B Sports centre | Homu 14B Sport centre refurbishment | Homu 14B | 9 | LGES | 4 600 000 | 4 600 000 | 4 600 000 | Target achieved (Designs and draft tender document) | N/A | N/A | N/A | Appointment letter, Site hand over certificate , progress report and Practical completion certificate | TECH |
| Sports Facilities | To develop sustainable infrastructure networks which promotes economic growth and | To construct an extension of Mageva soccer pitch | New Indicator | To construct an extension of Mageva soccer pitch | Extension of Mageva soccer pitch | To construct an extension of Mageva soccer pitch | Mageva - Dzumeri | 24 and 25 | LGES | 1 000 000 | 1 000 000 | 1 000 000 | Target not achieved (service provider not | Mageva Soccer pitch extension not constructed | Due to Constitutional Court ruling on Preferential Procure | Service provider to be appointed in the | Appointment letter, Site hand over certificate , progress report and Practical | TECH |

| Priority Issue | Development Objective | Key Performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project Description | Location | Ward | Funding Source | Budget 2021/22 | Budget adjustment 2021/22 | Special Adjustment Budget 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio of Evidence | Dept |
|-------------------|---|--|------------------|---|-------------------------|---|-----------------|---------|----------------|----------------|---------------------------|-----------------------------------|---------------------|---|---------------------------|--|--------------------------|------|
| | improve quality of life | | | by 30 June 2022 | | | | | | | | | appointed) | | ment Regulations ,2017 | financial year | completion certificate . | |
| Sports Facilities | To develop sustainable infrastructure networks which promotes economic growth and improve quality of life | construction of sports Centre at Section E by 30 June 2022 | New Indicator | Section E Sports Centre constructed by 30 June 2022 | Section E Sports Centre | Construction of a roof covering; athletic tracks; soccer pitch; parking area and sidewalks for section sports centre precinct | Giyani Township | Ward 11 | LGES | 50 000 | 0 | 0 | Target not achieved | Section E Sports Centre not constructed | Due to budget constraints | To be prioritized in the next financial year | Fixing defects report | TECH |

| Priority Issue | Development Objective | Key Performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project Description | Location | Ward | Funding Source | Budget 2021/22 | Budget adjustment 2021/22 | Special Adjustment Budget 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio of Evidence | Dept |
|-------------------|---|---|------------------|---|---|--|-----------|---------|----------------|----------------|---------------------------|-----------------------------------|---|----------------------------|--|---|---|------|
| Sports Facilities | To develop sustainable infrastructure networks which promotes economic growth and improve quality of life | Refurbishment of Sporting Facilities (Gawula) by 30 June 2021 | New Indicator | Refurbishment of Sporting Facilities (Gawula) by 30 June 2021 | Refurbishment of Sporting Facilities (Gawula) | Refurbishment of Gawula Sport centre | Gawula | Ward 18 | Income | 50 000 | 0 | 0 | Target not achieved | Fixing of defects nor done | Due to budget constraints | To be prioritized in the next financial year | Fixing defects report | TECH |
| Sports Facilities | To develop sustainable infrastructure networks which promotes economic growth and improve quality of life | Refurbishment of Shivulani Sports Centre by 30 June 2022 | New Indicator | Refurbishment of Shivulani Sports Centre by 30 June 2022 | Refurbishment of sport centre | Refurbishment of Shivulani Sports Centre | Shivulani | Ward 15 | Income | 1 500 000 | 3 500 000 | 3 500 000 | Target not achieved (The project is not completed) | Project not completed | Due to Constitutional Court ruling on Preferential Procurement, 2017 | Project to be completed in the financial year | Appointment Letter & Completion Certificate | TECH |

| Priority Issue | Development Objective | Key Performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project Description | Location | Ward | Funding Source | Budget 2021/22 | Budget adjustment 2021/22 | Special Adjustment Budget 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio of Evidence | Dept |
|--------------------------------|--|--|---|--|--------------------------------|---|-----------------|-----------|----------------|----------------|---------------------------|-----------------------------------|---|-----------------------|---|-----------------------------|---|------|
| EPWP Infrastructure | To develop sustainable infrastructure networks which promotes economic growth and improve quality of life. | # of people to be appointed through EPWP Infrastructure Program by 30 June 2022 | 170 | 200 People appointed through EPWP Infrastructure Program by 30 June 2022 | EPWP Infrastructure | Creation of jobs through EPWP Infrastructure Program | Giyani Township | All wards | EPWP | 5 819 000 | 0 | | Target not achieved (163 EPWP appointed) | 37 EPWP not appointed | Some of the hired EPWP workers decline before they start their employment | Replacement of EPWP workers | Signed Appointment Memo | TECH |
| EPWP Environmental and Culture | To develop sustainable infrastructure networks which promotes economic growth and improve quality of life. | # of people to be appointed through EPWP Environmental and Culture Program by 30 | 130 people appointed through EPWP Environment | 200 People appointed through EPWP Environment by 30 June 2022 | EPWP Environmental and Culture | Creation of jobs through EPWP Environmental and Culture Program | Giyani Township | All wards | EPWP | 4 100 000 | 0 | | Target not achieved (150 EPWP appointed) | 50 not EPWP appointed | Some of the hired EPWP workers decline before they start their employment | Replacement of EPWP workers | Participant list, Payment Register, Attendance Register | COMM |

| Priority Issue | Development Objective | Key Performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project Description | Location | Ward | Funding Source | Budget 2021/22 | Budget adjustment 2021/22 | Special Adjustment Budget 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio of Evidence | Dept |
|----------------------------------|---|---|---------------------------------|--|----------------------------------|---|----------------|-----------|----------------|----------------|---------------------------|-----------------------------------|--|----------|---------------------|---------------------|-----------------------|------|
| | | June 2022 | | | | | | | | | | | | | | | | |
| Environmental Awareness Campaign | To develop sustainable infrastructure networks which promotes economic growth and improve quality of life | # of environmental awareness and Educational programs to be conducted by 30 June 2022 | 8 awareness campaigns conducted | 8 Awareness campaigns and Educational programs conducted by 30 June 2022 | Environmental Awareness Campaign | Conducting Education awareness campaigns on environmental management to communities | Greater Giyani | All wards | Income | Operational | Operational | Operational | Target achieved ((8 Awareness conducted) | N/A | N/A | N/A | Attendance registers | COMM |
| Scholar Patrol | To develop sustainable infrastructure networks which promotes economic growth and improve | # of scholar patrol to be conducted by 30 June 2022 | 38 scholar patrols conducted | 20 scholar patrols conducted by 30 June 2022 | Scholar Patrol | Conducting of Scholar patrols | All Wards | All Wards | Income | Operational | Operational | | Target achieved (20 scholar patrols conducted) | N/A | N/A | N/A | Reports | COMM |

| Priority Issue | Development Objective | Key Performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project Description | Location | Ward | Funding Source | Budget 2021/22 | Budget adjustment 2021/22 | Special Adjustment Budget 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio of Evidence | Dept |
|--------------------------|--|---|----------------------------|---|--------------------------|------------------------------|-----------|-----------|----------------|----------------|---------------------------|-----------------------------------|--|----------|---|---|-----------------------|------|
| | quality of life. | | | | | | | | | | | | | | | | | |
| Speed Checks | To develop sustainable infrastructure networks which promotes economic growth and improve quality of life. | # of speed checks conducted by 30 June 2022 | 107 Speed checks conducted | 40 Speed checks conducted by 30 June 2022 | Speed Checks | Conducting of Speed Checks | All Wards | All Wards | Income | Operational | Operational | | Target achieved (40 speed check conducted) | N/A | N/A | N/A | Reports | COMM |
| Traffic summonses issued | To develop sustainable infrastructure networks which promotes economic growth and improve quality of life | # of Traffic summonses issued by 30 June 2022 | 1595 summonses issued | 1000(s ec 56) summonses by 30 June 2022 | Traffic summonses issued | Issuing of traffic summonses | All Wards | All Wards | Income | Operational | Operational | | Target achieved (1608 summonses issued) | 608 | Traffic flow is increasing every year and cause traffic offenses to keep on | Target to be increased in the next financial year | Reports | COMM |

| Priority Issue | Development Objective | Key Performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project Description | Location | Ward | Funding Source | Budget 2021/22 | Budget adjustment 2021/22 | Special Adjustment Budget 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio of Evidence | Dept |
|-----------------------|---|--|--|---|--------------|-------------------------------|------------------|---------|----------------|----------------|---------------------------|-----------------------------------|--|----------|---------------------|---------------------|-----------------------|------|
| | | | | | | | | | | | | | | | increasing | | | |
| Payment of AARTO fees | To develop sustainable infrastructure networks which promotes economic growth and improve quality of life | # of Payment of AARTO fees facilitated by 30 June 2022 | 12 | 12 payments of AARTO fees facilitated by 30 June 2022 | AARTO | Facilitating payment of AARTO | Giyani Section C | Ward 12 | Income | Operational | Operational | | Target achieved (12 payment facilitated) | N/A | N/A | N/A | Reports | COMM |
| Payment of DLCA fees | To develop sustainable infrastructure networks which promotes economic growth and improve quality of life | # of Payment of DLCA fees facilitated by 30 June 2022 | 12 payments of DLCA fees facilitated as per Government Gazette | 12 payment of DLCA fees facilitated by 30 June 2022 | DLCA | Facilitating payment of DLCA | Giyani Section C | Ward 12 | Income | Operational | Operational | | Target achieved (12 payment facilitated) | N/A | N/A | N/A | Reports | COMM |

| Priority Issue | Development Objective | Key Performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project Description | Location | Ward | Funding Source | Budget 2021/22 | Budget adjustment 2021/22 | Special Adjustment Budget 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio of Evidence | Dept |
|--------------------|---|--|--|---|--|---|------------------|---------|----------------|----------------|---------------------------|-----------------------------------|---|----------|---------------------|---------------------|-----------------------|------|
| RTMC payments | To develop sustainable infrastructure networks which promotes economic growth and improve quality of life | # of RTMC payments facilitated by 30 June 2022 | No payments of RTMC fees facilitated | 12 payments of RTMC fees facilitated by 30 June by 30 June 2022 | Road Traffic Management Corporation fees | Facilitating payment of RTMC fees | Giyani Section C | Ward 12 | Income | Operational | Operational | | Target achieved (12 payment facilitated) | N/A | N/A | N/A | Reports | COMM |
| Calibration of VTS | To develop sustainable infrastructure networks which promotes economic growth and improve quality of life | # of Calibration of VTS done by 30 June 2022` | 1calibration of VTS test equipment as per NRLA | 1calibration of VTS test equipment done by 30 June 2022 | Vehicle Testing Station Calibration | Facilitating calibration of VTS equipment | Giyani Section C | Ward 12 | Income | Operational | Operational | | Target achieved (calibration certificate facilitated) | N/A | N/A | N/A | Reports | COMM |

| Priority Issue | Development Objective | Key Performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project Description | Location | Ward | Funding Source | Budget 2021/22 | Budget adjustment 2021/22 | Special Adjustment Budget 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio of Evidence | Dept |
|------------------------|---|--|--|---|-----------------|------------------------------------|------------------|-----------|----------------|----------------|---------------------------|-----------------------------------|---|----------|---------------------|---------------------|-----------------------|------|
| Payment of Agency fees | To develop sustainable infrastructure networks which promotes economic growth and improve quality of life | # of Agency fees facilitated for payment by 30 June 2022 | 12 payments for Agency fee facilitated for payment | 12 payments for Agency fees facilitated for payment by 30 June 2022 | 80% Agency fees | Facilitating payment of 80% agency | Giyani Section C | Ward 12 | Income | Operational | Operational | | Target achieved (12 payment facilitated) | N/A | N/A | N/A | Reports | COMM |
| Road safety Operations | To develop sustainable infrastructure networks which promotes economic growth and improve quality of life | # of Roadblocks held by 30 June 2022 | 69 Road blocks operations held | 12 Roadblocks held by 30 June 2022 | Roadblocks | Conducting of Roadblocks | All Wards | All Wards | Income | Operational | Operational | | Target achieved (12 roadblocks conducted) | N/A | N/A | N/A | Reports | COMM |

| Priority Issue | Development Objective | Key Performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project/Indicator Description | Location | Ward | Funding Source | Budget 2021/22 | Budget adjustment 2021/22 | Special Adjustment Budget 2021/22 | Actual Performance | Variance | Reason For Variance | Corrective Measures | Portfolio Of Evidence | Dept |
|--|---|--|---------------------------------|---|---------------|--|----------|--------|----------------|----------------|---------------------------|-----------------------------------|--|----------|---------------------|---------------------|---------------------------------|---------|
| 9.4. LOCAL ECONOMIC DEVELOPMENT (LOWER SDBIP) | | | | | | | | | | | | | | | | | | |
| Durban Indaba | To Create An Enabling Environment For Sustainable Economic Growth | # of SMME to be exposed to Durban Indaba by 30 June 2022 | 1 SMME exposed to Durban indaba | 1 SMME exposed to Durban Indaba by 30 June 2022 | Durban Indaba | Organising and providing transport and accommodation to SMME to attend Durban Indaba | Giyani | Giyani | Income | Operational | Operational | | Target achieved (1 SMME to be exposed to Durban Indaba) | N/A | N/A | N/A | Invitation, Attendance Register | P & Dev |

| Priority Issue/Programme | Development Objective | Key Performance Indicator | Baseline 2020 /21 | Annual Targets | Project Name | Project Description | Location | Ward | Funding Source | Budget 2021/2022 | Budget adjustment 2021/22 | Special Adjustment Budget 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept |
|--|---|--|---|---|--|---|-----------------------------|----------------|----------------|------------------|---------------------------|-----------------------------------|---|----------|---------------------|---------------------|--|------|
| 9.5. MUNICIPAL FINANCE MANAGEMENT AND VIABILITY (LOWER SDBIP) | | | | | | | | | | | | | | | | | | |
| Revenue Management | To improve financial management systems to enhance revenue base | Implementation of Revenue Enhancement Strategy by 30 June 2022 | Revenue enhancement strategy reviewed and implemented | Revenue enhancement strategy reviewed and implemented by 30 June 2022 | Revenue enhancement strategy implemented | Prepare report on the implementation of revenue enhancement strategy | Greater Giyani Municipality | Administration | Income | Operational | Revenue Management | | Target achieved (Report on implementation of revenue strategy) | N/A | N/A | N/A | Report on the implementation of revenue enhancement strategy | B&T |
| Budget and Reporting | To improve financial management systems to enhance revenue base | To table the draft budget to council by 31 March 2022 | Draft budget was tabled to council | Draft budget tabled to council by 31 March 2022 | Draft budget | Collect budget information from departments, Consolidate the budget, Present the draft to management, portfolio committee, EXCO | Greater Giyani Municipality | Administration | Income | Operational | Operational | | Target achieved (Draft budget tabled to council by 31 March 2022) | N/A | N/A | N/A | Draft budget and Council Resolution | B&T |

| Priority Issue/Programme | Development Objective | Key Performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project Description | Location | Ward | Funding Source | Budget 2021/2022 | Budget adjustment 2021/22 | Special Adjustment Budget 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept |
|--------------------------|---|---|---------------------------------------|--|----------------------|--|-----------------------------|----------------|----------------|------------------|---------------------------|-----------------------------------|--|----------|---------------------|---------------------|-------------------------------------|------|
| | | | | | | and Submit to council for approval | | | | | | | | | | | | |
| Budget and Reporting | To improve financial management systems to enhance revenue base | To submit the final budget to council by 31 May 2022 | Final budget was submitted to council | Final budget submitted to council by 31 May 2022 | Final budget | Take the draft budget for public participation with the IDP. Incorporate inputs and submit the budget for final approval | Greater Giyani Municipality | Administration | Income | Operational | Operational | | Target achieved (Budget approved) | N/A | N/A | N/A | Final budget and Council Resolution | B&T |
| Budget and Reporting | To improve financial management system | To submit the Annual Financial statements to AG by 31 | Financial statements was compiled and | Annual Financial statements compiled and submitted to AG | Financial statements | Compile the financial statement. Review the compile | Greater Giyani Municipality | Administration | Income | Operational | Operational | | Target achieved (AFS prepared and submitted to AGSA) | N/A | N/A | N/A | Copy of Annual Financial statements | B&T |

| Priority Issue/Programme | Development Objective | Key Performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project Description | Location | Ward | Funding Source | Budget 2021/2022 | Budget adjustment 2021/22 | Special Adjustment Budget 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept |
|--------------------------|---|---|------------------------------------|---|------------------------------|---|-----------------------------|----------------|----------------|------------------|---------------------------|-----------------------------------|--|----------|---------------------|---------------------|-------------------------------|------|
| | s to enhance venue base | August 2021 | submit to AG on the 31 August 2020 | by 31 August 2021 | | d financial statement. Present to management meeting. Submit to AG for auditing. | | | | | | | | | | | | |
| Budget and Reporting | To improve financial management systems to enhance venue base | # of section 71 reports submitted to Treasury within 10 days after the end of the month by 30 June 2022 | 12 Reports submitted in 2020/21 | 12 Section 71 Reports submitted to Treasury by 30 June 2022 | Section 71 report submission | Compile the section 71 report. Submit to treasury within 10 after the end of the month. | Greater Giyani Municipality | Administration | Income | Operational | Operational | | Target achieved (12 Section 71 Reports submitted to Treasury) | N/A | N/A | N/A | Acknowledgement from Treasury | B&T |

| Priority Issue/Programme | Development Objective | Key Performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project Description | Location | Ward | Funding Source | Budget 2021/2022 | Budget adjustment 2021/22 | Special Adjustment Budget 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept |
|--------------------------|---|--|------------------|--|---------------------------------|---|-----------------------------|----------------|----------------|------------------|---------------------------|-----------------------------------|--|----------|---------------------|---------------------|--|------|
| Budget and Reporting | To improve financial management systems to enhance venue base | Section 72 Mid-year report submitted to Mayor and Treasury on or before 25 January 2022 as per the legislation | New Indicator | 1 Section 72 Report submitted to Mayor by 25 January 2022 and to Council by the end of the quarter | Section 72 report submission | Compile the section 72 report and submit to the Mayor by 25 January as per the legislation and to Council | Greater Giyani Municipality | Administration | Income | Operational | Operational | | Target achieved (Sec 72 Report, Mayor's acknowledgment of receipt and Council Resolution attached) | N/A | N/A | N/A | Sec 72 Report, proof of submission to Mayor and treasury | B&T |
| Supply Chain Management | To improve financial management systems to enhance venue base | # of Quarterly SCM reports submitted to the MM per quarter | New Indicator | 4 Quarterly SCM reports submitted to MM | Supply Chain Management Reports | Submit quarterly Supply Chain Management reports to MM per quarter | Greater Giyani Municipality | Administration | Income | Operational | Operational | | Target achieved (4 SCM report compiled) | N/A | N/A | N/A | Quarterly SCM reports and MM's Acknowledgment of receipt | B&T |

| Priority Issue/Programme | Development Objective | Key Performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project Description | Location | Ward | Funding Source | Budget 2021/2022 | Budget adjustment 2021/22 | Special Adjustment Budget 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept |
|--------------------------|---|--|------------------|--|------------------|---|-----------------------------|----------------|----------------|-------------------------|---|-----------------------------------|---|---|--|---|----------------------------|------|
| Supply Chain Management | To improve financial management systems to enhance venue base | #of UIF report/Letter submitted to AGSA and MEC for local government | New Indicator | 4 quarterly UIF letters/report submitted on UIF identified per quarterly | UIF Expenditure | submit letters to AGSA and MEC for local government on UIF Identified per quarter | Greater Giyani Municipality | Administration | Income | Supply Chain Management | To improve financial management systems to enhance venue base | | Target not achieved | UIF report not submitted to AGSA and COGHTA | Management only reported UIF as and when it occurs | Management to report UIF on a quarterly basis | Proof of submission | B&T |
| Asset Management | To improve financial management systems | Quarterly Insurance Report to Risk Management Committee | New Indicator | 4 Quarterly Insurance reports be submitted to Risk Management Committee | Insurance Report | Submit quarterly Insurance reports to Risk Management Committee | Greater Giyani Municipality | Administration | Income | Operational | | | Target achieved (4 Quarterly Insurance Report to Risk Management Committee) | N/A | N/A | N/A | Insurance Reports | B&T |
| Asset Management | To improve financial management | # of Assets verification report submitted | New Indicator | 1 Assets verification reports submitted to | Asset Register | Receive new acquisitions, Bar code and | Greater Giyani Municipality | Administration | Income | Operational | Operational | | Target achieved (1 asset verification report | N/A | N/A | N/A | Asset Verification Reports | B&T |

| Priority Issue/Programme | Development Objective | Key Performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project Description | Location | Ward | Funding Source | Budget 2021/2022 | Budget adjustment 2021/22 | Special Adjustment Budget 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept |
|--------------------------|-------------------------------------|---|------------------|---|-------------------------|--|-----------------------------|----------------|----------------|------------------|---------------------------|-----------------------------------|---|----------|---------------------|---------------------|-------------------------|------|
| | ement systems to enhance venue base | d to AGSA by 31 August 2021 | | AGSA by 31 August 2021 | | capture into the asset register. Capture the expense of the project in progress . When the project is completed the unbundling and capitalisation into the asset register takes effect | | | | | | | developed) | | | | | |
| Asset Management | To improve financial management | Quarterly Assets Management Report to Finance | New Indicator | 4 Quarterly Assets reports to be submitted to | Asset management Report | Submit quarterly Asset management reports to | Greater Giyani Municipality | Administration | Income | Operational | | | Target achieved (4 Quarterly asset report | N/A | N/A | N/A | Asset Management Report | BTO |

| Priority Issue/Programme | Development Objective | Key Performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project Description | Location | Ward | Funding Source | Budget 2021/2022 | Budget adjustment 2021/22 | Special Adjustment Budget 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept |
|---|---|---|--------------------|--|-----------------------------|--|-----------------------------|----------------|----------------|------------------|---------------------------|-----------------------------------|---|----------|---------------------------|--------------------------|---|------|
| | systems | Portfolio Committee | | Finance Portfolio Committee | | Finance Portfolio Committee | | | | | | | developed) | | | | | |
| Asset Management | To improve financial management systems | # Fleet Fuel and Maintenance Expenditure Management by 30 June 2022 | New Indicator | 4 Quarterly Fleet Fuel and Maintenance Expenditure Management Report by 30 June 2022 | Fleet Vehicles & Machinery | Perform fuel and expenditure management. | Greater Giyani Municipality | Administration | Income | Operational | | | Target achieved (fuel and maintenance report developed) | N/A | N/A | N/A | Fuel and Maintenance Report. | BTO |
| Priority Issue/Programme | Development Objective | Key Performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project Description | Location | Ward | Funding Source | Budget 2021/22 | Budget adjustment 2021/22 | Special Adjustment Budget 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept |
| 9.6 GOOD GOVERNANCE AND PUBLIC PARTICIPATION (LOWER SDBIP) | | | | | | | | | | | | | | | | | | |
| Public Participation | To develop governance | # of ward committee meeting | 372 Ward Committee | 372 Ward Committee meeting | Support services for monthl | Support services through PPOs to have | Greater Giyani Municipality | Administration | Income | Operational | Operational | | Target not achieved (Coordinate 155 | 217 | Delays in appointment and | We have established Ward | Attendance registers and Ward committee | CORP |

| Priority Issue/Programme | Development Objective | Key Performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project Description | Location | Ward | Funding Source | Budget 2021/2022 | Budget adjustment 2021/22 | Special Adjustment Budget 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept |
|--------------------------|---|--|--|---|----------------------------|---|-----------------------------|----------------|----------------|------------------|---------------------------|-----------------------------------|--|-------------------------------------|---|---|------------------------------------|------|
| | structures and systems that will ensure effective public consultation and organizational discipline | s conducted by 30 June 2022 | meetings | s conducted by 30 June 2022 | y ward committee meetings | monthly ward committee meetings in each of 31 wards | | | | | | | ward committee meetings conducted) | | induction training which took place in May 2022 therefore the Ward committee members were unable to give report | committee forum to deal with issues of reporting and adhering to SDBIP. | e quarterly report | |
| Internal Auditing | To develop governance structures and systems that will ensure effective public consultation | # of findings resolved in the Internal Audit Action Plan by 30 June 2022 | Implementation in 2020/21 Internal Audit Action plan | 100% of findings resolved in the Internal Audit Action Plan by 30 June 2022 | Internal Audit Action Plan | Implementation of the Internal Audit Action Plan | Greater Giyani Municipality | Administration | Income | Operational | Operational | | Target not achieved . 60% (170/282) of findings resolved | 40% (112/282) findings not resolved | Management not implementing Internal Auditors recommendations. | Findings not resolved to be followed up | Updated Internal Audit Action Plan | MM |

| Priority Issue/Programme | Development Objective | Key Performance Indicator | Baseline 2020 /21 | Annual Targets | Project Name | Project Description | Location | Ward | Funding Source | Budget 2021/2022 | Budget adjustment 2021/22 | Special Adjustment Budget 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept |
|--------------------------|---|--|--------------------------------------|---|---------------------------------------|--|-----------------------------|----------------|----------------|------------------|---------------------------|-----------------------------------|---|----------------------------------|--|---|------------------------------|------|
| | and organizational discipline | | | | | | | | | | | | | | | | | |
| Internal Auditing | To develop governance structures and systems that will ensure effective public consultation and organizational discipline | % of findings resolved in the AG(SA) Action Plan by 30 June 2022 | Implementation of AG(SA) Action Plan | 100% of findings resolved in the AG(SA) Action Plan by 30 June 2022 | AG(SA) action plan | Implementation of the AG(SA) action plan | Greater Giyani Municipality | Administration | Income | Operational | Operational | | Target not achieved . 25% (17/67) findings resolved | 75% (50/67) finding not resolved | Management not implementing Auditors recommendations | Findings not resolved to be followed up | Updated Audit Action Plan | MM |
| Internal Auditing | To develop governance structures and | # of Audit and Performance Audit Committee | 6 Audit and performance committee | 4 Audit and Performance Committee meeting | Audit and Performance Audit Committee | Organize Audit and Performance Audit Committee | Greater Giyani Municipality | Administration | Income | Operational | Operational | | Target achieved (4 Audit and Performance Committee | N/A | N/A | N/A | Minutes, Attendance register | MM |

| Priority Issue/Programme | Development Objective | Key Performance Indicator | Baseline 2020 /21 | Annual Targets | Project Name | Project Description | Location | Ward | Funding Source | Budget 2021/2022 | Budget adjustment 2021/22 | Special Adjustment Budget 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept |
|--------------------------|--|---|---|--|---|---|-----------------------------|----------------|----------------|------------------|---------------------------|-----------------------------------|--|----------|---------------------|---------------------|---------------------------------------|------|
| | systems that will ensure effective public consultation and organizational discipline | meetings to be held by 30 June 2022 | meetings held | held by 30 June 2022 | | meetings | | | | | | | meetings held) | | | | | |
| Internal Auditing | To develop governance structures and systems that will ensure effective public consultation and organizational | # of Audit and Performance Audit Committee Reports developed and submitted to Council by 30 June 2022 | 4 Audit and Performance Audit Committee Reports | 4 Audit and Performance Audit Committee Reports developed and submitted to Council by 30 June 2022 | Audit and Performance Audit Committee Reports | Develop Audit and Performance Audit Committee Reports | Greater Giyani Municipality | Administration | Income | Operational | Operational | | Target achieved (4 Audit and Performance Audit Committee Reports developed and submitted to Council) | N/A | N/A | N/A | Report to Council, Council resolution | MM |

| Priority Issue/Programme | Development Objective | Key Performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project Description | Location | Ward | Funding Source | Budget 2021/2022 | Budget adjustment 2021/22 | Special Adjustment Budget 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept |
|--------------------------|---|---|-------------------------------------|--|-------------------------------|---|-----------------------------|----------------|----------------|------------------|---------------------------|-----------------------------------|--|----------|---------------------|---------------------|---|------|
| | discipline | | | | | | | | | | | | | | | | | |
| Internal Auditing | To develop governance structures and systems that will ensure effective public consultation and organizational discipline | # of Audit Steering Committee meetings to be held by 30 June 2022 | 8 Audit Steering Committee held | 8 Audit Steering Committee meetings held by 30 June 2022 | Audit Steering Committee | Organize Audit Steering Committee meetings | Greater Giyani Municipality | Administration | Income | Operational | Operational | | Target achieved (8 Audit Steering Committee meetings held) | N/A | N/A | N/A | Minutes, Attendance register | MM |
| Performance Management | To develop governance structures and systems | # of institutional performance reports developed | 4 institutional performance reports | 4 Institutional performance reports developed | Quarterly performance reports | Develop a reporting template and send to departments, | Greater Giyani Municipality | Administration | Income | Operational | Operational | | Target achieved (4 reports developed) | N/A | N/A | N/A | Institutional Performance Report and Council Resolution | MM |

| Priority Issue/Programme | Development Objective | Key Performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project Description | Location | Ward | Funding Source | Budget 2021/2022 | Budget adjustment 2021/22 | Special Adjustment Budget 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept |
|--------------------------|--|---|-------------------------------|---|------------------|---|-----------------------------|-----------|----------------|------------------|---------------------------|-----------------------------------|---|----------|---|--|-----------------------|-------|
| | that will ensure effective public consultation and organizational discipline | d and submitted to Council by 30 June 2022 | developed | d and submitted to Council by 30 June 2022 | | Receive completed template and consolidate into one report. Organise SDBIP Management meeting to consider the report. Submit the report to Council for approval | | | | | | | | | | | | |
| Library Outreach Program | To develop governance structures and systems that | # of library outreach conducted by 30 June 2022 | 12 Library outreach conducted | 12 Library outreach conducted by 30 June 2022 | Library outreach | Conduct library outreach to identified schools | Greater Giyani Municipality | All wards | Income | Operational | Operational | | Target not achieved (10 library outreach conducted) | 2 | During the second quarter the targeted schools are in prepara | During the next financial year, the department will not target | Attendance registers | CO MM |

| Priority Issue/Programme | Development Objective | Key Performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project Description | Location | Ward | Funding Source | Budget 2021/2022 | Budget adjustment 2021/22 | Special Adjustment Budget 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept |
|---|---|---|--|---|------------------|--|-----------------------------|-----------|----------------|------------------|---------------------------|-----------------------------------|--|----------|--|---|--|------|
| | will ensure effective public consultation and organizational discipline | | | | | | | | | | | | | | tion of Examinations | for library outreach for second quarter | | |
| Promote community and environmental welfare | To develop governance structures and systems that will ensure effective public consultation and organizational discipline | # of activities conducted on special programs by 30 June 2022(Mayor, s Tournament, Youth Support, Gender Support, HIV/Candle lighting, Child& Old Age | 20 Special Programs activities conducted | 16 Special Programs organized by 30 June 2022 | Special Programs | Organize and conduct the special programs undertaken in the different desks of the Special Programs Unit | Greater Giyani Municipality | All wards | Income | Operational | Operational | | Target not achieved (8 special programmes conducted) | 8 | During the 1 st and 2 nd quarter we could not have gatherings due covid 19 public gathering restrictions | We have re-established the special programmes | Attendance Registers, Invitations , programs | MM |

| Priority Issue/Programme | Development Objective | Key Performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project Description | Location | Ward | Funding Source | Budget 2021/2022 | Budget adjustment 2021/22 | Special Adjustment Budget 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept |
|--------------------------|---|---|-------------------------------|---|----------------------------------|--|-----------------------------|----------------|----------------|------------------|---------------------------|-----------------------------------|---|----------|---|---|----------------------------------|------|
| | | Support, Disability Support) | | | | | | | | | | | | | | | | |
| Newsletter | To develop governance structures and systems that will ensure effective public consultation and organizational discipline | # of Rito newsletters to be produced and circulated by 30 June 2022 | 4 Rito newsletter produced | 4 Rito newsletter edition produced and circulated by 30 June 2022 | Rito newsletter | Producing and Circulating of the Rito newsletter | Greater Giyani Municipality | Administration | Income | Operational | Operational | | Target not achieved (2 Rito newsletters published and circulated) | 2 | Service provider contract lapsed | The tender for publishing Rito newsletter has been advertised and will appoint during the first quarter | 4 Rito newsletters editions | MM |
| Public Participation | To develop governance structures and system | # of ward report back meetings to be conducted by 30 | 124 Report back meetings held | 124 ward report back meetings conducted by 30 | Ward Public Report Back meetings | Consult members of the public on service delivery issues | Greater Giyani Municipality | All wards | Income | Operational | Operational | | Target not achieved (Coordinate 16 ward committee | 108 | Ward committee members were unable to give report | We have established Ward committee forum | Attendance Registers and Minutes | CORP |

| Priority Issue/Programme | Development Objective | Key Performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project Description | Location | Ward | Funding Source | Budget 2021/2022 | Budget adjustment 2021/22 | Special Adjustment Budget 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept |
|--------------------------|--|---|--|--|---------------------|---|-----------------------------|----------------|----------------|------------------|---------------------------|-----------------------------------|--|---------------------------------------|---|--|---------------------------------|------|
| | s that will ensure effective public consultation and organizational discipline | June 2022 | | June 2022 | | | | | | | | | meetings conducted in the fourth quarter) | | due to delay in induction training which took place in May 2022 | to deal with issues of reporting and adhering to SDBIP. | | |
| Public Hearing of MPAC | To develop governance structures and systems that will ensure effective public consultation and organizational | # of MPAC Public Hearing to be coordinated by 31 March 2022 | 1 MPAC Public hearing conducted on 31 March 2020 | 1 MPAC Public Hearing coordinated by 31 March 2022 | MPAC Public Hearing | Conduct public hearing of the 2019/20 Annual Report | Greater Giyani Municipality | Administration | Income | Operational | Operational | | Target not achieved (Public hearing conducted) | (Public hearing conducted during May) | The Draft APR was tabled late due to dispute between GGM and AGSA | To comply with timelines and speed up processes of resolving dispute | Attendance registers and advert | CORP |

| Priority Issue/Programme | Development Objective | Key Performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project Description | Location | Ward | Funding Source | Budget 2021/2022 | Budget adjustment 2021/22 | Special Adjustment Budget 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept |
|------------------------------|---|--|--|---|------------------------------|---|-----------------------------|-----------|----------------|------------------|---------------------------|-----------------------------------|--|---|----------------------|---|----------------------------|-------|
| | discipline | | | | | | | | | | | | | | | | | |
| Customer Satisfaction Survey | To develop governance structures and systems that will ensure effective public consultation and organizational discipline | To review Customer Satisfaction Survey by 30 June 2022 | 1 Customer satisfaction Survey conducted | 1 Customer satisfaction Survey reviewed by 30 June 2022 | Customer Satisfaction Survey | Distribution of Customer Satisfaction survey questionnaire to communities to collect information on customer satisfaction | Greater Giyani Municipality | All wards | Income | Operational | N/A | | Target achieved (Customer survey conducted) | N/A | N/A | NA | Reports and Questionnaires | MM |
| Arts and Culture Support | To promote Arts and Culture within the comm | To host Arts and Culture Festival by September 2021 | 1 festival was held in 2019 | One event of Arts and Culture festival to be held in September 2021 | Arts & Culture Support | To host Arts and Culture festival | All Wards | All wards | Income | Operational | Operational | | Target not achieved (Arts and Culture festival not held) | (Arts and Culture festival not held not held) | Budget not available | To be budgeted for in the next financial year | Attendance register | CO MM |

| Priority Issue/Programme | Development Objective | Key Performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project Description | Location | Ward | Funding Source | Budget 2021/2022 | Budget adjustment 2021/22 | Special Adjustment Budget 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept |
|--------------------------|--|--|-------------------------------------|---|--------------------------|----------------------------------|-----------|-----------|----------------|------------------|---------------------------|-----------------------------------|---|-----------------------------------|----------------------|---|-----------------------|------|
| | unity members | | | | | | | | | | | | | | | | | |
| Heritage Day Celebration | To promote the Culture of heritage within members of the community | To host the Heritage Day Celebration by September 2021 | 1 Heritage Day Celebration was held | 1 Heritage Day Celebration held in September 2021 | Heritage Day Celebration | To host Heritage Day Celebration | All Wards | All wards | Income | Operational | Operational | | Target not achieved (Heritage Day Celebration held) | Heritage day celebration not held | Budget not available | To be budgeted for in the next financial year | Attendance register | COMM |
| Sport Development | To develop Sports programmes within the community members | # of sporting codes supported by 30 June 2022 | 7 wards benefited | 1 sporting code supported by 30 June 2022 | Sport Development | To procure sporting equipments | All Wards | All wards | Income | Operational | Operational | | Target not achieved (sporting code not supported) | 1 | Budget not available | To be budgeted for in the next financial year | Attendance register | COMM |
| Indigenous games | To promote the Indigenous | To Coordinate and host indigenous | Local, District and Provincial | Coordinate the selection of local team of | Indigenous Games | 1 local Indigenous games | All Wards | All wards | Income | Operational | Operational | | Target not achieved (Local indigenous | 1 | Budget not available | To be budgeted for in the next | Attendance register | COMM |

| Priority Issue/Programme | Development Objective | Key Performance Indicator | Baseline 2020/21 | Annual Targets | Project Name | Project Description | Location | Ward | Funding Source | Budget 2021/2022 | Budget adjustment 2021/22 | Special Adjustment Budget 2021/22 | Actual Performance | Variance | Reason for Variance | Corrective Measures | Portfolio Of Evidence | Dept |
|--------------------------|------------------------------------|---|---|-------------------------------|--------------|---------------------|----------|------|----------------|------------------|---------------------------|-----------------------------------|-------------------------|----------|---------------------|---------------------|-----------------------|------|
| | games within the community members | us games within the community by 30 June 2022 | Indigenous games coordinated and hosted | Indigenous games by June 2022 | | to be hosted | | | | | | | us games not conducted) | | | financial year | | |

10. Measures taken to improve performance

| No. | PROJECT NAME. | TARGET | STATUS | CHALLENGES | INTERVENTIONS |
|--------------------------|------------------|--------------------------------------|---------------------|---------------------------------------|-----------------------------------|
| SPATIAL RATIONALE | | | | | |
| 1 | Review of SDF | Reviewing of the SDF by 30 June 2022 | Target not Achieved | Government still processing Gazetting | Follow up with Government Gazette |
| 2 | Alignment of LUS | Alignment of LUS by June 2022 | Target not Achieved | Government still processing Gazetting | Follow up with Government Gazette |

| No. | PROJECT NAME. | TARGET | STATUS | CHALLENGES | INTERVENTIONS |
|--|--|--|---|--|---|
| 3 | Street naming Giyani section A& F | Street naming Giyani Section A by 30 June 2022 | Target not achieved | Restriction of public gatherings due to Covid-19 | Public participation to be conducted during new financial year |
| 4 | Street naming Giyani section BA& C | Street naming Giyani Section BA&C by 30 June 2022 | Target not achieved | Restriction of public gatherings due to Covid-19 | Public participation to be conducted during new financial year |
| 5 | GIS Upgrade | Upgrade GIS System by 30 June 2022 | Target not achieved | Treasury Circular prohibited procurement process | Fasttrack appointment process |
| MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT | | | | | |
| 1 | Portfolio Committee Meetings | 96 Portfolio Committee Meetings (12 Per Portfolio Committee) by 30 June 2022 | Target not achieved (43 portfolio committee meetings) | 59 Portfolio committee members not adhering to schedules | Chairpersons of Portfolio Committees to ensure meetings Adherence to the scheduled are adhered to |
| 2 | Personnel Recruitment | Sixty (40) posts to be filled in terms of the organogram by 30 June 2022 | Target not achieved (24 posts filled) | Postponement of interviews | Adhere to the schedule |

| No. | PROJECT NAME. | TARGET | STATUS | CHALLENGES | INTERVENTIONS |
|-----|--|--|--|--|--|
| 3 | Management of litigation | # of litigation cases received and finalized by 30 June 2022 | Target not achieved (16 cases not finalized) | Delays on court allocation for dates | To have meetings with service providers and settle the matter out of court |
| 4 | Acquisition and installation of Walkthrough Metal detector and X-ray machine at Civic Centre | Acquisition and installation of Walkthrough Metal detector and X-ray machine at Civic Centre | Target not achieved | Due to Constitutional Court ruling on Preferential Procurement Regulations ,2017 | Appointment to be conducted in the next financial year |
| 5 | Office Furniture | Procurement and distribute office furniture by June 2022 | Target not achieved | Due to Constitutional Court ruling on Preferential Procurement Regulations ,2017 | Fasttrack appointment process |
| 6 | Labour Relation | 12 Local Labour Forums meetings held in 2021/22 | Target not achieved. 4 LLF meetings conducted | Due to unavailability of LLF members | Invitation to be circulated on time to all LLF members |
| 7 | IT Governance, Risks and Compliance | 4 IT Steering Committee meetings conducted by 30 June 2022 | Target not achieved. 3 IT steering committee meetings held | Delays in scheduling of the meeting | The meeting to be held on 5 th August 2022 |
| 8 | Provision of security cameras | To install security cameras at Civic Centre | Target not achieved | Due to Constitutional Court ruling on Preferential Procurement Regulations ,2017 | Appointment to be conducted in the next financial year |

| No. | PROJECT NAME. | TARGET | STATUS | CHALLENGES | INTERVENTIONS |
|--|--|--|-----------------------------------|--|---|
| BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT | | | | | |
| 1 | Refurbishment of Giyani Stadium and Section Tennis Court | Refurbishment of Giyani Stadium and Section Tennis Court by 30 June 2022 | Target not achieved | Budget constraints | Project to be prioritized next financial year |
| 2 | Refurbishment of Sporting Facilities Gawula | Refurbishment of Sporting Facilities Gawula by 30 June 2022 | Target not achieved | Budget constraints | Project to be prioritized next financial year |
| 3 | Refurbishment of Shivulani Sports centre | Refurbishment of Shivulani Sports centre by 30 June 2022 | Target not achieved | Due to Constitutional Court ruling on Preferential Procurement Regulations ,2017 | Project to be prioritized next financial year |
| 4 | Extension of Mageva Soccer Pitch | To construct an extension of Mageva Soccer pitch by 30 June 2022 | Target not achieved | Due to Constitutional Court ruling on Preferential Procurement Regulations ,2017 | Service Provider to be appointed in the next financial year |
| 5 | Section E Sports Centre | Section E Sports Centre constructed by 30 June 2022 | Target not achieved | Budget constraints | Project to be prioritized next financial year |
| 6 | Electrification of Tomu Village (160) | Connection of 160 units at Tomu Village by 30 June 2022 | Target not achieved. 93 connected | Empty stands only provided with capacity | Customers will covered with free post connection by Eskom |

| No. | PROJECT NAME. | TARGET | STATUS | CHALLENGES | INTERVENTIONS |
|-----|---|---|------------------------------------|--|---|
| 7 | Electrification of Siyandhani Village (450) | Connection of 450 units at Siyandhani Village by 30 June 2022 | Target not achieved. 0 connected | Project failed to commence due to community interference | Funds were deviated to Mavalani village for electrification |
| 8 | Electrification of Mavhuza Village (100) | Connection of 100 units at Mavhuza Village by 30 June 2022 | Target not achieved. 81 connected | Empty stands only provided with capacity | Customers will covered with free post connection by Eskom |
| 9 | Electrification of Gon'on'o Village (100) | Connection of 100 units at Gon'on'o Village by 30 June 2022 | Target not achieved. 58 connected | Empty stands only provided with capacity | Customers will covered with free post connection by Eskom |
| 10 | Electrification of Babangu Village (100) | Connection of 100 units at Babangu Village by 30 June 2022 | Target not achieved. 80 connected | Empty stands only provided with capacity | Customers will covered with free post connection by Eskom |
| 11 | Electrification of Sifasonke Village (220) | Connection of 220 units at Sifasonke Village by 30 June 2022 | Target not achieved. | Empty stands only provided with capacity | Customers will covered with free post connection by Eskom |
| 12 | Electrification of Ndengeza1 Village (250) | Connection of 250 units at Ndengeza Village by 30 June 2022 | Target not achieved. 213 connected | Empty stands only provided with capacity | Customers will covered with free post connection by Eskom |
| 13 | Electrification of 539 sites (150) | 539 sites connected with electricity at Section F by 30 June 2022 | Target not achieved. 0 connected | We could not receive additional funds department of Energy | To be prioritized in the next financial year |

| No. | PROJECT NAME. | TARGET | STATUS | CHALLENGES | INTERVENTIONS |
|-----|---|--|---------------------|---------------------------|---|
| 14 | Installation of traffic lights in Giyani township | Installation of traffic lights in Giyani township by 30 June 2022 | Target not achieved | Contract delayed to start | A Mora Letter to be issued |
| 15 | Installation of high mast lights in 93 villages (CBD) | To Installation of high mast lights in 93 villages (CBD) by 30 June 2022 | Target not achieved | Budget constraints | Appointment to be prioritized in the next financial year |
| 16 | Alternative road to Giyani from R81 | Designs for Alternative road to Giyani from R81 to developed by 30 June 2022 | Target not achieved | Budget constraints | The municipality to look at the alternative implementation of the project |
| 17 | Upgrading of Nkhensani Hospital Access road | Designs to upgrade Nkhensani Hospital by 30 June 2022 | Target not achieved | Budget constraints | To be prioritized in the next financial year |
| 18 | Servicing of 539 sites | Servicing of 539 sites by 30 June 2022 | Target not achieved | Budget constraints | To be implemented in the next financial year |
| 19 | Construction of Ndhambi Taxi Rank | Construction of Ndhambi Taxi Rank | Target not achieved | Community unrest | Improved Stakeholder engagement |

| No. | PROJECT NAME. | TARGET | STATUS | CHALLENGES | INTERVENTIONS |
|-----------------------------------|--------------------------------|--|---------------------|---|---|
| 20 | MIG Spending | 100% MIG Spent by 30 June 2022 | Target not achieved | Community unrest at Ndhambi taxi rank and usage of own funding on MIG funded projects | Improved stakeholder engagements and Expenditure monitoring |
| 21 | EPWP Infrastructure | 200 People appointed through EPWP Infrastructure Program by 30 June 2022 | Target not achieved | Some of the hired EPWP workers decline before they start their employment | Replacement of EPWP workers |
| 22 | EPWP Environmental | 200 People appointed through EPWP Environment by 30 June 2022 | Target not achieved | Some of the hired EPWP workers decline before they start their employment | Replacement of EPWP workers |
| LOCAL ECONOMIC DEVELOPMENT | | | | | |
| 1 | LED Strategy Review | 1 LED Strategy reviewed and approved by 30 June 2022 | Target not achieved | Due to Constitutional Court ruling on Preferential Procurement Regulations ,2017 | Appointment to be conducted in the next financial year |
| 2 | Adjudication Committee Meeting | 12 Business Registration and Licensing adjudication committee meetings | Target not achieved | No applications received from applicants | N/A |
| 3 | LED Forum | 4 LED Forums held | Target not achieved | Due to congestion of programs | Adhere to schedule |

| No. | PROJECT NAME. | TARGET | STATUS | CHALLENGES | INTERVENTIONS |
|---|--|---|---|--|--|
| GOOD GOVERNANCE AND PUBLIC PARTICIPATION | | | | | |
| 1 | Support services for monthly ward committee meetings | 372 Ward Committee meetings conducted by 30 June 2022 | Target not achieved (155 Ward committee meetings coordinated) | Delays in appointment and induction training which took place in May 2022 therefore ward committee members were unable to give reports | We have established ward forum to deal with issues of reporting and adhering to SDBIP |
| 2 | Internal Audit Action Plan | 100% of total number of findings resolved in the Internal Audit Action Plan by 30 June 2022 | Target not achieved; 60% findings resolved | Management not implementing Internal Auditors recommendations. | Findings not resolved to be followed up |
| 3 | Library outreach | 12 Library Outreach conducted by 30 June 2022 | Target not achieved. 11 Library Outreach conducted | During the second quarter the targeted schools were in preparation of examinations | During the next financial year the department will not target for Library outreach during second quarter |
| 4 | Public Participation | 124 report back meetings conducted by 30 June 2022 | Target not achieved. 16 conducted | Ward committee members were unable to give report due delay in induction training which took place in May 2022 | We have established ward committee forum to deal with issues of reporting and adhering to SDBIP |
| 5 | Special Programme | 16 Special Programs organized by 30 June 2022 | Target not achieved. 8 special programmes conducted | During the 1 st and second quarter we could not have gatherings due to public gatherings restrictions | We have re-established the special programmes |
| 6 | Rito Newsletter | 4 Rito Newsletter edition produced and circulated by 30 June 2022 | Target not achieved. 3 editions produced and circulated | Contract has lapsed | The tender for publishing Rito newsletter has been advertised and will appoint during the first quarter |

| No. | PROJECT NAME. | TARGET | STATUS | CHALLENGES | INTERVENTIONS |
|---|--------------------------|---|--|--|---|
| 7 | Arts & Culture | One event of Arts & Culture Festival to be held in September 2021 | Target not achieved | Budget not available | To be budgeted for in the financial year |
| 8 | Heritage Day Celebration | 1 Heritage Day Celebration held in September 2020 | Target not achieved | Budget not available | To be budgeted for in the financial year |
| 9 | Sport Development | 7 sporting code supported by 30 June 2022 | Target not achieved | Budget not available | To be budgeted for in the financial year |
| 10 | Indigenous Games | Coordinate the selection of local team of Indigenous games by June 2022 | Target not achieved | Budget not available | To be budgeted for in the financial year |
| MUNICIPAL FINANCIAL AND VIABILITY MANAGEMENT | | | | | |
| 1 | (AGSA) Action Plan | 100% of total number of findings resolved in the AG(SA) Action Plan by 30 June 2020 | Target not achieved. 25% findings resolved | Management not implementing Auditors recommendations | Findings not resolved to be followed up |
| 2 | UIF Expenditure | 4 quarterly UIF letters/reports submitted on UIF identified per quarter | Target not achieved | Management only reports UIF as and when it occurs | Management to report UIF on a quarterly basis |

| MUNICIPAL FINANCIAL AND VIABILITY MANAGEMENT | | | | | |
|--|--------------------|---|--|--|---|
| 1 | (AGSA) Action Plan | 100% of total number of findings resolved in the AG(SA) Action Plan by 30 June 2020 | Target not achieved. 25% findings resolved | Management not implementing Auditors recommendations | Findings not resolved to be followed up |
| 2 | UIF Expenditure | 4 quarterly UIF letters/reports submitted on UIF identified per quarter | Target not achieved | Management only reports UIF as and when it occurs | Management to report UIF on a quarterly basis |

Signed by



Chauke MM

Municipal Manager

31/08/2022

Date

THE SERVICE PROVIDER MUST BE RATED BASED ON POOR,GOOD,VERY GOOD AND EXCELLENT

Performance rating of service providers for the year 2021/2022

| No | Suppliers | Description providers | Contract start date | Contract end date | First Quarter | Second Quarter | Third Quarter | Fourth Quarter | Commit |
|----|---|--|---------------------|-------------------|---------------|----------------|---------------|----------------|---|
| 1 | PAYDAY | PAY ROLL - FINANCIAL SYSTEM SUPPORT | 12/31/2019 | n/a | Very good | Very good | Very good | Very good | |
| 2 | AISA BANK | | 6/6/2018 | 6/5/2023 | Excellent | Excellent | Excellent | Excellent | |
| 3 | STANDARD BANK | PROVISION FOR BANKING SERVICES | 6/6/2018 | 6/5/2023 | N/A | N/A | N/A | N/A | |
| 4 | NEDBANK | | 6/6/2018 | 6/5/2023 | N/A | N/A | N/A | N/A | |
| 5 | CALSAVE | TELEPHONE SERVICES | 5/9/2017 | | Good | Good | Good | Good | |
| 10 | MASUNGULO TOWN AND REGIONAL PLANNERS | FORMALIZATION OF SETTLEMENT G/G/M/015/004/2016 | 1/30/2016 | 6/30/2022 | Good | Good | Good | Good | |
| 14 | RMSD ENGINEERING CONSULTING | ALTERNATIVE ACCESS ROAD TO GIYANI | 10/25/2019 | n/a | N/A | N/A | N/A | N/A | |
| 17 | MAPOKE CONSULTING | UPGRADING OF XIRUKWANE FROM GRAVEL TO TAR | 05/06/2018 | N/A | Good | Good | Good | Good | |
| 20 | I @ CONSULTING | REZONING AND SUBDIVISION OF PARBS | 1 Jul 2018 | 30 Jun 2022 | Very Good | Very Good | Very Good | Very Good | |
| 21 | JACQUES DU TOIT | PROCLAMATION PROGRAM, LAND AUDIT AND LAND ACQUISITION | 1 Jul 2018 | 30 Jun 2022 | Good | Good | Good | Good | |
| 22 | GAP DEVELOPMENT PLANNERS | TOWNSHIP ESTABLISHMENT OF VARIOUS VILLAGES(SIYANDHANI VILLAGE) | 1 Jul 2018 | 30 Jun 2022 | Good | Good | Good | Good | |
| 23 | GAP DEVELOPMENT PLANNERS | FORMALIZATION OF CHURCH VIEW | 1 Jul 2018 | 30 Jun 2022 | Good | Good | Good | Good | |
| 24 | LIBERTY TOWN PLANNERS | STREET NAMING(INCLUDING REGISTRATION) | 1 Jul 2018 | 30 Jun 2022 | Good | Good | Good | Good | |
| 25 | JACQUES DU TOIT | NGOVE TOWNSHIP EXPANSION | 1 Jul 2018 | 30 Jun 2022 | Good | Good | Good | Good | |
| 26 | PFLUKANI RUSILE CONSULTING | DEEDS REGISTRATION GIYANI SECTION F | 1 Jul 2018 | 30 Jun 2021 | Good | Good | Good | Good | |
| 27 | KV MANAGING DIRECTORS | SITE DEMARCATION AT SIKHUNYANI VILLAGE AND SITE DEMARCATION AT DZUMERI TRADITIONAL AUTHORITY | 1 Jul 2018 | 30 Jun 2022 | Good | Good | Good | Good | |
| 28 | MAHLORI DEVELOPMENT CONSULTANT & PROJECTS | REVIEW OF THE GREATER GIYANI MUNICIPALITY SPATIAL DEVELOPMENT FRAMEWORK | 2 Jul 2018 | 30 Jun 2022 | Good | Good | Good | Good | |
| 29 | NGOTI DEVELOPMENT | ADDMENDMENTS OF THE LAND-USE MANAGEMENT SCHEME OF 2009 IN THE GREATER GIYANI MUNICIPALITY | 3 Jul 2018 | 30 Jun 2022 | | Good | Good | Good | |
| 31 | MUTEKO CONSULTING ENGINEERS | ENERGISING OF 1 HIGH MAST LIGHTS PROJECT | | | Good | Good | Good | Good | |
| 32 | VODACOM | SUPPLY AND DELIVERY OF TABLETS, TABLETS POUCHES AND 3GS | 1 Nov 2018 | 28/02/2021 | Very Good | Very Good | Very Good | Very Good | |
| 34 | DALAS BUSINESS ENTERPRISE | MAGEVA SPORT CENTRE G/G/M/015/008/2015 | 8 Apr 2019 | 15 Oct 2020 | Good | Good | Good | Good | |
| 35 | MODE HOPE | GENERAL VALUATION ROLL | 1 Feb 2019 | 31 Jan 2024 | Very Good | Very Good | Very Good | Very Good | |
| 36 | MBANGA TRADING ENTERPRISE | CIVIC CENTRE PHASE 3 | 1 Jan 2019 | 14 Oct 2020 | Very Good | Very Good | N/A | N/A | |
| 37 | NVELETHI CONSULTING (PTY) LTD | CIVIC CENTRE PHASE 3 | 10 Apr 2019 | 14 Oct 2020 | Very Good | Very Good | N/A | N/A | |
| 38 | VODACOM OF SOUTH AFRICA | YODACOM LINE | 1 Apr 2019 | 28 Feb 2021 | Good | Good | Good | Good | |
| 39 | MULALO CONSULTING | MAGEVA SPORT CENTRE G/G/M/015/008/2015 | 5 Dec 2019 | n/a | Good | Good | Good | Good | |
| 40 | TM AFRICA | NROMO UPGRADING FROM GRAVEL TO TAR G/G/M/015/006/2015 | 5 Dec 2019 | n/a | Good | Good | Good | Good | |
| 41 | CCG SYSTEMS | PROVISION FOR PROCUREMENT OF SERVICES: MUNICIPAL STANDARD CHART OF ACCOUNT FINANCIALS SYSTEM SUPPORT (SAGE EVOLUTION) | 30/07/2019 | 30/07/2022 | Very Good | Very Good | Very Good | Very Good | |
| 42 | KUNENE MAROPO RISK SOLUTIONS | INSURANCE | | | Excellent | Excellent | Excellent | Excellent | |
| 43 | 4E CONSULTING | PROVISION OF CONSULTING SERVICES: QUANTITY SURVEY: CIVIC CENTRE PHASE III | 24/07/2019 | N/A | Good | Good | Good | Good | |
| 44 | DAG CONSULTING PTY LTD | PROVISION OF CONSULTING SERVICES: QUANTITY SURVEY: MAGEVA SPORT CENTRE | 24/07/2019 | N/A | Good | Good | Good | Good | |
| 45 | MAJOR QUALITY INVESTMENT | PROVISION OF CONSULTING SERVICES: QUANTITY SURVEY: SECTION F UPGRADING FROM GRAVEL TO TAR | 24/07/2019 | N/A | Good | Good | Good | Good | |
| 46 | SRSQS QUANTITY SURVEYERS | PROVISION OF CONSULTING SERVICES: QUANTITY SURVEY: HOMU 14A UPGRADING FROM GRAVEL TO TAR | 24/07/2019 | N/A | Good | Good | Good | Good | |
| 47 | 4E CONSULTING PTY LTD | PROVISION OF CONSULTING SERVICES: QUANTITY SURVEY: WASTE DISPOSAL SITE | 24/07/2019 | N/A | Good | Good | Good | Good | |
| 48 | LIBERTY TOWN PLANNER | PROVISION OF CONSULTING SERVICES: QUANTITY SURVEY: GAWULA SPORT CENTRE | 24/07/2019 | N/A | Good | Good | Good | Good | |
| 49 | QUANTO 2000 QUANTITY AND PROJECT MANAGERS | PROVISION OF CONSULTING SERVICES: QUANTITY SURVEY: SECTION E SPORT CENTRE | 24/07/2019 | N/A | Good | Good | Good | Good | |
| 50 | DALAS BUSINESS ENTERPRISE | DEVELOPMENT OF WASTE DISPOSAL SITE | | | Good | n/a | n/a | n/a | |
| 51 | TR BUILDING AND ZIGA CIVILS | CONSTRUCTION OF NGOVE REGRAVELLING GIYANI SECTION E (WONINGANI) UPGRADING FROM GRAVEL TO TAR - CONSULTANT | | | Good | | | | |
| 52 | VUTANI CONSULTING ENGINEERS | PHYSICAL SECURITY GUARDING SERVICES | 15/03/2020 | N/A | Good | Good | Good | Good | |
| 53 | MCC SECURITY AND PROJECTS | CONSTRUCTION OF CULVERT BRIDGE AT MAROSHIA VILLAGE CEMETERY | 01/09/2020 | 23/08/2023 | Very good | Very good | Very Good | Very Good | |
| 54 | OMOHLE GROUP OF COMPANIES (PTY) LTD | CONSTRUCTION OF CULVERT BRIDGE AT MAROSHIA VILLAGE CEMETERY | 25/08/2020 | 31/07/2022 | very good | | n/a | n/a | |
| 55 | MILE 7760 ENTERPRISE | CONSTRUCTION OF CULVERT BRIDGE AT ZAVA VILLAGE CEMETERY | 25/08/2020 | 31/07/2022 | good | n/a | n/a | n/a | |
| 56 | MARUNGANE PROJECTS | PAVEMENT MILLING OF GIYANI SECTION A ROAD LEADING TO GIYANI CEMETERY PHASE 2 | 25/08/2020 | 31/07/2022 | very good | n/a | n/a | n/a | |
| 57 | MCC SECURITY AND PROJECTS | GIYANI SECTION E MAGEVA TO CHD TRAFFIC CIRCLE PAVEMENT MILLING | 25/08/2020 | 31/07/2022 | good | good | N/A | N/A | |
| 58 | ANAKA GROUP (PTY) LTD | RENTAL OF PHOTOCOPIER MACHINE | 01/10/2020 | 31/09/2023 | Good | Good | Good | Good | |
| 59 | SITA (SOC) LTD | DEVELOPMENT OF WEBSITE AND INTRANET | 22/07/2020 | 21/12/2021 | Good | Good | Good | Good | |
| 60 | AROCEN ENGINEERING CONTRACTORS | CIVIL ENGINEERING PROFESSIONAL SERVICE PROVIDER TO PERFORM POST CONSTRUCTION TECHNICAL INVESTIGATIONS | 09/07/2020 | 08/01/2021/ N/A | Good | Good | Good | Good | |
| 61 | NVELETHI CONSULTING (PTY) LTD | | | | Good | Good | Good | Good | |
| 62 | SKY HIGH CONSULTING ENGINEERS | SHIMANGE UPGRADING FROM GRAVEL TO TAR | 30/07/2020 | N/A | Poor | Poor | Poor | Poor | poor performance on site |
| 63 | LAZWI ENGINEERING 16 | BLINKWATER UPGRADING OF INTERNAL STREET | 30/07/2020 | N/A | Very Good | Very Good | Very Good | Very Good | |
| 64 | PROLINK CONSULTING ENGINEERS | THOMO UPGRADING OF INTERNAL STREET | 30/07/2020 | N/A | Very Good | Very Good | Very Good | Very Good | |
| 65 | RMSD ENGINEERING CONSULTANTS | NKURI UPGRADING OF INTERNAL STREET | 30/07/2020 | N/A | Very Good | Very Good | Very Good | Very Good | |
| 66 | AROCEN ENGINEERING CONTRACTORS | REMOVAL OF ILLEGAL TRADING STRUCTURES IN GIYANI CIVIC CENTRE | 01/09/2020 | 31/09/2022 | Good | Good | Good | Good | |
| 67 | LONDOLANI TRADING AND PUBLISHERS | DESIGN, COMPILING, DEVELOPING, EDITING AND PRODUCING GGM NEWS LETTERS FOR 12 MONTHS | 06/11/2020 | 05/11/2021 | Very Good | Very Good | Very Good | Very Good | |
| 68 | VODACOM | NATIONAL TREASURY TRANSVERSAL CONTRACT FOR PROCUREMENT OF 75 3GS FOR THE MUNICIPAL OFFICIALS | 01/03/2021 | 28/02/2023 | Poor | Poor | Poor | Poor | wrong billing and poor service delivery |
| 69 | VODACOM | NATIONAL TREASURY TRANSVERSAL CONTRACT FOR PROCUREMENT OF 100MBPS INTERNET LINE FOR THE MUNICIPAL OFFICIALS | 01/03/2021 | 28/02/2023 | Poor | Poor | Poor | Poor | wrong billing and poor service delivery |
| 70 | ENABLING ICT SOLUTION | SITA TRANSVERSAL CONTRACT PROCUREMENT OF 45 COMPUTERS (10 LAPTOPS AND 30 DESKTOPS) MUNICIPAL OFFICIALS | 01/01/2021 | 31/12/2023 | Good | n/a | n/a | n/a | |
| 71 | VODACOM | NATIONAL TREASURY TRANSVERSAL CONTRACT FOR PURCHASE OF SUN VEHICLE FOR OFFICE OF THE SPEAKER, FOUR X4 VEHICLE AND TWO FRONT-END LOADERS WITH BACK-HOE. TRANSVERSAL CONTRACT NUMBER RT57-2019 | 10/07/2021 | 06/10/2021 | Good | n/a | n/a | n/a | |
| 72 | BARLOWORLD EQUIPMENT | NATIONAL TREASURY TRANSVERSAL CONTRACT FOR PURCHASE OF SUN VEHICLE FOR OFFICE OF THE SPEAKER, FOUR X4 VEHICLE AND TWO FRONT-END LOADERS WITH BACK-HOE. TRANSVERSAL CONTRACT NUMBER RT57-2019 | 10/07/2021 | 06/10/2021 | Good | n/a | n/a | n/a | |
| 73 | TOYOTA SOUTH AFRICA MOTORS | NATIONAL TREASURY TRANSVERSAL CONTRACT FOR PURCHASE OF SUN VEHICLE FOR OFFICE OF THE SPEAKER, FOUR X4 VEHICLE AND TWO FRONT-END LOADERS WITH BACK-HOE. TRANSVERSAL CONTRACT NUMBER RT57-2019 | 10/07/2021 | 06/10/2021 | Good | n/a | n/a | n/a | |
| 74 | ISUZU TRUCK CENTRE | NATIONAL TREASURY TRANSVERSAL CONTRACT FOR PURCHASE OF SUN VEHICLE FOR OFFICE OF THE SPEAKER, FOUR X4 VEHICLE AND TWO FRONT-END LOADERS WITH BACK-HOE. TRANSVERSAL CONTRACT NUMBER RT57-2019 | 10/07/2021 | 06/10/2021 | Good | n/a | n/a | n/a | |
| 75 | BIDVEST MACCARTHY ISUZU | PROCUREMENT OF ROLL BACK/ TOW TRUCK | 10/07/2021 | 06/10/2021 | Good | n/a | n/a | n/a | |
| 76 | NINE IT SYSTEMS (PTY) LTD | ICT SECURITY, SERVICE SUPPORT, ICT AUDITING AND ICT NETWORK SERVICE. G/G/M/6105/001/2021 | | | | Good | Good | Good | |
| 77 | MBANGA TRADING ENTERPRISE | SHIMANGE INTERNAL STREET UPGRADE FROM GRAVEL TO PAVING | 13/05/2021 | 11/05/2022 | Very Good | Very Good | Very Good | Very Good | |
| 78 | MCC SECURITY AND PROJECTS | THOMO INTERNAL STREET UPGRADING FROM GRAVEL TO PAVING | 13/05/2021 | 11/05/2022 | Very Good | Very Good | Very Good | Very Good | |
| 79 | NIS PROPERTY DEVELOPERS | NKURI INTERNAL STREET UPGRADING FROM GRAVEL TO PAVING | 03/05/2021 | 03/09/2021 | Very Good | Very Good | Very Good | Very Good | |

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|-----|---|---|------------|------------|-----------|-----------|-----------|-----------|--|
| 106 | CAPSTAN TRADING 415CC | BLINKWATER INTERNAL STREET UPGRADING FROM GRAVEL TO PAVING | 03/05/2021 | 03/05/2022 | Very Good | Very Good | Very Good | | |
| 107 | MOEPENG TRADING 40CC | SECTION E (VONINGANI) INTERNAL STREET UPGRADING FROM GRAVEL TO PAVING | | | Very Good | Very Good | Very Good | | |
| 108 | WDN CONSULTING AND PROJECTS | PROFESSIONAL SERVICES FOR CONSTRUCTION OF HOME SPORT CENTRE | 21/08/2021 | N/A | Good | Good | Good | Good | Good |
| 109 | GUMELA GENERAL TRADING AND PROJECTS | PROFESSIONAL SERVICES FOR CONSTRUCTION OF NWADZERI-DZERU COMMUNITY HALL | 21/08/2021 | N/A | Very Good | Very Good | Very Good | Very Good | Very Good |
| 110 | RISMATI CONSULTING ENGINEERS | PROFESSIONAL SERVICES FOR CONSTRUCTION OF MAVALANI INDOOR SPORT CENTRE | 21/08/2021 | N/A | Very Good | Very Good | Very Good | Very Good | Very Good |
| 111 | MAVUVISI TRADING AND PROJECTS | PROFESSIONAL SERVICES FOR CONSTRUCTION OF JIM NGHALALUME COMMUNITY HALL | 21/08/2021 | N/A | Very Good | Very Good | Very Good | Very Good | Very Good |
| 112 | DLOMBE CONSULTING ENGINEERS AND PROJECT MANAGERS | PROFESSIONAL SERVICES FOR PROVISION OF INTENSIVE STUDY AND DESIGN FOR ALTERNATIVE ROUTE FROM ELIM ROAD R378 TO GIYANI CBD VIA SIYANDHANI | 21/08/2021 | N/A | Excellent | Excellent | Excellent | Excellent | Excellent |
| 113 | RGOSHADI CONSULTING ENGINEERS | UPGRADING OF STORMWATER RETICULATION SYSTEM AT GIYANI TOWNSHIP SECTION D1 | 21/08/2021 | N/A | Good | Good | Good | Good | Good |
| 114 | IKTN CONSULTING ENGINEERS AND PROJECT MANAGERS | UPGRADING OF STORMWATER RETICULATION SYSTEM AT GIYANI TOWNSHIP SECTION A | 21/08/2021 | N/A | Good | Good | Good | Good | Good |
| 115 | MIT CONSULTING ENGINEERS | UPGRADING OF STORMWATER RETICULATION SYSTEM AT GIYANI TOWNSHIP SECTION E | 21/08/2021 | N/A | Good | Good | Good | Good | Good |
| 116 | PROLINK CONSULTING ENGINEERS | UPGRADING OF STORMWATER RETICULATION SYSTEM AT GIYANI CBD AND GIYANI TOWNSHIP RHEMATART | 21/08/2021 | N/A | Good | Good | Good | Good | Good |
| 117 | WDN CONSULTING AND PROJECTS | UPGRADING OF STORMWATER RETICULATION SYSTEM AT GIYANI TOWNSHIP SECTION F | 21/08/2021 | N/A | Good | Good | Good | Good | Good |
| 118 | BRIGHTWINNER CONSTRUCTION | PREVENTATIVE MAINTANANCE OF ROADS AND STORMWATER. 500M ² TAR PATCH WITHIN GIYANI TOWNSHIP SECTION E | 19/06/2021 | 18/06/2022 | very good | n/a | n/a | n/a | n/a |
| 119 | MARUNGANE PROJECTS | PREVENTATIVE MAINTANANCE OF ROADS AND STORMWATER. 1.6KM PAVEMENT MILLING- PARLIAMENT (LMDEV) ROAD LEADING TO GIYANI CBD AND GIYANI SECTION D1 | 19/06/2021 | 18/06/2022 | very good | very good | n/a | n/a | n/a |
| 120 | PHILPHINE TRADING ENTERPRISE | PREVENTATIVE MAINTANANCE OF ROADS AND STORMWATER. 750M ² TAR PATCH WITHIN GIYANI TOWNSHIP SECTION F | 19/06/2021 | 18/06/2022 | very good | very good | n/a | n/a | n/a |
| 121 | PK FINANCIAL CONSULTANTS | FOR PREVENTATIVE MAINTANANCE OF ROADS AND STORMWATER. 1.775KM PAVEMENT MILLING WITHIN GIYANI CBD | 19/06/2021 | 18/06/2022 | very good | very good | n/a | n/a | n/a |
| 122 | RINGANI HOSANA SECURITY SERVICE TRADING ENTERPRISE | PREVENTATIVE MAINTANANCE OF ROADS AND STORMWATER. 500M ² TAR PATCH WITHIN GIYANI SECTION D1 AND D2 | 19/06/2021 | 18/06/2022 | very good | very good | n/a | n/a | n/a |
| 123 | TDRAN CONSTRUCTION AND PROJECTS | PREVENTATIVE MAINTANANCE OF ROADS AND STORMWATER. 750M ² TAR PATCH WITHIN GIYANI TOWNSHIP SECTION F | 19/06/2021 | 18/06/2022 | N/A | very good | very good | n/a | n/a |
| 124 | GAAP MASTER PTY LTD | PREPARATION OF GRAP COMPLIANT ASSET REGISTER FOR THE FINANCIAL YEAR 2020/21. TENDER NUMBER G/G/M/6105/001/2021 | 22/06/2021 | 31/12/2021 | Excellent | Excellent | Excellent | n/a | n/a |
| 125 | CATHU CONSULTING INC | PREPARATION OF ANNUAL FINANCIAL STATEMENT FOR THE FINANCIAL YEAR 2020/21. TENDER NUMBER G/G/M/6105/001/2021 | 22/06/2021 | 31/12/2021 | Very Good | Very Good | Very Good | n/a | n/a |
| 126 | CYNT CONSULTING ENGINEER | PROFESSIONAL SERVICES FOR ELECTRIFICATION OF SIYANDHANI VILLAGE. BID NO: G/G/M/6707/001/2021 | 12/05/2021 | N/A | Good | Good | Good | Good | Good |
| 127 | RIXONGILE CONSULTING ENGINEERS AND PROJECT MANAGERS | PROFESSIONAL SERVICES FOR ELECTRIFICATION OF TOMU VILLAGE. G/G/M/6707/001/2021 | 12/05/2021 | N/A | Good | Good | Good | Good | Good |
| 128 | RISIMA PROJECT MANAGEMENT | APPOINTMENT ON PROFESSIONAL SERVICES FOR ELECTRIFICATION OF SIFASONKE VILLAGE. G/G/M/6707/001/2021 | 12/05/2021 | N/A | Good | Good | Good | Good | Good |
| 129 | FUBU AFRICA (PTY) LTD | PROFESSIONAL SERVICES FOR ELECTRIFICATION OF NDENGEZA VILLAGE. G/G/M/6707/001/2021 | 12/05/2021 | N/A | Good | Good | Good | Good | Good |
| 130 | PROLINK CONSULTING ENGINEERS | APPOINTMENT ON PROFESSIONAL SERVICES FOR ELECTRIFICATION OF MAVHUSA VILLAGE. G/G/M/6707/001/2021 | 12/05/2021 | N/A | Good | Good | Good | Good | Good |
| 131 | URANUS CONSULTING ENGINEERS CC | PROFESSIONAL SERVICES FOR ELECTRIFICATION OF MAVALANI VILLAGE. G/G/M/6707/001/2021 | 12/05/2021 | N/A | Good | Good | Good | Good | Good |
| 132 | MIT CONSULTING ENGINEERS | PROFESSIONAL SERVICES FOR ELECTRIFICATION OF GONONO VILLAGE. G/G/M/6707/001/2021 | 12/05/2021 | N/A | Good | Good | Good | Good | Good |
| 133 | MUTEQ CONSULTING | PROFESSIONAL SERVICES FOR ELECTRIFICATION OF BLINKWATER VILLAGE. G/G/M/6707/001/2021 | 12/05/2021 | N/A | Good | Good | Good | Good | Good |
| 134 | GAP DEVELOPMENT PLANNERS | SUBDIVISION, REZONING, CONSOLIDATION AND ROAD CLOSURE ON ERF 1946,1947,1948,1947, GIYANI SECTION F. G/G/M/6115/003/2018 | 18/05/2021 | 17/05/2022 | Very Good | Very Good | Very Good | Very Good | Very Good |
| 135 | NGOTI DEVELOPMENT CONSULTING | TOWNSHIP ESTABLISHMENT AT SAVULANI VILLAGE. G/G/M/6115/003/2018 | 18/05/2021 | 17/05/2022 | Very Good | Very Good | Very Good | Very Good | Very Good |
| 136 | PFUKANI-RUSILE CONSULTING | REZONING AND SUBDIVISION OF MUNICIPAL PROPERTIES INCLUDING REGISTRATION WITH SURVEYOR GENERAL. G/G/M/6115/003/2018 | 18/05/2021 | 17/05/2022 | Very Good | Very Good | Very Good | Very Good | Very Good |
| 137 | PFUKANI-RUSILE CONSULTING | STREET NAMING IN GIYANI SECTION C AND GIYANI BA. G/G/M/6115/003/2018 | 18/05/2021 | 17/05/2022 | Very Good | Very Good | Very Good | Very Good | Very Good |
| 138 | LIBERTY TOWN PLANNERS | STREET NAMING IN GIYANI SECTION A AND SECTION F. G/G/M/6115/003/2018 | 18/05/2021 | 17/05/2022 | Very Good | Very Good | Very Good | Very Good | Very Good |
| 139 | GAP DEVELOPMENT PLANNERS | SUBDIVISION AND REZONING OF ERF561 GIYANI D INTO MIXED LAND USED DEVELOPMENT | 18/05/2021 | 17/05/2022 | Very Good | Very Good | Very Good | Very Good | Very Good |
| 140 | MTEMA MASHAO | APPOINTMENT FOR THE NDAMBI TAXI RANK -TENDER NUMBER G/G/M/015/007/2015 | 5/29/2015 | N/A | Good | Good | Good | Good | Good |
| 141 | NYELETI CONSULTING (PTY)LTD | APPOINTMENT FOR CIVIL ENGINEERING PROFESSIONAL SERVICES FOR CIVIC CENTRE PHASE 4 | 30/10/2020 | N/A | | Good | Good | Good | Good |
| 142 | BRIGHT WINNER CONSTRUCTIONS | APPOINTMENT FOR CONSTRUCTION OF CUIVERT BRIDGE AT HOMU 14A.TENDER NUMBER G/G/M/615/006/2018 | | | n/a | very good | very good | n/a | n/a |
| 143 | CYNT CONSULTING ENGINEERS | APPOINTMENT ON PROFESSIONAL SERVICES FOR ELECTRIFICATION OF MAVHUSA VILLAGE. BID NO:G/G/M/6707/001/2020 | 10/06/2021 | 10/06/2022 | Good | n/a | n/a | n/a | n/a |
| 144 | DEBT COLLECTION SERVICES FOR THE PERIOD OF THREE (3) YEARS IN THE GREATER GIYANI MUNICIPALITY | TRANSACTION CAPITAL RECOVERIES | 19/07/2021 | 18/07/2024 | Good | Good | Good | Good | Good |
| 145 | SUPPLY CHAIN MANAGEMENT (SCM) SUPPORT FOR THE FINANCIAL YEAR 2020/21 and 2021/2022 | MORAR INCORPORATED | 19/07/2021 | 31/12/2022 | Excellent | Excellent | Excellent | Excellent | their Job is excellent |
| 146 | VAT RECOVERY SERVICES FOR THR PERIOD OF THREE YEARS | PK FINANCIAL CONSULTANTS | 02/08/2021 | 02/08/2024 | | | | | they are recovering all the money back to the municipality |
| 147 | PROFESSIONAL SERVICES FOR ELECTRIFICATION OF MAVALANI VILLAGE | URANUS CONSULTING ENGINEERS CC | 20/08/2022 | N/A | Good | Good | Good | Good | Good |
| 148 | PROFESSIONAL SERVICES FOR ELECTRIFICATION OF BABANGU VILLAGE | EYONA NEW PLAN CONSULTING AND PROJECTS | 20/08/2022 | N/A | Good | Good | Good | Good | Good |
| 149 | CONSTRUCTION AND CONNECTION OF 100 STANDS AT MAVUSA VILLAGE | PHALENI INVESTMENT AND PROJECTS | 01/10/2022 | 30/06/2022 | n/a | Good | Good | Good | Good |
| 150 | CONSTRUCTION AND CONNECTION OF 150 STANDS AT BLINKWATER VILLAGE | MOREMASEFARO TRADING CC | 01/10/2021 | 30/06/2022 | n/a | Good | Good | Good | Good |
| 151 | CONSTRUCTION AND CONNECTION OF 160 STANDS AT TOMU VILLAGE-CONSTRUCTION AND CONNECTION OF 160 STANDS AT TOMU VILLAGE | A NEW AWAKENING TRADING | 01/10/2021 | 30/06/2022 | n/a | Good | Good | Good | Good |
| 152 | CONSTRUCTION AND CONNECTION OF 450 STANDS AT SIYANDHANI VILLAGE | LJ TRADING AND PROJECTS PTY LTD | 01/10/2021 | 30/06/2022 | n/a | Good | Good | Good | Good |
| 153 | CONSTRUCTION AND CONNECTION OF 220 STANDS AT SIFASONKE VILLAGE | DAVIES AND SONS ELECTRICAL | 01/10/2021 | 30/06/2022 | n/a | Good | Good | Good | Good |
| 154 | CONSTRUCTION AND CONNECTION OF 250 STANDS AT NDENGEZA | GIRMAN THANDIYENKOSI TRADING PTY LTD | 01/10/2021 | 30/06/2022 | n/a | Good | Good | Good | Good |
| 155 | CONSTRUCTION AND CONNECTION OF 250 STANDS AT GONONO VILLAGE | SGIVO TRADING ENTERPRISE | 01/10/2021 | 30/06/2022 | n/a | Good | Good | Good | Good |
| 156 | CONSTRUCTION OF CIVIC CENTRE PARKING LOT G/G/M/0255/006/2021 | RISMAT ENGINEERING AND MINING SUPPLIERS | 22/09/2021 | 31/05/2022 | n/a | Good | Good | Good | Good |
| 157 | SUPPLY AND DELIVERY OF PERSONAL PROTECTIVE EQUIPMENT FOR EPWP PARTICIPANTS | AKHELANA TRADING (PTY) LTD | 22/09/2021 | 22/12/2021 | n/a | n/a | Good | n/a | n/a |
| 158 | CONSTRUCTION AND ELECTRICAL CONNECTION OF 100 STANDS AT BLINKWATER VILLAGE | MOREMASEFARO TRADING CC | 01/10/2021 | 30/06/2022 | n/a | n/a | n/a | n/a | Good |
| 159 | PROFESSIONAL SERVICES FOR RE-DESIGN, SUPPLY, AND INSTALLATIONS OF ELECTRICAL CABLES AT GIYANI STADIUM | SIOTANE DEVELOPMENT CONSULTANTS | 04/11/2021 | N/A | Good | Good | n/a | n/a | n/a |

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|-----|---|--|------------|------------|-----|-----------|-----------|-----------|-----------|---------------|-----|--|
| 100 | APPOINTMENT OF A CIVIL ENGINEERING SERVICE PROVIDER (CONTRACTOR) FOR THE CONSTRUCTION OF NDIHAMBIRI TAJI RANK. G/G/M/0104/0009/2021 | LJ TRADING AND PROJECTS PTY LTD | 15/12/2021 | 28/02/2022 | | | | | | | | |
| 101 | APPOINTMENT OF A SERVICE PROVIDER FOR SUPPLY AND DELIVERY OF: 100X WALL CALENDARS, 600X CORPORATE DIARIES 150X EXECUTIVE DIARIES | AFRIRANK TRADING ENTERPRISE | 15/12/2021 | 28/02/2022 | N/A | Good | Good | Good | | | | |
| 102 | CONSTRUCTION OF CULVERT BRIDGE AT MAPUVE VILLAGE | SWADAWADA | 17/11/2021 | 22/06/2022 | N/A | n/a | Good | Good | Good | | | |
| 103 | PROCUREMENT OF TWO MOTOR GRADERS | ROMATSU SOUTHREN AFRICA | 23/11/2022 | 31/12/2022 | N/A | Good | Good | Good | Good | | | |
| 104 | APPOINTMENT OF A CIVIL ENGINEERING PROFESSIONAL SERVICES SELAWA UPGRADING OF GRAVEL ROAD TO TAR | TDR PROJECTS | 28/11/2021 | 31/07/2023 | | | Good | Good | Good | | | |
| 105 | PREVENTATIVE MAINTANANCE OF ROADS AND STORMWATER: 1500Mz TAR PATCH WITHIN GIYANI TOWNSHIP SECTION F. | EDLIN CIVILS AND LOGISTICS | 18/12/2021 | 22/06/2022 | N/A | Very Good | Very Good | | | | | |
| 106 | PREVENTATIVE MAINTANANCE OF ROADS AND STORMWATER: 1500Mz TAR PATCH WITHIN GIYANI TOWNSHIP SECTION E, FOR THE PERIOD OF SIX MONTHS | MAJOR QUALITY INVESTMENT | 18/12/2021 | 22/06/2022 | | | | | | | | |
| 107 | APPOINTMENT/ALLOCATION FOR PREVENTATIVE MAINTANANCE OF ROADS AND STORMWATER: 750Mz TAR PATCH WITHIN GIYANI TOWNSHIP SECTION A, FOR THE PERIOD OF FOUR MONTHS | TDRAN CONSTRUCTION AND PROJECTS | 18/12/2021 | 17/04/2022 | N/A | N/A | Very Good | Very Good | | | | |
| 108 | PREVENTATIVE MAINTANANCE OF ROADS AND STORMWATER: 1500Mz TAR PATCH WITHIN GIYANI TOWNSHIP: KREMATART FOR THE PERIOD OF FOUR MONTHS | THE NOBES EXCELLENT LOGISTICS | 18/12/2021 | 17/04/2022 | | | | | | | | |
| 109 | APPOINTMENT OF CIVIL ENGINEERING SERVICES PROVIDER (CONTRACTOR) FOR THE CONSTRUCTION OF CIVIC CENTRE BUILDING PHASE IV (CIDB 7C/B/7CE OR HIGHER) | MBANGA TRADING ENTERPRISE | 24/01/2022 | 30/06/2024 | | | | | | | | |
| 110 | APPOINTMENT OF A SERVICE PROVIDER (CONTRACTOR) FOR FIXING THE ROOF AND COMPLETE THE CONSTRUCTION OF GUARD HOUSE IN GIYANI COMMUNITY HALL (CIDB GRADING 1-563RPE). | RIS WEALTH CREATIONS (PTY) LTD | 24/01/2022 | 23/01/2023 | N/A | N/A | Good | Good | | | | |
| 170 | APPOINTMENT OF A SERVICE PROVIDER FOR SUPPLY AND DELIVERY OF 31 CELL PHONES THROUGH RT15-0921 CONTRACT FOR THE PERIOD OF 24 MONTHS | VODACOM | 24/01/2022 | 24/01/2024 | N/A | N/A | Good | | | | | |
| 171 | ELECTRIFICATION OF MAVALANI VILLAGE | LJ TRADING AND PROJECTS PTY LTD | 01/03/2022 | 30/11/2022 | | | | Poor | Poor | wrong billing | | |
| 173 | ELECTRIFICATION OF RABANGU VILLAGE | SHIMBYI ELECTRICAL TRADING ENTERPRISE | 01/03/2022 | 30/11/2022 | | | | | | | | |
| 174 | APPOINTMENT OF CULVERT BRIDGE AT NRURI RA TOMU VILLAGE FOR G/G/M/015/006/2018 | SHALATI CIVILS CONTRSTRUCTION | | | | good | good | good | | | | |
| 175 | REVIEW OF FIXED ASSETS REGISTER | CATHU CONSULTING | 20/08/2021 | 31/12/2021 | | | | | | | | |
| 176 | CONSTRUCTION AND CONNECTION OF 100 STANDS AT MAVUSA VILLAGE | PHALENG | 01/10/2021 | 30/06/2022 | | n/a | good | good | good | | | |
| 177 | PROFESSIONAL SERVICES FOR HLOMELA UPGRADING OF ROADS FROM GRAVEL TO PAVEMENT | MIT CONSULTING ENGINEER | 24/01/2022 | | | n/a | good | good | good | | | |
| 178 | CONTRACTOR FOR SUPPLY AND INSTALLATION OF ELECTRICAL CABLES AT GIYANI STADIUM | GIRMAN THANDIYENKOSI TRADING PTY LTD | 14/03/2022 | 14/06/2022 | | n/a | good | good | good | | | |
| 179 | SUPPLY AND DELIVERY G FIREARM ACCREDITATION CERTIFICATE TRAINING AND PROCUREMENT OF FIREARMS G/G/M/0501/002/2021 | BERZIL BUSINESS ENTERPRISE JV NWATHEMBU SUPPLY SOLUTIONS | 12/10/2021 | 13/04/2022 | | | | | | | | |
| 180 | PAVEMENT MILLING-SHIMATI TO HOMU 14C INTERSECTION G/G/M/015/006/2018 | RIFUMO TRADING ENTERPRISE | 19/10/2021 | 04/02/2022 | | n/a | Good | Good | Good | | | |
| 181 | CONSTRUCTION OF CULVERT BRIDGE AT ECO-PARK TOW | THE NOBES EXCELLENT LOGISTICS | 22/04/2022 | 21/10/2022 | | good | good | | | | | |
| 182 | CONSTRUCTION OF CULVERT BRIDGE AT DZEMERI VILL | SWADAWADA | 22/04/2022 | 21/10/2022 | | good | n/a | n/a | n/a | | | |
| 183 | CONSTRUCTION OF CULVERT BRIDGE AT MNGENGA VIL | MAJOR QUALITY INVESTMENT | 22/04/2022 | 21/10/2022 | | good | n/a | n/a | n/a | | | |
| 184 | CONSTRUCTION OF CULVERT BRIDGE AT MNINGANSI VIL | MAVONE SKILLS DEVELOPMENT AND TRAINING | 22/04/2022 | 21/10/2022 | | good | n/a | n/a | n/a | | | |
| 185 | CONSTRUCTION OF CULVERT BRIDGE AT MAVALANI VIL | N-W-A-MENCANI TRADING | 22/04/2022 | 21/10/2022 | | good | n/a | n/a | n/a | | | |
| 186 | CONSTRUCTION OF CULVERT BRIDGE AT MARHUVA VIL | BRIGHT WINNER CONSTRUCTIONS | 22/04/2022 | 21/10/2022 | | n/a | n/a | n/a | n/a | | | |
| 187 | ELECTRIFICATION OF NHLANERI VILLAGE | MIT CONSULTING ENGINEERS | 22/04/2022 | N/A | | n/a | n/a | n/a | n/a | Very Good | | |
| 188 | ELECTRIFICATION OF NSAVULANI VILLAGE | CYNT | 22/04/2022 | N/A | | n/a | n/a | n/a | n/a | Very Good | | |
| 189 | ELECTRIFICATION OF MAPHATA VILLAGE | MOTEO CONSULTING | 22/04/2022 | N/A | | n/a | n/a | n/a | n/a | Very Good | | |
| 190 | ELECTRIFICATION OF MARHUVA VILLAGE | RIXONGILE | 22/04/2022 | N/A | | n/a | n/a | n/a | n/a | Very Good | | |
| 191 | ELECTRIFICATION OF MPHAGANI VILLAGE | SROFANE DEVELOPMENT CONSULTING | 22/04/2022 | N/A | | n/a | n/a | n/a | n/a | Very Good | | |
| 192 | ELECTRIFICATION OF CHURCH VIEW | MARHADABI CONSULTING AND PROJECTS | 22/04/2022 | N/A | | n/a | n/a | n/a | n/a | Very Good | | |
| 193 | ELECTRIFICATION OF NWADZEKUDZERU VILLAGE | PROLINK CONSULTING ENGINEERS | 22/04/2022 | N/A | | n/a | n/a | n/a | n/a | Very Good | | |
| 194 | SUPPLY AND INSTALLATION OF ELECTRICAL CABLES AT GIYANI STADIUM | GIRMAN THANDIYENKOSI TRADING (PTY) LTD | 11/03/2022 | 12/06/2022 | | N/A | N/A | Good | Good | | | |
| 195 | GRAP COMPLIANT ASSET REGISTER FOR THE 2021/22 FINANCIAL YEAR | GAAP MASTER | 01/05/2022 | 31/12/2022 | | Very Good | Very Good | Very Good | Very Good | | | |
| 196 | PREPARATION OF GRAP COMPLIANT ANNUAL FINANCIAL STATEMENTS | CATHU CONSULTING | 01/05/2022 | 31/12/2022 | | Very Good | Very Good | Very Good | Very Good | | | |
| 197 | CONSTRUCTION OF NWA DZERU DZERU COMMUNITY HALL | MARUNGANE PROJECTS | 10/05/2022 | 10/05/2023 | | n/a | n/a | N/A | N/A | | | |
| 198 | MANAGEMENT AND OPERATION OF THE LANDFILL SITE | THEUWEDI TRADING ENTERPRISE | 01/07/2022 | 30/06/2025 | | n/a | n/a | Very Good | Very Good | | | |
| 199 | CONSTRUCTION OF HOMU SPORTS CENTER | NIS TRADING | 23/05/2022 | 23/05/2023 | | n/a | n/a | Very Good | Very Good | | | |
| 200 | CONSTRUCTION OF SHIVULANI SPORTS CENTER | PARANI TRADING ENTERPRISE | 23/05/2022 | 23/05/2023 | | n/a | n/a | Very Good | Very Good | | | |
| 201 | INSTALLATION OF ENERGY SAVING STREETLIGHTS IN GIYANI CBD | LJ TRADING AND PROJECTS PTY LTD | 23/05/2022 | 22/01/2023 | | | n/a | Good | Good | | | |
| 202 | ELECTRIFICATION OF NWADZEKUDZERU VILLAGE | PROLINK CONSULTING ENGINEERS | 22/04/2022 | 21/10/2022 | | n/a | n/a | Good | Good | | | |
| 203 | INSALATION OF STREET LIGHT AT OLD KHENSANI HOSPITAL | THEMBA CONSULTING | 22/04/2022 | 21/10/2022 | | n/a | n/a | n/a | n/a | Good | N/A | |
| 204 | MAYORS CAR | CFOA MOTORS | 22/04/2022 | 21/10/2022 | | n/a | n/a | n/a | n/a | Very Good | | |
| 205 | PROCUREMENT AND INSTALATION OF STANDBY GENERATORS AT TESTING STATION | LJ TRADING AND PROJECTS PTY LTD | 22/04/2022 | 21/10/2022 | | n/a | n/a | Good | Good | | | |
| 206 | CONSTRUCTION OF CULVERT BRIDGE AT SHAWELA VILLAGE | SHALATI CIVILS CONTRSTRUCTION | 22/04/2022 | 21/10/2022 | | n/a | n/a | Very Good | Very Good | | | |
| 208 | ELECTRIFICATION OF MAVUSA-CONSULTANY | CYNT | 22/04/2022 | 21/10/2022 | | n/a | n/a | n/a | n/a | | | |

ANNEXURE C

AUDIT ACTION PLAN

| FINANCIAL YEAR | | | | | 2021/22 | | | | | | | | | |
|-------------------|-------------|--|--------------------------|---------------|---|-----------------------------|---|------------|-----------------|--------------------|---------------------|----------|-----------------------|-------------------------|
| Municipality Name | | | | | Greater Gyani Municipality | | | | | | | | | |
| Audit Opinion | | | | | Unqualified | | | | | | | | | |
| Reporting Period | | | | | | | | | | | | | | |
| No. | Finding No. | Audit Findings | Category of Finding | Commaf number | Description of Finding | Finding is new or recurring | Action Plan Description | Start Date | Completion Date | Person Responsible | Action Owner | Progress | Narrative to Progress | Internal Audit Comments |
| 1 | A1 | Financial statements high level review | AFS | 1 | Issue 1: The Statement of Changes in Net Assets is incorrectly casted, Issue 2 - Statement of Comparison of Budget and Actual Amounts, does not have explanations for material differences, Issue 3 – Irregular expenditure note no 55 has a line item with no description, Issue 4 - Difference between the amounts as per the disclosure notes and the supporting schedules, Issue 5 – Differences between comparative amounts per current year annual financial statements to the amount per the prior year final annual financial statements, Issue 6 – Difference between the fixed assets register and annual financial | Recurring | 1. The annual financial statement should be reconciled against trial balance, general ledger and the following supporting schedules i. Asset register, operating lease register and finance lease register ii. Payable and receivable age analysis iii. Commitment and contract register iv. Retention register and accrual listings v. Investment and Grant register vi. Supporting schedules (assets depreciation) vii. Schedules of provisions (Actuarial report, Leave bonus, landfill site, Debt Impairment, Long service, cost employment benefit, Workmen's compensation viii. Unauthorized, irregular and fruitless and wasteful expenditure (Including MPAC recommendations) 2. An independent reviewer's appointment letter should | 01-Dec-22 | 28-Aug-23 | CFO | Manager Budget | | | |
| 2 | A2 | Other receivables from exchange transactions | Receivables | 34 | Differences between the amounts as per Annual Financial statements and Provision for impairment calculation, during the audit of other receivables from exchange transaction | New | The annual financial statement should be reconciled against trial balance, general ledger and the following supporting schedules i. Receivable age analysis ii. Schedules of provisions - Debt Impairment Submission of the last draft debt impairment to the CFO, Independent reviewer and Audit committee | 01-Dec-22 | 28-Feb-23 | CFO | Manager Revenue | | | |
| 3 | A3 | Trade payables incorrectly classified as accruals | Payables | 11 | The Municipality has classified transactions which had a valid invoice as at year end, as an accrual instead of a payable as defined. | New | Arrangement of Basic accounting training for BTO officials Expenditure section and the appointed service provider should review the list of payables and accruals together against the source document Development of payables and accrual spreadsheet to assist in determining the classification between accruals and payables Budget and reporting section to use the stamp to determine whether the budget used if for the current year previous year | 01-Dec-22 | 28-Feb-23 | CFO | Manager Expenditure | | | |
| 4 | A4 | Cash and cash equivalents- Differences between amounts as per AFS and TB | Cash and cash equivalent | 5 | Differences between the amounts as per Annual Financial statements and Trial balance, during the audit of cash and cash equivalent. | New | Develop a checklist to reconcile the AFS, Notes to the AFS, Trial Balance, General Ledger and supporting schedules (AFS preparers and independent reviewer) •The checklist should include opening balance against signed prior AFS and current balance against Trial Balance, General Ledger and supporting schedules | 01-Dec-22 | 28-Feb-23 | CFO | Manager Budget | | | |

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|---|----|--|-------------------------------------|------|--|-----------|--|-----------|-----------|-----|----------------------|--|--|--|
| 5 | A5 | Commitments – Completed Contracts were incorrectly included in the commitment register | Commitments | 12.2 | Contracts were included in the register even though the contracts were completed. | New | Updating of contract register on a monthly basis Close out report and completion certificate should be attached on the last payment of the contract | 01-Dec-22 | 28-Feb-23 | CFO | Manager Budget | | | |
| 6 | A6 | Difference between AFS and Accrual listing | Payables | 8 | Differences between the amounts as per Annual Financial statements and Accrual listing, during the audit of payables from exchange transactions. | New | The annual financial statement should be reconciled against trial balance, general ledger and the following supporting schedules i. Payables age analysis ii. List of accruals Submission of the last draft list of accruals to the CFO, Independent reviewer and Audit committee | 01-Dec-22 | 28-Feb-23 | CFO | Manager Expenditure | | | |
| 7 | A7 | Procurement and Contract Management: 1. Awards made to suppliers in which persons in service of other state institutions have an interest. | Procurement and Contract Management | 6.1 | Service providers were in service of the state at the time the award was granted and did not declare the interest. | Recurring | Include the transaction in the irregular expenditure register and be referred to council for investigation and recommendation Notify National Treasury to add defaulted suppliers on the database of restricted suppliers for wrongful declaration of MBD4 form | 01-Dec-22 | 28-Feb-23 | CFO | Manager Supply Chain | | | |
| 8 | A8 | Procurement and Contract Management | Procurement and Contract Management | 32 | Suppliers were awarded the tender for construction work which they did not qualify for in terms of the required grading | New | The finding has been resolved | 01-Dec-22 | 28-Feb-23 | CFO | Manager Supply Chain | | | |
| 9 | A9 | Procurement and Contract Management | Procurement and Contract Management | 37 | During the audit of procurement and contract management it was noted that the consultants who are appointed through pool of consultants for financial service providers are not being rotated to give other service providers on the pool of consultants an equal and fair opportunity to provide the financial service to the municipality. | New | Develop a rotation method for the appointed pool of contractors | 01-Dec-22 | 28-Feb-23 | CFO | Manager Supply Chain | | | |

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|----|-----|--|---------------------------------------|------|---|-----|---|-----------|-----------|-----|----------------------|--|--|--|
| 10 | A10 | Procurement and Contract Management | Procurement and Contract Management | 22 | Councillor did not declare their interest. | New | <p>Include the transaction in the irregular expenditure register and be referred to council for investigation and recommendation</p> <p>Notify National Treasury to add defaulted suppliers on the database of restricted suppliers for wrongful declaration of MBD4 form</p> <p>Officials and councillors to sign declaration forms at the beginning of each financial year</p> | 01-Dec-22 | 28-Feb-23 | CFO | Manager Supply Chain | | | |
| 11 | A11 | Receivables non-exchange Transactions: Difference between AFS and Provision for Impairment calculation | Receivables non-exchange Transactions | 14 | Differences between the amounts as per Annual Financial statements and Provision for impairment calculation, during the audit of Receivables non-exchange transactions. | New | <p>The annual financial statement should be reconciled against trial balance, general ledger and the following supporting schedules</p> <p>i.Receivable age analysis ii.Schedules of provisions - Debt Impairment Submission of the last draft debt impairment to the CFO, Independent reviewer and Audit committee</p> | 01-Dec-22 | 28-Feb-23 | CFO | Manager Revenue | | | |
| 12 | A12 | Receivable from Non-exchange transactions - Difference between the AFS and Debtors age analysis | Receivables non-exchange Transactions | 20.1 | Differences between the amounts as per Annual Financial statements and Debtors age analysis, during the audit of Receivables from non-exchange transactions: Consumer debtors- Rates. | New | <p>1.The annual financial statement should be reconciled against trial balance, general ledger and the following supporting schedules</p> <p>i.Asset register, operating lease register and finance lease register ii.Payable and receivable age analysis iii.Commitment and contract register iv.Retention register and accrual listings v.Investment and Grant register vi.Supporting schedules (assets depreciation) vii.Schedules of provisions (Actuarial report, Leave bonus, landfill site, Debt Impairment, Long service, cost employment benefit, Workmen's compensation viii.Unauthorized, irregular and fruitless and wasteful expenditure (Including MPAC recommendations)</p> | 01-Dec-22 | 28-Feb-23 | CFO | Manager Revenue | | | |
| 13 | A13 | Principal and Agent transactions not disclosed in the Annual Financial Statements. | | 39 | During the audit of principal and agent transactions we identified the following differences as per the tables below. | New | <p>2.An independent reviewer's appointment letter should</p> <p>1.The annual financial statement should be reconciled against trial balance, general ledger and the following supporting schedules</p> <p>i.Asset register, operating lease register and finance lease register ii.Payable and receivable age analysis iii.Commitment and contract register iv.Retention register and accrual listings v.Investment and Grant register vi.Supporting schedules (assets depreciation) vii.Schedules of provisions (Actuarial report, Leave bonus, landfill site, Debt Impairment, Long service, cost employment benefit, Workmen's compensation viii.Unauthorized, irregular and fruitless and wasteful expenditure (Including MPAC recommendations)</p> | 01-Dec-22 | 28-Feb-23 | CFO | CFO | | | |
| 14 | B1 | Accounting Policy –Inconsistency of current year accounting policies with prior year | Accounting Policy | 10 | The current accounting policies are inconsistent with the prior year accounting policies. | New | <p>2.An independent reviewer's appointment letter should</p> <p>Deliverables in the SLA for AFS preparers and independent reviewer should at least include but not limited to the following:</p> <ul style="list-style-type: none"> • Compile a list of GRAAP standards and interpretation which have been issued but not yet effective • Compile and ensure implementation of the GRAAP standards which became effective in the year under review • Alignment of Council approved policies against AFS policies and GRAP standards. • Ensure that all presentations and disclosures as required by GRAP are adhered to • Submission of formal report upon conclusion of the review | 01-Dec-22 | 28-Feb-23 | CFO | CFO | | | |

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|----|----|---|----------|----|--|-----------|---|-----------|-----------|-------------------|---------------------|--|--|--|
| 15 | B2 | Payables from exchange transactions - Overtime accrual | Payables | 9 | Differences between the amounts as per Annual Financial statements and Accrual listing, during the audit of payables from exchange transactions. | New | Develop a checklist to reconcile the AFS, Notes to the AFS, Trial Balance, General Ledger and supporting schedules (AFS preparers and independent reviewer) •The checklist should include opening balance against signed prior AFS and current balance against Trial Balance, General Ledger and supporting schedules | 01-Dec-22 | 28-Feb-23 | CFO | Manager Expenditure | | | |
| 16 | B3 | Differences between Annual Performance report and Quarterly performance reports | AOPO | 15 | The audit of pre-determined objectives the following differences were noted between the quarterly performance reports and the Annual Performance | New | Management did not agree with the finding as we believed that errors reported on quarterly reports are corrected through annual performance report. Management will further engage with Auditor General on the matter. | 01-Dec-22 | 28-Feb-23 | Municipal Manager | Manager PMS | | | |
| 17 | B4 | Statement of net changes in assets | | 16 | During the audit of the statement of net changes in assets we identified the following differences. | Recurring | 1. The annual financial statement should be reconciled against trial balance, general ledger and the following supporting schedules i. Asset register, operating lease register and finance lease register ii. Payable and receivable age analysis iii. Commitment and contract register iv. Retention register and accrual listings v. Investment and Grant register vi. Supporting schedules (assets depreciation) vii. Schedules of provisions (Actuarial report, Leave bonus, landfill site, Debt Impairment, Long service, cost employment benefit, Workmen's compensation viii. Unauthorized, irregular and fruitless and wasteful expenditure (Including MPAC recommendations) 2. An independent reviewer's appointment letter should | 01-Dec-22 | 28-Feb-23 | CFO | CFO | | | |
| 18 | B5 | AOPO: Reported achievement not consistent with planned target | AOPO | 15 | Inconsistencies were noted between the planned indicator target and the reported achievement | Recurring | The adjusted budget must be submitted with the adjusted SDBIP to council for approval Appointment of PMS champions for each department (request, consolidate and submit) Over achieved target should be clearly reported together with their reasons and supported by adequate documents Internal Audit division to conduct a review/audit of the Annual performance report Implementation of audit recommendations by PMS | 01-Dec-22 | 28-Feb-23 | Municipal Manager | Manager PMS | | | |
| 19 | B6 | AOPO: Performance targets not measurable | AOPO | 15 | During the audit of pre-determined objectives, the targets as per the table below were not measurable. | Recurring | Development of SDBIP process plan Issue SDBIP template to all Directors Conduct a session per Directorate for SDBIP development Directors should declare/sign off the information provided in the SDBIP PMS Unit to consolidate information received into a draft SDBIP and make an assessment to determine if all targets meet the SMART criteria | 01-Dec-22 | 28-Feb-23 | Municipal Manager | Manager PMS | | | |

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|----|-----|--|------|----|--|-----------|---|-----------|-----------|-------------------|-------------|--|--|--|
| 20 | B7 | Difference between baseline reported in the current year APR and prior year reported achievement | AOPO | 15 | During the audit of performance information, it was noted that the actual performance from prior year does not agree to the performance(baseline) that has been disclosed in the current APR | New | Review of the Annual Performance Report to ensure; <ul style="list-style-type: none"> •Alignment of key Performance Indicator with the SDBIP and indicator description manual •Alignment of baseline with prior year performance report •Alignment of annual target with SDBIP •Alignment of budget with SDBIP •Alignment of actual performance against the portfolio of evidence | 01-Dec-22 | 28-Feb-23 | Municipal Manager | Manager PMS | | | |
| 21 | B8 | Difference between achievement as per APR and total recorded as per listing | AOPO | 18 | During the audit of performance information, difference were noted between what was reported in the Annual performance report and EPWP listing | Recurring | Development and circulation of time schedule for submission of relevant POE's. PMS unit to insert auto reminder 3days prior the submission of performance report and POE's Development of a checklist by each department on submission of POE's,that will ensure alignment of each programme on the SDBIP with the actual POE's Internal Audit to review performance management reports | 01-Dec-22 | 28-Feb-23 | Municipal Manager | Manager PMS | | | |
| 22 | B9 | Connection of Units in Babangu Village | AOPO | 17 | During the audit of performance information for the indicator as per the below. | New | Review of the indicator procedure manual to clearly define the project implementation stages The project implementation stages on the annual performance report should be consistent with the indicator manual | 01-Dec-22 | 28-Feb-23 | Municipal Manager | Manager PMS | | | |
| 23 | B10 | Connection of units in Tomu Village | AOPO | 17 | during the audit of performance information for the indicator as per the table below, we identified differences between reported achievement and supporting listing: | New | Development and circulation of time schedule for submission of relevant POE's. PMS unit to insert auto reminder 3days prior the submission of performance report and POE's Development of a checklist by each department on submission of POE's,that will ensure alignment of each programme on the SDBIP with the actual POE's Internal Audit to review performance management reports | 01-Dec-22 | 28-Feb-23 | Municipal Manager | Manager PMS | | | |
| 24 | B11 | Connection of units in Blinkwater | AOPO | 17 | It was noted that the beneficiary listing was signed on 06 July 2022, which is after the year end. The effect of the above will result in a misstatement in the Annual Performance Report and affect the lived experience of the community as they don't have access to electricity. The effect of the above will result in a misstatement in the Annual Performance Report and affect the lived experience of the community as they don't have access to electricity. | New | Development and circulation of time schedule for submission of relevant POE's. PMS unit to insert auto reminder 3days prior the submission of performance report and POE's Development of a checklist by each department on submission of POE's,that will ensure alignment of each programme on the SDBIP with the actual POE's Internal Audit to review performance management reports | 01-Dec-22 | 28-Feb-23 | Municipal Manager | Manager PMS | | | |

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|----|-----|---|------|----|--|-----|--|-----------|-----------|-------------------|-------------|--|--|--|
| 25 | B12 | Connection of units in Mavalani Village | AOPO | 17 | It was noted that the date of installation was not available on the listing provided for audit, which will result in an internal control deficiency. The effect of the above will result in a misstatement in the Annual Performance Report. | New | Development and circulation of time schedule for submission of relevant POE's. PMS unit to insert auto reminder 3days prior the submission of performance report and POE's Development of a checklist by each department on submission of POE's,that will ensure alignment of each programme on the SDBIP with the actual POE's Internal Audit to review performance management reports | 01-Dec-22 | 28-Feb-23 | Municipal Manager | Manager PMS | | | |
| 26 | B13 | Connection of units in Sifasonke | AOPO | 17 | Beneficiary listing was signed on 03 August 2022, which was after year end. 2. Meter boxes were not active/energized. 3. Beneficiaries did not sign the beneficiary list The effect of the above will result in a misstatement in the Annual Performance Report and affect the lived experience of the community as they don't have access to electricity. | New | Development and circulation of time schedule for submission of relevant POE's. PMS unit to insert auto reminder 3days prior the submission of performance report and POE's Development of a checklist by each department on submission of POE's,that will ensure alignment of each programme on the SDBIP with the actual POE's Internal Audit to review performance management reports | 01-Dec-22 | 28-Feb-23 | Municipal Manager | Manager PMS | | | |
| 27 | B14 | Connection of units in Ndengeza | AOPO | 17 | The following issues were noted 1. Beneficiary listing was signed on 19 July 2022, which was after year end. 2. Hlamalani Ngwane received an old meter box The effect of the above will result in a misstatement in the Annual Performance Report | New | Development and circulation of time schedule for submission of relevant POE's. PMS unit to insert auto reminder 3days prior the submission of performance report and POE's Development of a checklist by each department on submission of POE's,that will ensure alignment of each programme on the SDBIP with the actual POE's Internal Audit to review performance management reports | 01-Dec-22 | 28-Feb-23 | Municipal Manager | Manager PMS | | | |
| 28 | B15 | Connection of units in Mavhusa | AOPO | 17 | The following issues were noted 1. Date of installation not available 2. Beneficiaries did not sign 3. Meters boxes were installed however, they were not connected/electrified The effect of the above will result in a misstatement in the Annual Performance Report. | New | Development and circulation of time schedule for submission of relevant POE's. PMS unit to insert auto reminder 3days prior the submission of performance report and POE's Development of a checklist by each department on submission of POE's,that will ensure alignment of each programme on the SDBIP with the actual POE's Internal Audit to review performance management reports | 01-Dec-22 | 28-Feb-23 | Municipal Manager | Manager PMS | | | |
| 29 | B16 | Connection of units in Gonono Village | AOPO | 17 | The following issues were noted Management report of Greater Giyani Municipality 83 1. List was not signed by the beneficiaries 2. Beneficiary listing was signed on 07 August 2022, which is after year end. The effect of the above will result in a misstatement in the Annual Performance Report. | New | Development and circulation of time schedule for submission of relevant POE's. PMS unit to insert auto reminder 3days prior the submission of performance report and POE's Development of a checklist by each department on submission of POE's,that will ensure alignment of each programme on the SDBIP with the actual POE's Internal Audit to review performance management reports | 01-Dec-22 | 28-Feb-23 | Municipal Manager | Manager PMS | | | |

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|----|-----|--|-------|----|---|-----------|---|-----------|-----------|-------------------|-----------------|--|--|--|
| 30 | B17 | Construction of the waste disposal site | AOPO | 16 | It was noted that the reported target as per the APR states that the target has been achieved however during the physical verification that was conducted 26 October 2022 and it was noted that there were people working on site and the site had not been completed. Furthermore, through inspection it was noted that the asset was still work in progress in the WIP register. Inspected the practical completion certificate dated 13 August 2021, it was noted that the works have reached a Practical completion stage, which allows their use by the Employer as of the 13th August 2021 and outstanding works should be completed in 14 days however, the site has not been used due to outstanding works that should be completed. The effect of the above will result in a misstatement in the Annual Performance Report | New | Project-related targets to be reported complete or achieved after receipt of completion certificate and close-out report and not only practical certificate. | 01-Dec-22 | 28-Feb-23 | Municipal Manager | Manager PMS | | | |
| 31 | B18 | difference between the reported target and planned target | AOPO | 16 | It was noted that the reported target as per the APR states that the target has not been achieved however, through inspection it was noted that for both indicators there is design reports and draft tender document in place. The effect of the above will result in a misstatement in the Annual Performance Report. | Recurring | Review of the Annual Performance Report to ensure; <ul style="list-style-type: none"> •Alignment of key Performance Indicator with the SDBIP and indicator description manual •Alignment of baseline with prior year performance report •Alignment of annual target with SDBIP •Alignment of budget with SDBIP •Alignment of actual performance against the portfolio of evidence | 01-Dec-22 | 28-Feb-23 | Municipal Manager | Manager PMS | | | |
| 32 | B19 | To upgrade 3.5km road from gravel to paving at Giyani Section E "Voningani" by 30 June 2022 | AOPO | 16 | It was noted that the reported target as per the APR states that the target has been achieved however through inspection of the progress report dated July 2022 the overall progress of the road is 74.9%. Furthermore, physical verification was done on 07 November 2022, and it was noted that the road was not completed and construction is still progress. The effect of the above will result in a misstatement in the Annual Performance Report. | New | Review of the Annual Performance Report to ensure; <ul style="list-style-type: none"> •Alignment of key Performance Indicator with the SDBIP and indicator description manual •Alignment of baseline with prior year performance report •Alignment of annual target with SDBIP •Alignment of budget with SDBIP •Alignment of actual performance against the portfolio of evidence | 01-Dec-22 | 28-Feb-23 | Municipal Manager | Manager PMS | | | |
| 33 | B20 | Difference between note 4 of the annual financial statements, the approved council resolution and fixed assets register. | Asset | 25 | During the audit of property, plant and equipment - assets written off and derecognised assets per note number 4 in the annual financial statements the following differences were noted | Recurring | Develop a checklist to reconcile the AFS,Notes to the AFS,Trial Balance,General Ledger and supporting schedules (AFS preparers and independent reviewer) <ul style="list-style-type: none"> •The checklist should include opening balance against signed prior AFS and current balance against Trial Balance,General Ledger and supporting schedules | 01-Dec-22 | 28-Feb-23 | CFO | Manager Revenue | | | |

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|----|-----|---|------------------------------------|------|--|-----|---|-----------|-----------|-----|---------------------|--|--|--|
| 34 | B21 | Revenue from Exchange transactions - Negative balance for Rental line item | Revenue from Exchange transactions | 26.2 | the municipality recognised the amount for rental of facilities and equipment for an amount of R (2 552 462, 00) as a negative balance. As a result of the above discrepancies, the financial statement submitted for audit might be materially misstated. | | Develop a checklist to reconcile the AFS, Notes to the AFS, Trial Balance, General Ledger and supporting schedules (AFS preparers and independent reviewer) •The checklist should include opening balance against signed prior AFS and current balance against Trial Balance, General Ledger and supporting schedules | 01-Dec-22 | 28-Feb-23 | CFO | Manager Revenue | | | |
| 35 | B22 | Accounting Policy – Inconsistency of current year accounting policy with prior year | Accounting Policy | 33 | the current accounting policies are inconsistent with the prior year accounting policies. Refer to the following Provision for rehabilitation for dumping site line item that was identified | New | Deliverables in the SLA for AFS preparers and independent reviewer should at least include but not limited to the following: • Compile a list of GRAAP standards and interpretation which have been issued but not yet effective • Compile and ensure implementation of the GRAAP standards which became effective in the year under review • Alignment of Council approved policies against AFS policies and GRAP standards. • Ensure that all presentations and disclosures as required by GRAP are adhered to • Submission of formal report upon conclusion of the review | 01-Dec-22 | 28-Feb-23 | CFO | CFO | | | |
| 36 | B23 | Prior Period Error | Fruitless and Wasteful Expenditure | 36 | the differences detailed below in note no. 54 (Fruitless and Wasteful Expenditure) of the AFS submitted for audit. The differences are between the comparative amount and the related prior year audited amounts. It was identified that the differences were caused by recognition of fruitless and wasteful expenditure relating to free basic electricity which could not be quantified in prior year. The municipality only disclosed the correction under note 54, but did not include a disclosure of prior period error in note 60 (Prior period error) on the AFS submitted for audit. | New | Develop a checklist to reconcile the AFS, Notes to the AFS, Trial Balance, General Ledger and supporting schedules (AFS preparers and independent reviewer) •The checklist should include opening balance against signed prior AFS and current balance against Trial Balance, General Ledger and supporting schedules | 01-Dec-22 | 28-Feb-23 | CFO | Manager Expenditure | | | |
| 37 | B24 | Revenue Non-Exchange - Property rates valuations | Revenue Non-Exchange | 26.1 | the municipality prepared the 2021/2022 supplementary valuation roll and however the supplementary valuation roll was not taken into account in the 2021/22 financial statements. The valuation for 2020/21 is the same as valuations for the 2021/22 financial year. | New | Develop a checklist to reconcile the AFS, Notes to the AFS, Trial Balance, General Ledger and supporting schedules (AFS preparers and independent reviewer) •The checklist should include opening balance against signed prior AFS and current balance against Trial Balance, General Ledger and supporting schedules | 01-Dec-22 | 28-Feb-23 | CFO | Manager Revenue | | | |
| 38 | B25 | Fruitless and wasteful expenditure disclosed in the AFS is not complete. | Fruitless and Wasteful Expenditure | 35.1 | During the follow up on material irregularity raised in the prior year we noted that the amount as per the table below were not included in the fruitless and wasteful expenditure note only the amount relating to the deceased was included: | New | Finalize the FBE beneficiary investigation report Identify all FBE beneficiaries who meet the definition of fruitless expenditure Reconcile all identified fruitless expenditure to the register | 01-Dec-22 | 28-Feb-23 | CFO | Manager Expenditure | | | |

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|----|-----|--|--------------------------|------|---|-----------|--|-----------|-----------|-----|---------------------|--|--|--|
| 39 | B26 | Fruitless and Wasteful Expenditure | Litigations | 35.2 | It was noted during the testing of expenditure there were scheduled meetings with the municipality with Nobela Attorneys in which the officials of the municipality failed to attend. However the municipality had to pay the attorneys for meeting as the attorneys were present for the meeting this results in the expenditure being made in vain and could have been avoided had due care been exercised. | New | The item should be updated in the register and reported to Council to refer to MPAC for further investigations Review the UIFW strategy to ensure it covers identification, recording and reporting | 01-Dec-22 | 28-Feb-23 | CFO | Manager Expenditure | | | |
| 40 | B27 | Inappropriate presentation and disclosure note for other cash and cash equivalent | Cash and cash equivalent | 27.1 | During the current year audit, we noted cash and cash equivalent accounts in the trial balance, disclosed in the annual financial statement as "Other cash and cash equivalent". Which do not meet the definition of cash nor a liability. The above finding results in the overstatement of cash and cash equivalent The above finding results in the overstatement of cash and cash equivalent | New | The system vendors should identify all control accounts not cleared as at 31 March 2023 The system vendor should investigate and identify transactions not cleared as at 31 March 2023 Re-allocate identified transactions to the correct account | 01-Dec-22 | 28-Feb-23 | CFO | Manager Revenue | | | |
| 41 | B28 | Rights and obligations over cash and cash equivalent of the principal - Agent | Cash and cash equivalent | 27.2 | During the current year audit, we noted that included in the balance of cash and equivalent is monies received on behalf of the district municipality for water services. The above finding results in the overstatement of cash and cash equivalent presented and disclosed in the annual financial statement. The above finding results in the overstatement of cash and cash equivalent presented and disclosed in the annual financial statement. | Recurring | Develop a checklist to reconcile the AFS, Notes to the AFS, Trial Balance, General Ledger and supporting schedules (AFS preparers and independent reviewer) *The checklist should include opening balance against signed prior AFS and current balance against Trial Balance, General Ledger and supporting schedules | 01-Dec-22 | 28-Feb-23 | CFO | CFO | | | |
| 42 | B29 | Commitments - Difference between Commitment register and Auditors Calculation | Commitments | 12.1 | We identified the following differences between the amounts as per Commitment register and Auditors Recalculation, during the audit of commitments. | New | Reconcile the commitment register against the payments made to the bank | 01-Dec-22 | 28-Feb-23 | CFO | Manager Budget | | | |
| 43 | B30 | Difference between reconciliation of property, plant and equipment and assets assessed for impairment and written off as per note number 4 | Immovable Assets | 24 | The management did not adequately review the details disclosed in the annual financial statements notes to identify and rectify the errors as indicated. As a result of the above discrepancies, the financial statement submitted for audit might be materially misstated. | New | Develop a checklist to reconcile the AFS, Notes to the AFS, Trial Balance, General Ledger and supporting schedules (AFS preparers and independent reviewer) *The checklist should include opening balance against signed prior AFS and current balance against Trial Balance, General Ledger and supporting schedules | 01-Dec-22 | 28-Feb-23 | CFO | Manager Assets | | | |

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| 44 | B31 | Reasons for halted projects disclosed on note 4 - PPE were incorrect, not aligned to the disclosure note, not consistent with the prior year and insufficient. | Projects | 24 | We further noted that the municipality did not indicate whether any impairment loss was recognized in relation to the halted assets. Management did not exercise adequate oversight responsibility regarding review of financial reporting. The above results in the presentation and disclosure of property, plant and equipment not complying with GRAP 17 requirements | Recurring | Develop a checklist to reconcile the AFS, Notes to the AFS, Trial Balance, General Ledger and supporting schedules (AFS preparers and independent reviewer) •The checklist should include opening balance against signed prior AFS and current balance against Trial Balance, General Ledger and supporting schedules | 01-Dec-22 | 28-Feb-23 | CFO | | | | | |
| 45 | B32 | Operating Lease Disclosure | Operating Lease | 23 | Note 48 to the annual financial statement under operating leases includes the description "sublease" however it was confirmed that no subleasing arrangements exist in the municipality. | New | A session will be held to review all balance sheet and income statement items against the disclosure requirements as per GRAP standards to ensure that all presentations and disclosures are in line with the GRAP standards | 01-Dec-22 | 28-Feb-23 | CFO | Manager Assets | | | | |
| 46 | B33 | Payables from exchange transactions – Retentions | Payables | 13 | The Accounting Officer did not adequately review the details disclosed in the annual financial statements to identify and rectify the errors as indicated. | New | Develop a checklist to reconcile the AFS, Notes to the AFS, Trial Balance, General Ledger and supporting schedules (AFS preparers and independent reviewer) •The checklist should include opening balance against signed prior AFS and current balance against Trial Balance, General Ledger and supporting schedules | 01-Dec-22 | 28-Feb-23 | CFO | Manager Expenditure | | | | |
| 47 | B34 | Procurement and contract management | Procurement and Contract Management | 21 | Service providers were in service of the state at the time the award was granted and did not declare the interest | Recurring | Include the transaction in the irregular expenditure register and be referred to council for investigation and recommendation Notify National Treasury to add defaulted suppliers on the database of restricted suppliers for wrongful declaration of MBD4 form Officials and councilors to sign declaration forms at the beginning of each financial year | 01-Dec-22 | 28-Feb-23 | CFO | Manager SCM | | | | |
| 48 | B35 | Receivable from Non-exchange transactions – debtors with credit balances | Receivable from Non-exchange transactions | 20.2 | The audit of Receivables from non-exchange transactions, we identified that debtors with credit balances were accounted for as part of the receivables from non-exchange transactions | New | Develop a checklist to reconcile the AFS, Notes to the AFS, Trial Balance, General Ledger and supporting schedules (AFS preparers and independent reviewer) •The checklist should include opening balance against signed prior AFS and current balance against Trial Balance, General Ledger and supporting schedules | 01-Dec-22 | 28-Feb-23 | CFO | Manager Revenue | | | | |

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| 49 | C1 | Vacancy rate | HR | 29 | the municipality does not have sufficient capacity due to the high vacancy rate of 45% as indicated in the staff establishment. Contrary to the above requirements, we noted that the municipality does not have sufficient capacity due to the high vacancy rate of 45% as indicated in the staff establishment. Non-compliance with Section 68(1) of the Municipal System Act | Recurring | Re-engineering of the organisational structure will be performed to allow for reprioritisation. The budgeted positions will be advertised and filled | 01-Dec-22 | 28-Feb-23 | Director Corporate | Manager HR | | | |
| 50 | C2 | Overtime worked before approval | HR | 28 | ary to the above, the following was noted: Some employees selected for audit were found to have had the overtime authorization documents approved after the actual overtime was worked in contravention of the overtime policy as stated above This results in non-compliance with the municipal overtime policy. This results in non-compliance with the municipal overtime policy. | New | Review of the overtime policy to include consequence management for failure to adhere to policy provisions | 01-Dec-22 | 28-Feb-23 | Corporate Service | Manager HR | | | |
| 51 | C3 | Performance of the municipality and of each external service provider during the financial year not submitted with the Annual Performance Report | Compliance | 3 | the annual performance report, a performance report reflecting the municipality and service providers' performance during the financial year was not submitted. | New | Submission of annual performance report and Annual financial statement should be centralized at Municipal Managers office | 01-Dec-22 | 28-Feb-23 | CFO | Manager PMS | | | |

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| Number of Actions | 51 | 100% |
| Number of Actions In Progress | 0 | 0.00% |
| Number of Actions Resolved | 0 | 0.00% |

