

# SOL PLAATJE

## ANNUAL REPORT

2021/22

### MAYOR'S MESSAGE

The 2021/2022 financial year, marking the 5<sup>th</sup> year of the 2017-2022 Integrated Development Plan (IDP) implementation of the financial year, we were still faced with the most significant threat Covid- 19 (Coronavirus). Most countries have implemented full or partial lockdown measures to slow the spread of the virus.

The lockdown has slowed global economic activity substantially, many companies and businesses have reduced operations or closed down, and people are losing their jobs at an increasing rate, and this has a negative impact on the municipality's revenue collection. For this year revenue collection is below estimated targets. It is for reason that we as municipality have concluded to conduct an in-depth analysis on ways to improve service delivery and create an economic enabling environment where business can thrive and create much needed jobs that is directly linked to the sustainability of the municipality.

Despite the impact of the pandemic on economic growth, agriculture escaped the effects of the pandemic by expanding production by 13,1% in 2020. Government also grew marginally in the year, up by 0,7%.

This Annual Report covers the performance information from 01 July 2021 to 30 June 2022 and focuses on the implementation of the Service Delivery Budget and Implementation Plan (SDBIP), in relation to the objectives as encapsulated in the Municipality's Integrated Development Plan (IDP). The report reflects actual performance of the Municipality as measured against the performance indicators and targets in its Integrated Development Plan (IDP) and Service Delivery and Budget Implementation Plan (SDBIP) for 2021/22.

The format of the report will reflect the Municipality's Key Performance Indicators (KPI) per Municipal Key Performance Area. Each Key Municipal KPA have number of Municipal Key Performance Indicators (KPI's) which was deliberately designed by the Sol Plaatje Municipality to focus its development initiatives in a more coherent and organised manner.

Despite challenges, local authorities worked diligently to address community needs and enhance the quality of life for residents in the Sol Plaatje municipality during these years.



## MAYOR'S MESSAGE

---



I trust that this Annual Report offers readers an understanding of the Municipality's accomplishments despite the surmountable challenges faced throughout the 2020/2021 financial year, in its bid to uphold service delivery. The municipality is committed to its vision and henceforth I would like to thank all our councillors, municipal employees, citizens, stakeholder groups, business partners and sector departments who participated in and contributed to the municipality delivering on its strategic objectives.

**EXECUTIVE MAYOR**



# CONTENT



## MAYOR'S MESSAGE ..... 1

## CHAPTER 1: EXECUTIVE SUMMARY ..... 6

1.1 MUNICIPAL MANAGER'S MESSAGE.....	6
1.2 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW .....	8
1.3 SERVICE DELIVERY OVERVIEW .....	20
1.4 FINANCIAL HEALTH OVERVIEW .....	23
1.5 ORGANISATIONAL DEVELOPMENT OVERVIEW .....	26
1.6 AUDITOR-GENERAL REPORT .....	32
1.7 IDP, BUDGET AND PMS PROCESS .....	34

## CHAPTER 2: GOVERNANCE ..... 31

### COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE..... 57

2.1 POLITICAL GOVERNANCE STRUCTURE .....	59
2.2 ADMINISTRATIVE GOVERNANCE STRUCTURE.....	67

### COMPONENT B: INTER GOVERNMENTAL RELATIONS ..... 68

2.3 INTER GOVERNMENTAL RELATIONS (IGR) .....	68
----------------------------------------------	----

### COMPONENT C: PUBLIC ACCOUNTABILITY ..... 69

2.4 PUBLIC MEETINGS .....	70
---------------------------	----

### COMPONENT D: CORPORATE GOVERNANCE ..... 83

2.5 RISK MANAGEMENT .....	83
2.6 FRAUD PREVENTION .....	85
2.7 SUPPLY CHAIN MANAGEMENT (SCM).....	87
2.8 POLICIES AND BY-LAWS .....	87
2.9 WEBSITE.....	89
2.10 PUBLIC SATISFACTION WITH MUNICIPAL SERVICES .....	91

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE..... 98

3.1 MUNICIPAL FUNCTIONS .....	98
-------------------------------	----

### COMPONENT A: BASIC SERVICES ..... 99

3.2 WATER PROVISION .....	100
3.3 SANITATION SERVICES .....	106
3.4 ELECTRICITY.....	110
3.5 WASTE MANAGEMENT (REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING).....	117

3.6 HOUSING .....	120
-------------------	-----

3.7 FREE BASIC SERVICES AND INDIGENT SUPPORT .....	125
----------------------------------------------------	-----

### COMPONENT B: ROAD TRANSPORT ..... 129

3.8 ROADS AND STORMWATER.....	129
-------------------------------	-----

### COMPONENT C: PLANNING AND DEVELOPMENT ..... 134

3.9 STRATEGIC ECONOMIC DEVELOPMENT AND PLANNING (SEDP).....	134
3.10 URBAN PLANNING .....	137
3.11 PROPERTY SERVICES.....	151
3.12 LOCAL ECONOMIC DEVELOPMENT (LED) .....	153
3.13 FRESH PRODUCE MARKET .....	171
3.14 URBAN RENEWAL PROGRAMME (URP) .....	174

### COMPONENT D: COMMUNITY & SOCIAL SERVICES ..... 178

3.15 MOTOR VEHICLE LICENSING AND REGISTRATION.....	178
3.16 LIBRARY SERVICES.....	181
3.17 SOCIAL DEVELOPMENT (HIV/AIDS) .....	190

### COMPONENT E: ENVIRONMENTAL PROTECTION..... 193

3.18 SUSTAINABLE ENERGY AND CLIMATE CHANGE UNIT (SECCU). .....	193
3.19 BIODIVERSITY.....	193

### COMPONENT F: HEALTH ..... 194

3.20 CLINICS.....	194
3.21 ENVIRONMENTAL HEALTH .....	197

### COMPONENT G: SECURITY AND SAFETY ..... 200

3.22 TRAFFIC LAW ENFORCEMENT .....	200
3.23 EMERGENCY SERVICES (INCLUSIVE OF DISASTER MANAGEMENT) ... ..	204

### COMPONENT H: SPORT AND RECREATION ..... 207

3.24 PARKS AND RECREATION .....	207
---------------------------------	-----

### COMPONENT I: CORPORATE POLICY, OFFICES AND OTHER SERVICES ..... 212

3.25 CORPORATE SERVICES .....	212
3.26 HUMAN RESOURCE SERVICES.....	214
3.27 FINANCIAL SERVICES.....	217
3.28 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES .....	223
3.29 SUPPLY CHAIN MANAGEMENT SERVICES .....	229



# CONTENT



3.30 FLEET MANAGEMENT SECTION .....	232
3.31 MECHANICAL ENGINEERING AND WORKSHOPS .....	234
3.32 AUDITED ANNUAL PERFORMANCE REPORT.....	237

## CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE..... 316

### ORGANISATIONAL DEVELOPMENT PERFORMANCE ..... 317

### COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL ..... 317

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES .....	317
---------------------------------------------------	-----

### COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE ..... 319

4.2 INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT..	319
4.3 POLICIES .....	319
4.4 INJURIES, SICKNESS AND SUSPENSIONS .....	321

### COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE ..... 323

4.5 INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT.....	323
---------------------------------------------------------	-----

### COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE ..... 326

4.6 INTRODUCTION TO WORKFORCE EXPENDITURE .....	326
-------------------------------------------------	-----

## CHAPTER 5: FINANCIAL PERFORMANCE ..... 331

### COMPONENT A: STATEMENT OF FINANCIAL PERFORMANCE ..... 332

### INTRODUCTION TO FINANCIAL STATEMENTS ..... 332

5.1 STATEMENTS OF FINANCIAL PERFORMANCE.....	332
5.2 GRANTS.....	340
5.3 ASSET MANAGEMENT .....	349
5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS	352

### COMPONENT B: SPENDING AGAINST CAPITAL BUDGET . 359

5.5 CAPITAL EXPENDITURE .....	359
5.6 SOURCES OF FINANCE.....	362
5.7 CAPITAL SPENDING ON FIVE LARGEST PROJECTS .....	364
5.8 CAPITAL PROGRAMME BY PROJECT: YEAR 2021/22 .....	366

5.9 CAPITAL PROGRAMME BY PROJECT BY WARD 2021/22 .....	367
--------------------------------------------------------	-----

5.10 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW	369
-----------------------------------------------------------	-----

### COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS ..... 372

5.11 CASH FLOW OUTCOMES .....	372
5.12 BORROWING AND INVESTMENTS .....	376
5.13 DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY .....	377

### COMPONENT D: OTHER FINANCIAL MATTERS ..... 378

5.14 SUPPLY CHAIN MANAGEMENT .....	378
5.15 GRAP COMPLIANCE .....	379

## CHAPTER 6: AUDITOR-GENERAL AUDIT FINDINGS ..... 380

### COMPONENT A: AUDITOR-GENERAL OPINION 2020/21 . 381

6.1 AUDITOR-GENERAL OPINION 2020/21.....	381
------------------------------------------	-----

### COMPONENT B: AUDITOR-GENERAL OPINION 2021/22 . 381

6.2 AUDITOR-GENERAL OPINION 2021/22.....	381
6.3 MFMA SECTION 71 RESPONSIBILITIES .....	398
6.4 AUDIT COMMITTEE REPORT FOR THE YEAR ENDED 30 JUNE 2022 . .....	399
6.5 MPAC .....	408

### ABBREVIATIONS ..... 409

### LIST OF TABLES ..... 411

### LIST OF FIGURES ..... 415

### LIST OF GRAPHS..... 416

## ANNEXURE A: FINANCIAL STATEMENTS

The background features several overlapping, semi-transparent orange shapes. A large, light-orange triangle points towards the bottom right, with a smaller, darker-orange triangle nested within its upper-left portion. Another orange shape is visible in the bottom right corner. The text 'CHAPTER 1' is positioned in the lower-left area, overlapping the large triangle.

# CHAPTER 1

## CHAPTER 1: EXECUTIVE SUMMARY

### 1.1 MUNICIPAL MANAGER'S MESSAGE

The Annual Report is a transparent reflection of the overall performance of the municipality for a specific financial year. This annual report addresses the 2021/22 financial year performance of the Sol Plaatje Local Municipality. The report discloses both the results achieved, despite the gruelling circumstances under which they were obtained, as well as the shortcomings and the measure put in place to correct them in the future.

The impact of the difficult economic climate our country is experiencing because of the pandemic has brought forward various challenges especially in terms of the Municipality's cash flow, which remains an ongoing concern.

The deficiency of progression in the local economy is negatively impacting the growth in revenue of the Municipality and this also puts tremendous pressure on the organizations' revenue and ability to deliver on its mandate.

The main challenges of the triple threat being poverty, unemployment and inequality remains and impacts negatively on our revenue streams and together with infrastructure and maintenance backlogs meaning that financial sustainability remains a serious threat to the rendering of sustainable value - for- money services.

Although significant progress was made in eradicating backlogs in terms of access to services such as housing,



water, sanitation, roads and solid waste, various service backlogs still exist that need to be addressed.

Sol Plaatje Local Municipality, like any other secondary city, is faced with the difficulty of:

- Addressing historical backlog regarding adequate access to quality basic services; The availability of funds allocated to perform periodic maintenance.
- Influx of people which increases demand for basic services in addition to normal growth demand;
- Achieving progressive development of services provided above the basic level of service, whilst trying to address aging infrastructure; and
- Limited resources available in terms of funding, with a high level of dependency on capital grants.

For the financial year ended 30 June 2022, the total Operating revenue was R2 176 889 billion vs an adjusted budget of R2 377 602 billion, resulting in an actual achieved of 92% with a satisfactory variance of



## MUNICIPAL MANAGER'S MESSAGE



minus 8%. Total operational expenditure amounted to R2 166 350 billion vs an adjusted budget of R2 241 373 billion, resulting in an actual of 97%, with a satisfactory variance of minus 3%.

During 2018/19 the capital budget was adjusted downwards from R333 241 million to R231 113 million, whilst there was a marginal upward adjustment in 2019/20 and 2020/21. Spending on capital versus the adjustment budget in 2018/19 resulted in 89% spent which then decreased in 2019/20 as the spending against the adjustment budget was 72%. In 2020/21 spending on capital against the adjustment budget showed improvement with a spending of 84%.

The Top Layer SDBIP was also revised in February 2022 following an adjustment Budget for the 2021/22 Medium Term Revenue and Expenditure Framework (MTREF), as prescribed by Section 28 of the Municipal Finance Management Act (Act 56 of 2003) for the year ending 30 June 2022. The Adjusted Budget and SDBIP were approved during a Special Council meeting held on 28 February 2022, resolution C23/02/22.

The municipality was also affected severely by the instability in key managerial positions. This hindered the implementation and monitoring of projects, and subsequently leading to a number of projects being incomplete by the end of the financial year. Thus in the new financial year we aim to improve in our processes and expedition to complete outstanding and new projects.

In conclusion, I would like to thank the Senior Management Team and all staff members who have

worked tirelessly toward improving service delivery. I would also like to extend my appreciation to the Executive Mayor, Executive Mayoral Committee, councillors and staff for their support and commitment towards serving the community and all stakeholders.

**MUNICIPAL MANAGER**

# CHAPTER 1: MUNICIPAL OVERVIEW



## 1.2 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

### 1.2.1 Demographic Information

#### **MUNICIPAL GEOGRAPHICAL INFORMATION**

The Sol Plaatje Local Municipality is a Category B Municipality located in the Frances Baard District in the Northern Cape Province. The geographic area of the Municipality is 3 145 km<sup>2</sup>. It is bordered by Dikgatlong in the north, the Pixley ka Seme District in the south and west, and the Free State Province in the east. It is one of the four municipalities that make up the district, accounting for a quarter of its geographical area. It includes the diamond mining City of Kimberley and Ritchie, in the south eastern corner of the area. Kimberley is approximately 110 km east of the confluence of the Vaal and Orange Rivers. The N12 highway, which connects Gauteng to the Western Cape Province, runs through Kimberley.

Sol Plaatje Municipality is named after Solomon Tshekisho Plaatje, who was a South African intellectual, journalist, linguist, politician, translator and writer. Solomon Plaatje was born just outside Boshof, formerly the Orange Free State (now Free State Province).

The Sol Plaatje Municipality is the seat of the Northern Cape Provincial Government and the Frances Baard District Council. Kimberley is the seat of the Northern Cape Division of the High Court of South Africa, which exercises jurisdiction over the province.

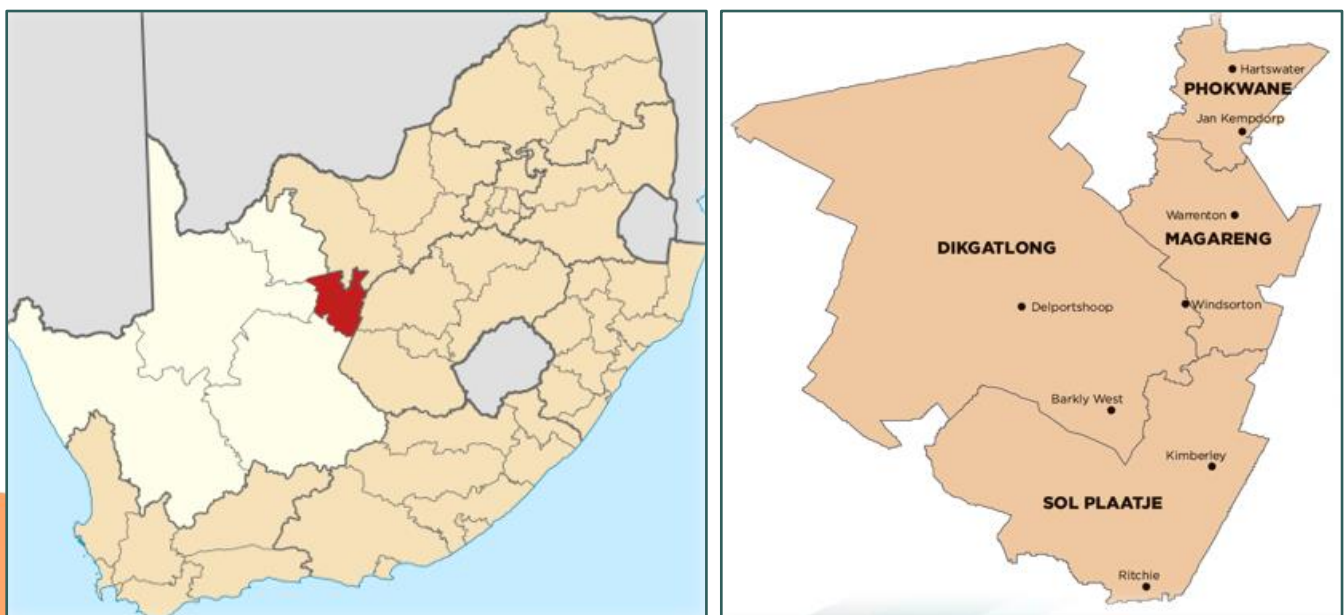


Figure 1: Sol Plaatje Municipal Area



## CHAPTER 1: MUNICIPAL OVERVIEW

### MUNICIPAL WARDS AND NEIGHBOURHOODS

There are 33 wards within the Sol Plaatje municipal area with several wards overlapping. The table below indicates the various neighbourhoods within the wards:

Wards	Suburbs
1	Roodepan, Sunset Manor
2	Roodepan
3	Homevale, Homelite
4	Homestead, Vergenoeg Ext 3, Vergenoeg Ext 4, Vergenoeg Ext 9
5	Thusanong, Redirile, Vergenoeg Ext 2
6	Vergenoeg Ext 2, Vergenoeg Ext 9, Vergenoeg Ext 10, Boikhutsong
7	Vergenoeg, Vergenoeg Ext 1, Vergenoeg Ext 2, Ubuntu
8	Donkerhoek, Kirstenhof, Riviera, Verwoerd Park
9	Retswelele, Ipopeng
10	Tshwaragona, Vergenoeg Ext 5, Vergenoeg Ext 6, Vergenoeg Ext 7
11	Vergenoeg Ext 6, Vergenoeg Ext 8, Agisanang
12	Galeshewe Ext 2, Galeshewe Ext 3, Vergenoeg Ext 6, KwaNobantu, Galeshewe Proper, China Square
13	Galeshewe Ext 1, Galeshewe Proper, Galeshewe Ext 6, China Square
14	Homestead, North view, Colville, Gemdene, Floors, Square Hill Park, Utility, Ashburnham, Moghul Park
15	Phutanang, Phomolong, Ipeleng
16	Promise Land, Lindelani, Snake Park, Tswelelang
17	Ipeleng, Tlhageng, John Mampe, Kutlwanong, Kagiso
18	Verwoerd Park, Kirstenhof, Greater No. 2, Galeshewe Ext 7
19	Latlhi Mabilo, Galeshewe Ext 5, Galeshewe Ext 4, Galeshewe Ext 3
20	Verwoerd Park, Diamant Park, West End, Kestelhof, New Park, Albertynshof, Kimberley Central, Kimberley Mine, Cecil Sussman, Kimberley North, Utility, Square Hill Park
21	De Beers, Moghul Park, De Beers Mine, Herlear, Cassandra, Ernestville, Beaconsfield, Memorial Road area
22	South Ridge, Fabricia, Green Point
23	El Toro Park, Royldene, Monument Heights, New Pak, Labram, Kimberley Central, Hadison Park, Memorial Road area
24	Carters Glen, Rhodesdene, Hadison Park, Heuwelsig, Kestelhof
25	Diamond Park, Diskobolos, Beaconsfield, Klisserville, Memorial Road area, De Beers Mine
26	Hillcrest, Rietvale, Ritchie, Ikageng, Motswedimosa
27	Platfontein, Rietvale
28	De Beers Mine, Kenilworth, Kimdustria, Colville, Floors, Beaconsfield, Greenside
29	Roodepan, Ivory Park, Langley & Riverton
30	Lerato Park, Kamfersdam, Roodepan, Jacksonville
31	Soul City, Kutlwanong, Riviera
32	Platfontein, Phutanang
33	Diamant Park, Thambo Square, West End, Gemdene, China Square



# CHAPTER 1: MUNICIPAL OVERVIEW



Table 1: Municipal Wards

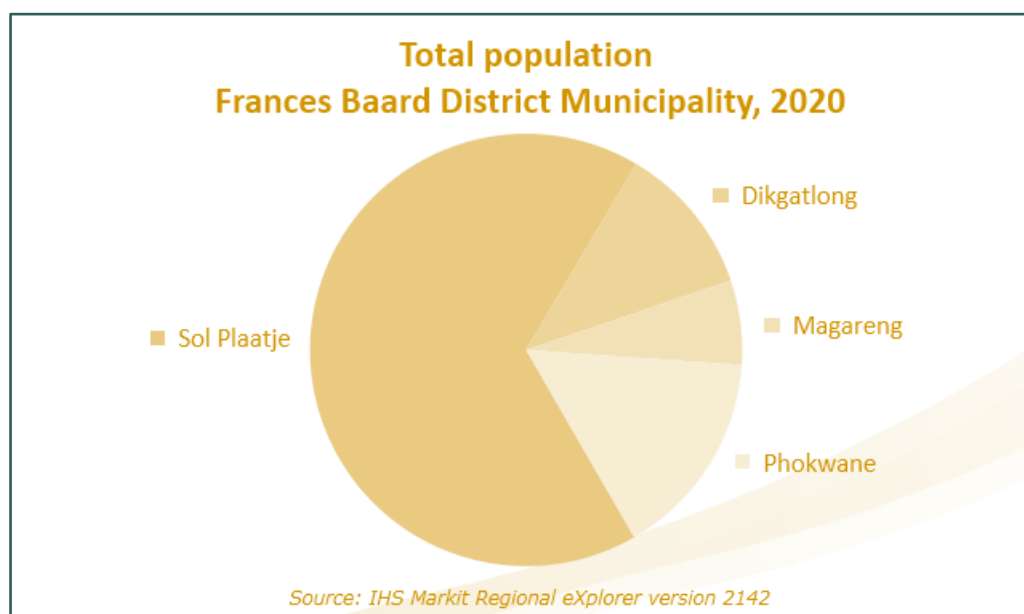
## TOTAL POPULATION

With 299,000 people, the Sol Plaatje Local Municipality housed 0.5% of South Africa's total population in 2020. Between 2010 and 2020 the population growth averaged 2.45% per annum which is close to double than the growth rate of South Africa as a whole (1.59%). The Sol Plaatje Local Municipality accounts for a total population of 299,000, or 66.8% of the total population in the Frances Baard District Municipality, which is the most populous region in the Frances Baard District Municipality for 2020.

Year	Sol Plaatje	Frances Baard	Northern Cape	National Total	% of District Municipality	% of Province	% of National
2010	235 000	359 000	1 120 000	51 100 000	65.5	20.9	0.46
2011	242 000	368 000	1 150 000	52 000 000	65.7	21.0	0.46
2012	248 000	377 000	1 170 000	52 900 000	65.9	21.1	0.47
2013	255 000	386 000	1 200 000	53 700 000	66.1	21.3	0.47
2014	262 000	395 000	1 220 000	54 600 000	66.3	21.4	0.48
2015	268 000	404 000	1 250 000	55 500 000	66.4	21.5	0.48
2016	274 000	412 000	1 270 000	56 400 000	66.5	21.5	0.49
2017	281 000	421 000	1 300 000	57 200 000	66.6	21.6	0.49
2018	287 000	430 000	1 320 000	58 100 000	66.7	21.7	0.49
2019	293 000	439 000	1 340 000	59 000 000	66.8	21.8	0.50
2020	299 000	447 000	1 370 000	59 800 000	66.8	21.9	0.50
% Average Annual growth							
2010- 20	2.45%	2.24%	1.98%	1.59%			

Source: IHS Markit Regional eXplorer version 2142

Table 2: Total Population - Sol Plaatje, Frances Baard, Northern Cape and National Total, 2010-2020



Graph 1: Total Population - Sol Plaatje and the rest of Frances Baard, 2020

## Population by Population Group, Gender and Age

Sol Plaatje Local Municipality's male/female split in population was 94.3 males per 100 females in 2020. The Sol Plaatje Local Municipality appears to be a fairly stable population with the share of female population (51.47%) being very similar to the national average of (51.03%). In total there were 154,000 (51.47%) females and 145,000 (48.53%) males. This is different from the Frances Baard District Municipality as a whole where the female population counted 230,000 which constitutes 51.53% of the total population of 447,000.

In 2020, the Sol Plaatje Local Municipality's population consisted of 65.14% African (195,000), 6.98% White (20,900), 26.99% Coloured (80,700) and 0.89% Asian (2,670) people.

Age	African		White		Coloured		Asian	
	Male	Female	Male	Female	Male	Female	Male	Female
0-04	10 200	10 600	538	588	3 750	3 680	96	120
05-09	9 330	10 100	531	499	3 130	3 320	117	78
10-14	8 940	8 740	480	485	3 100	3 220	34	41
15-19	7 400	7 230	654	484	3 280	3 160	96	89
20-24	7 040	6 360	631	652	3 710	3 690	115	26
25-29	8 860	7 630	729	637	3 700	3 720	53	119
30-34	9 890	9 030	740	772	3 390	3 180	118	95
35-39	8 620	8 900	757	749	3 210	2 970	128	164
40-44	7 020	7 920	751	583	2 690	2 500	53	110
45-49	5 650	6 000	673	659	2 510	2 400	56	163

## CHAPTER 1: MUNICIPAL OVERVIEW

Age	African		White		Coloured		Asian	
	Male	Female	Male	Female	Male	Female	Male	Female
50-54	5 200	4 420	671	669	2 350	2 070	109	197
55-59	3 910	2 730	824	657	2 050	1 640	49	116
60-64	2 460	1 710	739	652	1 610	1 290	55	57
65-69	1 850	1 190	648	579	1 260	807	38	26
70-74	1 710	1 130	609	458	942	765	51	15
75+	1 990	1 020	1 040	741	954	658	54	33
<b>Total</b>	<b>100 000</b>	<b>94 700</b>	<b>11 000</b>	<b>9 860</b>	<b>41 600</b>	<b>39 100</b>	<b>1 220</b>	<b>1 450</b>

Source: IHS Markit Regional eXplorer version 2142

Table 3: Population by Population Group, Gender and Age - Sol Plaatje Local Municipality, 2020

### 1.2.2 Socio-Economic Information

#### HOUSEHOLDS

In 2020, the Sol Plaatje Local Municipality comprised 79,500 households. This equates to an average annual growth rate of 2.80% in the number of households from 2010 to 2020. With an average annual growth rate of 2.45% in the total population, the average household size in the Sol Plaatje Local Municipality is by implication decreasing. This is confirmed by the data where the average household size in 2010 decreased from approximately 3.9 individuals per household to 3.8 persons per household in 2020.

Relative to the district municipality, the Sol Plaatje Local Municipality had a higher average annual growth rate of 2.80% from 2010 to 2020. In contrast, the province had an average annual growth rate of 2.28% from 2010. South Africa as a whole had a total of 17 million households, with a growth rate of 1.88%, thus growing at a lower rate than the Sol Plaatje.

The composition of the households by population group consists of 66.2% which is ascribed to the African population group with the largest number of households by population group. The Coloured population group had a total composition of 23.9% (ranking second). The White population group had a total composition of 9.5% of the total households. The smallest population group by household is the Asian population group with only 0.4% in 2020.

Period	Sol Plaatje	Frances Baard	Northern Cape	National Total	% Of District Municipality	% Of Province	% Of National
	No				%		
2010	60 300	93 400	297 000	14 100 000	64.6	20.3	0.43
2011	62 500	96 500	306 000	14 400 000	64.8	20.4	0.44
2012	64 900	99 700	316 000	14 700 000	65.1	20.6	0.44
2013	67 200	103 000	325 000	15 000 000	65.4	20.7	0.45



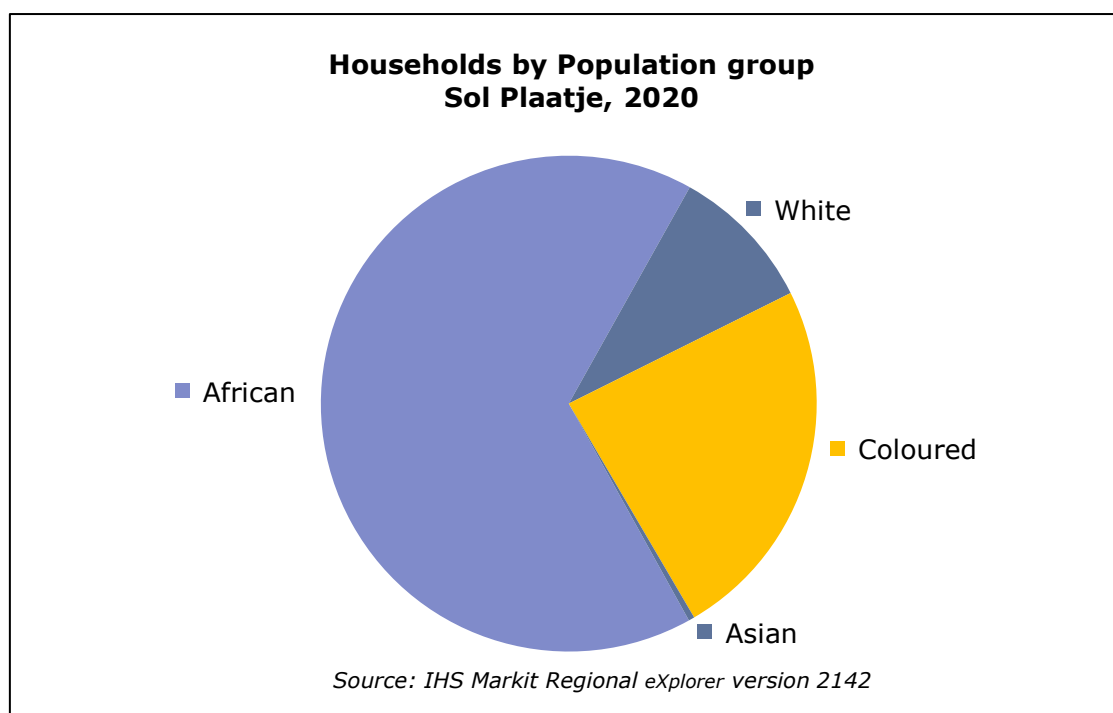
## CHAPTER 1: MUNICIPAL OVERVIEW



Period	Sol Plaatje	Frances Baard	Northern Cape	National Total	% Of District Municipality	% Of Province	% Of National
	No				%		
2014	69 000	105 000	332 000	15 300 000	65.6	20.8	0.45
2015	70 800	108 000	338 000	15 700 000	65.8	21.0	0.45
2016	73 300	111 000	347 000	16 100 000	66.0	21.1	0.46
2017	76 100	115 000	358 000	16 400 000	66.0	21.3	0.46
2018	77 700	118 000	365 000	16 600 000	66.1	21.3	0.47
2019	78 700	119 000	370 000	16 800 000	66.2	21.3	0.47
2020	79 500	120 000	372 000	17 000 000	66.2	21.4	0.47
<b>Average Annual growth</b>							
<b>2010-2020</b>	<b>2.80%</b>	<b>2.54%</b>	<b>2.28%</b>	<b>1.88%</b>			

Source: IHS Markit Regional eXplorer version 2142

Table 4: Number of Households - Sol Plaatje, Frances Baard, Northern Cape and National Total, 2010-2020

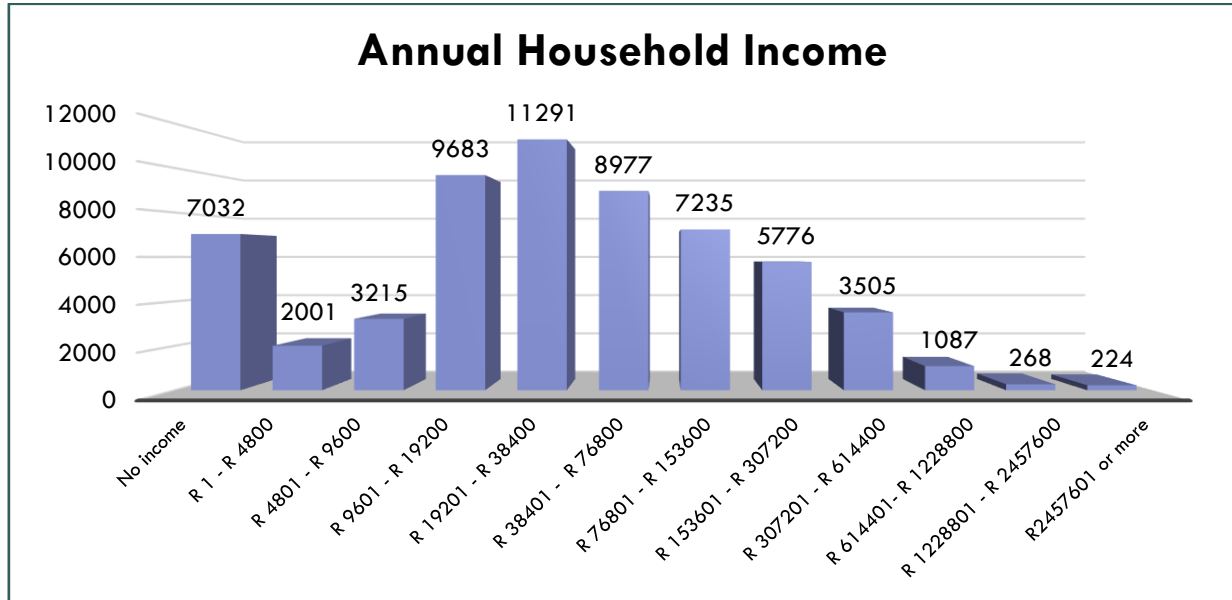


Graph 2: Number of Households by Population Group - Sol Plaatje Local Municipality, 2020

## CHAPTER 1: MUNICIPAL OVERVIEW

### ANNUAL HOUSEHOLD INCOME

The graph below indicates the annual household income as per Census 2011. The highest proportion of households earned between R19,201 – R38,400 annually.



Graph 3: Annual Household Income, 2011

### UNEMPLOYMENT LEVELS

In 2020, there were a total number of 29,900 people unemployed in Sol Plaatje, which is an increase of 2,580 from 27,400 in 2010. The total number of unemployed people within Sol Plaatje constitutes 67.63% of the total number of unemployed people in the Frances Baard District Municipality. The Sol Plaatje Local Municipality experienced an average annual increase of 0.91% in the number of unemployed people, which is worse than that of the Frances Baard District Municipality which had an average annual increase in unemployment of 0.73%.

Year	Sol Plaatje	Frances Baard	Northern Cape	National Total	% Of District Municipality	% Of Province	% Of National
	No				%		
2010	27 300	41 100	105 000	4 490 000	66.5	26.0	0.61
2011	28 800	43 300	110 000	4 590 000	66.4	26.1	0.63
2012	30 500	46 000	117 000	4 710 000	66.4	26.1	0.65
2013	32 200	48 500	126 000	4 870 000	66.3	25.5	0.66
2014	34 900	52 300	135 000	5 070 000	66.8	25.9	0.69
2015	37 000	54 800	140 000	5 320 000	67.5	26.5	0.70
2016	37 100	54 700	141 000	5 700 000	67.8	26.4	0.65
2017	36 200	53 300	139 000	6 020 000	67.9	26.0	0.60

## CHAPTER 1: MUNICIPAL OVERVIEW

Year	Sol Plaatje	Frances Baard	Northern Cape	National Total	% Of District Municipality	% Of Province	% Of National
	No				%		
2018	34 100	50 200	134 000	6 130 000	67.9	25.4	0.56
2019	32 700	48 100	132 000	6 480 000	67.9	24.7	0.50
2020	29 900	44 200	129 000	6 660 000	67.6	23.1	0.45
Average Annual growth							
2010-2020	0.91%	0.73%	2.11%	4.01%			

Source: IHS Markit Regional eXplorer version 2142

Table 5: Unemployment (Official Definition) - Sol Plaatje, Frances Baard, Northern Cape and National Total, 2010-2020

In 2020, the unemployment rate in Sol Plaatje Local Municipality (based on the official definition of unemployment) was 27.05%, which is a decrease of -4.5 percentage points as indicated in the table below. The unemployment rate in Sol Plaatje Local Municipality is lower than that of Frances Baard. Compared to the Northern Cape Province it can be seen that the unemployment rate for Sol Plaatje Local Municipality was lower than that of Northern Cape which was 27.60%. The unemployment rate for South Africa was 29.93% in 2020, which is an increase of -5 percentage points from 24.93% in 2010.

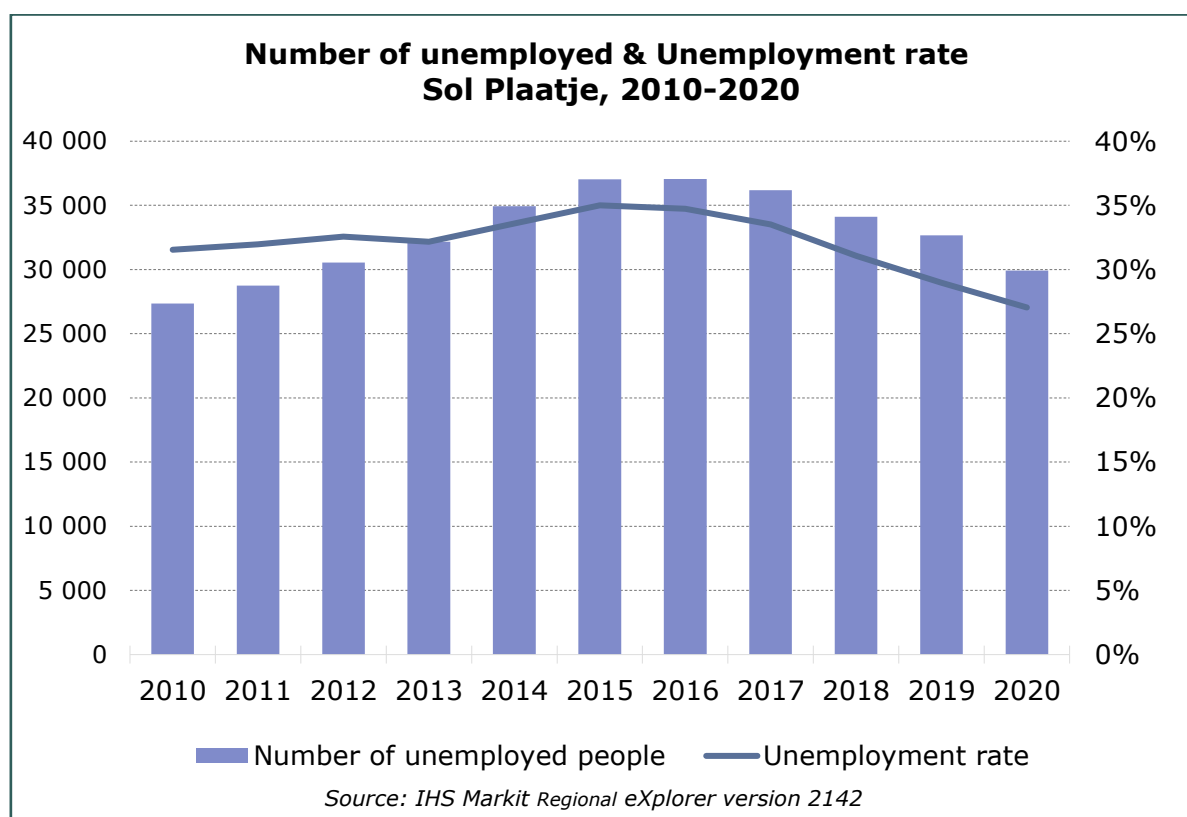
Year	Sol Plaatje	Frances Baard	Northern Cape	National Total
2010	31.5%	33.4%	27.7%	24.9%
2011	32.0%	34.1%	28.1%	25.1%
2012	32.6%	34.7%	28.4%	25.1%
2013	32.2%	34.5%	29.0%	25.2%
2014	33.6%	35.7%	29.7%	25.2%
2015	35.0%	36.8%	30.1%	25.5%
2016	34.7%	36.4%	30.0%	26.4%
2017	33.5%	35.1%	29.4%	27.2%
2018	31.1%	32.7%	28.1%	27.4%
2019	29.0%	30.5%	27.3%	28.4%
2020	27.0%	28.7%	27.6%	29.9%

Source: IHS Markit Regional eXplorer version 2142

Table 6: Unemployment Rate (Official Definition) - Sol Plaatje, Frances Baard, Northern Cape and National Total, 2010-2020



## CHAPTER 1: MUNICIPAL OVERVIEW



Graph 4: Unemployment and Unemployment Rate

### EDUCATION LEVELS

The table below indicates the highest level of education: Age 15+. The number of people without any schooling in Sol Plaatje Local Municipality accounts for 42.23% of the number of people without schooling in the district municipality, 12.56% of the province and 0.39% of the national. In 2020, the number of people in Sol Plaatje Local Municipality with a matric only was 65,900 which is a share of 73.77% of the district municipality's total number of people that have obtained a matric. The number of people with a matric and a Postgrad degree constitutes 85.91% of the district municipality, 35.99% of the province and 0.47% of the national.

Period	Sol Plaatje	Frances Baard	Northern Cape	National Total	% Of District Municipality	% Of Province	% Of National
	No				%		
No schooling	7 110	16 800	56 600	1 810 000	42.2	12.6	0.39
Grade 0-2	1 580	3 280	11 600	551 000	48.1	13.6	0.29
Grade 3-6	14 200	26 700	93 700	2 900 000	53.1	15.1	0.49
Grade 7-9	34 600	52 400	187 000	6 020 000	66.1	18.5	0.58
Grade 10-11	49 400	70 200	205 000	9 480 000	70.3	24.1	0.52
Certificate/diploma without matric	978	1 200	3 580	197 000	81.5	27.3	0.50

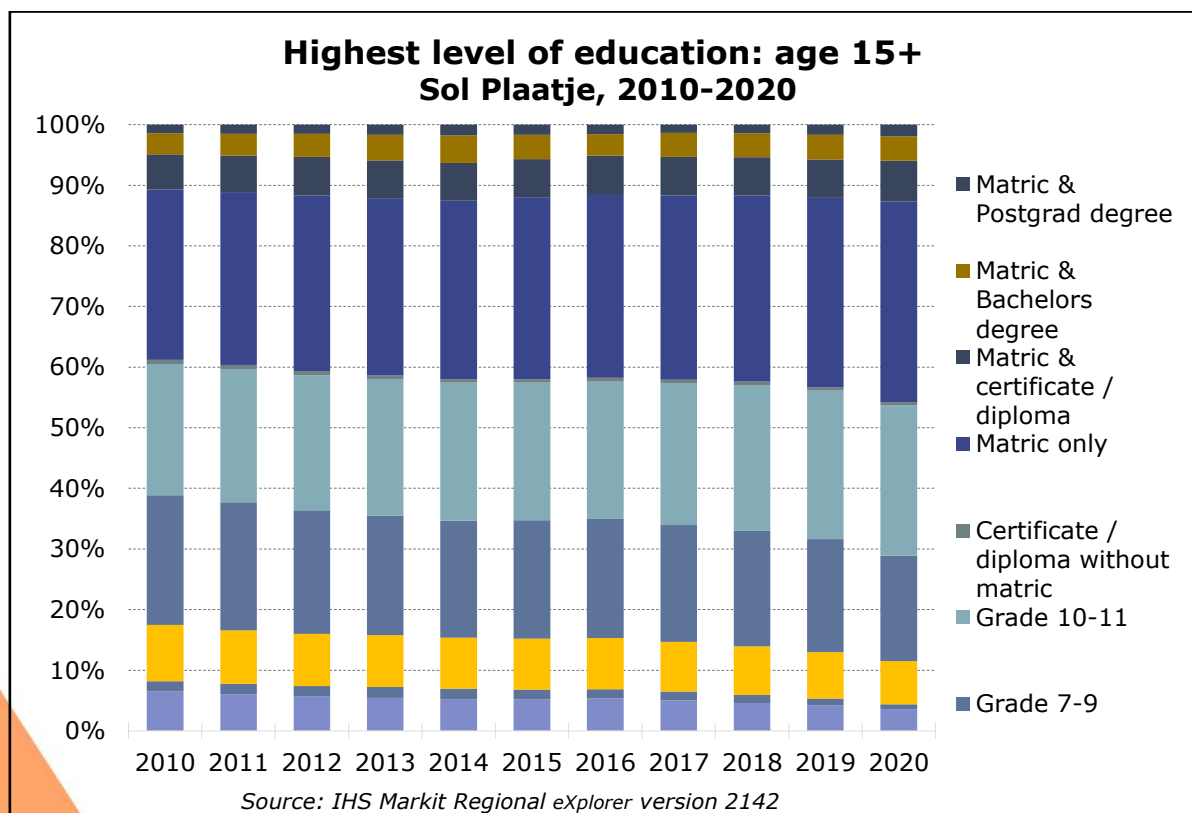
## CHAPTER 1: MUNICIPAL OVERVIEW

Period	Sol Plaatje	Frances Baard	Northern Cape	National Total	% Of District Municipality	% Of Province	% Of National
	No				%		
Matric only	65 900	89 300	246 000	12 100 000	73.8	26.8	0.55
Matric certificate/ diploma	13 300	16 100	46 500	2 570 000	82.5	28.6	0.52
Matric bachelor's degree	8 010	9 320	22 200	1 720 000	85.9	36.0	0.47
Matric Postgrad degree	3 890	4 590	9 830	848 000	84.7	39.5	0.46

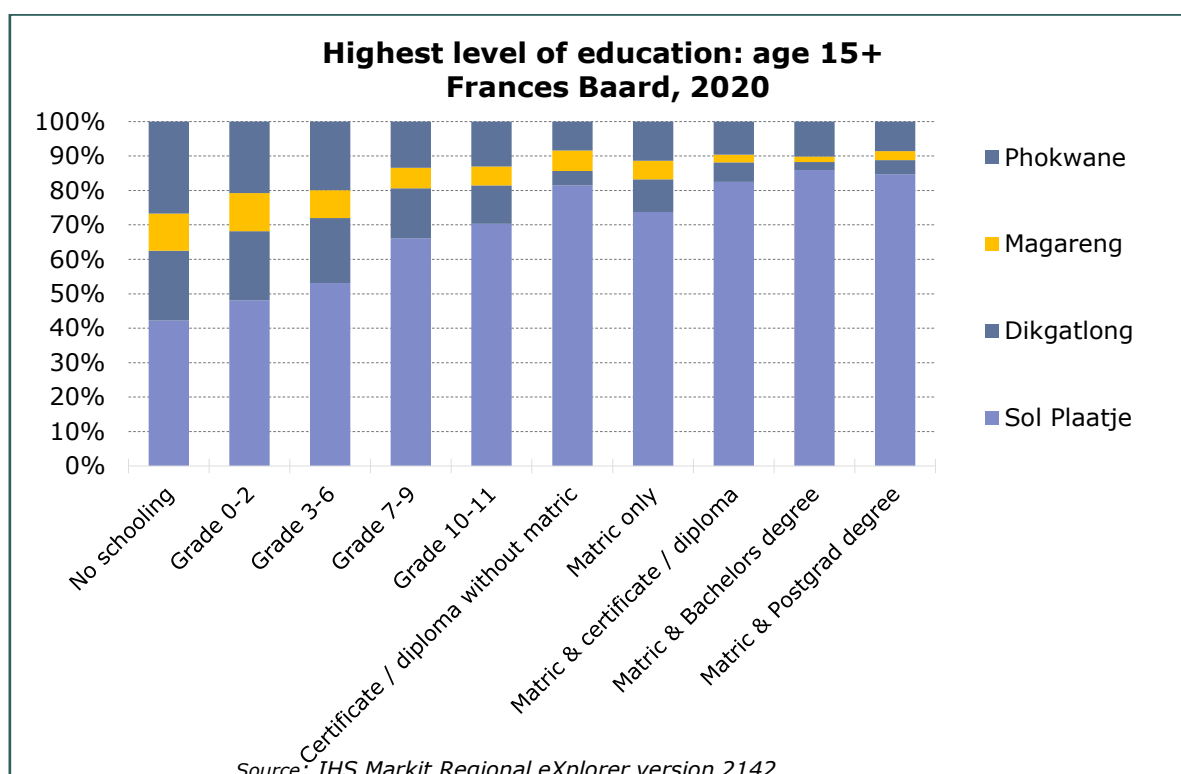
Source: IHS Markit Regional eExplorer version 2142

Table 7: Highest Level of Education: Age 15+

Within Sol Plaatje Local Municipality, the number of people without any schooling decreased from 2010 to 2020 with an average annual rate of -3.08%, while the number of people within the 'matric only' category, increased from 42,100 to 65,900. The number of people with 'matric and a certificate/diploma' increased with an average annual rate of 4.38%, with the number of people with a 'matric and a Bachelor's degree' increasing with an average annual rate of 4.42%. Overall improvement in the level of education is visible with an increase in the number of people with 'matric' or higher education.



Graph 5: Highest Level of Education: Age 15



Graph 6: Highest Level of Education: Age 15, Sol Plaatje, Dikgatlong, Magareng and Phokwane 2020

## 1.2.3 Economy

As per Census 2011, the economic activities consist of retailers and industries, as well as mining and farming. Agricultural land is mostly used for game, sheep and cattle farming, and cash crops such as lucerne, grapes, cotton and soybeans. Mining is still an integral part of the economy. Main Economic Sectors: Community services (33%), Finance (24%), Trade (14%), Mining (8%).

The Sol Plaatje Local Municipality does not function in isolation from Frances Baard, Northern Cape Province, South Africa and the world and now, more than ever, it is crucial to have reliable information on its economy for effective planning. Information is needed that will empower the municipality to plan and implement policies that will encourage the social development and economic growth of the people and industries in the municipality respectively.

The table below indicates the Gross Domestic Product (GDP) for Sol Plaatje, Frances Baard, Northern Cape and National from 2010 to 2020. The Sol Plaatje Local Municipality contributes 27.63% to the GDP of Northern Cape Province and 0.56% to the GDP of South Africa which had a total GDP of R4.97 trillion in 2020 (as measured in nominal or current prices). It's contribution to the national economy stayed similar in importance from 2010 when it contributed 0.58% to South Africa, but it is lower than the peak of 0.60% in 2014.

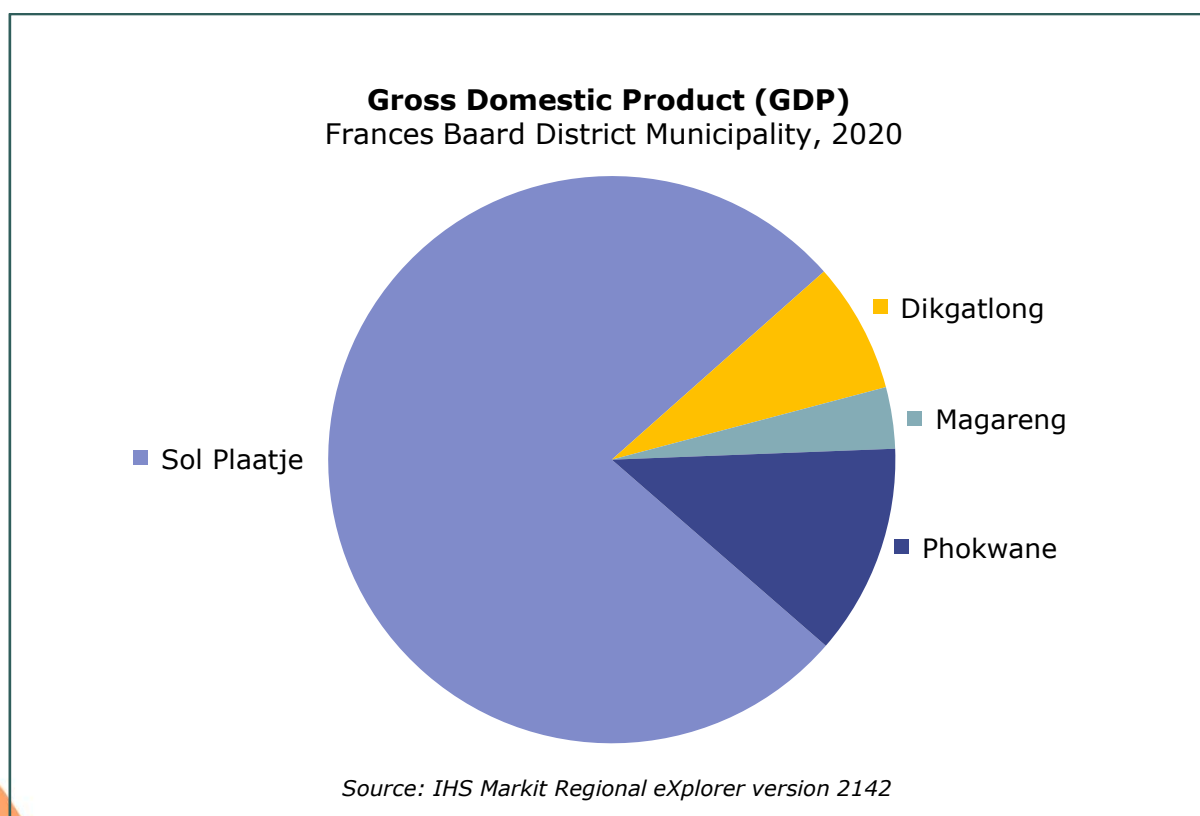
## CHAPTER 1: MUNICIPAL OVERVIEW



Period	Sol Plaatje	Frances Baard	Northern Cape	National Total	% Of District Municipality	% Of Province	% Of National
	No				%		
2010	15.9	20.7	60.1	2,748.0	76.8	26.5	0.58
2011	17.1	22.2	64.0	3,023.7	77.1	26.7	0.57
2012	18.4	23.8	68.2	3,253.9	77.2	26.9	0.56
2013	19.7	25.5	72.5	3,540.0	77.1	27.1	0.56
2014	23.0	29.8	83.5	3,805.3	77.2	27.5	0.60
2015	24.0	31.0	86.2	4,049.9	77.3	27.8	0.59
2016	25.3	32.7	90.4	4,359.1	77.2	28.0	0.58
2017	26.8	34.7	96.5	4,653.6	77.2	27.8	0.58
2018	28.0	36.2	100.1	4,873.9	77.2	27.9	0.57
2019	28.9	37.4	103.4	5,077.6	77.2	27.9	0.57
2020	27.8	36.1	100.7	4,973.0	77.1	27.6	0.56

Source: IHS Markit Regional eXplorer version 2142

Table 8: Gross Domestic Product (GDP) - Sol Plaatje, Frances Baard, Northern Cape and National Total, 2010-2020



Graph 7: Gross Domestic Product (GDP) Frances Baard District Municipality, 2020

The Sol Plaatje Local Municipality had a total GDP of R27.8 billion and in terms of total contribution towards Frances Baard District Municipality the Sol Plaatje Local Municipality ranked highest relative to all the regional economies to



## CHAPTER 1: MUNICIPAL OVERVIEW

total Frances Baard District Municipality GDP. This ranking in terms of size compared to other regions of Sol Plaatje remained the same since 2010. In terms of its share, it was in 2020 (77.1%) slightly larger compared to what it was in 2010 (76.8%). For the period 2010 to 2020, the average annual growth rate of 0.6% of Sol Plaatje was the third relative to its peers in terms of growth in constant 2010 prices.

District	2020 (Current prices)	Share of district municipality	2010 (Constant prices)	2020 (Constant prices)	Average Annual growth
Sol Plaatje	27.83	77.07%	15.94	16.89	0.58%
Dikgatlong	2.68	7.43%	1.73	1.85	0.63%
Magareng	1.26	3.50%	0.73	0.74	0.14%
Phokwane	4.34	12.01%	2.32	2.59	1.12%

Source: IHS Markit Regional eXplorer version 2142

Table 9: Gross Domestic Product (GDP) - Regions within Frances Baard District Municipality, 2010 to 2020, Share and Growth

### 1.3 SERVICE DELIVERY OVERVIEW

Sol Plaatje Local Municipality performs the functions of both Water Services Authority (WSA) and Water Services Provider (WSP) in its area of jurisdiction. Thus, in terms of Section 27 of the Constitution and Section 11 of the Water Services Act, Sol Plaatje Local Municipality has an obligation to ensure progressive access to quality and reliable water services to its communities, which is their right as enshrined in the Bill of Rights and Section 3 of the Water Services Act. In terms of the Water Services Act, these services must be provided progressively, efficiently, economically, sustainably and affordable to consumers.

Kimberley is an old city that was designed as a mining town that grew with time. Infrastructure is very old, retrofitted with time and buried under other structures with no accurate “as built” information. This poses a challenge with the maintenance and upgrading of infrastructure for all basic services. The minimum requirement in terms of water provision is that all households living in informal settlements be provided with stand taps at a distance of 200m. In this regard, the municipality has ensured that all households living in informal settlements have access to communal stand taps. This service is provided freely to all households living in informal settlements.

Electrification remains a challenge due to the continuous growth of informal settlements on vacant land. Electrical infrastructure and electrification of houses cannot be installed in informal settlements prior to township establishment. Although the municipality received funding support from the Department of Energy, all these challenges are exacerbated by the availability of funding to timeously address challenges of maintenance, refurbishment, upgrading and development of new infrastructure at the same rate as demand and growth.



## CHAPTER 1: MUNICIPAL OVERVIEW

With immigration to Sol Plaatje Local Municipality due to several factors, infrastructure improvement and development interventions are chasing a moving target, and funding sources are inadequate to catch up with the demand without impacting on affordability and economic provision of services.

The table below indicates the percentage of households that have access to the minimum levels of basic services according to the Census 2011 and 2016:

Household Services	Census 2011	Census 2016
Flush toilet connected to sewerage	82.80%	87.70%
Weekly refuse removal	84.30%	82.70%
Piped water inside the dwelling	61.90%	60.20%
Electricity for lighting	84.90%	90.80%

Table 10: Access to Basic Services

The table below indicates service backlogs per service and provision by the Municipality:

Service	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	Balance	2021/22
	Service Backlogs Census 2016	Provision	Provision	Provision	Provision	Provision		Provision
New Erven Planned and Surveyed*	6 427	701	235	1 844	0	0	3 647	512
Erf connected to Water	6 061	280	0	0	842	0	4 939	0
Erf connected to Sanitation	5 438	274	0	0	842	0	4 596	0
Houses connected to Electricity	6 692	1 015	635	1 090	1055	742	2897	1 577
Houses provided with Refuse Removal	4 526	0	0	0	0	0	4 526	4 526

Table 11: Service Backlogs per Service and Provision

Although significant progress was made in eradicating backlogs in terms of access to services such as housing, water, sanitation, roads and solid waste as discussed above, various service backlogs still exist that need to be addressed. Sol Plaatje Local Municipality, like any other secondary city, is faced with the difficulty of:

- Addressing historical backlog regarding adequate access to quality basic services;
- Influx of people which increases demand for basic services in addition to normal growth demand;
- Achieving progressive development of services provided above the basic level of service, whilst trying to address aging infrastructure; and

## CHAPTER 1: MUNICIPAL OVERVIEW

- Limited resources available in terms of funding, with a high level of dependency on capital grants as per Census 2011 and Community Survey 2016 indicated below is the percentage of households having access to basic services. Connection to Sewerage and Electricity shows improvement in the level of service provided.

### 1.3.1 Electricity

Indicated in the following table is the number of households by the main type of energy source as per Census 2016.

Description	No of households by main type of energy source	Access
In-house conventional meter	9 116	12.7%
In-house pre-paid meter	56 130	78.0%
Connected to another source which household pays for	600	0.8%
Connected to another source which household is not paying for	208	0.3%
Solar home system	82	0.1%
Generator/ Battery	266	0.4%
Other	201	0.3%
No access electricity	5 335	7.4%
<b>Total</b>	<b>71 938</b>	<b>100.0%</b>

Table 11: Number of Households by Main Type of Energy Source

### 1.3.2 Water and Sanitation Services

The minimum requirement in terms of water provision is that all households living in informal settlements be provided with stand taps at 200m. The minimum standard for sanitation services is a ventilated pit latrine or ventilation improved pit latrine (VIP) or chemical toilet. In this regard, the municipality has ensured that all households living in informal settlements have access to communal stand taps, and at least a VIP or chemical toilet. This service is provided freely to all households living in informal settlements.

Indicated in the table below is the number of households by the main source of water for drinking as per Census 2016. When taking into consideration the Minimum Service Level and Above which includes Piped (tap) water inside the dwelling and Piped (tap) water inside the yard, the Minimum service level and above actually amount to 92% access to water for drinking.

Description	No of households by main source of water for drinking	Access
Piped (tap) water inside the dwelling/house	43 297	60.2%
Piped (tap) water inside the yard	22 582	31.4%



## CHAPTER 1: MUNICIPAL OVERVIEW

Description	No of households by main source of water for drinking	Access
Piped water on community stand	4 318	6.0%
Neighbour's tap	146	0.2%
Public/ communal tap	1 088	1.5%
Borehole in the yard – borehole outside the yard	160	0.2%
Rain-water tank in the yard	0.0	0.0%
Watercarrier/tanker	46	0.1%
Flowing water/stream/ river/other	303	0.4%
<b>Total</b>	<b>71 940</b>	<b>100.0%</b>

Table 12: Water and Sanitation Services

Indicated in the table below is the number of households by type of toilet facility as per the Census 2016.

Description	No of households by type of toilet facility	Access
Flush toilet connected to a public sewerage system	63 085	87.7%
Flushed toilet connected to a septic tank or conservancy tank	281	0.4%
Chemical toilet	22	0.0%
Pit latrine/toilet with a ventilation pipe	1 235	1.7%
Pit latrine/toilet without ventilation pipe	1 535	2.1%
Ecological toilet/Other	342	0.5%
Bucket toilet (collected by the municipality)	3 280	4.6%
Bucket toilet (emptied by household)	1 072	1.5%
None	1 086	1.5%
<b>Total</b>	<b>71 938</b>	<b>100.0%</b>

Table 13: Households by Type of Toilet Facility

### 1.3.3 Roads And Storm Water

Roads and stormwater management is the responsibility of Sol Plaatje Local Municipality. As such, the municipality strives to improve the provision of these services, and to maintain a high level of service in respect of access to roads and storm water, and their management and maintenance.

Although all residents have access to a road meeting a basic level of service, most streets may have challenges with regard to surface quality and effective stormwater management. This is the reason for the flagship project of upgrading streets to paved roads and improving the stormwater drainage system.

### 1.4 FINANCIAL HEALTH OVERVIEW

# CHAPTER 1: MUNICIPAL OVERVIEW



## 1.4.1 Financial Overview

The table below shows the financial overview of the municipality for the 2020/21 financial year:

Details	Original budget	Adjustment Budget	Actual	% Achieved Original budget	% Achieved Adjustment Budget
	(R'000)				
Revenue					
Grants received	398 406	366 539	359 653	90%	98%
Taxes, levies and tariffs	1 895 090	1 895 090	1 745 688	92%	92%
Other	239 981	240 255	267 477	111%	111%
Sub-total	2 533 477	2 501 884	2 372 819	94%	95%
Less Expenditure	-2 344 984	-2 421 590	-2 308 662	98%	95%
Net surplus/(deficit)	188 493	80 293	64 157	34%	80%
Note: surplus/(deficit) The surplus at year-end includes an operational deficit of R136 361 million, whilst Capital Grants amounts to R123 667 million and Public contributions & donations amounts to R76 850 million					

Table 14: Financial Overview

For the financial year ended 30 June 2022, the total operating revenue was R2 372 819 billion vs an adjusted budget of R2 501 884 billion, resulting in an actual achieved of 95% with a satisfactory variance of minus 5%. Total operational expenditure amounted to R2 302 662 billion vs an adjusted budget of R2 421 590 billion, resulting in an actual of 95%, with an satisfactory variance of minus 5%.

## 1.4.2 Operating Ratios

The key operating ratios are indicated in the following table:

Detail	2019/20	2020/21	2021/22
Employee costs as a % of total expenditure	33.74%	33.60%	33.22%
Repairs and maintenance as a % of total expenditure	7.88%	8.32%	7.66%
Bulk Purchases as a % of total expenditure	32.26%	27.71%	25.02%
Finance charges as a % of total expenditure	1.60%	3.16%	1.69%
Debtors impairment as a % of total expenditure	12.02%	11.59%	15.93%

Table 15: Operating Ratios

Employee costs as a percentage of total operating expenditure decreased from 33.60% (2020/21) to 33.22% (2021/22), it is still within the national norm of 35 to 40 percent. The non-filling of budgeted vacancies resulted in a saving of R74 million for the year under review. For the 2019/20 financial, in an attempt to reduce overtime expenditure, overtime hours were capped at 30 hours per employee amongst most units within the municipality. This control was not as

## CHAPTER 1: MUNICIPAL OVERVIEW



effective for 2021/22 financial year which was further impeded by a lack of capacity and the full implementation of the Overtime Policy which makes provision for employees to take hours off, in lieu of overtime remuneration.

Description	2019/20	2020/21	2021/22
Employee costs actual	653 808 737	726 330 899	766 906 239
Total Operational Expenditure	1 937 693 630	2 161 845 877	2 308 661 689
Employee costs as % of Operational Expenditure	33.74%	33.60%	33.22%

Table 16: Employee Costs

The bulk purchases remained relatively constant in comparison to 2020/21 and constitutes on average about 30% of the municipality's total operational expenditure.

Finance charges are below 2%, also within the norm. The municipality managed to maintain its obligations in terms of the long-term loan. Currently the municipality is not in a financial position to incur any further long-term loans.

Depicted in the table below is the year-on-year movement in the cash and cash equivalents of the Municipality. Cash and cash equivalents deteriorated by R60 297 million from 2019/20 to 2020/21. There is a significant improvement as cash and cash equivalents increased by R151 773 million from 2020/21 to 2021/22. This is as a result of a portion of the Equitable Share allocation for the year under review that the municipality was saving to build up some kind of reserve. The cost coverage ratio at year-end was just over 1 month which seriously threatens the municipality's ability to continue as a going concern in order to remain operational. This is evident by the fact that the Municipality is struggling to pay major creditors like ESKOM and the Department of Water and Sanitation.

Description	2018/19	2019/20	2020/21	2021/22
Cash and cash equivalents at year-end	74 019 286	99 306 676	39 009 634	190 782 806
Year-on-year increase (decrease)	n/a	25 287 390	60 297 042	151 773 172

Table 17: Cash and Cash Equivalents

### 1.4.3 Total Capital Expenditure

The table below indicates the total capital expenditure for the last two financial years:

Detail	2018/19	2019/20	2020/21	2021/22
	(R'000)			
Original budget	333 241	184 285	154 456	179 266
Adjustment budget	231 113	189 636	155 446	154 666
Actual	206 021	137 138	132 020	129 675
Percentage Actual vs Original Budget	62%	74%	85%	72%
Percentage Actual vs Adjustment Budget	89%	72%	85%	84%



## CHAPTER 1: MUNICIPAL OVERVIEW

Table 18: Total Capital Expenditure

During 2021/22, the capital budget was adjusted downwards from R179 266 million to R155 666 million. Spending on capital versus the adjustment budget in 2020/21 resulted in 85% spent which then decreased in 2021/22 as the spending against the adjustment budget was 84%.

### 1.5 ORGANISATIONAL DEVELOPMENT OVERVIEW

The municipality invests in the capacitation of its employees, councillors and the unemployed. Various projects are planned and executed within the restrictions of the budget. Additional sources of funds are accessed for improving knowledge and skills to ultimately improve service delivery. The Covid-19 Pandemic resulted in several training programmes being halted or restricted by the social distancing requirements and the fact that the training venues being altered for COVID isolation have seriously affected the planned training rollout. This year the training roll out improved to figures more than double than in the pandemic.

Management and Professionals received focused on the minimum competency training and training specific for their professions. The minimum competencies in June 2022 were as listed in the table below:

Position	Highest Educational Qualification	Work Related Experience	Performance Agreement Signed (where required)	Completed Required Unit standards	Requirements met	Compliant (consider budget)
Accounting Officer	√	√	√	X	3	X
CFO Municipality	√	√	√	X	3	X
Senior Manager (S56)	√	√	X	√	3	X
Senior Manager (S56)	√	√	√	X	3	X
Senior Manager (S56)	√	√	√	X	3	X
Senior Manager (S56)	√	√	√	X	3	X
Middle Manager: Finance	√	√	√	X	3	X
Middle Manager: Finance	√	√	√	X	3	X
SCM Manager	√	√	√	X	3	X
SCM Manager	X	√	√	X	2	X
SCM Manager	√	√	√	√	4	√

Table 19: Minimum Competencies in June 2022

Councillors were capacitated in various areas related to their portfolios and the new councillors underwent Induction and the accredited Integrated Councillor Induction Programme presented by SALGA.

The following table provides a breakdown of training beneficiaries as a percentage of the total per group:

## CHAPTER 1: MUNICIPAL OVERVIEW



Employment Category	Total (Percentage)		
	2019/20	2020/21	2021/22
Legislators	3.2	9.4	13.2
Directors and Corporate Managers	4.4	5.6	4.3
Professionals	4.0	6.8	4.9
Technicians and Trade Workers	8.0	10.7	9.9
Community and Personal Service Workers	7.7	7.3	4.8
Clerical and Administration Workers	19.6	16.7	16.3
Machine Operators and Drivers	5.0	5.7	2.7
Labourers	38.8	32.2	30.1
Sales and Service Workers	9.3	5.7	13.8

Table 20: Training Beneficiaries as a Percentage of the total per Group

The following table provides a breakdown of ABET attendance:

Description	Number
ABET Level 2	0
ABET Level 3	0
ABET Level 4	0

Table 21: ABET Attendance

The following table provides a summary of beneficiaries' trained data:

Description	2018/19	2019/20	2020/21	2021/22
Total number of beneficiaries	795	1 193	413	997
Black beneficiaries as % of total beneficiaries	96.1%	70.9%	91.77%	91.7%
Total number of woman beneficiaries	292	393	142	411
Women beneficiaries as % of total beneficiaries	36.73%	32.94%	34.38%	41.2%

Table 22: Beneficiaries Trained

The following information is indicative of the total number of beneficiaries receiving training:

Description	2018/19	2019/20	2020/21	2021/22
Total number of beneficiaries	795	1 193	413	997
Beneficiaries as % of the total workforce	40%	58.56%	20.92%	72.6%

Table 23: Total Number of Beneficiaries Receiving Training

The following table indicates the number of employees trained per course:



## CHAPTER 1: MUNICIPAL OVERVIEW

Employment Category	Total (Percentage)			
	2018/19	2019/20	2020/21	2021/22
ABET Level 2	0	0	0	0
ABET Level 3	3	0	0	0
ABET Level 4	2	1	1	0
Analysis and design of water systems & sewer design	5	0	2	0
Applied Mathematics	0	2	0	0
Arc GIS Pro	0	2	0	0
Aruba or ICT Training	0	6	4	0
ASDSA Global Access to Pro Dev	0	0	0	1
ASDSA Meeting Learner Expectations	0	0	0	1
ASDSA Virtual Session	0	0	0	1
AZ104TOO Azure Administration	0	0	0	2
AZ500TOO Azure Security Technologies	0	0	0	2
Backhoe Loader Novice Operator Training or TLB	0	2	6	0
Basic Computer Training	18	36	11	0
Basic Health and Safety	26	0	0	0
Basic Supervision	0	0	0	17
Bill of Rights	0	2	0	0
Boilermaker	0	0	0	5
Brush Cutter	0	0	5	12
CESA Networking	0	5	0	0
Chairing Hearings	24	0	0	0
Code (8/10/14) Drivers Licence	1	37	13	121
Confined Space Entry Accredited Training	0	0	14	0
Covid	0	0	0	1
CPMD / MEFMP/ modules	7	6	42	29
Development of Urban Environment	0	2	0	0
Diploma Pub administration	5	0	10	0
DTM Software Training /Payday	4	0	0	0
Economic Governance Winter School	0	0	0	15
Effective Report Writing, Minute Taking and Excel	31	10	0	0
Electrical Apprenticeship	0	4	3	0
Electrical Design Training	0	2	0	0
Electrical Trade	0	1	0	31



## CHAPTER 1: MUNICIPAL OVERVIEW

Employment Category	Total (Percentage)			
	2018/19	2019/20	2020/21	2021/22
Elementary Fire Fighting	17	0	0	0
Elevation of lifesavers	0	0	0	16
Employee Rights and Obligations	0	49	12	8
Energy-Efficient Public Lighting	0	4	0	0
EPWP (Plant Production)	0	20	0	0
ESRI: Analytical Methods & Topic in Advanced Spatial Analysis	0	0	0	1
ESRI: Building a Spatial Dataset Exam	0	0	0	1
ESRI: Data Consideration	0	0	0	1
ESRI: Data Consideration end of Module	0	0	0	1
ESRI: Data Manipulation	0	0	0	1
ESRI: Data Manipulation Exam	0	0	0	1
ESRI: Data Quality & Standards, Online & Data Editing & Standards	0	0	0	3
ESRI: GIS & T Ethics	0	0	0	1
ESRI: GIS Content on the WEB	0	0	0	1
ESRI: GPS & Land Surveying	0	0	0	1
ESRI: GPS & Land Surveying / Basic GPS Knowledge online	0	0	0	1
ESRI: GPS & Land Surveying Exams (Online)	0	0	0	1
ESRI: Intro to Data management Systems	0	0	0	1
ESRI: Map Design	0	0	0	1
ESRI: Physical Science for GISc (PhY5) online	0	0	0	1
ESRI: Processing Scripts using Python & Intro to Programming	0	0	0	1
Excavator Training	2	0	2	0
Financial Literacy	0	48	0	0
Firearm Legal Test	0	0	0	29
Firearm Training (Combination Manual)	0	0	15	0
Firearm Training (Level 1)	0	0	37	0
First Aid Level 1 + 2 +3	10	7	8	0
General Condition of Contracting	0	21	0	0
GIS Intro to Geo-Information Science	0	4	3	0
GIS Technician Training	0	39	0	0



## CHAPTER 1: MUNICIPAL OVERVIEW

Employment Category	Total (Percentage)			
	2018/19	2019/20	2020/21	2021/22
Group dynamics	3	0	0	0
Health and Safety Representative	0	15	0	0
Health and Safety Training for Work-Integrated Learners	0	38	0	0
HIV/Aids Training	0	30	0	0
Holishc QA CQSE	0	0	0	1
HRD Workshop	0	0	0	0
Human Resource Accredited Training	0	2	2	0
HV Regulations / HV cable fault finding	2	11	1	1
ICIP Training	0	0	0	52
Ignite – Equity	1	0	0	0
IMESA	5	7	0	0
Individual Performance Suite Ignite Advisory Services	0	0	0	2
Induction Training	356	122	0	131
Introduction to Law	5	0	0	0
Juridical Interpretation	1	0	0	0
Landfill Compactor	0	0	0	2
Leadership Development Portfolio building workshop	14	0	0	0
LGSETA District SDF Meeting	0	0	0	0
LGSETA HRD Capacity Building and Good Governance	4	0	0	0
LGSETA Research Webinar	0	0	0	0
Local Government Orientation Programme	4	0	0	0
Local Labour Forum Sub-Committee Training	0	0	0	8
Local Labour Forum Training	6	3	13	23
Management	2	15	0	0
Map Use Evaluations or other GIS-related Training	0	5	4	0
Matric (National Senior Certificate)	10	10	3	0
Middle management coaching	64	4	0	21
Minute Taking	0	2	0	0
Mobile Truck Mounted Crane Training	1	5	12	0
Motivation	0	0	10	40
MS500TOO Msecurity	0	0	0	2
Municipal Finance & Administration	0	0	0	54
Municipal Staff Regulations	0	0	0	1

## CHAPTER 1: MUNICIPAL OVERVIEW



Employment Category	Total (Percentage)			
	2018/19	2019/20	2020/21	2021/22
National Artisan Development Roadshow	0	2	0	0
National Certificate: Local Government Law and Administration Year 4	16	0	12	0
National Diploma: Local Government Law and Administration Year 3 or lower	20	32	12	0
Northern Cape Shop Steward Training	0	0	0	5
Novice Operate a Mobile Elevating Work Platform	0	0	0	4
Operate a Backhoe / Loader re-certification	0	0	0	6
Operate a Front-End Loader re-certification	0	0	0	1
Operate a Mobile Elevating Work Platform Re-Certification	0	0	0	2
Operate a Tractor re-certification	0	0	0	2
Operate Grader	4	2	3	0
Operate Tractor Mobile Work Platform	2	0	10	0
Patient Safety Training	1	0	0	0
PayDay Training Session 1: STATS SA Report	0	0	0	3
PayDay Training Session 2: HR Overview	0	0	0	2
PayDay Training Session 3: Skills Module	0	0	0	5
PayDay Training Session 4: Equity Module	0	0	0	4
Peace Officer	0	0	0	15
Performance Management	0	0	22	22
Pipe Fitter Training	0	0	0	76
Plumbers Training	14	14	0	0
Powa Master	0	2	0	0
Presentation Skills	11	0	12	0
Pro Lazer Training	0	17	0	0
Professional Client Service Delivery	8	27	47	61
Professionalised	0	2	1	0
Project Management	28	0	4	22
Protocol & Etiquette	0	0	0	14
Prov Treasury Financial Interns AGM	0	0	0	4
PSDF Meeting LGSETA Virtual	0	0	0	1
PSDF Office of The Premier Virtual	0	0	0	1
Public Management and Administration	0	2	0	0



## CHAPTER 1: MUNICIPAL OVERVIEW

Employment Category	Total (Percentage)			
	2018/19	2019/20	2020/21	2021/22
Retic Master	0	2	0	1
Road to Registration	17	1	0	1
SACPCMP	0	0	0	1
SALGA Conference	0	1	0	0
SALGA Talent Management Virtual Webinar	0	0	0	1
SANS 10142	3	0	0	0
SCM Executive Development Programme	0	0	0	4
Skills Development Training/Moderator & Assessor	2	1	4	0
Spatial Data Modules	0	2	0	0
Supervisor Training	0	25	16	0
Town Planning Law SALGA Conference	0	1	0	0
Truck Mounted Crane Re-cert	0	0	0	3
Trustee Training LARF	0	0	0	1
Virtual LGSETA SDF Workshop	0	0	0	1
Virtual Waste & Wastewater Process: Sedimentation	0	0	0	6
Vision, Mission & Batho Pele	2	34	14	13
Wadiso and Sewsan Training	0	4	0	0
Water and Waste Water (NQF 2-4; & RPL)	24	23	0	0
Webinar Dev the leader within you	0	0	0	2
Woman's Month Celebration	0	0	0	13
Women's SACPLAN Conference	0	1	0	0
Working at Heights	0	0	10	0
Workplace Communication	10	15	13	53
<b>Total</b>	<b>795</b>	<b>789</b>	<b>413</b>	<b>997</b>

Table 24: Number of Employees Trained per Course

### 1.6 AUDITOR-GENERAL REPORT

The Auditor-General of South Africa has a constitutional mandate and, as the Supreme Audit Institution (SAI) of South Africa, exists to strengthen our country's democracy by enabling oversight, accountability and governance in the public sector through auditing, thereby building public confidence. In short, the Auditor-General checks the spending of public money by looking at whether it has been used ideally and for the purposes intended. This is done by annually checking all government spending.



## CHAPTER 1: MUNICIPAL OVERVIEW

The Auditor-General's annual audit examines 3 areas:

- Fair presentation and absence of significant misstatements in financial statements.
- Reliable and credible performance information for predetermined objectives.
- Compliance with all laws and regulations governing financial matters.

There can be 5 different outcomes to an audit, once the municipality has submitted its financial statements to the Auditor-General, which can be simply defined as follows:

- **Unqualified audit without findings:** The financial statements are free from material misstatements and there are no material findings on reporting on predetermined objectives or non-compliance with legislation. This is commonly referred to as a “clean audit” outcome.
- **Unqualified audit with findings:** The financial statements contain material misstatements. Unless a clean audit outcome is expressed, findings will be raised on either reporting on predetermined objectives or non-compliance with legislation, or both of these aspects.
- **Qualified audit opinion:** The financial statements contain material misstatements in specific amounts, or there is insufficient evidence to conclude that specific amounts included in the financial statements are not materially misstated.
- **Adverse audit opinion:** The financial statements contain material misstatements that are not confined to specific amounts, or the misstatements represent a substantial portion of the financial statements.
- **Disclaimer of audit opinion:** Insufficient evidence was provided in the form of documentation on which to base an audit opinion. The lack of sufficient evidence is not confined to specific amounts or represents a substantial portion of the information contained in the financial statements.

### 1.6.1 Audited Outcomes

The table below indicates the audit outcomes for the past four years:

Year	2017/18	2018/19	2019/20	2020/21	2021/22
Status	Qualified	Qualified	Qualified	Qualified	Qualified

Table 25: Audit Outcomes

### 1.6.2 Auditor-General Report 2021/22

Audit Findings	145
The basis for qualified opinion	Property, Plant and Equipment
	Investment Property

## CHAPTER 1: MUNICIPAL OVERVIEW



	Inventory
	Service charges
	Trade Receivables from exchange transactions
	Statutory receivables from non-exchange transactions
	Revenue from exchange transactions
The emphasis of matter paragraphs	Restatement of corresponding figures
	Material losses - Water
	Material losses - Electricity

Table 26: Auditor-General Report

### 1.7 IDP, BUDGET AND PMS PROCESS

#### IDP PARTICIPATION AND ALIGNMENT

Criteria	Yes/No
Does the municipality have impact, outcome, input, and output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, and 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 with the KPIs in the strategic plan?	Yes
Do the IDP KPIs align with the Section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the Twelve Outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the four-quarter aligned reports submitted within stipulated timeframes?	Yes
* Section 26 Municipal Systems Act 2000	

Table 27: IDP Participation and Alignment

The table below is a summary of key activities that took place throughout the 2021/22 financial year in terms of the IDP, Budget and PMS process:

No.	Activity	Timeframe
1	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	July 2021
2	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting	August 2021

## CHAPTER 1: MUNICIPAL OVERVIEW



No.	Activity	Timeframe
	formats to ensure that reporting and monitoring feed seamlessly into the Annual Report process at the end of the Budget/IDP implementation period	
3	Finalise the fourth quarter Report for the previous financial year	July 2021
4	The audit committee considers draft Annual Financial Statements, performance report and draft annual report of municipality and entities (where relevant) (not the draft AR) exemption from NT due to Covid-19	August 2021
5	Municipal entities submit draft annual reports to MM	Not submitted
6	Submit the first draft year 2021/22 Annual Report to Internal Audit and Auditor-General	Not submitted
7	Auditor-General audits Annual Report including consolidated Annual Financial Statements and Performance data	Aug – Sep 2021 (Except AR)
8	Municipalities receive and start to address the Auditor-General's comments	September to November 2021
9	The mayor tables the unaudited Annual Report	Not submitted
10	The municipality submits the Annual Report including the audited annual financial statements and performance report to Auditor-General	August 2021 (except AR)
11	Annual Performance Report as submitted to Auditor-General to be provided as input to the IDP Analysis Phase	October 2021
12	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor-General's Report	Not submitted
13	The audited Annual Report is made public, and representation is invited	Not submitted
14	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input	January 2022
15	MPAC Committee assesses Annual Report	Not submitted
16	Council adopts Oversight report	Not submitted
17	MPAC report is made public	Not submitted
18	MPAC report is submitted to relevant provincial councils	Not submitted

Table 28: Key Activities Linked to the 2022/23 IDP & Budget Planning Cycle, and 2021/22 PMS Implementation Cycle

The Municipality develops a process plan for the approval of the annual report. The Annual Report assists the municipal councillors, and officials as well as residents and other stakeholders with information and progress made on service delivery.

It is important that it aligns with the Integrated Development Plan (IDP), Budget, Service Delivery and Budget Implementation Plan (SDBIP), and in-year reports as these reports should be used as decision-making tools by the municipalities.



## CHAPTER 1: MUNICIPAL OVERVIEW

---

The advantages of compiling an unaudited Annual Report in August (as per the timeframe in the above table) is that it can be used to influence the strategic objectives indicated in the IDP for the next financial year as well as the related budgetary requirements. It will further provide the Municipality with an opportunity to review the functional areas that received attention during the current financial year and take the necessary corrective actions to align the IDP and budget to other priority areas needing attention.

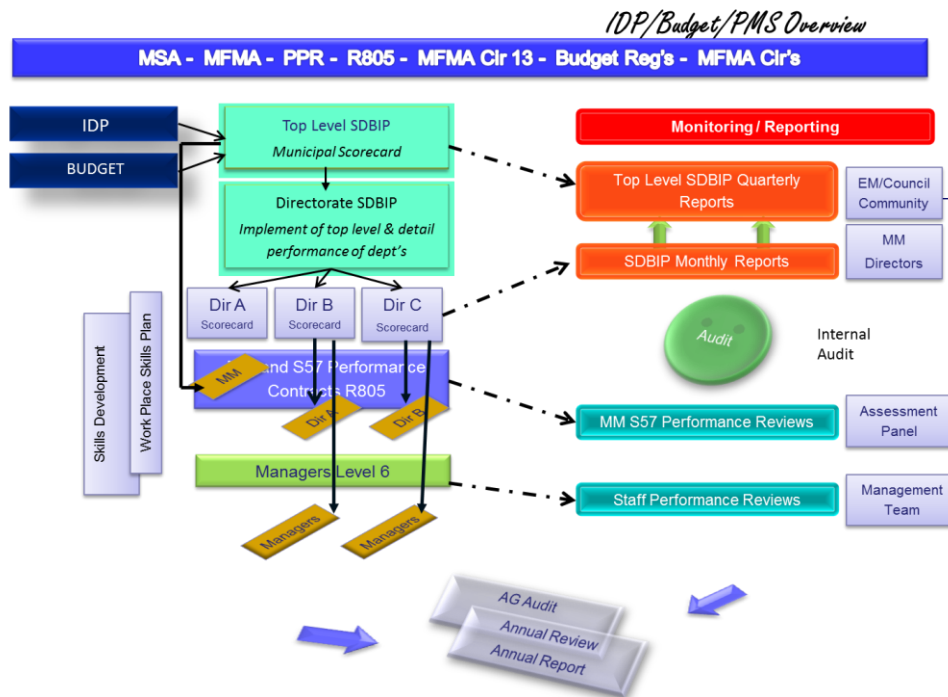
It is vital to align the IDP, Budget and Performance Management systems to ensure the achievement of the Municipality's strategic objectives. The IDP sets out the vision, objectives/goals and development plans of the Municipality. It is presented to the Council who adopts it and undertakes an annual review and assessment of performance.

The IDP informs the budget. The budget sets out the revenue-raising and expenditure plan for approval by Council. The budget informs the SDBIP which lays the basis for the performance agreements of the Municipal Manager and senior management. (The Performance Management System.)

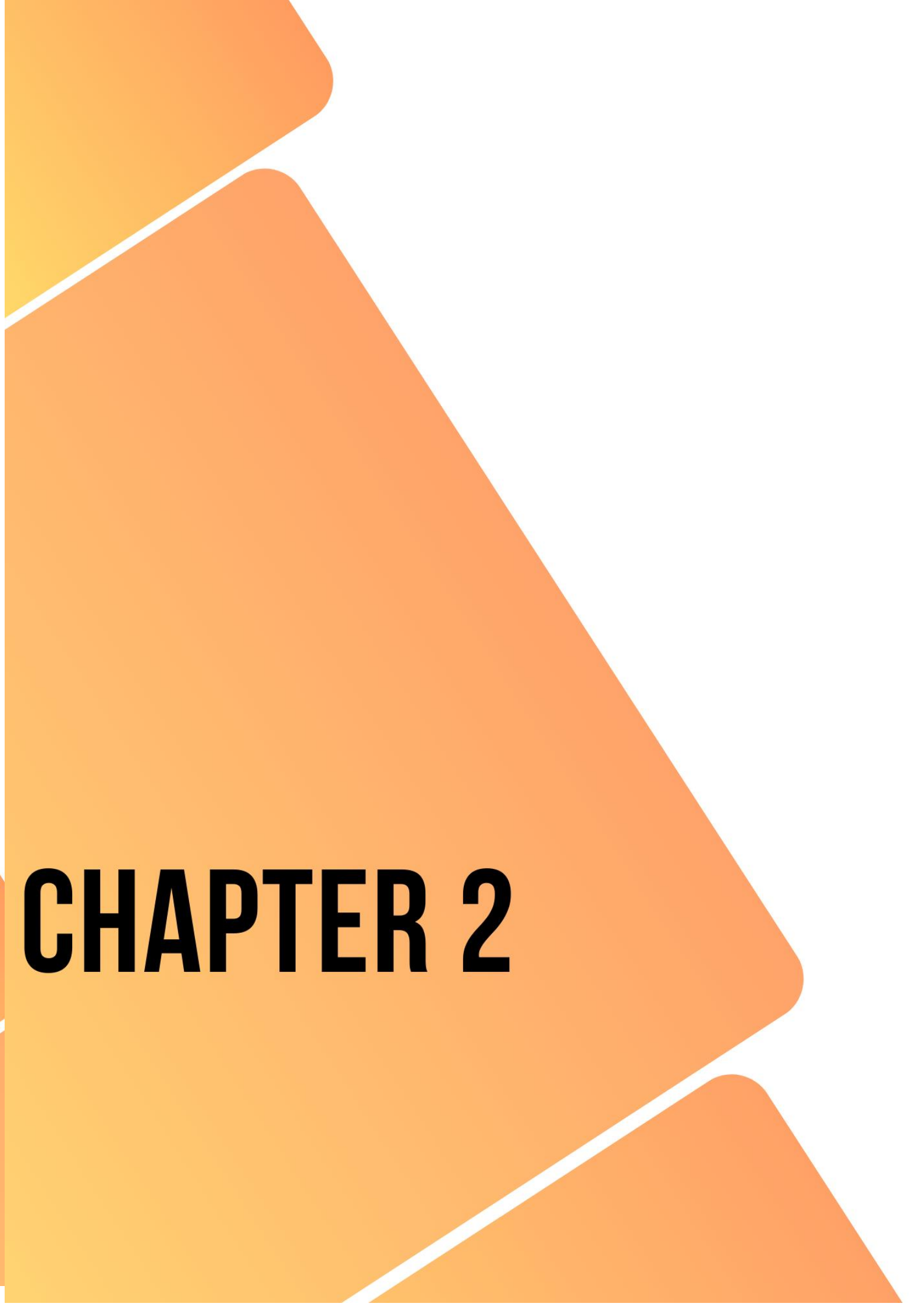
The IDP review is informed by changing policy imperatives and circumstances – described in an accompanying performance evaluation. The evidence of this is obtained from the mid-year Budget and Performance Review (documents presented to Council) in terms of Section 72 of the MFMA and in the Annual Report in terms of Section 121 (Annual financial and performance reports) tabled to Council. The Municipality must also prepare an annual performance report which must form part of the Annual Report for each financial year in accordance with the Municipal Systems Act 2000 (MSA) Section 46, and the Municipal Finance Management Act 2003 (MFMA) Section 121.

# CHAPTER 1: MUNICIPAL OVERVIEW

This process as implemented by the Sol Plaatje Municipality is indicated in the following diagram:







# CHAPTER 2



## CHAPTER 2: GOVERNANCE

### COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

Good governance comprises eight major characteristics: it is participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive and follows the rule of law. It assures that corruption is minimized, the views of minorities are considered and that the voices of the most vulnerable in society are heard in decision-making. It is also responsive to the present and future needs of society.

During the reporting period Sol Plaatje Local Municipality was governed by an executive mayoral system in order to assist with the achievement of clean audit status. Adequate provision is made in the system of delegations and sub-delegations to ensure the effective, efficient and accountable functioning of the Council, the Political Executive of Council, and the Municipal Manager as Chief Accounting Officer as well as the Executive Directors as executors of policy and service delivery. The Office of the Speaker is responsible to ensure smooth functioning of Council and its committees underpins the functioning of Council.

The governance model consists of Section 80 and 79 committees.

In terms of the Section 80 of the Municipal Structures Act, the under-mentioned committees assist the Executive Mayor in execution of duties and have no binding decision making powers. The ten members of the Mayoral Committee are the chairpersons of the Section 80 committees:

In terms of Section 79 of the Municipal Structures Act (Act No. 117 of 1998), Section 62 of the Municipal Systems Act, (Act No. 32 of 2000), and Section 66 of the Municipal Finance Management Act, (Act No. 56 of 2003), (MFMA), Council must establish the under-mentioned committees to perform certain functions that are directly accountable to Council and consists of non-executive councillors:

In terms of Section 166 of the MFMA, the Audit Committee exists within Council. The Municipal Public Accounts Committee (MPAC) adopts the responsibilities of the Oversight Committee by reviewing the Auditor-General's annual report and, on its own initiative or Council instruction investigates and advise Council of unauthorised, irregular, fruitless and/or wasteful expenditure in terms of Section 32(2) of the MFMA. The Audit Committee and MPAC work in close co-operation and MPAC reports to Council at least quarterly. The Oversight Report is published separately in accordance with MFMA guidance.

The table below indicates the committees (other than the Mayoral/Executive Committee) functioning in the municipality and their purposes:

## CHAPTER 2: GOVERNANCE



Municipal Committees	Purpose
<b>Section 80 Committees</b>	<b>The terms of reference of these committees are policy formulation and implementation monitoring within the following functional areas:</b>
Community Services	Sports, Parks and Recreation; Library and Information Services; Commonage; Social Development; Primary Health Care Services and Municipal Health Care Services
Corporate Services & Human Resources	Communication; Customer Relationship Management/Service Delivery; Employment Equity; Information Systems and Technology; Legal Services; Personnel Service; Strategic Human Resources; Strategic Support
Economic Development, Urban Renewal & Tourism Committee	Economic Development; Local Tourism; Urban Renewal; Markets; Street Trading and Informal Trading Schemes; Advertising
Finance	Revenue; Treasury and Accounting
Human Settlement Services	New and Existing Settlements; Housing Finance, Social Housing; Housing Policy, Research Planning and Monitoring
IDP, Budget & Project Management	Development and Review of IDP, Budget and SDBIP
Inter-governmental & International Relations	Intergovernmental Projects and Programmes
Safety & Security	Emergency Services; Law Enforcement; Traffic Management; Motor Registration and Licensing Services
Transport, Roads & Storm water	Transport Planning; Infrastructure Planning, Development and Maintenance
Utility Services	Electricity Infrastructure Planning, Development and Maintenance; Water And Sanitation Infrastructure Planning, Development And Maintenance; Solid Waste Infrastructure Planning, Development And Maintenance
<b>Section 79 Committees</b>	<b>Proposed terms of reference for section 79 committees:</b>
Disciplinary Committee	<p>To investigate and make findings on any alleged breach of the Code of Conduct and to make appropriate recommendations to the council. To investigate and make a finding on non-attendance of meetings and to impose a fine as determined by the Standard Rules of Order of the council. In terms of section 59 of the Municipal Systems Act, council delegated the following powers, functions and duties to the committee:</p> <ul style="list-style-type: none"> <li>• To co-opt advisory members who are not members of council provided that such members may not vote on any matter;</li> <li>• To instruct any councillor(s) and request official(s)/or other affected parties to appear before the committee to give evidence;</li> <li>• To appoint a legal advisor to assist the committee including obtaining internal/external legal opinions;</li> <li>• To make written representations to the MEC for local government pertaining to an appeal to the MEC by a councillor(s) who has been warned, reprimanded or fined in terms of paragraph item 14(2)(a), (b) or (d) of the Code of Conduct for councillors; and</li> <li>• In appropriate instances act in terms of section 14(2) and impose a fine in respect of contraventions in item 4 of the Code of Conduct for councillors.</li> </ul>
General Appeals Committee	Consider appeals from any person affected by the exercise of delegated power by a structure or person to whom such power is delegated.
Municipal Public Accounts Committee (MPAC)	The terms of reference of these committees are to review the Auditor-General's Annual Report and when instructed by the council or on its own initiative, to investigate and advise council in respect of unauthorised, irregular or fruitless and wasteful expenditure in terms of section 32(2) of the MFMA.
Rules Committee	Rules of Order; Attendance of Meetings; Delegation Register.
Spatial Planning, Environment and Land Use Management Committee (SPELUM)	Spatial Development Framework (SDF); Land Use Management Scheme (LUMS); Land Use Applications; Building Plans; Immoveable Property; Environmental and Heritage Authorisations and Development and Appeals.

## CHAPTER 2: GOVERNANCE



Municipal Committees	Purpose
Ward Participatory Committee	<ul style="list-style-type: none"> <li>To oversee the establishment and coordination of ward committees</li> <li>To determine administrative arrangements to enable ward committees to execute duties and exercise powers</li> <li>To recommend to council in terms of dissolution of ward committees</li> <li>To determine roles and responsibilities of ward committees. To facilitate enabling environment for ward committees to function optimally (training, stipends)</li> </ul>
<b>Other Committees</b>	
Audit	<p>A committee of the council typically charged with oversight of financial reporting and disclosure. Their responsibilities are to advise the municipal council, political office bearers, the accounting officer and the management staff of the municipality on matters relating to:</p> <ul style="list-style-type: none"> <li>internal financial control and internal audits; risk management; accounting policies;</li> <li>the adequacy, reliability and accuracy of financial reporting and information;</li> <li>review the annual financial statements to provide the council of the municipality with an authoritative and credible view of the financial position of the municipality; and</li> <li>respond to council on any issues raised by the Auditor-General in the audit report.</li> </ul>
Performance Audit Committee	<p>A committee of the council typically charged with oversight responsibilities relating to the performance management and achievement of pre-determined objectives. Their responsibilities are to advise the municipal council, political office bearers, the accounting officer and the management staff of the municipality on matters relating to:</p> <ul style="list-style-type: none"> <li>internal financial control and internal audits;</li> <li>effective governance; the adequacy,</li> <li>reliability and accuracy of financial reporting and information;</li> <li>performance management;</li> <li>performance evaluation; and</li> <li>respond to council on any issues raised by the Auditor-General in the audit report.</li> </ul>
Section 57 Appointments Committee	<p>In terms of section 54A of the LG: Municipal Systems Amendment Act, 2011 (Act No 7 of 2011) the section is aimed at regulating the appointment of municipal managers (MMs) and acting municipal managers and has introduced a new approach in terms of recruitment of MMs and section 56 managers. Municipalities must ensure that the Provincial Departments of Co-operative Governance, Treasury, SALGA and Development Bank of SA (DBSA) form part of the shortlisting and interview panels for MMs and managers reporting to the MM.</p>

Table 29: Municipal Committees and Purposes

### 2.1 POLITICAL GOVERNANCE STRUCTURE

The Council performs both legislative and executive functions. It focuses on legislative, oversight and participatory roles and has delegated its executive function to the Executive Mayor and the Mayoral Committee. Its primary role is to debate issues publicly and to facilitate political debate and discussion. Apart from their functions as policymakers, councillors are also actively involved in community work and the various social programmes in the municipal area.

Description	Number
Total number of councillors	65
Ward councillors	33
Proportional councillors	32

Table 30: Political Governance Structure



## CHAPTER 2: GOVERNANCE

### 2.1.1 Council

The table below categorises the councillors within their specific political parties and wards for the 2021/22 financial year:

Councillors, Committees Allocated and Council Attendance					
Council Members	Full-time/Part-time (FT/PT)	Committees Allocated (Only the Chairperson will be stipulated, if no stipulation, the Cllr is listed as a member of the various committees)	Ward and/or Party Represented	Council Meetings Attended	Apologies / Absent
				%	
Mabilo SP (Mayor)	FT	<ul style="list-style-type: none"> <li>Mayco: Chairperson</li> <li>OCM</li> <li>General Appeals: Chairperson</li> <li>Municipal Advisory: Chairperson</li> </ul>	ANC	86	14
Koopman I (Speaker)	FT	<ul style="list-style-type: none"> <li>OCM</li> <li>Ward Participatory: Chairperson</li> <li>Disciplinary: Chairperson</li> <li>Ad Hoc Nelson Mandela:</li> </ul>	ANC	100	00
Keetile WM (Whip)	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>Finance</li> <li>Rules</li> <li>Municipal Advisory Committee</li> </ul>	ANC Ward 15	86	14
Badenhorst EL	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>Community Services</li> <li>Disciplinary</li> </ul>	DA	43	57
Banda F	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>Safety and Security</li> <li>Utility Trading Services</li> </ul>	ANC Ward 32	100	0
Beylefeld MJ	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>Spelum</li> <li>Disciplinary</li> </ul>	DA	86	14
Bishop PD	PT	<ul style="list-style-type: none"> <li>OCM</li> </ul>	ANC	86	14
Bogo AN	FT	<ul style="list-style-type: none"> <li>Mayco</li> <li>OCM</li> <li>Corporate Services &amp; Human Resources: Chairperson</li> <li>Disciplinary</li> </ul>	ANC	100	0
Britz S	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>Human Settlement Services</li> </ul>	ANC Ward 16	86	14

## CHAPTER 2: GOVERNANCE



Councillors, Committees Allocated and Council Attendance					
Council Members	Full-time/Part-time (FT/PT)	Committees Allocated (Only the Chairperson will be stipulated, if no stipulation, the Cllr is listed as a member of the various committees)	Ward and/or Party Represented	Council Meetings Attended	Apologies / Absent
				%	
Chinkuli DS	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>General Appeals</li> </ul>	ANC	71	29
Diphahe JG	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>Inter-Governmental, International Relations &amp; Customer Services</li> <li>Transport, Roads &amp; Storm Water</li> </ul>	ANC Ward 7	71	29
Farland LK	PT	<ul style="list-style-type: none"> <li>Mayco</li> <li>OCM</li> <li>Community Services - Chairperson</li> <li>Ad Hoc Nelson Mandela</li> </ul>	ANC	100	0
Fourie OC	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>Utility Trading Services</li> </ul>	DA Ward 25	57	43
Francis BP	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>Rules</li> </ul>	DA Ward 1	86	14
Gomba JT	PT	<ul style="list-style-type: none"> <li>Mayco</li> <li>OCM</li> <li>Utility Trading Services - Chairperson</li> </ul>	ANC Ward 10	86	14
Griqua SH	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>Finance</li> <li>IDP, Budget &amp; PM</li> </ul>	ANC	86	14
Hammer N	PT	<ul style="list-style-type: none"> <li>OCM</li> </ul>	IND Ward 27	100	0
Jaffer CB	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>Corporate Services</li> <li>Transport, Roads &amp; Storm Water</li> </ul>	DA	61	39
Japhta H	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>Human Settlement Services</li> <li>Spelum</li> </ul>	DA Ward 28	43	57
Joseph G	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>Finance</li> <li>Utility Trading Services</li> </ul>	DA	57	43
Keme BJ	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>Safety &amp; Security</li> <li>Spelum</li> <li>Disciplinary</li> </ul>	ANC Ward 31	71	29

## CHAPTER 2: GOVERNANCE



Councillors, Committees Allocated and Council Attendance					
Council Members	Full-time/Part-time (FT/PT)	Committees Allocated (Only the Chairperson will be stipulated, if no stipulation, the Cllr is listed as a member of the various committees)	Ward and/or Party Represented	Council Meetings Attended	Apologies / Absent
				%	
Kika SN	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>Inter-Governmental, International Relations &amp; Customer Services</li> </ul>	DA	86	14
Kock GP	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>Ward Participatory</li> <li>Rules</li> </ul>	ANC Ward 30	71	29
Kok PK	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>Human Settlement Services</li> </ul>	EFF	57	43
Kruger F	PT	<ul style="list-style-type: none"> <li>Mayco</li> <li>OCM</li> <li>Inter-Governmental, International Relations &amp; Customer Services: Chairperson</li> </ul>	ANC	57	43
Lekoma IA	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>General Appeals</li> <li>Transport, Roads &amp; Storm Water</li> </ul>	ANC Ward 19	72	28
Lewis CB	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>Inter-Governmental, International Relations &amp; Customer Services</li> </ul>	DA Ward 3	29	71
Liebenberg CR	PT	<ul style="list-style-type: none"> <li>OCM</li> </ul>	COPE	72	28
Louw M	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>Corporate Services &amp; Human Resources</li> <li>General Appeals</li> </ul>	DA	29	71
Maditse ND	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>Community Services</li> <li>Human Settlement Services</li> </ul>	DA Ward 22	72	28
Makhamba BJ	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>MPAC (Chairperson)</li> <li>Rules</li> <li>Ad Hoc Nelson Mandela</li> </ul>	ANC Ward 26	100	0
Matika ET	FT	<ul style="list-style-type: none"> <li>OCM</li> <li>Inter-Governmental, International Relations &amp; Customer Services</li> </ul>	ANC	72	28



## CHAPTER 2: GOVERNANCE



Councillors, Committees Allocated and Council Attendance					
Council Members	Full-time/Part-time (FT/PT)	Committees Allocated (Only the Chairperson will be stipulated, if no stipulation, the Cllr is listed as a member of the various committees)	Ward and/or Party Represented	Council Meetings Attended	Apologies / Absent
				%	
Matshediso OE	FT	<ul style="list-style-type: none"> <li>Mayco</li> <li>OCM</li> <li>Finance: Chairperson</li> <li>Ad Hoc Nelson Mandela</li> </ul>	ANC	100	0
Meintjies M	FT	<ul style="list-style-type: none"> <li>Mayco</li> <li>OCM</li> <li>Transport, Roads &amp; Storm Water: Chairperson</li> </ul>	ANC	100	0
Miller HB	PT	<ul style="list-style-type: none"> <li>OCM</li> </ul>	EFF	86	14
Mocwagole LL	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>MPAC</li> <li>Economic Development, Urban Renewal &amp; Tourism</li> </ul>	ANC Ward 12	86	14
Mohamed L	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>Safety &amp; Security</li> </ul>	DA Ward 2	29	71
Mohapi PM	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>Spelum - Chairperson</li> </ul>	ANC Ward 5	86	14
Mojakwe IM	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>Community Services</li> <li>Utility Trading Services</li> </ul>	ANC Ward 11	86	14
Molatudi MK	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>MPAC</li> <li>Spelum</li> </ul>	ANC Ward 13	72	28
Morwe RT	FT	<ul style="list-style-type: none"> <li>Mayco</li> <li>OCM</li> <li>Human Settlement Services</li> <li>Chairperson</li> <li>General Appeals</li> </ul>	ANC	43	57
Moshweu MM	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>Finance</li> <li>Inter-Governmental, International Relations &amp; Customer Services</li> </ul>	ANC	86	14
Mothelesi FK	PT	<ul style="list-style-type: none"> <li>OCM</li> </ul>	EFF	72	28
Mpanza TH	PT	<ul style="list-style-type: none"> <li>OCM</li> </ul>	ANC Ward 4	43	57

## CHAPTER 2: GOVERNANCE



Councillors, Committees Allocated and Council Attendance					
Council Members	Full-time/Part-time (FT/PT)	Committees Allocated (Only the Chairperson will be stipulated, if no stipulation, the Cllr is listed as a member of the various committees)	Ward and/or Party Represented	Council Meetings Attended	Apologies / Absent
				%	
Ngoma TC	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>Human Settlement Services</li> <li>IDP Budget &amp; PM</li> <li>Disciplinary</li> <li>Municipal Advisory Committee</li> <li>Ad Hoc Nelson Mandela</li> </ul>	ANC Ward 8	29	71
Niemann E	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>Safety &amp; Security</li> </ul>	DA	86	14
Ndelaphi J	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>Economic Development, Urban Renewal &amp; Tourism</li> </ul>	ANC	86	14
Pearce C	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>Transport, Roads &amp; Storm Water</li> </ul>	DA Ward 20	43	57
Petoro GI	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>MPAC</li> <li>Spelum</li> </ul>	ANC Ward 17	29	71
Phillipus G	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>Community Services</li> <li>IDP Budget &amp; PM</li> </ul>	ANC	86	14
Phiri KC	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>Finance</li> <li>Ward Participatory</li> <li>General Appeals</li> <li>Municipal Advisory</li> </ul>	DA	86	14
Pholoholo IM	PT	<ul style="list-style-type: none"> <li>OCM</li> </ul>	EFF	29	71
Pieterse LHS	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>IDP, Budget &amp; PM</li> <li>MPAC</li> </ul>	DA Ward 14	57	43
Plaatjie OB	FT	<ul style="list-style-type: none"> <li>Mayco</li> <li>OCM</li> <li>Safety &amp; Security: Chairperson</li> </ul>	ANC	72	28

## CHAPTER 2: GOVERNANCE



Councillors, Committees Allocated and Council Attendance					
Council Members	Full-time/Part-time (FT/PT)	Committees Allocated (Only the Chairperson will be stipulated, if no stipulation, the Cllr is listed as a member of the various committees)	Ward and/or Party Represented	Council Meetings Attended	Apologies / Absent
				%	
Sebegu KM	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>Community Services</li> <li>Safety &amp; Security</li> <li>Ward Participatory</li> <li>Municipal Advisory</li> </ul>	ANC Ward 33	14	86
Setlholo DT	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>Corporate Services &amp; Human Resources</li> <li>Utility Trading Services</li> <li>Ward Participatory</li> <li>Municipal Advisory</li> </ul>	ANC Ward 6	86	14
Shushu LN	PT	<ul style="list-style-type: none"> <li>Mayco</li> <li>OCM</li> <li>IDP Budget &amp; PM: Chairperson</li> <li>Ad Hoc Nelson Mandela</li> </ul>	ANC	100	0
Springbok B	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>Corporate Services &amp; Human Resources</li> <li>Rules: Chairperson</li> </ul>	ANC Ward 29	43	57
Steyn SM	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>Economic Development, Urban Renewal &amp; Tourism</li> <li>IDP, Budget &amp; PM</li> </ul>	DA Ward 24	57	43
Swazi DM	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>Corporation Services &amp; Human Resources</li> <li>Transport, Roads &amp; Storm Water</li> </ul>	Ward 9	57	43
Thulo FL	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>Municipal Advisory</li> </ul>	EFF	86	14
Van den Berg HJ	PT	<ul style="list-style-type: none"> <li>OCM</li> </ul>	VF+	100	0
Van Rooyen WA	PT	<ul style="list-style-type: none"> <li>OCM</li> <li>Economic Development, Urban Renewal &amp; Tourism</li> <li>Ward Participatory</li> </ul>	DA Ward 21	86	14

## CHAPTER 2: GOVERNANCE

Councillors, Committees Allocated and Council Attendance					
Council Members	Full-time/Part-time (FT/PT)	Committees Allocated (Only the Chairperson will be stipulated, if no stipulation, the Cllr is listed as a member of the various committees)	Ward and/or Party Represented	Council Meetings Attended	Apologies / Absent
				%	
Van Wyk PR	PT	<ul style="list-style-type: none"> <li>• Mayco</li> <li>• OCM</li> <li>• Economic Development, Urban Renewal &amp; Tourism</li> </ul>	ANC Ward 18	100	0
Vorster PJ	PT	<ul style="list-style-type: none"> <li>• OCM</li> <li>• MPAC</li> <li>• Municipal Advisory</li> </ul>	DA Ward 23	86	14

Table 31: Council 2021/22

### 2.1.2 Disclosure of Financial Interests

This disclosure of interest is to ensure that councillors adhere to the statutory requirements to avoid conflict of interest.

Paragraph 6 of Schedule 7 (Code of Conduct for Councillors) of the Municipal Structures Act [Act 117 of 1998] as amended in term of Act 3 of 2021 on 1 June 2021 determines that a councillor must –

- “a) disclose to the municipal council, or to any committee of which that councillor is a member, any direct or indirect personal or private business interest that the councillor, or any spouse, partner or business associate of that councillor may have in any matter before the council or the committee; and*
- b) withdraw from the proceedings of the council or committee when that matter is considered by the council or committee unless the council or committee decides that the councillor’s direct or indirect interest in the matter is trivial or irrelevant.”*

Paragraph 8 of Schedule 7 determines that the following financial interests have to be disclosed by a councillor within 60 days of his/her appointment/election:

- Shares and securities in any company
- membership in any close corporation
- interest in any trust
- directorships
- partnerships
- other financial interests in any business undertaking



## CHAPTER 2: GOVERNANCE

- employment and remuneration
- interest in the property
- pension
- subsidies, grants and sponsorships by any organisation

Any change in the nature or detail of the financial interests of any councillor or official must be declared in writing to the municipal manager or to the chairperson of the municipal council annually. The municipal council must determine which of the financial interests referred to in the abovementioned list must be made public, having regard to the need for confidentiality and the public interest for disclosure.

### 2.2 ADMINISTRATIVE GOVERNANCE STRUCTURE

By law the Municipal Manager is the head of administration, as well as the Accounting Officer. The Municipal Manager has extensive statutory and delegated powers and duties, as well as powers and duties that can be inferred from such statutory and delegated powers and duties.

- The Municipal Manager is, amongst others, responsible for:
  - for the formation and development of an economical, effective, efficient and accountable administration;
  - to ensure that the municipal “machine” operates efficiently, that the organisational structure can perform the various tasks and exercise the necessary controls;
  - to fulfill a leadership role in the administration; this is of utmost importance to influence the actions of staff and to inspire and persuade them to work together to realise the municipality’s goals;
  - for the implementation of the municipality’s IDP, and the monitoring of progress with implementation of the plan; and
  - for the financial responsibilities as accounting officer as determined by the MFMA.

The Municipal Manager is the chief adviser of the Municipality and must advise the political structures and political office-bearers of the municipality. The Municipal Manager must see to the execution of the decisions of the political structures and political office-bearers of the Municipality.

The Municipal Manager must facilitate participation by the local community in the affairs of the Municipality and must also develop and maintain a system whereby community satisfaction with municipal services is assessed.

He is assisted by his Executive Management Team (EMT) as indicated in the table below:

## CHAPTER 2: GOVERNANCE



Name of official	Position	Performance agreement signed
		(Yes/No)
Boy Dhlwayo	Municipal Manager	Yes
Nomonde Tyabashe-Kesiamang	Executive Director: Strategy, Economic Development and Planning	Yes
Kooitse Ruth Sebolecewe	Executive Director: Corporate Services	Yes
Khuza Bogacwi	Executive Director: Community and Social Development Services	Yes
Kenneth Samolapo	(Acting) Chief Financial Officer	N/A
Sabelo Mkhize	(Acting) Executive Director: Infrastructure and Services	N/A

Table 32: Administrative Governance Structure

## COMPONENT B: INTER GOVERNMENTAL RELATIONS

### 2.3 INTER GOVERNMENTAL RELATIONS (IGR)

#### 2.3.1 National Inter Governmental Structures

Sol Plaatje Municipality is a non-delegated municipality and reports monthly and quarterly to National Treasury. During the year, there are various meetings attended with National Treasury and in the main, the following engagements are highlighted:

- National Treasury's mid-term visits to the municipality
- Budget Benchmark Exercise – review of the budget prior to the approval by Council
- Financial Statements Compliance Checklist – for GRAP compliance

Some municipal officials serve in the Institute of Municipal Finance Officers at the National level, thus giving the municipality an early awareness of new developments in the accounting and reporting framework.

#### 2.3.2 Provincial Inter Governmental Structure

The municipality is a full-time member of the Provincial Inter Governmental Relations Committee that is chaired by the Premier of the Province, and it sits on a quarterly basis. There are various other meetings where the municipality is being represented such as SALGAs Working Committees of Finance, Local Economic Development, etc.

#### 2.3.3 Provincial and District Structure

The District Intergovernmental Forum is a legislative structure constituted to ensure that the three spheres of government operate smoothly. The District Technical IGR, therefore, was put together to render technical support to the political IGR. The technical committee's responsibility is to plan for the District IGR. The committee addresses issues that sector departments and municipalities are confronted with.



## CHAPTER 2: GOVERNANCE

These issues will then form the Agenda of the District IGR and may be submitted further to the Provincial IGR.

Service delivery by individual municipalities as well as the municipalities on the district level enjoy the advantages of regular contact between professional peers, a sense of coordination and aid in problem solving. Regular communication and planned meetings enhance cooperation on local government level as well as different spheres of government.

### 2.3.4 District Intergovernmental Structures

The District Intergovernmental Forum is a legislative structure constituted to ensure that the three spheres of government operate smoothly.

The District Technical IGR, therefore, was put together to render technical support to the political IGR. The technical committee's responsibility is to plan for the District IGR.

The committee addresses issues that sector departments and municipalities are confronted with. These issues will then form the agenda of the District IGR and may be submitted further to the Provincial IGR.

The District IDP Committee consisting of the four local municipalities and the district municipality meets on a quarterly basis to co-ordinate IDP related issues within the district. When required provincial sector departments are also invited for their specific input.

Service delivery, in this case by an individual, as well as the municipalities on the district level, enjoy the advantages of regular contact between professional peers, a sense of coordination and aid in problem solving. Regular communication and planned meetings enhance cooperation on local government level as well as different spheres of government.

## COMPONENT C: PUBLIC ACCOUNTABILITY

MSA Section 15(b) requires a municipality to establish and organise its administration to facilitate a culture of accountability amongst its staff. Section 16(i) states that a municipality must develop a system of municipal governance that complements formal representative governance with a system of participatory governance. Section 18(i)(d) requires a municipality to supply its community with information concerning municipal governance, management and development.

Such participation is required in terms of:

- the preparation, implementation and review of the IDP;
- establishment, implementation and review of the performance management system;



## CHAPTER 2: GOVERNANCE

- monitoring and review of the performance, including the outcomes and impact of such performance; and
- preparation of the municipal budget.

In line with the requirements of the Municipal Systems Act and Municipal Finance Management Act, the municipality had adopted various platforms for public participation such as ward meetings, Imbizos, the IDP Representative Forum and even through Facebook. The success of public participation is dependent on the activeness of the ward councillors and committees on the ground as well as the municipal communication and public relations team.

On a monthly basis, it is expected that ward councillors call meetings with the intention to communicate the work of the council through the committees established. It is in these meetings where budget and IDP implementation is reported, service delivery challenges as experienced by the communities are noted and forwarded to members of the Mayoral Committee for intervention.

The office of the Executive Mayor and that of the Speaker work in collaboration to ensure that public participation is effective and encourage participation and involvement of the community in the business of the municipality.

### 2.4 PUBLIC MEETINGS

Feedback is given directly to the community members during public meetings. The table below provides detail of the public meetings that took place during the year under review:

Nature and purpose of meeting	Date of Meeting	Venue of Meeting	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending
Public Participation	29 March 2022	Roodepan Swedish Hall	3	2	135
Public Participation	29 March 2022	Roodepan Primary School	2	2	124
Public Participation	29 March 2022	Homelite Swedish Hall	3	2	115
Public Participation	29 March 2022	Old Age Home	2	1	96
Public Participation	29 March 2022	Percival Jas Hall	3	2	147
Public Participation	29 March 2022	Thebeya Kgomoiso Thutlo Street	1	1	136
Public Participation	30 March 2022	Old ST Pauls	2	2	86

## CHAPTER 2: GOVERNANCE



Nature and purpose of meeting	Date of Meeting	Venue of Meeting	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending
Public Participation	30 March 2022	Housing Support Center	3	2	184
Public Participation	30 March 2022	DR EP Lekhela High School	2	1	51
Public Participation	30 March 2022	Molehabangwe Primary School	2	1	111
Public Participation	30 March 2022	Isago Primary School	2	1	44
Public Participation	30 March 2022	Recreation Hall	2	1	65
Public Participation	06 April 2022	Recreation Hall	1	2	73
Public Participation	07 April 2022	Floors High School	3	2	44
Public Participation	31 March 2022	Vuyolwethu High School	1	2	104
Public Participation	12 April 2022	Victory Celebration Church	1	2	121
Public Participation	31 March 2022	Helen Joseph Center	1	2	82
Public Participation	31 March 2022	Housing Support Center	2	2	130
Public Participation	05 April 2022	Housing Support Center	1	2	35
Public Participation	05 April 2022	Greenpoint High School	3	2	91
Public Participation	06 April 2022	Kimberley Junior	1	1	17
Public Participation	07 April 2022	Clubhouse Homing Society	1	1	08
Public Participation	06 April 2022	Du Toitspan Skool	1	1	12
Public Participation	06 April 2022	Rietvale Community Hall	2	2	87
Public Participation	11 April 2022	Colville Swedish Hall	4	3	132

## CHAPTER 2: GOVERNANCE

Nature and purpose of meeting	Date of Meeting	Venue of Meeting	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending
Public Participation	07 April 2022	Pastor Moses's Church	3	2	79
Public Participation	08 June 2022	Lerato Park Open Space	1	2	103
Public Participation	07 April 2022	Lesedi Day Care	1	2	97
Public Participation	07 April 2022	Bantu Hall	4	3	143

Table 33: Public Meetings

### 2.4.1 Ward Committees

The purpose of a ward committee is:

- to get better participation from the community to inform Council decisions;
- to make sure that there is more effective communication between the Council and the community; and
- to assist the ward councillor with consultation and report-backs to the community.

Ward committees should be elected by the community they serve. A ward committee may not have more than 10 members and women should be well represented. The ward councillor serves on the ward committee and acts as the chairperson. Although ward committees have no formal powers, they advise the ward councillor who makes specific submissions directly to Council. These committees play a very important role in the development and annual revision of the IDP of the area.

The ward committee supports the ward councillor who receives reports on development, participates in development planning processes, and facilitates wider community participation. To this end, the municipality constantly strives to ensure that all ward committees function optimally with the provision of community information, convening of meetings, ward planning, service delivery, IDP formulation and performance feedback to communities.

The table below indicates the ward committee members and the capacity they are representing.

Ward	Ward Councillor	Committee Members	Committee Established (Yes/No)	Monthly Committee Meetings	Monthly Reports Submitted to Speakers Office	Quarterly Public Ward Meetings
				Number		
1	Francis BP	Carmen Abdeziet Lettie Witbooi Sarah van Heerden	Yes	4	4	2

## CHAPTER 2: GOVERNANCE

Ward	Ward Councillor	Committee Members	Committee Established (Yes/No)	Monthly Committee Meetings	Monthly Reports Submitted to Speakers Office	Quarterly Public Ward Meetings
				Number		
		Latoya Settley Bonita T Katz Deon R Katz Megan S Bosch Klaas S Katz Brenelda B Simons Felicity P Phillipus				
2	Visagie L	Andrew S Lenyora Hespter P Solomon Chatine Jantjies Nadine Bedwell Micheal Abrahams Stephen Visagie Agnes Phafodi Allisar G Hofsta Diane C Lemmetjie Lionel Pieterse	Yes	5	5	4
3	Lewis CB	Andrew van der Merwe Johanna Visagie Gloria van der Merwe Vincent C Swartz Fawzia Africa Florence Bailey Mauleen van Wyk Ursula Hendricks Daphne Olyn Mary Mabilo	Yes	7	7	4
4	Mpanza TH	Cyril Lekhwi Jabulani Mbambo Thabiso Maleyoane Paricia Matthews Thomas C Jantjies Nthabiseng Ledbane Angela Albertus Nhlanhla Sithole Jane Riet Bakang Mokgoro	Yes	n/a	n/a	n/a
5	Mohapi PM	Rebecca Leepile	Yes	n/a	n/a	2

## CHAPTER 2: GOVERNANCE

Ward	Ward Councillor	Committee Members	Committee Established (Yes/No)	Monthly Committee Meetings	Monthly Reports Submitted to Speakers Office	Quarterly Public Ward Meetings
				Number		
		Mosekimang Dikgetsi Cecil Setlogelo Jennifer Masilo Thabo Seekoei Dipuo Tshenkeng Benjamin G Sample Mcedisi R Nolitye Olebogeng Itumeleng Mirriam Jafta				
6	Setlholo DT	Kagisho G Nembe Francina Maris Thandiwe E Molose Keseneile Bella Msomi Ilse Ntombi Thahane Matha Kobona Jackson Tlhomelang Gavin Esau Mantwa A Tshoaedi Hilda V Sehularo	Yes	5	5	4
7	Diphahe JG	John Diphane Tuelo Pharasi Sipho W Matika Macdonald T Kesekile Jemima N Stemmer Motswakong C Thupane (Deceased) Fransiena Chou Abigile Gwele Goitsewang M Senye Joseph L Henyekane	Yes	2	2	3
8	Ngoma TC	Israel van der Linda Rethabile Hendricks Diah Mdebuka Eremiah Mosikare Angelina Gasetsiwe Kelebogile Phakedi	Yes	n/a	n/a	2

## CHAPTER 2: GOVERNANCE

Ward	Ward Councillor	Committee Members	Committee Established (Yes/No)	Monthly Committee Meetings	Monthly Reports Submitted to Speakers Office	Quarterly Public Ward Meetings
				Number		
		Apathea Rameriti Rachel Ndebuka Kereeditse Visagie Tshepo Nkukane				
9	Swazi D	Seiso Moroka Tshepo Sealira Patience T Mohosh Lucia Moerane Neo G Bacon Ntsikeleho Makehle Obakeng Mousi Susan M Kkolwane Katlego Tswaile Richard Galehole	Yes	5	5	4
10	Gomba JT	Malefa Diphokje Dimakatso J Modisane Thuso Jood Samson Gumbo Ronald S Modutle Keitumetse Molale Junior P Mokomela Ben M Kosegomi Moeti MJ Mpete Oduetse K Malebono	Yes	6	6	4
11	Mojakwe IM	Modingwane Tsholofelo Mpho Tawane Ntshenge Dumu Patricia Aaron Lebenkele Thamsanqa Ntombizodwa Banda Mpho Jennifer Montge Mpha Karabo Mothibi Itumeleng M Mojakwe Tsamaesi Boitshwarelo	Yes	n/a	n/a	1



## CHAPTER 2: GOVERNANCE

Ward	Ward Councillor	Committee Members	Committee Established (Yes/No)	Monthly Committee Meetings	Monthly Reports Submitted to Speakers Office	Quarterly Public Ward Meetings
				Number		
12	Mocwagole LW	David Koopman Masimo Kgatlane Lshego Kock Katie Gaborone Keitumetse Pholo Selelo A Mothelesi Seitisho Liphoko Saul Mohapi Kedibone V Mokulupi Lorraine Lester	Yes	1	1	N/A
13	Molatudi MK	Patience Aaron Mirriam Maredi Kwamongwe Moiwa Maggie Pienaar Vinolia P Jonathan Nelson Macomo Tomeletso P Khatwane Maria Mvelase Iris D Tlhalogang Babalwe Walaza	Yes	7	7	5
14	Pieterse LHS	Nicole C Mangal Andre J Pailman Beryl de Klerk Arno C Pearce Felecity R Swarts BradleyL Fritz Mark Jooste Micayla Carelse Jayd-Lynn Jood Rhoda Fawzia	Yes	3	3	N/A
15	Keetile WM	Nontiantla Hoye Lerato Sithole Kabane Mirriam Mogape Veronica Booysen Michael Molefeeugalia Mogate	Yes	1	1	3





## CHAPTER 2: GOVERNANCE

Ward	Ward Councillor	Committee Members	Committee Established (Yes/No)	Monthly Committee Meetings	Monthly Reports Submitted to Speakers Office	Quarterly Public Ward Meetings
				Number		
		Dipuo Rebecca Moilwa Lettie Mocwagole Benjamin Bosman (Deceased) Florence Faniswa				
16	Stout BJ	Joyce Ndi Licwidi BoitumeloOwen Mokgoro Guys chandler Moses B wechoemang Neo Reginald Molusi Catherine Banda Floria Jeleni Donald Tebogo Bokote Phemelo Leburu Benjamin Mangungwana	Yes	1	1	4
17	Petoro GI	Tshepang Mothelesi Obakeng Kepadia Majan Setlhodi Mosweu Moleko Bonga Tshidiso Lucia Motaung Tebogo Pharisi Leonard Jossi Kgosiemang Boitumelo Sarah Moduo	Yes	n/a	n/a	2
18	Van Wyk PR	Gerladine Phama Tau Yvonne Lesego Sei Lindiwe Mdutyona Tumiso Phoolo Maagdeline Mjoli Brandon Oliphant Ingrid Ndawande Boitumelo G Moigoda Christopher Swartz	Yes	n/a	n/a	3



## CHAPTER 2: GOVERNANCE

Ward	Ward Councillor	Committee Members	Committee Established (Yes/No)	Monthly Committee Meetings	Monthly Reports Submitted to Speakers Office	Quarterly Public Ward Meetings
				Number		
19	Lekoma IA	Reggie Thamoethata Itumeleng Lekoma Olga Moroka Flatela Mzwandile Cecilia Oliphant Marrian Seakeco Jonas Peterson Nichalas Ndayi Nontsilelelo Selatolo Dinilelizwe Geco	Yes	1	1	2
20	Pearce C	Kgalaelo Matsime Maria Matsime Phillow O Beukes Lize-Mari Niemann Sandra Stassen Chery E Valentine Hazel C Harmse Johannes H Niemann Pieter HS Stassen Jacobus P Jansen	Yes	1	1	n/a
21	Van Rooyen WA	Sureya Moti Maira Willeen Ferris Obrey Mabija Zenzisa Solomon Khumalo Johannes Baoitsiwe Chanel Bowler Leboan Lebenya Maggie Joyce Nkoane	Yes	1	1	n/a
22	Maditse ND	Graham Davids Leon Monyoba Leroy Stone Veronica January Venessa Sebusang Shaun Witbooi Ann Fisher Gertrude Appies Glynnis Mathews	Yes	2	2	1



## CHAPTER 2: GOVERNANCE

Ward	Ward Councillor	Committee Members	Committee Established (Yes/No)	Monthly Committee Meetings	Monthly Reports Submitted to Speakers Office	Quarterly Public Ward Meetings
				Number		
		Paul Stone				
23	Vorster PJ	Jan Viljoen Zacharias Blomerus RJ Gibson Magriet Louw Sune Louverdie Derick Payne Johannes Aucamp Martha de Kock Juan du Plooy	Yes	n/a	n/a	n/a
24	Steyn SM	Gertruida S van der Merwe MH van Vuuren Francis H Dippenaar JT de Kock GA Bessinger Wynand G Delpport Helena C Scheepers Johan A Scheepers	Yes	3	3	N/A
25	Fourie OC	Sandra Parkinson Irene Petersen Elona M Davis Zwelinzima Ntsabo Jacobus van der Berg Sone van der Berg Siphiwe Shadrack Makhaye Daniel Slammat Gloria Nozuko Tsiloane Ingrid Lehata	Yes	2	2	n/a
26	Makhamba BJ	Margaret D Maphalla Martha D Tembani Lydia J Lewane Cynthia Mojaki Grace M Martins Eveline Ngeezzer Georgina Seekoei Desmond Jonkers	Yes	3	3	4



## CHAPTER 2: GOVERNANCE

Ward	Ward Councillor	Committee Members	Committee Established (Yes/No)	Monthly Committee Meetings	Monthly Reports Submitted to Speakers Office	Quarterly Public Ward Meetings
				Number		
		Marthinus Botha				
27	Hammer N	Adam Kortman Lorein Mlaza Mabeta Metteheus Ursula Zeekoei Johanna Malan Bianca van Rooyen Maria Adams Bettie Afrika Driene Denster Charmaine Lawan	Yes	3	3	4
28	Japhta H	Cayleen Petersen Darien Juries Janup Meyers Winston Fredricks Chantelle Jood Shandrie Petersen Margaret van Wyk Louwtjie Doyle Jenine le Grange Peter May	Yes	n/a	n/a	n/a
29	Springbok B	Abel Raad Lorry-Ann Brandt Wilhelmina Mathabatha Michelle G Mogole Ellen Setlhabi Tshenolo Setlhabi Setlhabi Tshenolo Sadrick du Plooy Doris Koopman Ivan Damins Eva Springkaan	Yes	3	3	4
30	Kock GP	Janet Ditlhobolo Lerato Mongale Martin Bantjies Andrew Jantjies Daniel Julies Petrus Mothibi Kabelo G Segami Anneline Benjamin	Yes	3	3	5

## CHAPTER 2: GOVERNANCE

Ward	Ward Councillor	Committee Members	Committee Established (Yes/No)	Monthly Committee Meetings	Monthly Reports Submitted to Speakers Office	Quarterly Public Ward Meetings
				Number		
		Tebogo Rooibaadjie Samson Squire				
31	Keme BJ	Viola Modise Emily Andrew Mpho Seribe Kedibone M Springkaan Seadimo Toalo Davind Mohleleng Joseph Zomdo Jansen Sarah Vis Selena Omega Fortuin Moyce Molao	Yes	n/a	n/a	3
32	Banda F	Martha Mangumbu Fernando Kayundu Mate Mbangu J Tshabalala Kelebogile V Kgoakgoe Phatekile November Clifford Moremi Rainy Sophazi Goofy Jack Motsamai Molale	Yes	n/a	n/a	4
33	Sebego M	Gideon K Mapolai Unica Mosamo Lerato Mothelesi Keatlaretse E Kwanaco Vera Muller Boipelo S Moagwe Deboah Libang Clement Moenko Eunice Ditshake Portia Monase	Yes	n/a	n/a	2

Table 34: Ward Committees for 2016-2021

### 2.4.2 Capital Projects in Wards

The table below indicates the wards:

## CHAPTER 2: GOVERNANCE



Wards	Project Name and detail	Start Date	End Date	Total value
				R'000
Water				
All	Replacement of water meters	1 July 2021	30 June 2022	1 000
Sanitation/Sewerage				
1 & 30	Lerato Park Sewer Upgrade downstream	1 July 2019	To be determined	11 096
24	Construction phase for Carters Glen Sewer Pump Station with all electrical and mechanical equipment	1 July 2019	To be determined	16 043
All	Reconstruction of zinc toilets	1 July 2019	To be determined	5 000
Electricity				
24	Upgrade of Hadison Park Sub Station	1 July 2021	To be determined	1 500
30	Electrification of Lerato Park (households to be connected to electricity network)	1 July 2020	To be determined	6 500
All	Electrification of Golf Course (households to be connected to electricity network)	1 July 2019	To be determined	5 400
1	Electrification of Lethabo Park (households to be connected to electricity network)	1 July 2020	To be determined	19 820
12	Electrification of Soul City (households to be connected to electricity network)	1 July 2021	To be determined	1 280
All	Prepaid Meter Replacement Programme	1 July 2021	30 June 2022	1 000
30	Completion of Substation for Lerato Park Link Services	1 July 2019	To be determined	5 000
Stormwater				
All	Upgrading of Gravel Roads to a Paved Surface	1 July 2021	30 June 2022	10 000
All	Patching and Resealing of roads	1 July 2021	30 June 2022	11 700
All	Distribution of FB District Grant	1 July 2021	To be determined	3 500
Economic Development				
All	Planning and Surveying of erven in various wards	1 July 2020	30 June 2022	3 000
All	European Union BEAR (Business Expansion, Attraction and Retention) Project	1 July 2020	To be determined	14 400
All	Construction of Craven Street Centre using Pre-owned shipping contains for business development	1 July 2020	To be determined	5 000
Sports, Arts & Culture				
No Capital projects				0
Environment				
No Capital projects				0
Health				
No Capital projects				0
Safety and Security				
No Capital projects				0

## CHAPTER 2: GOVERNANCE



Wards	Project Name and detail	Start Date	End Date	Total value
				R'000
ICT				
All	Replacement Program: IT hardware	1 July 2021	30 June 2022	3 500
Parks and Recreation				
No Capital projects				0
Corporate Services				
No Capital projects				0
Other				
All	Fleet Replacement Programme	1 July 2021	30 June 2022	9 500
All	Replacement of Furniture and Office Equipment	1 July 2021	30 June 2022	3 000
All	Completion of the Homevale Fire Station	1 July 2019	To be determined	3 000

Table 35: Capital Projects in Wards

## COMPONENT D: CORPORATE GOVERNANCE

Corporate governance is the set of processes, practices, policies, laws and stakeholders affecting the way an institution is directed, administered or controlled. Corporate governance also includes the relationships among many stakeholders involved and the goals by which the institution is governed.

### 2.5 RISK MANAGEMENT

Risk management is a systematic and formalised process instituted by the municipality to identify, assess, manage, monitor and report risks ensuring the achievement of objectives.

In terms of Sections 62(1)(c)(i) and 95(c)(i) of the MFMA the Accounting Officer is required to ensure that the municipality has and maintains effective, efficient and transparent systems of risk management.

The main reason for risk management is that the service delivery environment and the public sector's interface with stakeholders have become far more demanding and volatile than before.

Historical ways of doing things are no longer effective as evidenced by several service delivery and general failures.

Benefits of risk management are:

- more efficient, reliable and cost-effective delivery of services;
- minimised waste and fraud; and
- more reliable decision making.





## CHAPTER 2: GOVERNANCE

---

Enterprise Risk Management (ERM) forms a critical part of any entity's strategic management. It is the process whereby an entity both methodically and intuitively addresses the risk attached to their activities with the goal of achieving a sustained benefit within each activity and across a portfolio of activities. Enterprise Risk Management is recognised as a strategic, integral part of sound organisational management and is being promoted internationally and in South Africa as good business practice applicable to the public and private sectors.

The underlying premise of enterprise risk management is that every entity exists to provide value for its stakeholders. All entities face uncertainty and the challenge for management is to determine how much uncertainty to accept as it strives to grow stakeholder value. Uncertainty presents both risk and opportunity, with the potential to erode or enhance value.

Enterprise risk management enables management to effectively deal with uncertainty and associated risk and opportunity, enhancing the capacity to build value. Value is maximised when management sets strategy and objectives to strike an optimal balance between growth and return goals and related risks, and efficiently and effectively deploys resources in pursuit of the entity's objectives.

The framework provides a basis for management to effectively deal with uncertainty of associated risk and opportunity, thereby enhancing its capacity to build value.

The following factors require consideration when integrating ERM into organisational decision-making structures:

- Strategically aligning risk management with objectives at all levels of the organisation;
- Introducing risk management components into existing strategic planning and operational practices;
- Including risk management as part of employees' performance appraisals; and
- Continuously improving control and accountability systems and processes to consider risk management and its results.

The Enterprise Risk Management Framework specifically addresses the structures, processes and standards implemented to manage risks on an enterprise-wide basis in a consistent manner. The standards further address the specific responsibilities and accountabilities for the Enterprise Risk Management process and the reporting of risks and incidences at various levels within SPM. As the field of risk management is dynamic, this policy and framework document is expected to change from time to time.

Current trends in good corporate governance have given special prominence to the process of Enterprise Risk Management, and reputable businesses needed to prove that they follow expected risk management standards. This means that SPM must ensure that the process of risk management receives special attention throughout the organisation and that all levels of management know, understand, and follow the framework document.

## CHAPTER 2: GOVERNANCE

Risk Management Activities as contemplated in the Framework are properly discharged and all Risk Management activities reported quarterly to the Risk Management and Audit Committee.

### **SOL PLAATJE MUNICIPALITY'S CURRENT KEY RISKS AS OF 30 JUNE 2022 ARE AS FOLLOWS:**

- Declining economic conditions impacting on customer affordability
- Lagged mSCOA implementation
- Sustainability of revenue generation
- Revenue loss due to significant water and electricity losses
- Reliability of customer information and data
- Audit outcome
- Information technology risk
- Inadequate (failing) water and sanitation infrastructure, roads and storm water and electricity
- Condition of water and sanitation infrastructure (conveyance and reticulation)
- Deterioration of raw water quality and rising tariffs
- Inadequate and ineffective security measures to enable effective control and physical security of works, equipment and plant
- Human resource management (Covid-19 pandemic)

SPM was able to align Actions and Projects required for mitigation of the above with the actual Capital Plan as part of the next Five Year IDP cycle but remains challenged by resources.

#### **2.5.1 Top Risks as of 30 June 2022**

- Declining economic conditions impacting on customer affordability.
- Lagged mSCOA implementation.
- Sustainability of revenue generation.
- Revenue loss due to significant water and electricity losses.
- Reliability of customer information and data.
- Audit outcome.
- Information technology risk.
- Inadequate (failing) water and sanitation infrastructure, roads and stormwater and electricity.
- Condition of water and sanitation infrastructure (conveyance and reticulation).
- Deterioration of raw water quality and rising tariffs.

#### **2.6 FRAUD PREVENTION**



## CHAPTER 2: GOVERNANCE

---

Section 83(c) of the MSA refers to the implementation of effective bidding structures to minimise the possibility of fraud and corruption and the MFMA, section 112(1) (m)(i) specifies supply chain measures to be enforced to combat fraud and corruption, favouritism and unfair and irregular practices. Section 115(1) of the MFMA states that the accounting officer must take steps to ensure mechanisms and separation of duties in a supply chain management system to minimise the likelihood of corruption and fraud.

The Sol Plaatje Local Municipality has a range of measures to prevent corruption, fraud and theft; these are in harmony with the national anti-corruption strategy. SPM reviewed and the Policy and Council adopted the Fraud Prevention Policy on 14 October 2020, together with the Fraud Prevention and Anti-Corruption Plan; the latter operationalised the broad principles contained in the policy framework. This framework essentially defines and regulates measures to address corruption, fraud and theft. This is underscored by the understanding that criminal and other irregular conduct is detrimental to good, effective, accountable and transparent governance and hampers the service delivery capacity of the Municipality.

To that end, the objective of this policy framework is to:

- Develop and foster an environment, where public representatives, the employees of the Municipality and the public shall strive to eradicate corruption, fraud and theft through the application of a full spectrum of proactive and re-active measures at their disposal
- Encourage disclosures of corrupt practices and the protection of whistle-blowers through the application of the Protected Disclosures Act (Act No. 26 of 2000)
- Encourage the reporting of irregular acts or corrupt activities through the joint utilisation of the national anti-corruption hotline
- Ensure that, where appropriate, the municipality recovers financial losses or damages incurred by using a range of legal instruments at its disposal.

Regular incidents of corruption and theft are reported to the Municipal Manager and acted upon by an internal investigative unit, who also reports such incidents to the SAPS, where appropriate.

It is common within the government sector that various whistle-blowers will approach the Office of the Public Protector and the Hawks. The municipality has dealt with various matters from these two offices, the nature of which can be summarised as follows:

- Billing related enquiries
- Service delivery related enquiries
- Budget implementation enquiries



## CHAPTER 2: GOVERNANCE

- Fraud allegation on tendering
- Dissatisfaction with the tender outcomes

All of these are handled through the Municipal Manager, the Executive Directors and other senior managers.

### 2.7 SUPPLY CHAIN MANAGEMENT (SCM)

According to Robert Handfield, Ph.D. (<https://scm.ncsu.edu/scm-articles/article/author/hand-field>)

*“Supply Chain Management (SCM) is the active management of Supply Chain activities to maximise customer value and achieve sustainable competitive advantage. It represents a conscious effort by the supply chain firms to develop and run supply chains in the most effective and efficient ways possible. Supply chain activities cover everything from product development, sourcing, production and logistics, as well as the information systems needed to coordinate these activities.”*

The goal of SCM is to meet the needs of the final consumer by supplying the right product at the right place, time and price.

The SCM Unit is a strategic key driver for service delivery and the implementation of projects within the municipality. SCM is a multi-faceted process with many stakeholders and more moving projects. The procurement of goods and services are mainly done through the SCM. The lack of proper functioning SCM impacts negatively on the municipality's performance which leads to delays in appointment of service providers and / or contractors or consultants. This none proper functioning of SCM affects the various committees such as Bid Specification Committee (BSC), Bid Evaluation Committee (BEC) and Bid Adjudication Committee (BAC) in terms of attaining decisions speedily in connection with bids. SCM is constituted by demand and specifications management, acquisition management, logistics and disposal management, risk and performance management.

SCM requires new financial procurement system to make the supply chain more efficient. SCM is currently operating manuals which complicates productivity, whilst hindering sustainability and causing supply chain problems. The lack of proper SCM systems and use of manual systems hamper operational efficiencies and effectiveness in the municipality's service delivery mandate.

In the 2021/22 financial year, SCM was advertising and evaluating tenders in line with regulation 2017 (PPPFA). However the Preferential Procurement Policy has been introduced in January 2023 and its emphasis is on specific goals as outlined in the RDP.

### 2.8 POLICIES AND BY-LAWS



## CHAPTER 2: GOVERNANCE

Section 11 of the MSA gives a Municipal Council the executive and legislative authority to pass and implement by-laws and policies.

Below is a list of all the policies developed and reviewed during the financial year:

Policies developed/revised	Date adopted	Resolution Number
Asset Management Policy	26 May 2021	C80/05/21
Budget and Virements Policy	26 May 2021	C80/05/21
Cash Management & Investment Policy	26 May 2021	C80/05/21
Customer Services Credit Control Debt Collection Policy	26 May 2021	C80/05/21
Indigent Policy	26 May 2021	C80/05/21
Internal Audit Policy	26 May 2021	C80/05/21
Property Rates Policy	26 May 2021	C80/05/21
Risk Management Policy	26 May 2021	C80/05/21
Supply Chain Management Policy	26 May 2021	C80/05/21
Tariff Policy on Property Rates	26 May 2021	C80/05/21
Tariff Policy on Electricity	26 May 2021	C80/05/21
Tariff Policy on Water	26 May 2021	C80/05/21
Tariff Policy on Sanitation	26 May 2021	C80/05/21
Tariff Policy on Refuse Removal/Solid Waste	26 May 2021	C80/05/21
Debt Write-off Policy	26 May 2021	C80/05/21
Regarding Audit Committees Policy	26 May 2021	C80/05/21
Disposal of Moveable Assets Policy	26 May 2021	C80/05/21
EFT Policy	26 May 2021	C80/05/21
Borrowing Policy	26 May 2021	C80/05/21
Irregular, Fruitless and Wasteful Expenditure Policy	26 May 2021	C80/05/21
Budget Implementation and Management Policy (Budget Policy)	26 May 2021	C80/05/21
Funding and Reserves Policy	26 May 2021	C80/05/21
Short and Long Term Borrowing Policy	26 May 2021	C80/05/21
Financial Management and Revenue Enhancement Strategy Policy	26 May 2021	C80/05/21
Policy related to Long-term Financial Planning	26 May 2021	C80/05/21
Consumer Deposit Policy	26 May 2021	C80/05/21
Free Basic Services Policy	26 May 2021	C80/05/21
Sol Plaatje Materiality and Significance Framework	26 May 2021	C80/05/21
Contracts Management Policy	26 May 2021	C80/05/21

## CHAPTER 2: GOVERNANCE



Policies developed/revised	Date adopted	Resolution Number
SSEG PV Policy	26 May 2021	C80/05/21
Bulk Infrastructure Contribution Policy	26 May 2021	C80/05/21
Water Restrictions Policy	26 May 2021	C80/05/21
Infrastructure Investment and Capital Projects Policy	26 May 2021	C80/05/21
<i>These policies were approved together with budget for the financial year 2021 to 2022. They became effective, as with the budget on the 1 July 2021</i>		

Table 36: Policies

Municipal by-laws are adopted by Council in terms of section 12 of the Local Government: Municipal Systems Act, No. 32 of 2000. In terms of Section 13 thereof, a by-law takes effect when published in the Provincial Gazette, or on a future date as determined in terms of the by-law. In compliance with the Systems Act, prior to the adoption of by-laws, the Municipality follow public participation processes, affording the public the opportunity to submit comments and/or objections to the proposed by-law, which are subsequently considered by Council. There were no by-laws reviewed for the 2021/22 financial year.

### 2.9 WEBSITE

The Municipality maintain a functional website that displays relevant information as per the requirements of Section 75 of the MFMA and Sections 21A and B of the MSA as amended.

The website serves as a mechanism to promote accountability and transparency to communities. It is a key communication mechanism in terms of service offering, information sharing and public participation. A website is a communication tool that allows easy and convenient access to relevant information and is an integral part of the Municipality's Communication Strategy.

The information and documents that were published on our website include the following:

Documents published on the Municipality's Website	Yes / No	Publishing Date
Current annual and adjustments budgets and all budget-related documents	Yes	1 June 2021; 14 November 2022
All current budget-related policies	Yes	19 July 2021
Annual report (2020/21)	No	
The Annual Report 2021/22 to be published	No	
All current performance agreements required in terms of Section 57(1)(b) of the Municipal Systems Act (2021/22) and resulting scorecards	Yes	2 August 2021 , 19 August 2021, 2 September 2021 and 1 December 2021

## CHAPTER 2: GOVERNANCE



Documents published on the Municipality's Website	Yes / No	Publishing Date
All service delivery agreements	No	No SLA's published for 2021/22 financial year
All long-term borrowing contracts	No	No long-term borrowing contracts published for 2021/22 financial year
All supply chain management contracts above R200,000 for 2021/22	Yes	Within 2 days of receipt
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of Section 14 (2) or (4) during 2021/22	No	
Contracts agreed in 2021/22 to which subsection (1) of Section 33 apply, subject to subsection (3) of that section	No	
All quarterly reports tabled in the council in terms of Section 52 (d) during 2021/22	Yes	2 September 2022

Table 37: Municipal Website: Content and Currency of Material

The Municipality has complied with the requirements of a municipal website as set out in the MFMA Section 75 especially the requirements that are supply chain, finance, and performance management related. The Municipality continuously aims to improve the content of the website to speak mainly to the needs of the community. As such, the Municipality is currently exploring different cost-effective solutions, which will bring municipal services closer to communities and will be accessible through the Municipality website.

The following table is a website checklist to indicate compliance with Section 75 of the MFMA

Documents published on the Municipal Website	Date Published
Annual Budget for 2021/22	1 June 2021
Adjustment Budget for 2021/22	14 November 2021
Annual Report 2020/21	Not published.
IDP 2021/22	28 May 2021
IDP Review (Planning) 2021/22	10 September 2020
Performance Agreements 2020/21	19 August 2020
Quarterly Reports tabled to Council	Within 2 days of receipt
Mid-Year Assessment Report	Within 2 days of receipt
SDBIP 2021/22	28 May 2021
<b>Policies</b>	
Asset Disposal Policy 013 (Revision)	10 June 2022



## CHAPTER 2: GOVERNANCE

Documents published on the Municipal Website	Date Published
Cash Management & Investment Policy revised 2013	4 April 2023
Policy on Ward Committees	6 April 2017
SLA Treasury - Infrastructure Skills Development Grant	23 February 2017
SLA Department of Health	23 February 2017
SLA Nugen	23 February 2017
SLA Department Sports, Arts & Culture	23 February 2017
SLA FBDM and SPLM (Municipal Health Services MHS)	13 September 2019

Table 38: Website Publications

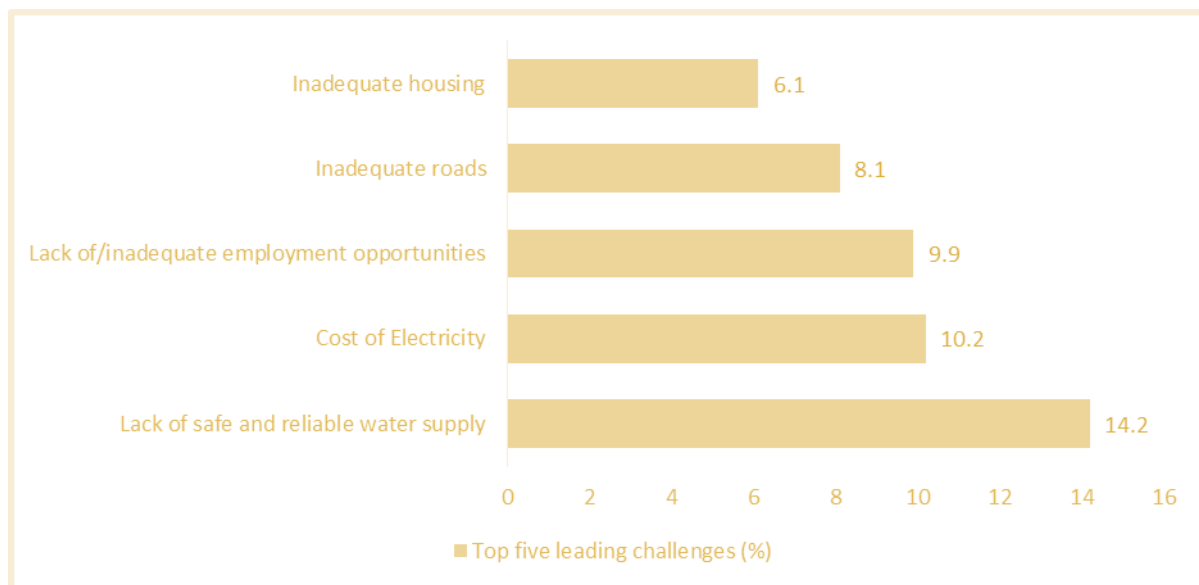
### 2.10 PUBLIC SATISFACTION WITH MUNICIPAL SERVICES

The Municipality did not conduct a public satisfaction survey on municipal services for the 2021/22 financial year. However, through public meetings held, it can be said that the public is not satisfied with the performance of the Municipality. The public's perception is growing alarmingly negative which directly affects the community's willingness to pay outstanding debt. Comments and posts on social media platforms clearly show that the overall general view is extremely negative. Improving on service delivery and handling of customer complaints or queries will go a long way in addressing this. Required for this to materialize is improved communication amongst different departments, providing timeous feedback and reducing the turnaround time to address calls logged with the Municipality.

#### 2.10.1 Perceptions on Municipal Problems and Services

As per CS 2016, indicated in the following charts are the five leading problems or challenges facing municipalities in the Northern Cape. The main challenge that has been reported by many households across the whole province is lack of safe and reliable water supply services, followed by the cost of electricity. Additionally, the lack of employment opportunities is the third biggest problem; the fourth biggest problem is inadequate roads, while inadequate housing completes the list of the top five challenges facing municipalities in the province.





Graph 8: Five Leading Problems or Challenges Facing Municipalities in the Northern Cape

### 2.10.2 Percentage distribution of households rating the overall quality of basic services – Frances Baard District only

For the Northern Cape Province, in relation to the overall quality, all other basic services were rated at an average of 55%. As per CS 2016, indicated in the chart above, the majority of households in the Frances Baard District are fairly satisfied with the overall quality of level of basic services. Electricity supply was rated with the highest satisfaction rating of 59.9%, whilst refuse removal was rated as the lowest satisfactory level at 51.6%. Water services were rated by households with lowest rating of no access at 2%, whilst refuse removal services was rated as the highest percentage of 12.3% with no access.

### 2.10.3 Comment on Satisfaction Levels

The Municipality has established a fully-fledged Call Centre to log community infrastructure queries and dispatch them to the technical teams on the ground to resolve. Consumers personally visit the Municipality for municipal account queries. Queries can also be done telephonically or via e-mail. The Municipality is also in the process of making an application (app) available to log queries and service delivery interruptions.

During the 2021/22 financial year 33 323 calls were officially logged with Edams (Call Log System). Indicated in the following table are all the services affected. It should be noted that Stores Call-out (fuel, material, tyre bay, mechanical workshop, fitter and turner) are internally reported calls amongst the different departments during working hours. After-hours callouts for the Stores are distributed by the Call Centre.

## CHAPTER 2: GOVERNANCE



Service	No of calls	Weighting per Service
Community & Social Development	8	100%
Properties and Structures	18	61.11%
Electricity Distribution	9 977	68.24%
Metering & Testing (traffic lights & geysers)	291	45.36%
Potable Water	6 162	7.88%
Prepaid Metering	2 850	71.40%
Roads & Potholes	123	5.69%
Stores Call-out (fuel, material, tyre bay, mechanical workshop, fitter and turner)	657	100%
Stormwater	30	6.66%
Waste Water	13 203	35.83%
<b>Grand Total</b>	<b>33 323</b>	<b>44.64%</b>

Table 39: Calls Logged per Service

Indicated in the following table are the top twelve complaint issues logged by the community, ranked from highest to lowest. The majority of calls were for blocked sewer systems and electricity disruptions with a weighting of 35.83% and 68.24% respectively.

Complaint issue	No of calls	Weighting per Complaint issue
Blocked Sewer	10 736	35.84%
No Electricity	7 369	75.01%
Prepaid Meter Problem	2 127	75.45%
Blocked Manhole	2 072	35.71%
Burst Pipe	1 235	19.91%
Meter is leaking	1 126	1.50%
Leaking Pipe	1 111	3.78%
Streetlight Not Working	1 184	23.73%
No Water	611	16.53%
Broken Pipe	558	5.55%
Damaged Water Service	465	4.51%
Suspected Tampering	401	80.29
<b>Grand Total</b>	<b>28 995</b>	<b>44.08%</b>

Table 40: Calls Logged per Issue

Indicated in the following table are the top four service categories, ranked from lowest to highest and the service affected with the highest volumes of calls being for waste water issues.

## CHAPTER 2: GOVERNANCE



Complaint issue	No of calls	Weighting per Complaint issue
Prepaid metering	2 850	71.40%
Potable water	6 162	7.88%
Electricity distribution	9 977	68.24%
Waste water	13 203	35.83%
<b>Grand Total</b>	<b>32 192</b>	<b>43.67%</b>

Table 41: Top Four Service Category Calls

Indicated in the following table is the status of calls per task. The status of calls is recorded on Edams. The Edams system only makes provision for statuses 1, 2, 3 and 6 and does not have status 4 and 5. It is concerning that the majority of calls resorts under task outstanding with a weighting of 55.34%, whilst tasks completed has a weighting of 44.65%.

It should be noted that the statuses may not be a true reflection of what transpired during the year, as users unfortunately do not regularly update Edams. What this means, is that calls might have been addressed but not captured on the Edams system timeously. Also, some calls might have been reported in the latter part of June 2022 and might have only been fully resolved in the new financial year.

Better internal controls should be implemented to ensure that the status of calls is regularly updated and finalised. Unfortunately, the report does not indicate the turnaround time of calls from the time they were logged and finally resolved. This can be taken up with the developers, as this has the potential to be a more accurate and realistic measurement of performance.

Status description	Status of task	Weighting per status
The task not distributed yet.	8	0.02%
Task outstanding	16 233	48.71%
Task identified but outstanding	2 202	6.60%
Task completed	14 880	44.65%
<b>Grand Total</b>	<b>33 323</b>	<b>99.98%</b>

Table 42: Status of Calls per Task

Indicated in the following table is the number of calls per status per month. The average number of calls per month was approximately 2 776 calls. The highest call volumes were experienced in August 2021 and June 2022 with a total of 3 424 and 3 184 calls respectively. It should be noted that some calls are duplicated as the community is sometimes obliged to call several times for the same complaint issue.

Month	The task not distributed yet.	Task outstanding	Task identified but outstanding	Task completed	Total
Jul-21	0	1 603	216	1 247	3 066

## CHAPTER 2: GOVERNANCE



Month	The task not distributed yet.	Task outstanding	Task identified but outstanding	Task completed	Total
Aug-21	0	1 676	197	1 551	3 424
Sep-21	0	981	174	1 477	2 632
Oct-21	0	929	186	1 778	2 893
Nov-21	0	766	184	1 625	2 575
Dec-21	0	1 393	224	1 489	3 106
Jan-22	0	1 324	171	1 586	3 081
Feb-22	0	1 757	158	807	2 722
Mar-22	0	1 647	239	1 043	2 929
Apr-22	0	626	90	359	1 075
May-22	0	1 497	179	960	2 636
Jun-22	8	2 034	184	958	3 184
<b>Grand Total</b>	<b>8</b>	<b>16 233</b>	<b>2 202</b>	<b>14 880</b>	<b>33 323</b>

Table 43: Call Status per Month

Indicated in the following table is the task status for each service. Electricity distribution, prepaid metering and waste water show the highest totals of tasks being completed. And as the majority of calls were for waste water, it is also showing the highest totals of tasks outstanding, followed by potable water and lastly, electricity distribution.

Service	The task not distributed yet	Task outstanding	Task identified but outstanding	Task completed	Total
Community & Social Development	0	0	0	8	8
Properties and Structures	0	5	2	11	18
Electricity Distribution	8	2 525	635	6 809	9 977
Metering & Testing (Traffic Lights & Geysers)	0	143	16	132	291
Potable Water	0	4 928	748	486	6 162
Prepaid Metering	1	293	521	2 035	2 850
Roads & Potholes	0	115	1	7	123
Stores, Mechanical Workshop, Fitter, and Turner	0	0	0	0	657
stormwater	0	28	0	2	30
Waste Water	0	8 194	278	4 731	13 203
<b>Grand Total</b>	<b>9</b>	<b>16233</b>	<b>2 202</b>	<b>14 880</b>	<b>33 323</b>

Table 44: Task Status







## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### CHAPTER 3: SERVICE DELIVERY PERFORMANCE

This chapter provides an overview of the key service achievements of the Municipality that came to fruition during 2021/22 in terms of the deliverables achieved compared to the key performance objectives and indicators in the Integrated Development Plan (IDP).

#### 3.1 MUNICIPAL FUNCTIONS

##### ANALYSIS OF FUNCTIONS

The municipal functional areas are as indicated below:

Municipal function	Municipal function: Yes / No
<b>Constitution Schedule 4, Part B functions:</b>	
Air pollution	Yes
Building regulations	Yes
Childcare facilities	Yes
Electricity and gas reticulation	Yes
Firefighting services	Yes
Local tourism	Yes
Municipal airports	No
Municipal planning	Yes
Municipal health services	Yes
Municipal public transport	No
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	Yes
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	No
Storm Water management systems in built-up areas	Yes
Trading regulations	Yes
Water and sanitation services are limited to potable water supply systems and domestic waste water and sewage disposal systems	Yes
<b>Constitution Schedule 5, Part B functions:</b>	
Beaches and amusement facilities	No
Billboards and the display of advertisements in public places	Yes
Cemeteries, funeral parlours and crematoria	Yes
Cleansing	Yes
Control of public nuisances	Yes

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Municipal function	Municipal function: Yes / No
Control of undertakings that sell liquor to the public	No
Facilities for the accommodation, care and burial of animals	Yes
Fencing and fences	No
Licensing of dogs	Yes
Licensing and control of undertakings that sell food to the public	Yes
Local amenities	Yes
Local sport facilities	Yes
Markets	Yes
Municipal abattoirs	No
Municipal parks and recreation	Yes
Municipal roads	Yes
Noise pollution	Yes
Pounds	Yes
Public places	Yes
Refuse removal, refuse dumps and solid waste disposal	Yes
Street trading	Yes
Street lighting	Yes
Traffic and parking	Yes

Table 45: Municipal Functions

### COMPONENT A: BASIC SERVICES

This component includes details of services provided for water, waste water (sanitation), electricity, waste management, housing services and a summary of free basic services.

To achieve the government's constitutional obligation of providing services, Sol Plaatje Municipality is delegated to provide access to basic municipal services. The Local Government: Municipal System Act (MSA), (Act No. 32 of 2000), describes a basic municipal service, as a service that is necessary to ensure an acceptable and reasonable quality of life and which if not provided, would endanger public health, safety and the environment. In order to ensure sustainable delivery of basic services, SPM should ensure that relevant policies and strategies that govern technical standards and norms are in place.

A municipality as a service authority would, in order to deliver a service, require adequate infrastructure to meet the requirements as set out in the MSA. Infrastructure is a tool to deliver municipal services. The Infrastructure Development Act (Act No. 23 of 2014) defines infrastructure as installations, structures, facilities, systems, services or





## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

processes relating to the matters specified in Schedule 1 and are part of the National Infrastructure Plan. The Act further defines public infrastructure as infrastructure owned by the state or infrastructure in relation to which a public-private partnership or a concession agreement exists.

Municipal infrastructure may be broadly defined as the capital works required to provide municipal services. This includes all activities necessary to ensure that the works are delivered effectively, such as feasibility studies, project planning and capacity building to establish sound operational arrangements for the works. These activities or projects have also considered the eradication of backlogs and provision of basic services to indigents, despite inadequate funding to address backlogs.

### 3.2 WATER PROVISION

#### 3.2.1 Introduction to Water Provision

The provision of Water services is directed, regulated and controlled by the Water Services Act (Act No. 108 of 1997) and the National Water Act (Act No. 36 of 1998). The Water Services Act primarily deals with water services provision to consumers, while the National Water Act focuses on water in its natural state.

Sol Plaatje Local Municipality is both the Water Service Provider and Water Service Authority. This means that the municipality is responsible for the planning and implementation of its strategies related to water supply services. The municipality must develop a Water Services Development Plan (WSDP) relevant to Water Services Authority requirements and furthermore defines desired and minimum level of water service for communities, which is a specific function of the Water Services Provider in its area of jurisdiction.

The WSDP describes and defines arrangements for water service provision in the municipal area, both present and future within a prescribed legislative requirement. The WSD plan has been completed and awaiting comments from the Department of Water and Sanitation. Thereafter it will be administered through municipal processes for approval by Council.

In terms of water services provision, the municipality has experienced a common trend of high water consumption. The demand exceeds supply, and this behavior has already presented serious challenges in relation to water demand. More focus should be given to water demand strategies and water supply related future proposed projects must entail elements of water demand and conservation management.

At face value the unaccountable water losses are almost double that of domestic use. Yet the domestic users are castigated for wasting water. This needs to be addressed urgently because the exercise or the formula currently used

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

to determine unaccounted water is not consistent with standards. The municipality needs to address this matter urgently because it depicts a bleak picture as far as non-revenue water is concerned.

In the financial year under review, the municipality has successfully implemented the following major projects, of which some are multi-year projects:

### Completed projects:

- Lerato Park Bulk Water Link services
- Construction of 320 toilet top structures

### Multi-year projects:

- Lerato Park bulk linking sewer services (95% complete).
- Sewer Outfall Main from Gogga and Galeshewe to Homevale WWTW (practical completion).
- Carters Ridge Sewer Outfall Project – Construction Phase
- Lerato Park – Mechanical and Electrical Project – Construction Phase
- Elevated water tanks distribution – Construction phase

### 3.2.2 Comment on Water use by Sector

Household and per capita water usage is the highest in this category, followed by industrial water use. There is no significant consumption for the agricultural sector and forestry from the municipal water system. These sectors are serviced directly by different agencies of state such as the Department of Water and Sanitation, and Water Users Associations.

Non-revenue water (NRW), which includes water losses, remains unacceptably high. The municipality has acknowledged that calculation of NRW is not consistent with International Water Association (IWA) and national norms. As such, a process of adopting a realistic calculation methodology to determine factual NRW is underway. The establishment of a special committee that monitors the performance of all activities and projects aimed at improving NRW shows significant progress. In the previous year, NRW statistics were above 50% and these figures are higher than the national norm.

Total Use of Water by Sector (cubic meters)						
Period	System Input Volume	Agriculture	Forestry	Industrial	Domestic	Unaccountable water losses
2018/19	36 466 782	0	0	4 887 417	9 393 713	21 256 425
2019/20	31 246 036	0	0	3 808 950	10 287 968	22 013 158
2020/21	35 582 867	0	0	4 670 884	9 474 668	22 777 978

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Total Use of Water by Sector (cubic meters)						
Period	System Input Volume	Agriculture	Forestry	Industrial	Domestic	Unaccountable water losses
2021/22	31 729 318	0	0	3 719 280	8 737 431	19 272 607

Table 46: Total Use of Water by Sector

Total per Customer Group			
Period	Domestic Use %	Industrial Use %	% Unaccounted Water
2018/19	26.43%	13.75%	59.81%
2019/20	28.49%	10.55%	60.96%
2020/21	25.66%	12.65%	61.69%
2021/22	27.54%	11.72%	60.74%

Table 47: Total per Customer Group

The above figures considered purified water as the System Input Volume (SIV), as per International Water Association (IWA) best practice. Volume of unbilled water consumption, apparent losses and a calculation methodology are regarded as the effective causes of high and unrealistic non-revenue water. Real losses represent a significant defect in water infrastructure such a pipe burst and leakages. The municipality has intensified the meter replacement project by prioritizing billing queries in order to improve billing data. Meter reading deficiencies also contribute significantly to these challenges.

The municipality is also struggling to improve response times when attending to water reticulation leakages due to a number of reasons. The primary reason is shortage of personnel and inability to manage maintenance crews. The municipality is aware of this challenge and interventions are in place to address this matter. Secondly, the condition (aged) of infrastructure also contributes to high water leaks in the water reticulation network. The network still comprises of old asbestos pipes. The pipe replacement project to replace aged infrastructure, was not realised successfully due to financial constraints.

### 3.2.3 Water Service Delivery Levels

Below is a table that specifies the different water service delivery levels per household for the financial years 2017/18 to 2021/22.

Description	2017/18	2018/19	2019/20	2020/21	2021/22
	Actual				
	Household				
Water: (above minimum level)					
Piped water inside dwelling	43 577	43 577	43 612	48 656	48 685

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Description	2017/18	2018/19	2019/20	2020/21	2021/22
	Actual				
	Household				
Piped water inside yard (but not in dwelling)	22 582	22 654	23 689	20 391	20 391
Using public tap (within 200m from dwelling)	n/a	4 799	3 764	2 070	2 070
Other water supply (within 200m)	n/a	365	1 292	1 240	1240
<b>Minimum service level and above sub-total</b>	<b>66 159</b>	<b>72 012</b>	<b>72 357</b>	<b>72 357</b>	<b>72 386</b>
<b>Minimum service level and above percentage</b>	<b>92.0%</b>	<b>98.5%</b>	<b>99%</b>	<b>99.6%</b>	<b>99.7%</b>
<b>Water: (below minimum level)</b>					
Using a public tap (more than 200m from dwelling)	5 272	0	0	0	0
Other water supply (more than 200m from the dwelling)	160	0	0	0	0
No water supply	349	617	223	223	223
<b>Below minimum service level sub-total</b>	<b>5 781</b>	<b>617</b>	<b>223</b>	<b>223</b>	<b>223</b>
<b>Below minimum service level percentage</b>	<b>8.0%</b>	<b>0.9%</b>	<b>0.4%</b>	<b>0.3%</b>	<b>0.3%</b>
<b>Total number of households</b>	<b>71 940</b>	<b>72 012</b>	<b>72 580</b>	<b>72 580</b>	<b>72 609</b>
<i>Total number of households including informal settlements</i>					

Table 48: Water Service Delivery Levels

### 3.2.4 Water Service Delivery Levels Below the Minimum

Description	Households				
	2017/18	2018/19	2019/20	2020/21	2021/22
	Actual				
Formal Settlements					
Total households	61 793	65 713	68 679	72 357	72 386
Households below minimum service level	5 781	617	0	223	223
Proportion of households below minimum service level	9.4%	0.9%	0%	0.3%	0.3%
Informal Settlements					
Total households	10 146	6 299	7 334	7 334	7 334
Households below the minimum service level	5 781	0	0	223	223
Proportion of households below the minimum service level	57.0%	0%	0%	0.3%	0.3%

Table 49: Water Service Delivery Levels Below the Minimum

### 3.2.5 Access to Water

Formal areas have 100% access to water services and the informal areas are henceforth defined as all areas used for human settlement while the process of formalisation is or is not proceeding. The Municipality is providing access in terms of water stand pipes as well as jojo tanks for potable water. These households put a lot of pressure on the

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

municipality because the majority of these community members are perceived to be indigent although the majority have not officially declared that status. All formalized areas are in the process of water reticulation services being installed by CoGTA implemented project that include Lethabo and Lerato Park areas.

### 3.2.6 Water Service Objectives included in the IDP

Municipal Key Performance Area: Basic and sustainable service delivery and infrastructure development

Strategic Objectives	Key Performance Indicator	2019/20		2020/21		2021/22		2022/23
		Revised Target	Actual	Revised Target	Actual	Revised Target	Actual	Target
To ensure a basic standard of living for all through the provision of basic sanitation, water, electricity and refuse delivery services	Decrease water losses to 50% by 30 June 2022	50%	62.30%	50%	61.69%	50%	64.63%	50%
To ensure management of the quality of the drinking water and waste water through compliance with the applicable legislation	To ensure through effective monitoring that a 98% Blue Drop Status on quality compliance is achieved by 30 June 2022	97%	98.78%	98%	98%	98%	98%	98%
To ensure a basic standard of living for all through the provision of basic sanitation, water, electricity and refuse delivery services	To complete the appointment of a service provider for the construction of the foundations for 2 elevated water tanks by 30 June 2022	10%	0	2	2	100%	100%	100%

Table 50: Water Service Objectives included in the IDP

### 3.2.7 Employees: Water Services

The table below indicates the number of employees for water services:

Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	Number				%
Municipal Manager and Senior Managers	0	1	0	1	100.0%
Other Managers	3	14	4	10	71.4%
Professionals	2	2	2	0	0.0%
Technicians & Trade Workers	21	35	21	14	40.0%
Clerks & Administrative Workers	2	7	4	3	42.9%

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
		Number			
					%
Community and Personal Workers	3	15	3	12	80.0%
Service and Sales Workers	0	0	0	0	0.0%
Plant & Machine Operators	19	56	23	33	58.9%
Elementary Occupations	125	196	104	92	46.9%
<b>Total</b>	<b>175</b>	<b>326</b>	<b>161</b>	<b>165</b>	<b>50.6%</b>

Table 51: Employees: Water Services

### 3.2.8 Financial Performance: Water Services

Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
<b>Total Operational Revenue</b>	286 254	328 612	328 612	307 957	-6%
<b>Expenditure:</b>					
Employees	39 796	48 594	53 594	51 850	-3%
Repairs and Maintenance	35 384	36 002	91 442	87 709	-4%
Other	238 960	212 068	110 768	111 781	1%
<b>Total Operational Expenditure</b>	314 140	296 663	255 803	251 340	-2%
<b>Net Operational Expenditure</b>	27 886	(31 948)	(72 808)	(56 618)	-22%

Table 52: Financial Performance: Water Services

### 3.2.9 Capital Expenditure: Water Services

The table below indicates the amount that was actually spent on water services projects for the 2020/21 financial year:

Capital projects	2021/22				
	Budget	Adjustment budget	Actual expenditure	Variance from original budget	Variance from adjustment budget
(R)					
Distribution-Acq-Water Meter Replacement	1 000 000	1 000 000	623 699	-38%	-38%
<b>Total all</b>	<b>1 000 000</b>	<b>1 000 000</b>	<b>623 699</b>	<b>-38%</b>	<b>-38%</b>



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Table 53: Capital Expenditure: Water Services

### 3.2.10 Comment on Water Services Performance Overall

The Sub Directorate Water and Sanitations' key objective is to primarily ensure that bulk, reticulation and supply facilities have the required capacity to meet the current and future demand. The key objective was to ensure that the requirements of bulk have been met with the construction of the new pump station in Riverton as well as the Ritchie bulk water augmentation project.

The bulk projects have met the intended objectives, however concurrent reticulation projects have not yet unfolded. Water pipe replacement projects have been implemented through the operational budget to ensure sustainable provision of water supply. Lastly, the water teams work full time to attend to burst pipes and leaking meters.

Even though the objectives have been met, there is still extensive planning that needs to be undertaken to meet the required needs such as implementing the replacement of the bulk pipelines from Riverton to Kimberley. Furthermore, refurbishment is required at Riverton purification plant as well as the refurbishment of the pump station at the Newton Reservoir complex.

### 3.3 SANITATION SERVICES

#### 3.3.1 Introduction to Sanitation Provision

Provision of waste-water services is an ongoing concern and a well-renowned challenge for the municipality due to the lack of service provision in informal areas. The ever-increasing demand for waste-water services due to the mushrooming of informal human settlements poses a serious risk and failure to implement sustainable mitigating measures will worsen the situation. Although the Corporate Governance, Human Settlement and Traditional Affairs (CoGHSTA) is the custodian of waste water provision for newly established areas (installation of sanitation reticulation to households), thus declaring it a non-core function by the municipality, overall performance of sanitation services is affected negatively by this condition. The Municipality is therefore only responsible for providing bulk sanitation services to newly formalized informal settlements limited to bulk sewer pipelines and pump stations.

The completion of Homevale WWTW has affirmed the sustainability of sanitation bulk services in the municipality. Currently, there is no doubt about the treatment capacity of raw sewerage in the municipality. Though this project has signified great improvement in terms of sanitation services, challenges relating to sewer collector system or reticulation and services of informal areas remains a huge challenge. Vandalism, theft and misuse of infrastructure remain a challenge and are the core challenges that must be addressed when improved service delivery standards are targeted. The municipality has effectively started addressing sanitation provision to informal areas this year. Provision

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

of basic sanitation to informal areas will improve significantly in the years to come because a lot of time and resources to plan for this objective were spent in the current year.

### 3.3.2 Sanitation Service Delivery Levels

The table below specifies the different sanitation service delivery levels per household for the financial years 2017/18 to 2021/22.

Description	2017/18	2018/19	2019/20	2020/21	2021/22
	Actual				
	Household				
Sanitation/sewerage: (above minimum level)					
Flush toilet (connected to sewerage)	63 359	63 431	64 466	64 623	64 644
Flush toilet (with septic tank)	1 816	1 816	1 816	1 816	1816
Chemical toilet	22	2 886	3 431	3 750	3760
Pit toilet (ventilated)	1 235	1 235	1 235	1 235	1235
Other toilet provisions (below minimum service level)	342	342	342	342	321
Minimum service level and above sub-total	66 774	69 710	71 290	71 766	71 776
Minimum service level and above percentage	92.8%	96.8%	98.2%	98.8%	98,9%
Sanitation/sewerage: (below minimum level)					
Bucket toilet	4 352	820	453	453	453
Other toilet provisions (below minimum service level)	0	0	0	0	0
No toilet provisions	812	1 482	837	361	361
Below minimum service level sub-total	5 164	2 302	1 290	814	814
Below minimum service level percentage	7.2%	3.2%	1.8%	1.2%	1.1%
Total number of households	71 938	72 012	72 580	72 580	72 590
Total number of households including informal settlements					

Table 54: Sanitation Service Delivery Levels

The provision of sanitation services by means of buckets/pails is no longer considered as an acceptable level of service by the sector department (DWS). By implementing a chemical toilet system, the municipality has improved access to this service by gradually reducing bucket sanitation services with minimum acceptable forms of sanitation (chemical toilets).

### 3.3.3 Sanitation Service Delivery Levels Below the Minimum

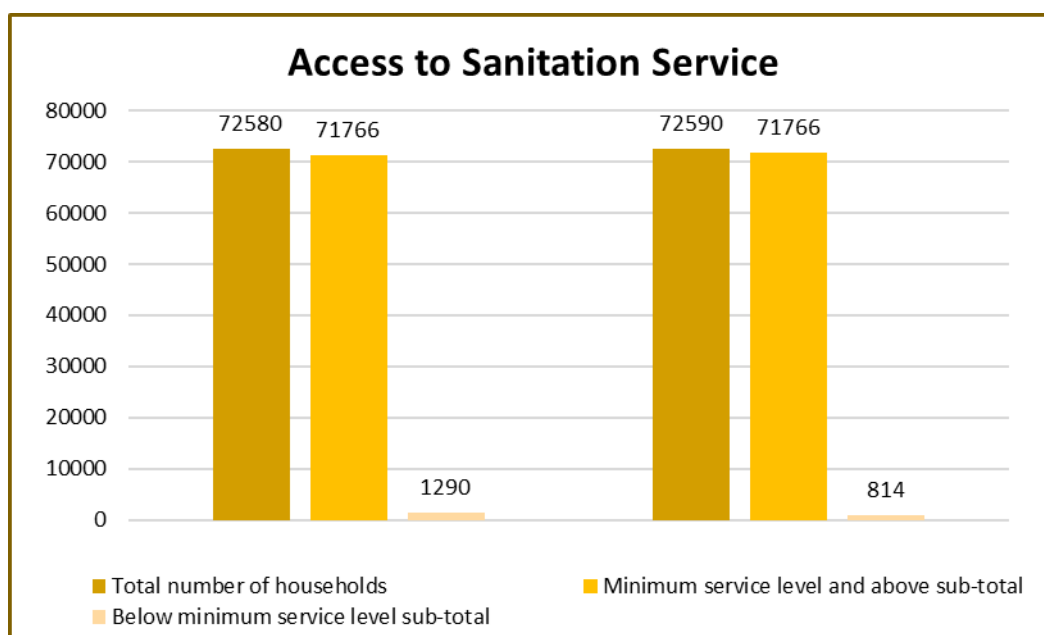


## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Description	Households				
	2017/18	2018/19	2019/20	2020/21	2021/22
	Actual				
Formal Settlements					
Total households	61 793	65 713	71 290	71 766	71 766
Households below minimum service level	5 164	617	1 290	814	814
Proportion of households below the minimum service level	8.4%	0.93%	1.8%	1.2%	1.1%
Informal Settlements					
Total households	10 146	6 299	3 973	814	814
Households below minimum service level	5 164	2 302	1 290	814	814
Proportion of households below the minimum service level	50.9%	36.5%	1.8%	1.2%	1.1 %

Table 55: Sanitation Service Delivery Levels Below the Minimum

### 3.3.4 Access to Sanitation



Graph 9: Access to Sanitation Services

### 3.3.5 Sanitation Service Objectives included in the IDP

Municipal Key Performance Area: Basic and sustainable service delivery and infrastructure development

Strategic Objectives	Key Performance Indicator	2019/20		2020/21		2021/22		2022/23
		Revised Target	Actual	Revised Target	Actual	Revised Target	Actual	Target
To ensure management of the quality of the drinking	To ensure through effective monitoring that	50%	95%	100%	98%	60%	43%	70%

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Strategic Objectives	Key Performance Indicator	2019/20		2020/21		2021/22		2022/23
		Revised Target	Actual	Revised Target	Actual	Revised Target	Actual	Target
water and wastewater through compliance with the applicable legislation	a 60% Green Drop Status on effluent quality compliance is achieved by 30 June 2022							
To ensure the adequate provision, upgrading and maintenance of water and sanitation services infrastructure	Complete 100% work for the installation of electrical and mechanical components in Lerato Park Sewer Pump station by 30 June 2022	10%	0%	70%	58%	100%	16%	100%
To ensure a basic standard of living for all through the provision of basic sanitation, water, electricity and refuse delivery services	To complete 100% of the reconstruction work of 320 aged sink toilets in Kagisho, Kutlwanong and Phomolong by 30 June 2022	10%	10%	50%	38%	100%	95%	100%
To ensure the adequate provision, upgrading and maintenance of water and sanitation services infrastructure	To complete 100% procurement phase for the appointment of a service provider which is 10% of the overall weighting for the construction work for the Carters Ridge sewer pump station building with all electrical and mechanical equipment by 30 June 2022	10%	10%	50%	38%	10%	89%	60%

Table 56: Sanitation Service Objectives included in the IDP

### 3.3.6 Financial Performance: Sanitation Services

Details	2020/21	2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
<b>Total Operational Revenue</b>	86 142	86 848	86 848	93 896	8%
<b>Expenditure:</b>					
Employees	42 787	46 296	46 296	47 193	2%
Repairs and Maintenance	15 699	16 819	23 359	22 004	31%
Other	33 266	24 917	24 917	23 145	-7%
<b>Total Operational Expenditure</b>	91 753	88 033	94 573	92 343	5%
<b>Net Operational Expenditure</b>	5 610	1 184	7 724	(1 553)	-231%

Table 57: Financial Performance: Sanitation Services

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.3.7 Capital Expenditure: Sanitation Services

The table below indicates the amount that was actually spent on sanitation services projects for the 2020/21 financial year:

Capital projects	2021/22				
	Budget	Adjustment budget	Actual expenditure	Variance from original budget	Variance from adjustment budget
(R)					
Reconstruction Old Sink Toilets Phase 1	0	5 000 000	3 437 228	0%	-31%
<b>Total all</b>	<b>0</b>	<b>5 000 000</b>	<b>3 437 228</b>	<b>0%</b>	<b>-31%</b>

Table 58: Capital Expenditure: Sanitation Services

### 3.3.8 Comment on Sanitation Services Performance Overall

The Sub Directorate Water and Sanitation's key objective is to primarily ensure that bulk, reticulation and supply facilities have the required capacity to meet the current and future demand. The key objective was to ensure that the requirements of bulk have been met by the implementation of the Upgrading of the Homevale WWTW by 15ML.

The bulk projects have met the intended objectives, however, concurrent reticulation projects have also unfolded such as the upgrading of the Gogga outfall sewer line from Galeshewe to Homevale WWTW which is at the practical completion stage as well as the Lerato Park link sanitation project. Sanitation operational teams work full-time to ensure that blockages are minimized and that the provision of quality services is maintained. The construction of the Carters Ridge sewer pump station commenced with the construction of the first phase of the project.

Even though the objectives have been met in terms of bulk services, there is still extensive planning that needs to be undertaken to meet the required needs of the reticulation network such as there are sewer pipe replacement projects that need to unfold to meet the current demand and maintenance projects to extend the operational life of the existing infrastructure.

## 3.4 ELECTRICITY

### 3.4.1 Introduction To Electricity

Sol Plaatje Local Municipality is licensed to purchase electricity from Eskom and then distribute the electricity via the 66kV, 11kV and 400V/230V low-voltage electrical network.



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

There are three bulk 66kV electricity supply points from Eskom namely: Herlear and HA Morris Substations supplying the Kimberley area and Riverton Substation which supplies the water purification plant of Kimberley. Although Ritchie is demarcated into the Sol Plaatje municipal area, Eskom is licensed to distribute electricity in that area.

Over and above electricity supply management, the section is also responsible for the following functions:

- Occupational Health and Safety
- Fleet Management
- Mechanical and Workshop Services.

Over the past eight years, great progress has been made with the Electrification Programme of the Integrated National Electrification Programme (INEP), duly funded by the Department of Mineral Resources and Energy (DMRE). Approximately 8,000 households have been supplied with reliable and secure electricity supply over the past eight years. For the financial year 2021/22, approximately 1,200 households have been supplied with electricity under the Electrification Programme.

Challenges do however impact on the implementation progress of this programme due to continuous growth of informal settlements on vacant land. Electrical infrastructure and electrification of houses cannot be installed in informal settlements prior to township establishment processes being completed.

Other major challenges regarding electricity are vandalism and copper theft that led to equipment damage, electrical supply interruptions and possible fatalities to municipal employees or members of the public. This puts a strain on the maintenance and management of the electrical infrastructure and thus responding to faults and providing mitigation remedies may take longer than anticipated.

### 3.4.2 Electricity Service Delivery Levels Below Minimum

SPM installs a 60 Amp electrical connection in all low-cost houses as per a Council resolution, whereas the DMRE makes provision for a supply of 20 Amp per household. However, to allow for growth of areas and longer lasting networks, a 40 Amp per household is provided with new settlement developments. Top-up funding is normally provided by the municipality. SPM does not install electricity in informal settlements or houses. The area must be formalised, and a Surveyor General Layout must be available before any electrification can be done.

#### Houses Not Connected to Electricity (Below Minimum Service Level)

The major electricity connection backlogs are in the informal settlements that have not been formalised in terms of surveying and township establishment. The backlog decreased from 6,692 in 2015/16 to 5,677 as a result of 1,015

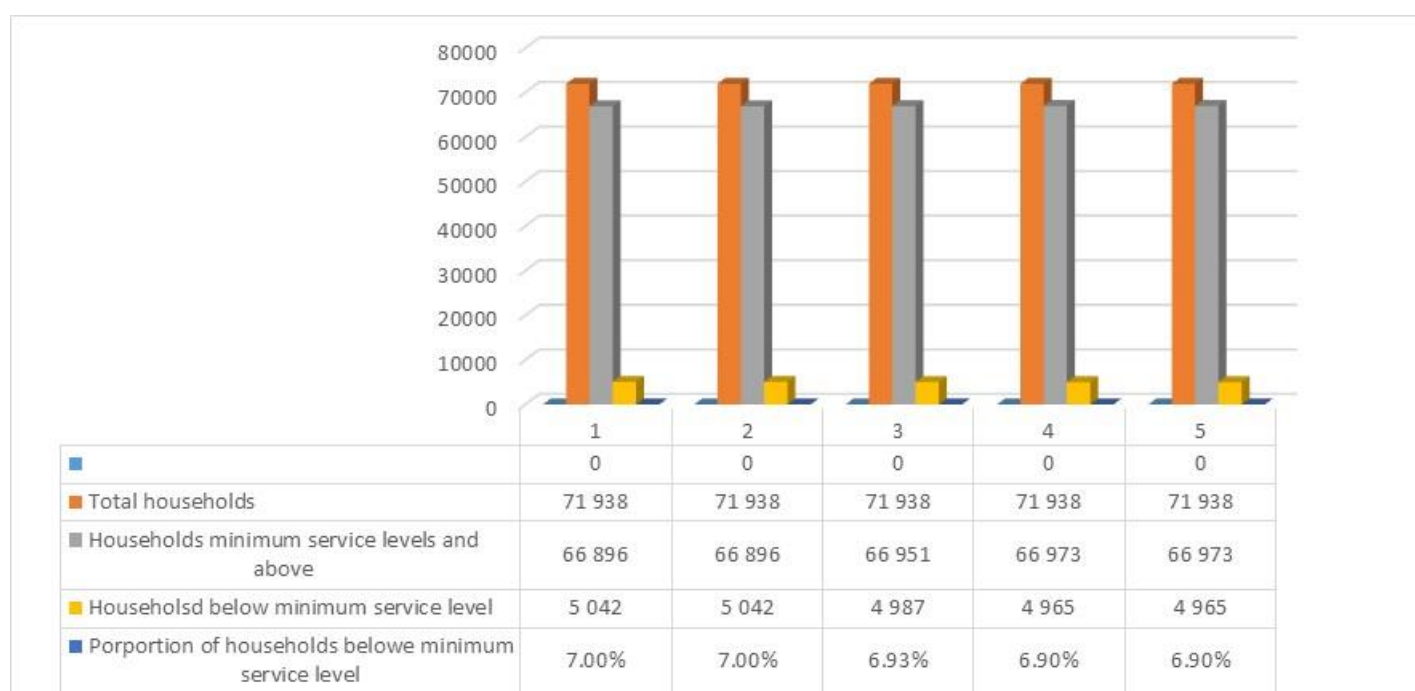
## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

households being electrified during 2016/17. From 2016/17 to 2017/18, a further 635 households in Ivory Park were connected to electricity.

In 2018/19 a further 1,060 households in Ivory and Snake Park were connected to electricity. In 2019/20 a total of 1,743 households were added into the network from informal areas Ivory Park, Snake Park, Platfontein, Kutlwanong and Ramorwa. A total of 750 households were added to the formal settlement of SPLM.

The SPM Electrical Department, together with the DMRE, proactively ensures that as soon as an area has been formalised, the funding application from the DMRE is fast-tracked and the provision of electricity is completed.

### 3.4.3 Access to Electricity



Graph 10: Access to Electricity

The totals for 2015/16 is based on the outcomes of the Community Survey 2016. For 2016/17, a total of 1,015 households were connected to electricity, whilst 635 electrical connections were achieved for 2017/18. In 2018/19 1,060 electricity connections were achieved. In 2019/20 a total of 1,743 households were added into the network from informal areas being Ivory Park, Snake Park, Platfontein, Kutlwanong and Ramorwa. A total of 750 households were added into the formal settlement of SPLM.

As at the end of June 2022, Households below the minimum service level amounted to 3,239 resulting in a 3% proportion of households below the minimum service level.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

The Electricity Distribution Section attended to supply interruptions according to NERSA requirements. The following table below indicates the restoration times and percentages of power interruptions for the 2021/22 financial year.

Date	Total No of forced interruptions after which supply was restored	Supply restored within								Supply restored after 24 hours	
		1.5 hours		3.5 hours		7.5 hours		24 hours			
		Target 30%		Target 60%		Target 90%		Target 98%		Target 100%	
		Actual	%	Actual	%	Actual	%	Actual	%	Actual	%
July	439	228	51.94	399	90.89	427	97.27	439	100	439	100
August	683	314	45.97	556	81.41	659	96.49	680	99.56	683	100
September	406	217	53.45	372	91.63	395	97.29	405	99.75	406	100
October	688	355	51.60	601	87.35	674	97.97	686	99.71	688	100
November	528	216	40.91	383	72.54	446	84.47	465	88.07	528	100
December	868	395	45.51	675	77.76	817	94.12	866	99.77	868	100
January	481	252	52.39	418	86.90	470	97.71	479	99.58	480	99.79
February	443	221	49.89	370	83.52	426	96.16	443	100	443	100
March	531	268	50.47	434	81.73	515	96.99	529	99.62	531	100
April	232	113	48.71	194	83.62	225	96.98	232	100	232	100
May	448	236	52.68	395	88.17	441	98.44	448	100	448	100
June	503	250	49.70	424	84.29	484	96.22	503	100	503	100
Total	6 250	3 065	49.04	5 221	83.54	5 979	95.66	6 175	98.80	6 249	99.98

Table 59: Electrical Restoration Times

### 3.4.4 Electricity Service Objectives included in the IDP

Municipal Key Performance Area: Basic and sustainable service delivery and infrastructure development

Strategic Objectives	Key Performance Indicator	2019/20		2020/21		2021/22		2022/23
		Revised Target	Actual	Revised Target	Actual	Revised Target	Actual	Target
To ensure a basic standard of living for all through the provision of basic sanitation, water, electricity and refuse delivery services	Decrease electricity losses to 16% by 30 June 2022	18%	19.91%	16%	No actual	16%	29.69%	16%
To ensure a basic standard of living for all through the provision of basic sanitation, water, electricity and refuse delivery services	To appoint a professional service provider for the pre-engineering and professional consultancy associated works for Hadison Park	Not a target				100%	100%	Not a target

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE



Strategic Objectives	Key Performance Indicator	2019/20		2020/21		2021/22		2022/23
		Revised Target	Actual	Revised Target	Actual	Revised Target	Actual	Target
	Substation by 30 June 2022							
To ensure the adequate provision, upgrading and maintenance of electricity services infrastructure	Completion of 35% of the construction work for Lerato Park link services by 30 June 2022			Not a target		35%	0	Not a target
To ensure a basic standard of living for all through the provision of basic sanitation, water, electricity and refuse delivery services	To complete the electrification of 1166 households by 30 June 2022 (Lethabo Park, Ph 1)			Not a Target		1 166	0	1 166

Table 60: Electricity Service Objectives included in the IDP

### 3.4.5 Employees: Electricity Services

The table below indicates the number of employees for electricity services:

Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	Number				%
Municipal Manager and Senior Managers	1	1	1	0	0.0%
Other Managers	7	9	7	2	22.2%
Professionals	7	13	1	12	92.3%
Technicians & Trade Workers	98	150	84	66	44.0%
Clerks & Administrative Workers	24	28	23	5	17.9%
Community & Personal Workers	0	0	0	0	0.0%
Service and Sales Workers	0	0	0	0	0.0%
Plant & Machine Operators	2	2	2	0	0.0%
Elementary Occupations	6	22	5	17	77.3%
<b>Total</b>	<b>145</b>	<b>225</b>	<b>123</b>	<b>102</b>	<b>45.3%</b>

Table 61: Employees: Electricity Services

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.4.6 Financial Performance: Electricity services

Details	2020/21	2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
<b>Total Operational Revenue</b>	671 706	877 157	877 157	742 172	-15%
<b>Expenditure:</b>					
Employees	47 075	54 103	54 103	50 166	-7%
Repairs and Maintenance	29 895	31 102	31 162	30 773	-1%
Other	672 863	772 723	804 663	801 570	4%
<b>Total Operational Expenditure</b>	<b>749 833</b>	<b>857 928</b>	<b>889 928</b>	<b>882 510</b>	<b>3%</b>
<b>Net Operational Expenditure</b>	<b>78 127</b>	<b>(19 229)</b>	<b>12 771</b>	<b>140 338</b>	<b>-830%</b>

Table 62: Financial Performance: Electricity Services

### 3.4.7 Capital Expenditure: Electricity Services

The table below indicates the amount that was actually spent on electricity services projects for the 2021/22 financial year:

Capital projects	2021/22				
	Budget	Adjustment budget	Actual expenditure	Variance from original budget	Variance from adjustment budget
	(R)				
Electrification Lerato Park	0	3 000 000	2 739 361	0%	-9%
Electrification Golf Course	0	5 400 000	4 531 075	0%	-16%
Networks Acq - Electr Lerato Park	33 000 000	3 500 000	2 699 113	-92%	-23%
Electrification Letabo Park	20 000 000	19 820 000	17 397 805	-13%	-12%
Networks Acq - Electr Soul City	0	1 280 000	535 791	0%	-58%
Electrific Lerato Park Link Serv Network	12 000 000	5 000 000	4 352 010	-64%	-13%
Capital Spares-Acq-Prepaid Meters	1 000 000	1 000 000	976 371	-2%	-2%
Upgrade Hadison Park 66/11 KV Substation	1 500 000	1 500 000	1 316 960	-12%	-12%
<b>Total all</b>	<b>67 500 000</b>	<b>40 500 000</b>	<b>34 548 486</b>	<b>-49%</b>	<b>-15%</b>

Table 63: Capital Expenditure: Electricity Services





## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.4.8 Comment on Electricity Services Performance Overall

The Electricity Department has supplied a reliable and secure electricity supply to numerous households of all sectors, within the jurisdiction of Sol Plaatje Local Municipality in the previous and current year. The Electrical Department has further embarked on bulk upgrade substation to strengthen the 66kV/11kV network in order to cater for expansion and growth within the electrical network. There are two types of projects which are of significant impact to service delivery and Sol Plaatje Local Municipality in general. These capital projects are Electrification and Substation 66/11kV Bulk Upgrades.

Electrification is the erection of 11kV/400V/230V electrical network and electrical infrastructure and auxiliary equipment to supply households with a secure and reliable source of electricity. Over the past two financial year periods, Sol Plaatje Local Municipality has electrified 1,743 households in township establishments and 750 households in suburban establishments. DMRE caters for funding of electrification in the township area, whilst private developers cater for funding of electrical reticulation in the suburban area.

Over the years, this has resulted in an imbalance in addressing the backlog of households without access to electricity in both areas, township and suburban developments. However, mitigation strategies have been set in place to cater for growth and developments, which may arise.

We have registered projects under the IDP and have implemented bulk upgrades to substations to accommodate growth in the network. Revenue generated from electrical supply to our customers and residents is inherently utilised to maintain electrical infrastructure and network. A secure, protected and reliable point of supply is provided to all households and customers within Sol Plaatje Local Municipality.

Bulk substation upgrades are the installation, upgrade, testing and commissioning of 66kV/11kV electrical infrastructure for our 66kV main and 11kV switching substations. These upgrades are implemented to cater for the growth of the electrical network, due to the development and expansion of Kimberley.

Over the recent years, the following upgrades have been implemented:

- 11kV bulk upgrade of Terbic Switching Station to cater for the expansion of the New SPLM University and
- NMD bulk upgrade to cater for overall total growth.
- There is currently an ongoing project of Carters Glen and Riverton Substation to cater for electrification and water purification treatment, respectively.

Future projects are registered on the IDP and implementation shall be done in relation to a need and growth of areas.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.4.9 Occupational Health and Safety

The City Electrical Engineer is also appointed as GMR 2(1) under the Occupational Health and Safety Act (OHS Act), Act No. 85 of 1993, to oversee the safe operation of machinery.

A full-time Occupational Health and Safety Practitioner was appointed in July 2016, under Infrastructure and Services Directorate, to assist and advise all managers and line managers on Occupational Health and Safety matters. Her appointment ensures legal compliance with OHS Act and provides support to managers and line managers to fulfil their duties in terms of the Act.

By means of the NOSA Miracles software application procured as a Health and Safety system management tool, controls were set up in such a manner that the software application enables executive management, managers and line manager to actively manage their risks identified in their respective areas of responsibility.

### 3.5 WASTE MANAGEMENT (REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING)

The main objective of this section is to provide an effective and efficient refuse removal and solid waste disposal for all the residents within the Sol Plaatje Municipal Area.

#### 3.5.1 Waste Management Service Delivery Levels

Description	2017/18	2018/19	2019/20	2020/21	2021/22
	Actual				
	Household				
Refuse removal: (Minimum level)					
Removed at least once a week	59 526	59 526	59 526	63 014	63 014
Minimum service level and above sub-total	59 526	59 526	59 526	63 014	63 014
Minimum service level and above percentage	92.9%	92.9%	92.9%	86.7%	86.7%
Refuse removal: (Below minimum level)					
Removed less frequently than once a week	0	0	0	0	0
Using communal refuse dump	0	0	0	0	0
Using own refuse dump	0	0	0	0	0
Other rubbish disposal	0	0	0	0	0
No rubbish disposal	4 526	4 526	4 526	9 615	9 615
Below minimum service level sub-total	4 526	4 526	4 526	9 615	9 615
Below minimum service level percentage	7.1%	7.1%	7.1%	13.3%	13.3%
Total number of households	64 052	64 052	64 052	72 629	72 629

Table 64: Refuse Removal Service Delivery Levels

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.5.2 Waste Management Service Delivery Levels Below the Minimum

Description	Households				
	2017/18	2018/19	2019/20	2020/21	2021/22
	Actual				
Formal Settlements					
Total households	61 793	61 793	61 793	72 629	72 629
Households below minimum service level	4 526	4 526	4 526	9 615	9 615
Proportion of households below the minimum service level	7.3%	7.3%	7.3%	13.2%	13.2%
Informal Settlements					
Total households	10 146	10 146	10 146	9 615	9 615
Households below minimum service level	4 526	4 526	4 526	5 089	5 089
Proportion of households below minimum service level	44.6%	44.6%	44.6%	52.92%	52.9%

Table 65: Solid Waste Service Delivery Levels

### 3.5.3 Waste Management Service Objectives included in the IDP

Municipal Key Performance Area: Basic and sustainable service delivery and infrastructure development

Strategic Objectives	Key Performance Indicator	2019/20		2020/21		2021/22		2022/23
		Revised Target	Actual	Revised Target	Actual	Revised Target	Actual	Target
To ensure sustainable delivery of community services (personal including environmental health, library, emergency and traffic services) to all residents of SPM	Provide a weekly refuse collection service (according to the revised collection route) to all formal households	59 500	59 500	59 500	59 500	59 500	59 500	59 500

Table 66: Waste Management Service Objectives included in the IDP

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.5.4 Employees: Waste Management

The table below indicates the number of employees for waste management (refuse collections, waste disposal, street cleaning and recycling):

Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	Number				%
Municipal Manager and Senior Managers	0	0	0	0	0.0%
Other Managers	1	7	0	7	100.0%
Professionals	0	0	0	0	0.0%
Technicians & Trade Workers	0	0	0	0	0.0%
Clerks & Administrative Workers	1	9	1	8	88.9%
Community and Personal Workers	2	5	0	5	100.0%
Service and Sales Workers	0	0	0	0	0.0%
Plant & Machine Operators	26	75	22	53	70.7%
Elementary Occupations	81	253	90	163	64.4%
<b>Total</b>	<b>111</b>	<b>349</b>	<b>113</b>	<b>236</b>	<b>67.6%</b>

Table 67: Employees: Waste Management (Refuse Collections, Waste Disposal, Street Cleaning and Recycling)

### 3.5.5 Financial Performance: Waste Management

Details	2020/21	2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
<b>Total Operational Revenue</b>	62 577	70 592	70 592	68 729	-3%
<b>Expenditure:</b>					
Employees	42 027	43 847	43 847	47 997	9%
Repairs and Maintenance	13 877	21 085	20 825	18 039	-14%
Other	2 609	5 660	5 920	5 943	5%
<b>Total Operational Expenditure</b>	58 513	70 592	70 592	71 978	2%
<b>Net Operational Expenditure</b>	(4 064)	0	0	3 249	0%

Table 68: Financial Performance: Waste Management



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.5.6 Capital Expenditure: Waste Management

There was no capital expenditure during the period under review.

### 3.5.7 Comments on Performance Overall

As in previous financial years, the fleet of various vehicle types remains a great challenge especially with the compactors. The impact thereof is that the current fleet is overworked having performed more than the recommended removals. This also had a negative impact on the maintenance of the fleet, both with routine maintenance as well as the costs of repairs of breakages. These placed a huge strain on the fleet and service delivery.

Due to vehicle and equipment shortages, it was necessary to continue the hiring of heavy machinery and vehicles within the refuse removal and waste disposal environments.

Littering and illegal dumping remains a major problem throughout the city and although attempts are made to keep the city clean using EPWP personnel and own capacity, it still remains a challenge. However, the shortage of staff within the cleaning environment (eg. street sweepers) still remains a problem. EPWP teams assist with the cleaning of the CBD and residential areas, however, without a dedicated budget allocation for the EPWP programs, the waste operational budget was utilized resulting in a major shortfall.

The majority of residential areas receive a weekly refuse collection service with commercial areas serviced daily (or as required). Some newly developed residential areas are serviced through communal waste collections utilizing skip bins.

Waste management through the IWMP is an integral part of the IDP and must be allocated the priority it deserves as an essential service.

The landfill is operating on an autopilot mode. This is because of the non-filling of vacant positions. The site is basically being operated by EPWP workers who are not guided by professionals.

The manager, administrative and general workers posts are still vacant and need to be filled as a matter of urgency.

## 3.6 HOUSING

### 3.6.1 Introduction to Housing

Housing provision is a provincial government function administered by the Department of Corporate Governance, Human Settlement and Traditional Affairs (COGHSTA). However, SPM is accredited, at level 2, to implement subsidy administration and housing development. SPM is primarily responsible for ensuring housing development readiness

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

status in accordance with COGHSTA housing strategy. This includes identification of projects as prioritized on the IDP which must then be budgeted for under the Division of Revenue Act (DoRA).

The municipality has taken steps to ensure that the following activities are in place:

- Credible IDP
- Land use management that supports human settlement
- Township establishment
- Integrated Human-Settlements Policies
- Beneficiary database maintenance (linked to National)
- Land invasion control

During the financial year under review COGHSTA, as the custodian of human settlement in the province, took a decision to reinforce project management capacity in housing delivery. This development resulted in COGHSTA establishing its internal Project Management unit (PMU) to accelerate housing development. This decision also affected the Municipality and some of the projects were taken over from the Municipality.

### THE NATIONAL UPGRADING SUPPORT PROGRAMME (NUSP)

The programme was initiated by the National Department of Human Settlements, and Sol Plaatje Municipality was identified to be one of the participants in the programme. The mandate of the NUSP programme is to support Municipalities with formalisation and infrastructure upgrading of informal settlements in their municipal area.

The total number of sites is 10 393 and there are 31 settlements mentioned, of which 18 have been upgraded to a level of formalised settlements. The remainder to be formalised is thirteen (13).

Area	Number of Sites	State of Progress
Snake Park	1 660 sites	Electrified with 99% services
Ivory Park	1 174 sites	Electrified 60% services
Diamant Park	892 sites	300 + 100 Houses with all services
Jacksonville Ext	339 sites	72 Houses formalized and 339 electrified with services
Kutlwanong	48 sites	Formalised and electrified
Colville	130 sites	Formalised phases 1 & 3
Santa Centre	139 sites	Formalised 65 services and ready for electrification
Phomolong Ext	269 sites	Electrified without services on all sites
Greenpoint	155 sites	None
Waterloo	240 sites	None

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Area	Number of Sites	State of Progress
Riemvasmaak	260 sites (plus/minus)	Electrified without services
Soul City	112 sites (64 sites Forest View & 48 sites King Senare)	Electrified without services
Beaconsfield	28 sites	Infills connecting services
Donkerhoek	111 sites	Formalised Catalytic Project in terms of National Priority, electrification done without services
Ramorwa	98 sites	Formalised and electrified
Witdam	138 sites	100% Formalised and electrified
Lerato Park	4 600 sites	Catalytic Project in terms of National Priority

Table 69: NUSP Sites in Progress

The NUSP has enabled the municipality to integrate human settlement interventions.

### INTEGRATED RESIDENTIAL DEVELOPMENT PROGRAMME (IRDP)

The IRDP is a housing delivery programme that deals with the individual housing subsidy as well as rectification of post-1994 housing stock. Under this programme Sol Plaatje Local Municipality benefited 469 housing units, delivered under shared efforts by SPM and COGHSTA.

### COMMUNITY RESIDENTIAL UNITS (CRUs)

The Community Residential Unit programme was designed to cater accommodation for families who could not afford market-related rental units. Currently there is a CRU project being implemented by Province which consists of 481 rental units of different sizes. The first phase of this project consists of approximately 142 units to be completed towards end of April 2021.

The Municipality has a rental stock of 936 units. The demand for these units is very high due to the high demand for the Gap Housing Market. However, sustainability of CRUs maintenance is compromised due to high default in rental payment. In order to address this challenge, the municipality is currently exploring more effective methods of enhancing revenue collection strategies, by looking at appointing a management company, for the leasing and maintenance of the rental stock starting with Lerato Park.

### CHALLENGES IN HOUSING PROVISION

The demand for housing is fast outpacing the rate at which CoGHSTA can provide funding for development. Although the Municipality has tried to plan and avail land for future housing developments, these efforts worked against the Municipality where the illegal occupation of land became a norm. This condition has also compromised the housing readiness status.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.6.2 Percentage of Households with Access to Basic Housing

Year-end	Total households (including in formal and informal settlements)	Households in formal settlements	Percentage of households in formal settlements
2016/17	63 297	49 214	81.6%
2017/18	65 297	49 589	82.2%
2018/19	67 297	50 111	83.1%
2019/20	69 297	50 123	81.2%
2020/21	69 369	49 255	82.3%
2021/22	69 450	49 200	70.84%

Table 70: Households with Access to Basic Housing

### 3.6.3 Housing Services Objectives included in the IDP

Municipal Key Performance Area: Basic and sustainable service delivery and infrastructure development.

There is no KPI's for Housing in the IDP

### 3.6.4 Employees: Housing

The table below indicates the number of employees for housing:

Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	Number				%
Municipal Manager and Senior Managers	0	1	0	1	100.0%
Other Managers	1	2	2	0	0.0%
Professionals	0	0	0	0	0.0%
Technicians & Trade Workers	2	2	2	0	0.0%
Clerks & Administrative Workers	3	4	2	2	50.0%
Community and Personal Workers	20	20	4	16	80.0%
Service and Sales Workers	0	0	0	0	0.0%
Plant & Machine Operators	0	0	0	0	0.0%
Elementary Occupations	34	48	27	21	43.8%
<b>Total</b>	<b>60</b>	<b>77</b>	<b>37</b>	<b>40</b>	<b>51.9%</b>

Table 71: Employees: Housing



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.6.5 Financial Performance: Housing

Details	2020/21	2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
<b>Total Operational Revenue</b>	10 884	12 401	12 401	12 192	-2%
<b>Expenditure:</b>					
Employees	18 970	21 393	21 393	18 090	-18%
Repairs and Maintenance	1 165	1 498	1 498	1 380	-9%
Other	344	589	589	404	-46%
<b>Total Operational Expenditure</b>	20 479	23 480	23 480	19 874	-18%
<b>Net Operational Expenditure</b>	9 595	11 079	11 079	7 682	-44%

Table 72: Financial Performance: Housing

### 3.6.6 Capital Expenditure: Housing

There was no capital expenditure during the period under review.

### 3.6.7 Comment on the Performance of the Housing Service Overall

The Municipality targeted to construct 500 households with BNG (Breaking New Grounds) houses in the financial year. COGHSTA through its Project Management Unit (PMU) constructed 300 of the 500 houses in Diamond Park. Therefore, the total number of houses constructed for the financial year was 133 units under these Covid-19 conditions/circumstances.

Project Area	Number of Houses Built
Ivory Park (1,175)	1 175 Services Installation
Santa Centre (139)	65 Services designs
Rectification of houses (84)	54 Rectification stopped 11 Outstanding
Jacksonville Ext (339)	71 Units were built of which the remaining services are complete. Awaiting further allocation for 267 top-structures
Individual rectification (disaster houses) (10)	8 Done through emergency services funding
<b>Total number of houses built</b>	<b>133</b>

Table 73: Number of Houses Built

As indicated above, insufficient funding to eradicate all housing backlogs remains a challenge for Sol Plaatje Municipality. The current housing backlog in terms of Census 2011 statistics is 7 846 households. At the rate at which



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

funding is provided, backlogs relating to housing delivery will take much longer to eradicate the current and future demand. The National Housing Needs Register stands at 23 605 backlog generally including the middle-income group.

### 3.7 FREE BASIC SERVICES AND INDIGENT SUPPORT

#### 3.7.1 Introduction to Free Basic Services and Indigent Support

The Indigent Policy of the municipality recognises indigent households as households with the following distinct characteristics that are also criteria to qualify and receive free basic services:

##### Income Indigent

- Full-time occupant of the property
- Account holder (municipal account)
- Use of municipal services
- Total household income must not exceed R4 500 per month
- Child-headed households
- Beneficiaries of low cost-free basic houses funded through subsidies and grants
- Certain geographic areas
- Exceptional circumstances

It is expected that the account holder will complete an application form to register as an indigent. If the applicant meets all the criteria, they will be entitled to free basic services on a monthly basis. A site verification visit will be performed, and the applicant will be interviewed within a two-year period to confirm their declarations in the application. Thereafter, site verifications will be conducted at least every two years.

As an exception to the above criteria and process, the Municipality has determined certain geographical areas as indigent. The households within these areas will be registered as indigent by reason of their location within a designated area but will also be individually verified within a two-year period.

The municipality installs a prepaid electricity meter at own cost to all qualifying households to ensure that the electricity bill is easily managed and to enable the customer to claim free units per month. The municipality provides the following services to indigent households who qualify:

- 50Kwh of electricity per month
- 6Kl of water per month
- Refuse removal (full subsidisation)
- Sanitation (full subsidisation)

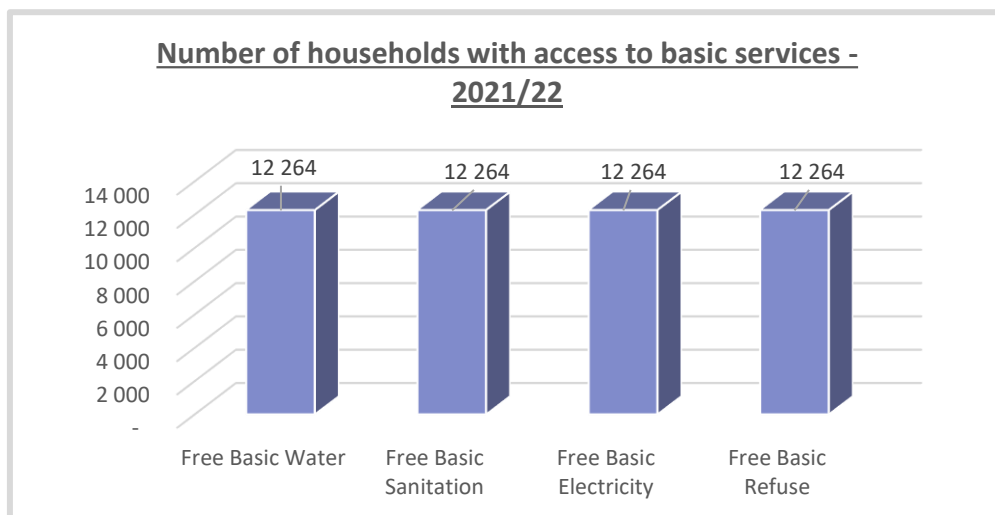
## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

It is incumbent upon the indigent household to declare any change in their status that will necessitate review of the allocation.

One of the most important provisions in the Policy recognises and defines the incidence of Child-headed households. It was recognised that this is quite a prolific circumstance in the Sol Plaatje municipal area and that these types of households were at risk as the policy did not make express allowance for them. An extract from section 5 of the Indigent Management Policy expounds on this category below:

*Child-headed households shall qualify automatically for subsidisation in line with this policy. A child shall be any person who is 18 years and younger. Such applicants shall be assisted by the ward councillor and all documentary proof shall serve as evidence prior to qualification.*

### 3.7.2 Free Basic Household Services



Graph 11: Number of Households with Access to Basic Services

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.7.3 Free Basic Services to Low Income Households

Period	Number of households											
	Total [1]	Households earning less than R3,750 per month [2]										
		Total	Target	Revised	Free Basic Water		Free Basic Sanitation		Free Basic Electricity		Free Basic Refuse	
					Access	%	Access	%	Access	%	Access	%
2017/18	71 939	24 541	14 000	14 000	13 712	98%	13 712	98%	13 712	98%	13 712	98%
2018/19	71 939	24 541	15 500	15 500	14 647	94%	14 647	94%	14 647	94%	14 647	94%
2019/20	71 939	24 541	16 000	14 800	11 509	78%	11 509	78%	11 509	78%	11 509	78%
2020/21	71 939	24 541	12 000	12 000	11 980	99%	11 980	99%	11 980	99%	11 980	99%
2021/22	68 314	24 541	12 000	12 264	12 264	82%	12 264	82%	12 264	82%	12 264	82%

Table 74: Free Basic Services to Low Income Households

It is noted that there has been a decline in the number of registrations on the indigent register. This is mainly attributable to the audit outcome, where a number of indigents for example did not have ID numbers and unfortunately had to be removed from the indigent totals. The municipality is committed to ensuring that it increases its efforts to meet the targets set in terms of its KPI for the Indigent Register.

### 3.7.4 Free Basic Service Policy Objectives included in the IDP

Municipal Key Performance Area: Basic and sustainable service delivery and infrastructure development

Strategic Objectives	Key Performance Indicator	2019/20		2020/21		2021/22		2022/23
		Revised Target	Actual	Revised Target	Actual	Revised Target	Actual	Target
To ensure a basic standard of living for all through the provision of basic sanitation, water, electricity and refuse delivery services	15 000 Indigent households to receive free basic services (water, electricity, sanitation and waste removal according to national guidelines) by 30 June 2022	14 800	11 509	12 000	11 980	15 000	12 264	15 000

Table 75: Free Basic Service Policy Objectives included in the IDP

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.7.5 Comment on the Performance of Free Basic Service Overall

The income threshold of R4 500 per month per household is substantially higher than the national norm. Because of the level of unemployment and the migration of labor to other cities, it is submitted that households in the Sol Plaatje Municipal area have far more occupants than the national average where multiple generations and extended family all reside in one property. To illustrate, one household may contain ten residents with a collective income of no more than R4 500 (subsistence of R375 per person) versus a national income threshold of e.g. R2 500 where the national norm for residents in a household may be five (subsistence of R500 per person). Considering the levels of basic services provided where a household of ten must survive with 50kWH of electricity and 6KL of water per month compared to a household of five sharing the same level of service.

Our challenge is that we lack more accurate statistics to conduct a proper analysis of the level of basic services that are needed by our municipal community, and we also not yet reached all our indigent households as the number may be as great at 25 000. A full-time verification team is urgently needed to do door-to-door verification of all the applications received before any approval can be implemented. This information is required to increase the levels of, and the funding for, basic services. With the establishment of the Sol Plaatje University, it is intended to approach them for assistance in conducting various polls and research with a view to better understand our indigent community's needs.

We are experiencing a high incidence of water wasting by indigent households. This is mainly attributed to leaking pipes and broken/damaged toilet cisterns and, in some cases, the irresponsible use of water. As a result, the indigent debt on average is increasing.

Cost to Municipality of Free Basic Services Delivered						
Services Delivered	2020/21	2021/22				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Original Budget	Variance to Adjustment Budget
Water	4 366 113	8 000 000	8 000 000	4 245 870	-47 %	-47%
Waste Water (Sanitation)	18 007 954	21 000 000	21 000 000	19 072 595	-9%	-9%
Electricity	9 970 540	12 000 000	12 000 000	7 110 331	-41%	-41%
Waste Management (Refuse removal)	124 449 43	13 300 000	13 300 000	13 331 455	0%	0%
<b>Total (FBS)</b>	<b>4 4 789 549</b>	<b>54 300 000</b>	<b>54 300 000</b>	<b>4 3 760 251</b>	<b>-19%</b>	<b>19%</b>

Table 76: Cost to Municipality of Free Basic Services Delivered

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### COMPONENT B: ROAD TRANSPORT

The White Paper on National Transport Policy (1996) spells out the following vision for South African transport: “provide safe, reliable, effective, efficient and fully integrated transport operations and infrastructure which will best meet the needs of freight and passenger customers at improving levels of service and cost in a fashion which supports government strategies for economic and social development whilst being environmentally and economically sustainable.” This component includes roads and waste water (stormwater drainage).

#### 3.8 ROADS AND STORMWATER

##### 3.8.1 Introduction to Roads

The Roads and Stormwater Section provides an effective, competitive and responsive infrastructure by ensuring continuous maintenance, refurbishment, upgrade and replacement of existing roads and stormwater infrastructure assets in order to sustain service delivery and infrastructure development in the municipality.

This section therefore contributes towards facilitating economic growth and social development, improving traffic flow and traffic safety by alleviating traffic congestion.

##### ROADS STATUS QUO, CHALLENGES AND MITIGATION STRATEGIES

The level of access to road infrastructure in Sol Plaatje Municipality is still at a satisfactory level, although the level of service as well as the overall condition of the road infrastructure may not be where it needs to be. With the Rural Road Assessment Management System Program completed by the consultants, the report indicates that the overall standard of roads range between fair and poor, with a very small percentage falling into good and very poor respectively.

Among all road classes and surface types, tarred roads are the most deteriorated, with potholes, rutting and aggregate loss highly visible. This is mainly due to the routine maintenance carried out over the past fifteen to twenty years being less than the minimum maintenance required to sustain and conserve an intact infrastructure. This has caused a great backlog in the maintenance of tarred roads, resulting in the level of deterioration that we experience. This result in the municipality being unable to implement preventative maintenance but forced to catch up with reactive maintenance.

Due to financial constraints in recent years, the resealing of roads has not been budgeted for under the capital budget programme. The Road and Stormwater Section has to rely on its operational budget to maintain and reseal roads, which can basically only be patching of potholes. This further set back the efforts of focusing on preventative maintenance.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Only a little over 30% of municipal streets are dirt and gravel roads and thus not a great concern in terms of quality and maintenance requirements as other types of surfaces. Although the municipality may not have the sufficient yellow fleet to match our extent of gravel road network, great efforts are made to maintain the gravel road network in a drivable state under all weather conditions. The municipality is also continuously upgrading these gravel roads into blocked paved surface, which is more durable and a higher level of service. The gravel road backlog has decreased from 202.7km to 199.7km after approximately 3km of gravel roads were paved in the year under review.

### STORMWATER STATUS QUO, CHALLENGES AND MITIGATION STRATEGIES

The management of stormwater in Sol Plaatje Municipality remains a major challenge, especially in low-lying areas as well as old developments where no consideration whatsoever was made for stormwater management. The city has grown exponentially over the years, resulting in additional surface runoff requiring upgrade of stormwater infrastructure to accommodate additional discharge.

The compromised structural integrity and inadequate capacity of Tlhageng Retention Dam remains the biggest stormwater threat, as it forms an integral part of the stormwater network in Galeshewe. In order to address this risk, the upgrade of the retention dam was planned for construction in the 2020/21 financial year under the Neighbourhood Development Partnership Grant (NDPG) Upgrading of Stormwater in the Galeshewe Project. This project started in May 2021 but the contract was terminated in July 2021 due to poor performance of the contractor. The grant was subsequently withdrawn by National Treasury citing irregularities in the procurement process when the contractor was appointed. The internal team reinforced the dam wall as a temporary measure to avoid flooding while waiting for the grant to be reinstated.

Maintenance of stormwater infrastructure also remains a great challenge as available personnel resources and yellow fleet machinery at our disposal is inadequate to deal with the maintenance of stormwater infrastructure, specifically the cleaning of major stormwater canals and unblocking of catch pits.

### 3.8.2 Gravel Road Infrastructure

Period	Kilometres			
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained
2017/18	223	0	5.7	77
2018/19	220	0	6.3	0
2019/20	216.3	0	8.7	20.6
2020/21	202.7	0	5.3	0
2021/22	199.7	0	3	0

Table 77: Gravel Road Infrastructure

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.8.3 Tarred Road Infrastructure

Period	Kilometres			
	Total tarred roads	New tar roads	Existing tar roads re-tarred	Existing tar roads re-sheeted
2017/18	589	3.7	0	0
2018/19	589	0	0	0
2019/20	589	0	0	1.2
2020/21	589	0	0	0
2021/22	589	0	0	8.2

Table 78: Tarred Road Infrastructure

### 3.8.4 Cost of Construction/Maintenance

Period	Gravel			Tar		
	New	Gravel – Tar	Maintained	New	Re-worked	Maintained
	R'000					
2017/18	0	23 622	1 860	0	0	11 741
2018/19	0	23 181	0	0	0	9 825
2019/20	0	18 532	1 100	0	2 950	9 368
2020/21	0	9	750	0	0	9
2021/22	0	12 000	0	0	23 500	9 500

Table 79: Cost of Construction/Maintenance

### 3.8.5 Roads and Stormwater Service Objectives included in the IDP

Municipal Key Performance Area: Basic and sustainable service delivery and infrastructure development

Strategic Objectives	Key Performance Indicator	2019/20		2020/21		2021/22	
		Revised Target	Actual	Revised Target	Actual	Revised Target	Actual
To address the poor condition of the roads in the Sol Plaatje area through maintenance and upgrading projects	To upgrade at least 3km of Galeshewe access roads to a paved surface by 30 June 2022.	6.7	8.7	4.9 km	5.3 km	3 km	3.1km
To address stormwater management in the Sol Plaatje area through stormwater upgrading projects	Project suspended after national treasury withdrew funding	60%	60%	8,830 km	8,830 km	No target	No target



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Strategic Objectives	Key Performance Indicator	2019/20		2020/21		2021/22	
		Revised Target	Actual	Revised Target	Actual	Revised Target	Actual
To address the poor condition of the roads in the Sol Plaatje area through maintenance and upgrading projects	Patching and resealing of 86 000 square metres of roads in various wards of Sol Plaatje Municipality by 30 June 2022	0	0	65 000 square metres	0	86 000 square metres	93 000 Square metres

Table 80: Roads and Storm Water Service Objectives included in the IDP

### 3.8.6 Employees: Roads and Stormwater

Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	Number				%
Municipal Manager and Senior Managers	1	1	0	1	100.0%
Other Managers	1	1	1	0	0.0%
Professionals	2	2	1	1	50.0%
Technicians & Trade Workers	4	6	4	2	33.3%
Clerks & Administrative Workers	2	2	2	0	0.0%
Community and Personal Workers	1	1	1	0	0.0%
Service and Sales Workers	0	0	0	0	0.0%
Plant & Machine Operators	8	22	5	17	77.3%
Elementary Occupations	46	126	37	89	70.6%
<b>Total</b>	<b>65</b>	<b>161</b>	<b>51</b>	<b>110</b>	<b>68.3%</b>

Table 81: Employees: Roads and Stormwater

### 3.8.7 Financial Performance: Roads and Stormwater

Details	2020/21	2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
<b>Total Operational Revenue</b>	715	0	0	964	0%
<b>Expenditure:</b>					
Employees	24 142	27 022	27 022	25 897	-4%
Repairs and Maintenance	17 613	15 723	16 698	17 067	2%
Other	790	887	887	767	-16%

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE



Details	2020/21	2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
<b>Total Operational Expenditure</b>	42 545	43 632	44 607	43 731	-2%
<b>Net Operational Expenditure</b>	41 830	43 632	44 607	42 767	-4%

Table 82: Financial Performance: Roads and Stormwater

### 3.8.8 Capital Expenditure: Roads and Stormwater

The table below indicates the amount that was actually spent on roads and stormwater projects for the 2021/22 financial year:

Capital projects	2021/22				
	Budget	Adjustment budget	Actual expenditure	Variance from original budget	Variance from adjustment budget
(R)					
Acq Stormwater Project- Stormwater Channel Galashewe	10 000 000	0	0	-100%	0%
Stormwater Project -Stormwater Channel Galashewe Iudg	10 000 000	10 470 000	9 463 827	-5%	-10%
Leratopark Sewer Upgrade Downstream Infrastructure	22 266 000	11 096 000	8 733 604	-61%	-21%
Acq - Carters Glen Sewer Pump Station	25 000 000	21 000 000	16 043 412	-36%	-24%
Resealing Of Roads Fb Wm	0	3 500 000	3 499 618	0%	0%
P-Cier Rds Roads	13 000 000	11 700 000	11 256 227	-13%	-4%
Upgrade Gravel Roads Wards Various	10 000 000	10 000 000	9 998 073	0%	0%
<b>Total all</b>	<b>90 266 000</b>	<b>67 766 000</b>	<b>58 994 761</b>	<b>-35%</b>	<b>-13%</b>

Table 83: Capital Expenditure: Roads and Stormwater

### 3.8.9 Comment on the Performance of Roads and Stormwater Services Overall

Notwithstanding the above scenario, the Municipality managed to make some strides into improving the roads and stormwater conditions during the financial year.

The Municipality has over the past year been able to perform periodic maintenance on some of the major arterial roads with funds allocated from Frances Baard District Municipality, IUDG and CRR. Residential roads were also



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

upgraded from gravel to a paved standard through IUDG grant funding. Interlocking paving have proven to be more effective with minimum maintenance required and much longer life span than other types of seals, and the Municipality intends converting dilapidated tarred roads which cannot be salvaged to interlocking paving to reduce future maintenance costs of the road network.

Some of the wards that benefited from the paving of roads are wards 6, 7, 9, 10, 12, 15 and 17. This program saw approximately 3.1km of roads being paved.

Very little was done in the 2021/22 financial year in regard to the upgrade of stormwater infrastructure, although a number of major stormwater canals and catch pits were maintained in order to sustain the network and maintain an adequate level of stormwater management.

Funding for the construction of Phase 2, Priority 2A for the upgrade of stormwater infrastructure in Galeshewe through the National Development Programme Grant funding was rolled over and the project was completed by end of February 2021. A contractor was appointed to start with Phase 2, Priority 2B and the contract was terminated before the actual construction work started. The internal team reinforced the existing dam wall to avoid flooding of properties adjacent to the dam during the rainy season. Funding of this project was suspended until procurement issues raised by National Treasury for Phase 2, Priority 2B have been addressed.

### COMPONENT C: PLANNING AND DEVELOPMENT

#### 3.9 STRATEGIC ECONOMIC DEVELOPMENT AND PLANNING (SEDP)

##### 3.9.1 Introduction

The Directorate Strategy, Economic Development and Planning (SEDP) is mandated with the economic growth through developing spatial strategies, which will ultimately comprehensively develop the municipal jurisdiction. Covid-19 had a severe economic impact as a result the world over economic sectors have contracted, and Sol Plaatje Municipality is no exception to such realities. The road to economic recovery is placed solemnly on the doorstep of the directorate of SEDP and myriad of strategies has to be explored to resuscitate the local economy.

The directorate is made up of five critical sub-directorates:

- Local Economic Development (LED)
- Fresh Produce Market
- Property Services
- Urban Renewal Programme
- Town Planning Services



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

The Local Economic Development sub-directorate is the lifeblood of the Sol Plaatje Municipality, and it has been tasked with the responsibility of socio-economic development to foster broader economic growth and creation of employment opportunities. To achieve this insurmountable task, it has been broken down in strategy business units which includes

- Small, Medium and Micro Enterprise support
- Investment Promotions
- Tourism
- Area Based Management

Linking spatial development strategies with economic opportunities is the cornerstone of advocating for transformation within the jurisdiction of Sol Plaatje Municipality.

The Urban Planning Section is central to developing and promoting an integrated town committed to addressing spatial injustices and guides development towards vibrant, resilient and sustainable urban and rural areas. In response to spatial transformation, the Urban Planning Section acknowledges that spatial restructuring is necessary to accelerate investment and create opportunities that will enhance the economy and achieve strategic goals of the municipality.

### SEDP VISION

Creation of quality urban spaces for sustained development and growth.

### SEDP MISSION STATEMENT

Promote sustainable local socio-economic and environmental development through sound urban planning and land use management.

#### 3.9.2 Employees: SEDP

Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	Number				%
Municipal Manager and Senior Managers	1	1	1	0	0.0%
Other Managers	9	21	10	11	52.4%
Professionals	6	19	10	9	47.4%
Technicians & Trade Workers	15	29	15	14	48.3%
Clerks & Administrative Workers	34	61	11	50	82.0%



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
		Number			%
Community and Personal Workers	0	5	2	3	60.0%
Service and Sales Workers	0	7	3	4	57.1%
Plant & Machine Operators	0	2	2	0	0.0%
Elementary Occupations	22	34	17	17	50.0%
<b>Total</b>	<b>87</b>	<b>179</b>	<b>71</b>	<b>108</b>	<b>60.3%</b>

Table 84: Employees: SEDP

The Strategic Planning and Economic Development Directorate include the following sections:

- Urban Planning
- Property Services
- LED
- Fresh Produce Market
- URP

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.10 URBAN PLANNING

The Urban Planning Division is a strategic division within the Sol Plaatje Municipality that focuses on the development and implementation of strategic tools to guide decision making in land development and investment; those that will steer the city towards spatial transformation as well as set the municipality on a path of sustainability and resilience.

The division is a sub-directorate within the Directorate: Strategy, Economic Development and Planning; and it has two main sub-sections namely: Town Planning and Building Control Sections. The Urban Planning Division oversees:

- Urban Planning Services, i.e. provision of zoning information and processing of various land use applications (rezoning, subdivision, consent use, consolidation, etc.).
- Building Control, i.e. building plans' submission, inspections, and approval / disapproval of building plans.
- Development Control, i.e. Enforcement of town planning scheme rules, prosecution of illegal land uses, e.g. tuck-shops.
- Maintenance of municipal-owned buildings.

Collectively, the units play a pivotal role in the containment of an orderly built environment and proper land use management for various land uses, i.e. industrial, institutional, and residential and various businesses. These functions are executed in order to promote an integrated town committed to addressing spatial injustices that guide development towards vibrancy, resilience and sustainability in rural and urban areas.

In response to spatial transformation, the Urban Planning Section acknowledges that spatial restructuring is necessary to accelerate investment and create opportunities that will enhance the local economy and achieve strategic goals of the Municipality.

#### SUCCESS IN 2021/22

##### *Integrated Urban Development Framework (IUDF)*

Sol Plaatje Municipality is the only municipality in the Northern Cape Province selected as a pilot project for the implementation of this national programme facilitated by National Department of Co-operative Governance and Traditional Affairs (COGTA) to foster liveable, safe, resource-efficient cities and towns that are socially integrated, economically inclusive, and globally competitive.

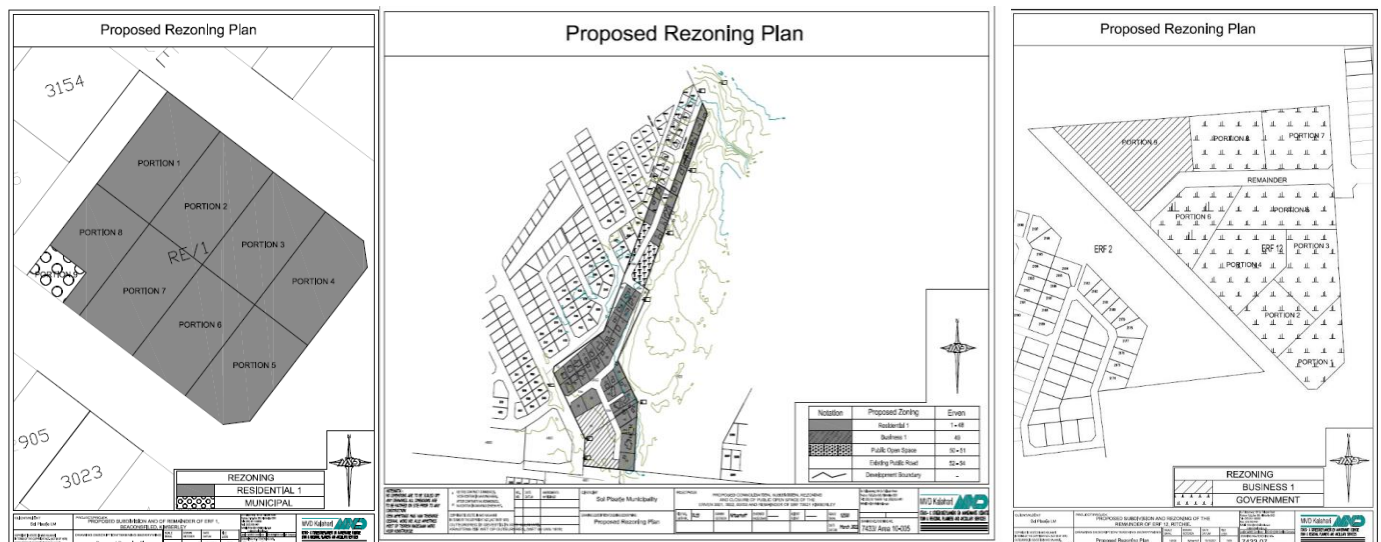
The IUDF principles of transformation are in line with the development principles of the Spatial Planning and Land Use Management Act 2013, Act No. 16 of 2013 (SPLUMA). These principles, in line with SPLUMA, seek to achieve spatial transformation by finding expression in land development that embraces spatial resilience, sustainability, efficiency, good governance and spatial justice.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

The municipality acquired an Integrated Urban Development Grant (IUDG) in 2020, where from the compilation of our Capital Expenditure Framework was funded. The term “Capital Expenditure Framework” (CEF) became a municipal mandate with the promulgation of the SPLUMA. The aim of the IUDG is to support spatially aligned public infrastructure with investment, where its primary aim is to lead to functional and efficient urban spaces and to ultimately unlock urban growth.

### *Planning and Surveying of erven in various wards within Sol Plaatje Municipality*

The Urban Planning Division completed the project of planning and surveying of municipal owned sites in various wards for the 2021/22 financial year. The project resulted in ±512 erven being created after the SPLUMA land use applications and layout plans were developed. Amongst others, this project aimed assist the Municipality to curb the challenge of reducing backlog in terms of land identified for disposal by ensuring that it was appropriately demarcated in terms of Town Planning prescripts before it gets disposed to different beneficiaries.

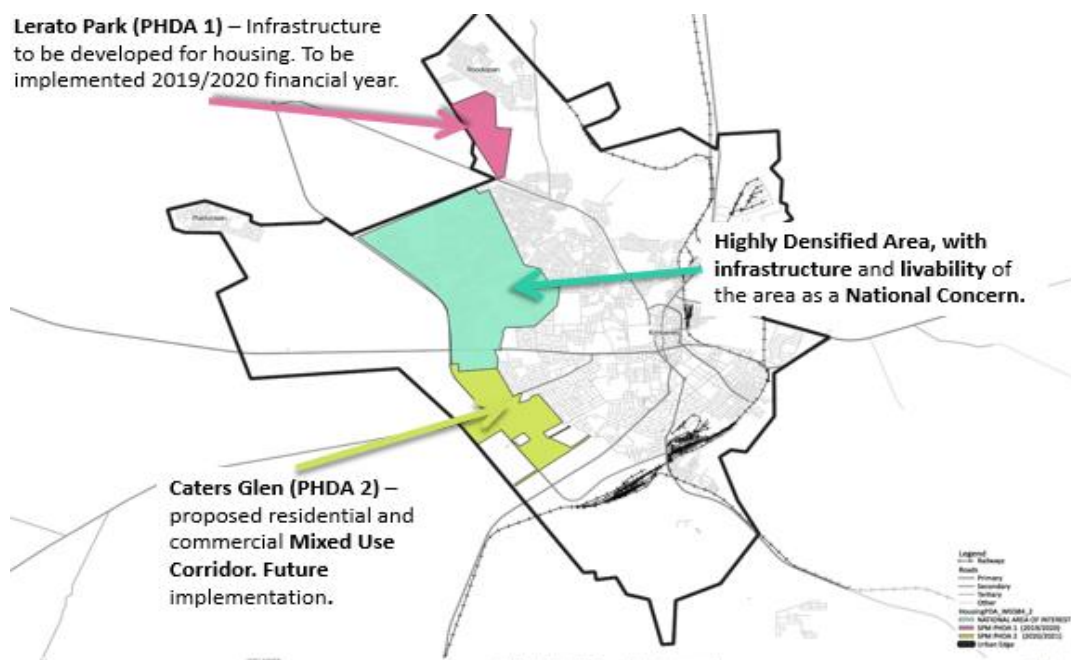


### *Priority Housing Development Areas (PHDAs)*

The municipality has identified various spatial targeted areas in line with the Spatial Development Framework (SDF) for human settlement and Priority Housing Development Settlement Areas (PHDAs).



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE



The objectives of the PHDAs are as follows:

- **Transform entrenched spatial patterns, which have historically exacerbated social inequality, and economic inefficiency** - Revitalise, Renew and Redevelop area post-apartheid spatial legacy.
- Achieve a **balance between spatial equity, economic competitiveness and environmental sustainability**.
- **Implement spatially targeted projects** to achieve spatial transformation.

The identified PHDA areas are located within a 5km radius from the primary node (CBD). Through assistance of COGHTA (Province), the realisation of FLISP programme and Social Housing at various restructuring zones will assist to achieve Spatial Transformation, i.e. Proposed Social Housing in Colville will yield  $\pm$  300 units.

Moreover, the two PHDAs identified has been approved by the National Department of Human Settlements; and were gazetted in the Government Gazette No. 43316 dated 15 May 2020.

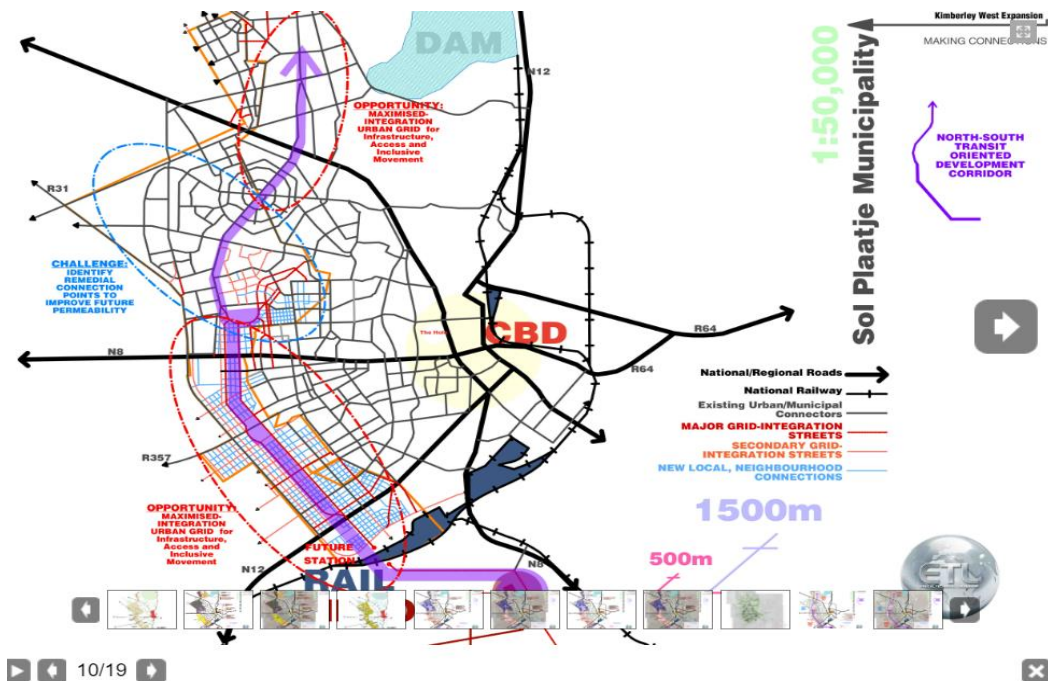
### *Lerato Park and Various Settlements in Galeshewe (PHDA 1)*

The proposed PHDA 1 is within the Barkley West corridor; which is alternatively an economic corridor meant to attract investment and generate economic activities within a contiguous region, on the foundation of an efficient transportation system. The proposed PHDA 1 approach would attract for industrial development, which can increase economic potential for the area.

PHDA 1 includes Lerato Park and various settlements in Galeshewe, in which 2044 Hectares (Ha) of land majority represents Galeshewe.



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

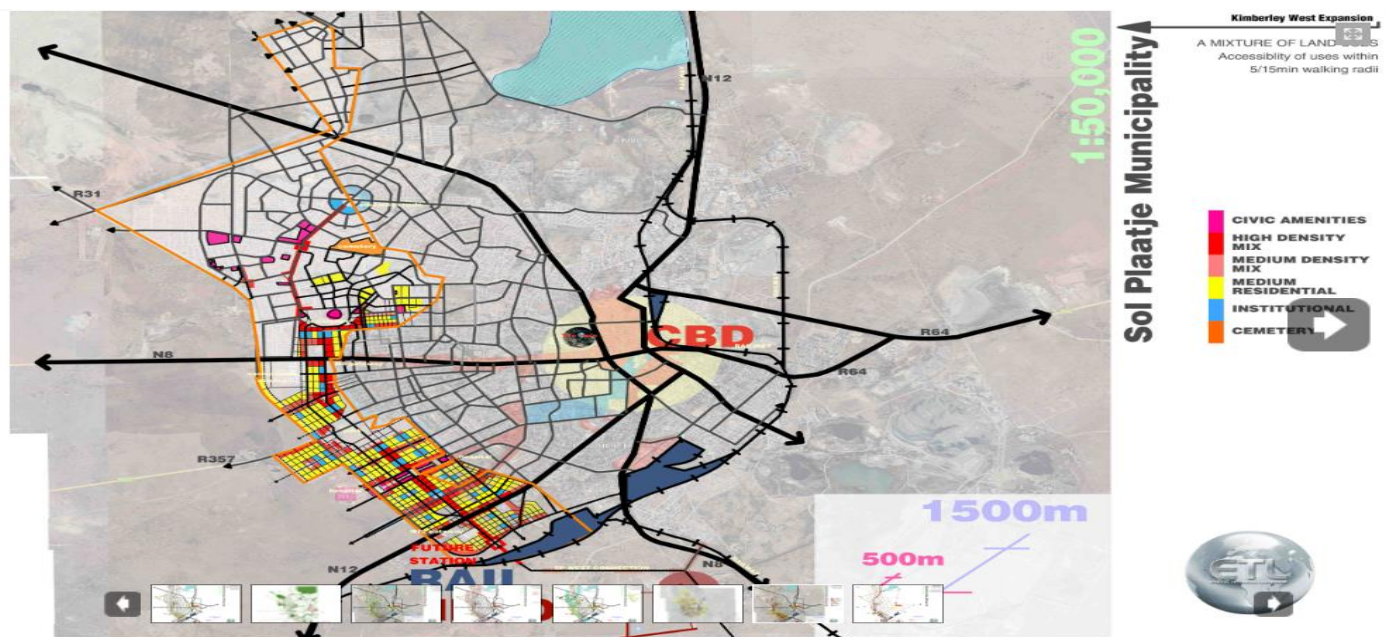


### Carters Glen (PHDA 2)

The proposed PHDA 2 is within the proposed mixed-use corridor that provides a framework for new development strategies. The corridor is located near major transit routes that are the R31, R357 and N8. The proposed buildings will vary in density and height. New developments should maximise development opportunities yet be compatible with surrounding land uses and built form. In the financial year 2021/22 and the follow-on financial year, the municipality will start with planning and implementation of PHDA 2 (Carters Glen).

A 30-day public comment period was introduced for the stakeholder engagement. This process began on the 08 November 2021 and ended on the 08 December 2021. The public participation was advertised in various platforms for ease of reference, which included the PHDSA website <https://kimberleyphshda.co.za/>.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE



### FORMULATION OF THE LAND USE MANAGEMENT SCHEME

The Spatial Planning and Land Use Management Act 16 of 2013 (SPLUMA) Section 24(1) requires municipalities to develop single Land Use Schemes (LUS) that cover the entire extent of municipalities' areas of jurisdiction. The LUS should be in line with the principles of the SPLUMA. The SPLUMA stipulates that the LUS should be developed and implemented within five years of the SPLUMA coming into effect.

The Department of Agriculture, Land Reform and Rural Development appointed service providers to develop Land Use Schemes (LUS) for the municipalities within the next 12 months. Both the Department and the Northern Cape Office of the Premier manage the service provider.

The service provider started with its work in February 2021. In October and November 2021, the municipality carried out public consultations on the Draft LUS. The service provider submitted the final LUS with maps and supporting documents to the municipality in December 2021.

The project is now at Phase 7 (council approval and gazette notification of adoption of the LUS). It is for this reason the Land Use Scheme (LUS) is tabled before the Council for adoption. The Land Use Scheme, 2022 sets **out the various use zones applicable to land and buildings** in the Sol Plaatje Local Municipality jurisdiction.

Briefly, the general purpose of a LUS is to create coordinated, harmonious and sustainable development of a municipal area in such a way that it efficiently promotes health, safety, order, amenity, convenience and general welfare of Sol Plaatje Local Municipality residents.

### *Process followed in terms of preparation and adoption of Land Use Scheme*

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

	Phase 1	Phase 2 & 3		Phase 4	Phase 5 & 6	Phase 7
Production	Identify Stakeholders, Devise a Communication Plan, Define Project Timeframe and Reporting Mechanism	Gather Land Use and Land Ownership Information, Prepare electronic Property Base Maps	Analyse the Applicable Spatial Plans and Policies to Identify Strategic Thrusts (Land Use Framework) Compare exiting town planning schemes, Prepare a draft list of LUS zones	Develop draft LUS document (definitions, regulations, overlay areas etc)	Finalise the LUS document (definitions, regulations, overlay areas etc) based on feedback received	Gazette notification
Consultations		Workshop with municipal officials to understand stakeholders' expectations			Consult municipal officials, public comment , buy-in & endorsement from stakeholders	Present the final LUS to municipal council
		Phase 2 & 3			Phase 5 & 6	Phase 7
	Consult with the Project Steering Committee (all phases)					

### REVIEW OF THE SOL PLAATJE MUNICIPALITY SPATIAL DEVELOPMENT FRAMEWORK 2022-2027

The Spatial Development Framework is a key component of Integrated Development Plan as outlined in Section 26 (e) of the Municipal Systems Act 2000 in which municipalities are obliged to adopt as contemplated in Section 28(1) of the said Act. The Sol Plaatje Local Municipality invited interested and affected parties to provide comments on the Draft Spatial Development Framework.

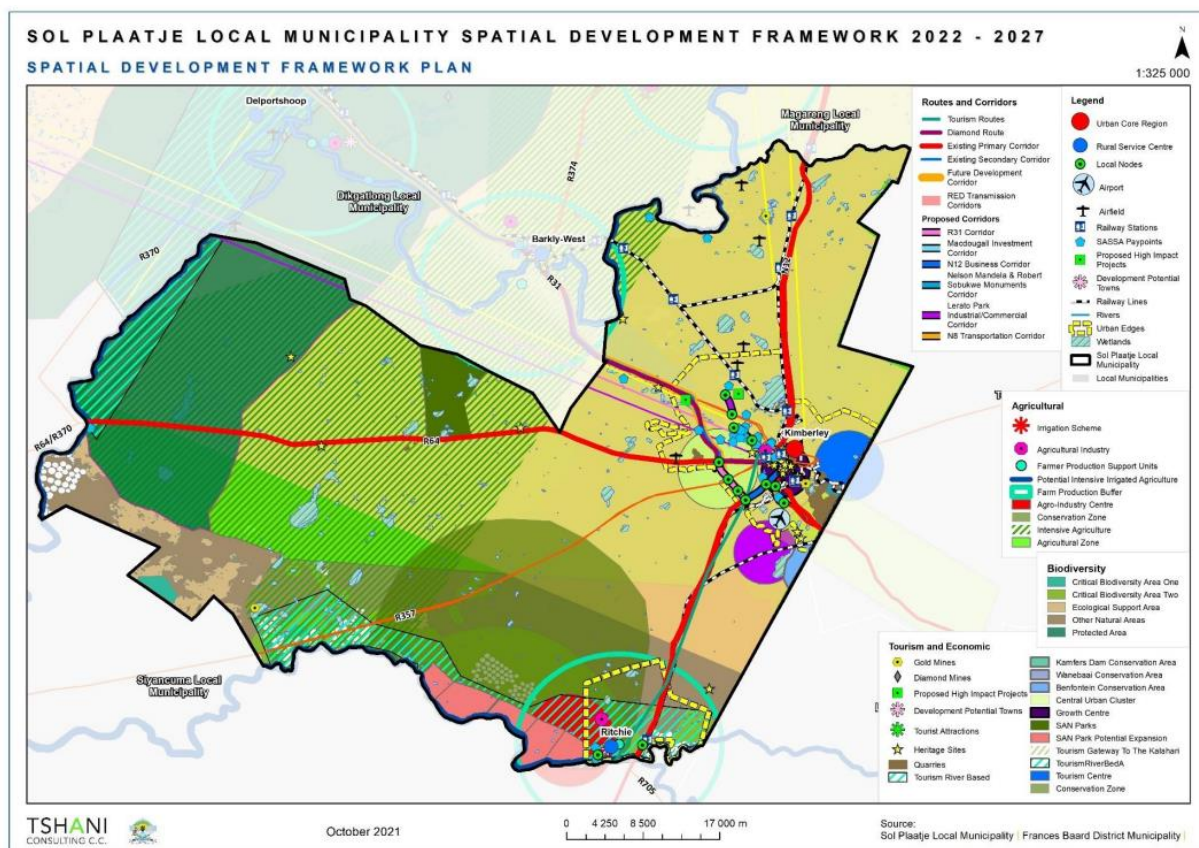
Subsequent to the public participation that commenced in the previous financial year, the public requested the Municipality to improve the quality of the 92 maps within the draft Spatial Development Framework and further digitise spatial and non-spatial information. In addition, unpack the precincts that will direct urban growth of the city in order to not compromise the City's ability to respond to climate change.

Tshani Consulting CC. was awarded a contract for the GIS Mapping services for the 92 Maps for the Spatial Development Framework and further ensure that all the external and internal comments during public participation find expression in the Final Spatial Development Framework. Amongst the deliverables, the company provided the status quo maps, spatial analysis maps and the Consolidated Spatial Development Framework Map for Sol Plaatje Municipality.

Technical and project Steering committee meetings were held wherein the deliverables were verified and approved. The Final Spatial Development framework with all the amendments and improved Maps will be tabled before Council in the next financial year.

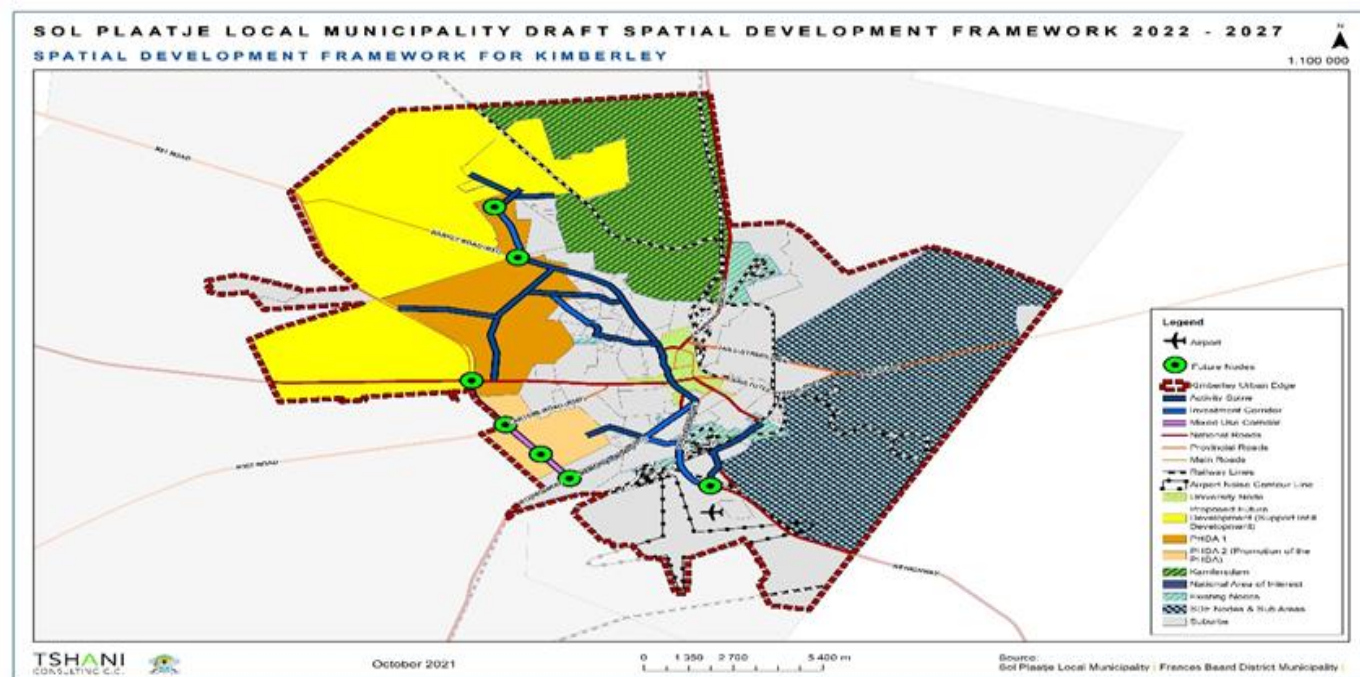


## CHAPTER 3: SERVICE DELIVERY PERFORMANCE



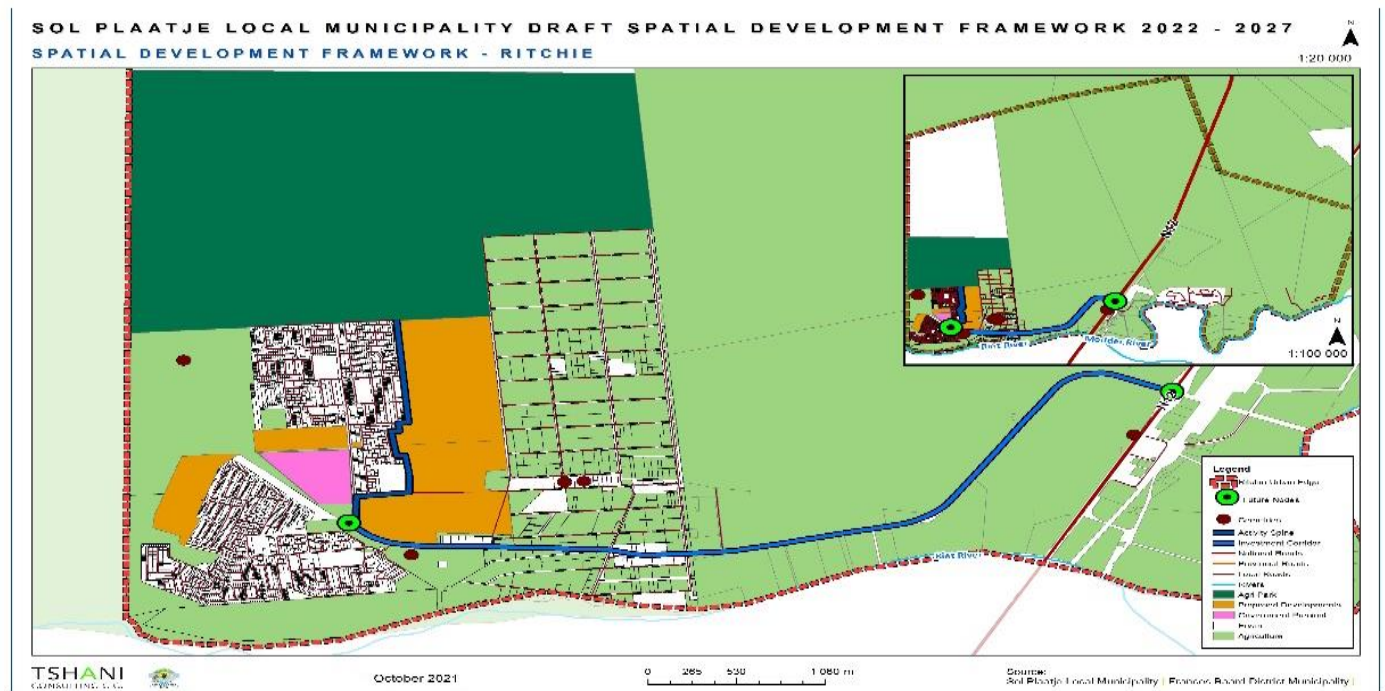
**Sol Plaatje Municipality**  
Spatial Development Framework 2022-2027

### Spatial Development Framework for Kimberley

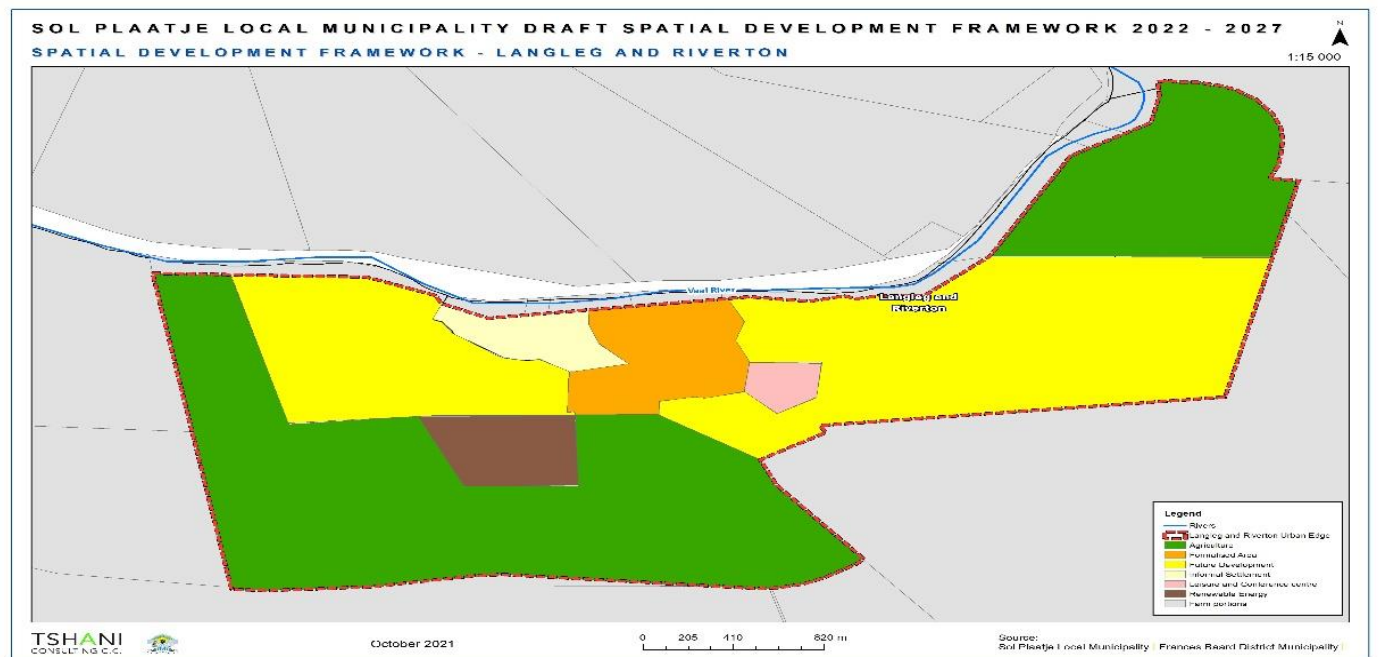


## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### Spatial Development Framework -Ritchie



### Spatial Development Framework -Riverton



### INTERGOVERNMENTAL PROJECT

Sol Plaatje Municipality particularly Kimberley has been identified as a **"National Urban Node"** and a **"Transformation corridor"** in terms of the Draft National Spatial Development Framework, 2020 and the Provincial Spatial Development





## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

---

Framework, 2019. The National, Provincial and District policies predominantly view Kimberley as an area of focus to attract private and public investment that will in turn encourage an environment that will foster opportunities for more labour –absorbing activities.

Based on the above, the Town Planning Unit through the DBSA Spatial Restructuring programme applied for funding to develop the Growth and Development Strategy and 07 precinct plans. That include *Leisure and Conferencing, Tourism/Adventure, Agri-Park, Caters Glen Mixed-Use, Heritage, Industrial and Eco-Friendly* wherein extensive studies need to determine the feasibility of the identified precincts.

Furthermore, the Municipality intends to unpack the economic potential within the Sol Plaatje Local Municipality vicinity in order to ease the high unemployment rate within the City through the development of a Growth Development Strategy.

The application for funding and Technical support has received the necessary attention at Development Bank of South Africa (DBSA: Spatial Restructuring Programme) and all the supporting documentation have been submitted. The anticipated financial support is estimated at **R7 000.000.00** for the development of the Growth and Development Strategy and the 07 precinct plans. The approval and procurement is anticipated to commence in the next financial year.

### ***SPLUMA (Municipal Planning Tribunal)***

The establishment of the Single Municipal Planning Tribunal has ensured that high-value developments are processed quicker and hence increased private sector investment and turnaround time for approvals. As such, for the financial year 2021/22, 08 MPT Hearings unfolded in order to consider various land development applications to ensure that private investment development is enhanced in the municipality.

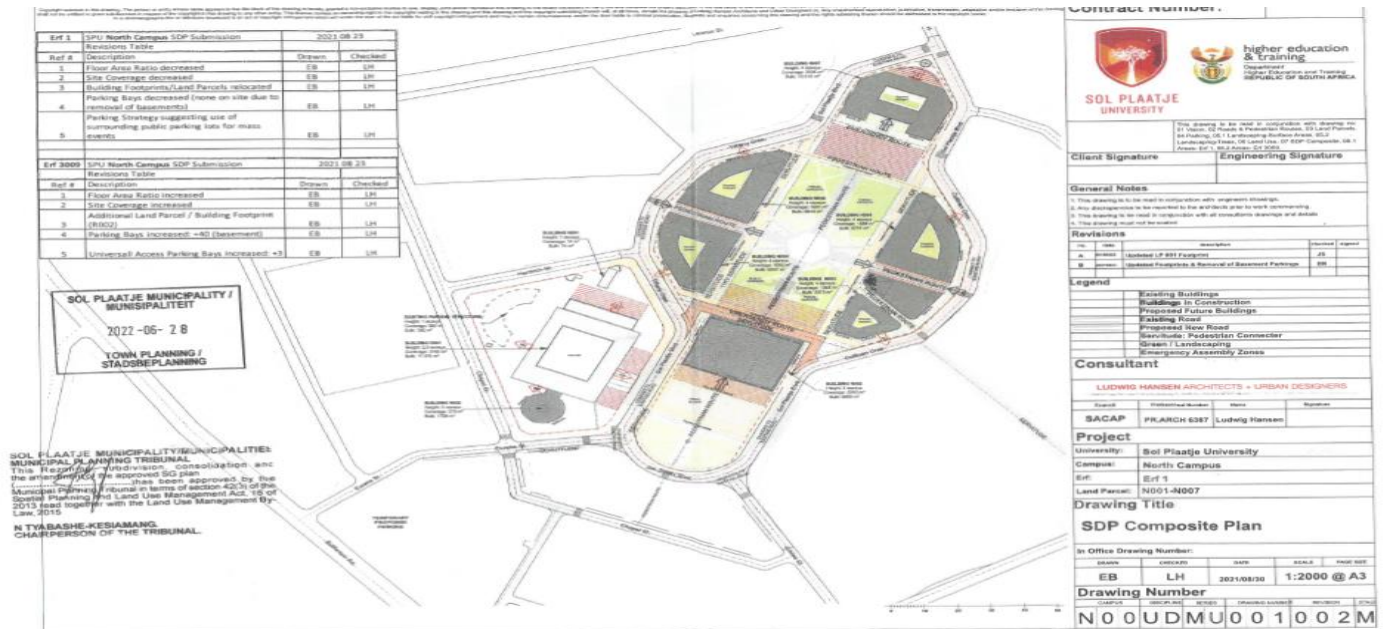
To actively engage the Community in decision-making process, the Municipal Planning Tribunal has promoted a platform where objectors are requested to make representation prior a decision is taken to enable fairness and transparency. This has contributed to no appeals lodged against a decision by the MPT nor the DO.

### **Sol Plaatje University (North Campus) SPLUMA Application Approval**

The Sol Plaatje University recently acquired the subject portion of land affectionately known as the Oppenheimer Gardens. The land was purchased from the Sol Plaatje Municipality in terms of the Council Resolution (C126/07/21) dated 29 July 2021. As such, the University intends to develop the subject portion of land in order to expand the Sol Plaatje University's North Campus, hence the submission of the land use application. Portion of Remainder Erf 1 Kimberley is situated along Tiffany Street, Jan Smuts and Cullinan Street in the City Centre. The property is currently used as a public park namely Oppenheimer Gardens.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

The SPLUMA application was approved by the Municipal Planning Tribunal on 28 June 2022 (MPT Resolution no. MPT34/2022) for the proposed closure of public open space, subdivision and rezoning of Portion of Remainder Erf 1 Kimberley in order to allow for the expansion of Sol Plaatje University's North Campus.



### SPLUMA (Municipal Appeals Tribunal)

During the final quarter of the 2021/2022 financial year, no appeals lodged to the Municipality and hence no seating took place. The Appeals Tribunal aims to assist the municipality to deal with and dispose of Appeals, which is therefore an important decision-maker in the land development process where decisions by the Municipal Planning Tribunal and Authorized Official are appealed.

### Business Expansion Attraction Retention (BEAR Project)

The Sol Plaatje Municipality through National Treasury General Budget Support has been funded to implement “Enhancing Sol Plaatje Municipality’s economic governance and infrastructure for Business Expansion Attraction and Retention (BEAR)” hereafter referred to as “the BEAR project”.

The aim of the programme is to enhance SLM’s economic governance and infrastructure through; a digitalised business application (& facilitation) platform, a harmonised business regulatory environment as well as capacity and capability enhancement of the municipality (institution) and municipal officials (individual) to reduce red tape.

Although the project was intended to focus on Local Economic Development, it interlinks through different department. The BEAR project will assist with the effectively managing of digitalised business application that includes



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

---

the Town Planning Management Applications (TPAMS) as well and the Building Plan Management Applications (BPAMS)

The TPAMS and BPAMS are ready for use by the Municipality however; both the units need implementation tools to commence with the use of the applications system. In the Financial year 2021/2022, the ICT department acquired new computer hardware, upgraded some screens, and improved the speed.

It is envisaged that by the financial year 2022/2023, the implementation tools will be available and the units will effectively use the application systems.

### **TOWNSHIP ESTABLISHMENT (PLANNING & SURVEYING)**

In order to ensure that the Municipality successfully addresses the need of delivering security of tenure to the community, the Urban Planning Division has managed to complete the following human project in the 2021/2022 Financial Year:

#### ***Planning and Surveying of China Square***

China square is an informal settlement situated in Galeshewe abutting Seochabeng Street, Barkely Rd, Royal Street and Ethel Street. The areas originated years ago wherein formal and informal structures were established prior formalisation of the area (Township Establishment). The area constitutes of the following erven, portion of erf 1318 Galeshewe, portion of 4830 Kimberley, Erf 20434 Galeshewe, portion of Erf 6373 Galeshewe.

In the effort of formalising China Square, the Municipality in collaboration with COGHSTA aim to rectify cadastral boundaries and formalise 544 erven to be able to receive title deeds. Municipal Planning Tribunal with MPT No MPT 14/2022 dated 18 February 2022 has approved the layout plan. The Unit awaits surveying of the sites and lodging of general plans at the SG's office.

#### ***Planning and Surveying of Frans Farm***

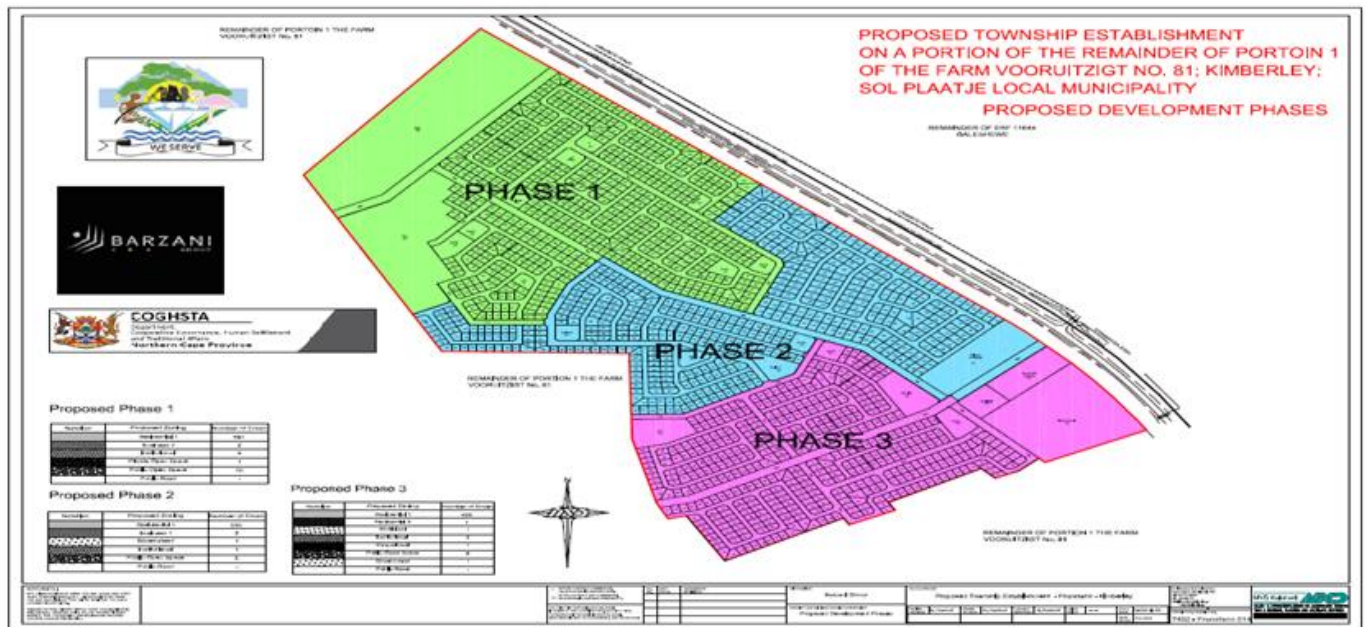
The Urban Planning Division is currently embarking on a township establishment project in collaboration with Northern Cape Department of COGHSTA, which will create approximately 1481 mixed-use development that will cater for 400 middle income, 1000 low cost and 12 social and commercial amenities.

The project is located on a portion of the Remainder Farm Vooruitzigt No.81 Kimberley, Along R31 Road, opposite the Phutanang Township. This project is in line with the IDP objective of creating housing opportunities for the residents of the Municipality and assist reduce the housing backlog.



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

The application has subsequently been submitted to the Municipal Planning Tribunal to approve the proposed development with MPT number MPT 09/2022 dated 18 February 2022. The Municipality is awaiting surveying of the site and lodging of the general plans to the Surveyor General's office.



## CHALLENGES

- Due to budgetary and cash flow constraints the municipality is not in a position to fully implement the spatial strategy and should be then implemented over a multi-year period. E.g. Loss of revenue for the municipality due to global COVID-19 pandemic (i.e. an estimated R72 million lost in rates and taxes).
- Limitation in terms of Bulk Infrastructure have impact on densification land use applications i.e. New Park area short of sufficient electrical bulk because of the Sol Plaatje University Precinct, which is growing at a rapid pace.
- Non-compliance of residents in terms of following correct land use management procedures through Sol Plaatje Land Use Management Bylaw, 2015 and SPLUMA (Act 16 of 2013) e.g. developing without following rezoning processes.

## PROPOSED SOLUTIONS TO THE CHALLENGES

- Council should consider increasing the internal budget of the Urban Planning Section to affect the agenda of spatial transformation in the municipality.
- Strengthen external partner relationship to address structural impediments and improve on service delivery (e.g. DBSA, National Department of COGTA, Office of The Premier (Northern Cape), National Department of Public Works & Infrastructure, National Department of Rural Development & Land Reform).

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

- Municipality to provide co-funding for the Growth and Development Strategy and the 07 Precinct Plan to unlock investment opportunity and diversify the economy.
- Fill in the critical vacancies within the Unit more especially the Building Control section i.e. Building Control Officer and Building Inspectors.
- To effectively make use of the existing digital applications (TPAMS and BPAMS).

### 3.10.1 Planning Objectives included in the IDP

Municipal Key Performance Area: Basic and sustainable service delivery and infrastructure development/Local Economic Development

Strategic Objectives	Key Performance Indicator	2019/20		2020/21		2021/22		2022/23
		Revised Target	Actual	Revised Target	Actual	Revised Target	Actual	Target
Develop suitably located and affordable housing (shelter) and decent human settlements	Planning and Surveying of 512 erven in various wards within Sol Plaatje Municipality by 30 June 2022	Not a Target				512	512	1 400
To ensure effective spatial planning and development in order to establish a competitive economic position	Ensuring a response time of 11 weeks for building plan submissions received in the current financial year for buildings or architectural buildings less than 500 m <sup>2</sup> annually	6 wks	9.5 wks	10 wks	11.75 wks	11 wks	12 wks	11 wks
To ensure effective spatial planning and development in order to establish a competitive economic position	Ensuring a response time of 11 weeks for building plan submissions received in the current financial year for buildings or architectural buildings greater than 500 m <sup>2</sup> annually	10 wks	12.25 wks	10 wks	10 wks	11 wks	6.75 wks	11 wks
To ensure effective spatial planning and	To process at least 200 buildings plans that were received	200	199	200	57	200	209	200

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Strategic Objectives	Key Performance Indicator	2019/20		2020/21		2021/22		2022/23
		Revised Target	Actual	Revised Target	Actual	Revised Target	Actual	Target
development in order to establish a competitive economic position	before 1 July 2021 by the end of the current financial year (30 June 2022)							
	To process 80% category 1 land use applications received until 30 April of the current financial year through MPT (Municipal Planning Tribunal) by 30 June 2022 in terms of the SPLUMA by-law (2015)	100%	72.90%	100%	64.50%	100%	78%	80%
	Review of the Sol Plaatje Land Use Management Scheme by 30 June 2022	Not a Target				100%	100%	Not a Target

Table 85: Planning Objectives included in the IDP

### 3.10.2 Financial Performance: Urban Planning

Details	2020/21	2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
<b>Total Operational Revenue</b>	0	0	0	0	0%
<b>Expenditure:</b>					
Employees	2 913	3 717	3 717	3 277	-13%
Repairs and Maintenance	0	10	10	0	0%
Other	19	135	135	25	-445%
<b>Total Operational Expenditure</b>	2 932	3 862	3 862	3 302	-17%
<b>Net Operational Expenditure</b>	2 932	3 862	3 862	3 302	-17%

Table 86: Financial Performance: Urban Planning

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.10.3 Capital Expenditure: Urban Planning

The following were capital expenditure for Urban Planning during the 2021/22 financial year.

Capital projects	2021/22				
	Budget	Adjustment budget	Actual expenditure	Variance from original budget	Variance from adjustment budget
(R)					
Township Establishment Various Wards	3 000 000	3 000 000	2 457 000	-18%	-18%
<b>Total all</b>	<b>3 000 000</b>	<b>3 000 000</b>	<b>2 457 000</b>	<b>-18%</b>	<b>-18%</b>

Table 87: Capital Expenditure: Urban Planning

### 3.10.4 Comment on the Performance of Physical Planning Overall

Sol Plaatje Municipality has successfully implemented the Integrated Urban Development Framework (IUDF) programme and currently receives an IUDF grant wherefrom the compilation of our Capital Expenditure Framework was funded. The term “Capital Expenditure Framework” (CEF) became a municipal mandate with the promulgation of the SPLUMA. 512 Erven were planned and surveyed in various wards. The Final Spatial Development Framework with all the amendments and improved maps were completed and will be tabled to Council for approval in the next financial year. The application from the Sol Plaatje University to expand the University’s North Campus was approved by SPLUMA.

## 3.11 PROPERTY SERVICES

### 3.11.1 Introduction to Property Services

The Property Section is a sub-directorate within the Directorate Strategy, Economic Development and Planning and oversees the sale as well as leasing of the various properties of municipality. Amongst other roles the property section deals with are the following:

- Leasing of Property
- Alienation of municipal land to both public and private sector
- Administration of temporary use of municipal land i.e., Church Crusades and Awareness Campaigns by various public and private entities.

Moreover, the property section ensures that the council’s property portfolio is managed and administered in an efficient manner.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### SUCCESS IN 2021/22

#### *Alienation Of Municipal Land*

The new Sol Plaatje University development is still in process to be finalised and is not completed as mentioned in the previous financial year report, due to the outstanding subdivision and rezoning application. Several other developments were approved by Council, but the same processes (subdivision and rezoning) are hampering these developments. There is also a delay in the allocation of tenders which problems are currently attended to.

#### *Leasing Of Municipal Land*

In the financial year, 2020/21 there were twenty-eight (28) renewals for the existing leases. The importance of the lease agreements is to enable the municipality to claim possession of the property once the lease period has expired. Furthermore, this also provides the municipality with an opportunity to set some clear boundaries in terms of use of the property.

### CHALLENGES IN 2021/22

#### *Servicing of Erven*

Provision of serviced land as a form of service delivery by the Sol Plaatje Municipality is quite a challenge due to the limitation of bulk infrastructure available. This is clear in an area such as South Ridge and other smaller areas in the Sol Plaatje jurisdictional area whereby the municipality have land planned and surveyed the area, however only few erven are situated in an area where there is bulk availability, and many erven still require bulk services.

There is a growing backlog of requests for serviced land in the municipality and because of members of the public who cannot afford bonds from major retail banks and do not qualify for the BNG (Breaking New Ground) houses. The availability of serviced land will shorten the time of acquisition of land and address the growing number of service delivery protests.

The tender processes are currently problematic as well as the MPT approvals for subdivision and rezoning. These two problems have a significant impact on the revenue of the municipality.

### 3.11.2 Property Services Objectives included in the IDP

#### Municipal Key Performance Area: Local Economic Development

Strategic Objectives	Key Performance Indicator	2019/20		2020/21		2021/22		2022/23
		Revised Target	Actual	Revised Target	Actual	Revised Target	Actual	Target
To ensure effective spatial planning and	Administration of lease agreements	8	44	8	53	8		

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE



Strategic Objectives	Key Performance Indicator	2019/20		2020/21		2021/22		2022/23
		Revised Target	Actual	Revised Target	Actual	Revised Target	Actual	Target
development in order to establish a competitive economic position	Process alienation/lease applications for SPELUM recommendation and council decision within four months after receipt of all relevant comments from internal municipal departments	60	73	60	62	60		

Table 88: Property Services Objectives included in the IDP

### 3.11.3 Comment on the Performance of Property Services Overall

Several macro developments were approved, but due to the subdivision and rezoning applications it is not possible to proceed with these developments. The new tender template for municipal owned land were recently approved and several tenders were advertised which tenders must be adjudicated. The lease income has significantly improved during the previous twelve months.

### 3.12 LOCAL ECONOMIC DEVELOPMENT (LED)

#### 3.12.1 Introduction to Economic Development

The Constitution of South Africa (Act 108 of 1996) specifies the third of five objectives of local government as the promotion of social and economic development. The White Paper on Local Government (1998) specifies the four characteristics of a developmental local government:

*“maximising social and economic growth; integrating and coordinating government/business non-profit sector activities; democratising development through empowerment and redistribution; and fostering ‘social capital’ at the local level via a leadership approach committed to learning”.*

LED becomes the collaborative efforts of government, non-government or private sector actors to promote and expand economic activity in a locality, thereby enhancing economic development and improving the welfare of residents.

Despite the challenges, the need for LED is too great to ignore. It falls to the promoters and implementers of LED in SPM to accept this challenge as much can be achieved, even in relatively remote, poorly resourced locality such as the Municipality’s LED Unit.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Despite the challenges, the need for LED is too great to ignore. It falls to the promoters and implementers of LED in SPM to accept this challenge as much can be achieved, even in relatively remote, poorly resourced locality such as SPMs LED unit.

### 3.12.2 Comment on Local Job Opportunities

#### TOTAL EMPLOYMENT

Employment data is a key element in the estimation of unemployment. In addition, trends in employment within different sectors and industries normally indicate significant structural changes in the economy. Employment data is also used in the calculation of productivity, earnings per worker, and other economic indicators.

Total employment consists of employment in the formal sector and employment in the informal sector.

Year	Sol Plaatje	Frances Baard	Northern Cape	National Total
2010	58 300	80 600	273 000	13 600 000
2011	59 300	81 200	278 000	13 800 000
2012	62 900	85 500	288 000	14 000 000
2013	66 100	89 600	300 000	14 500 000
2014	68 200	92 400	311 000	15 100 000
2015	67 600	91 600	314 000	15 500 000
2016	67 100	90 900	314 000	15 700 000
2017	66 500	90 300	317 000	15 900 000
2018	70 500	95 700	344 000	16 300 000
2019	72 800	99 400	351 000	16 300 000
2020	74 300	101 000	339 000	15 700 000
<b>Average Annual growth</b>				
<b>2010-2020</b>	<b>1.75%</b>	<b>1.57%</b>	<b>1.71%</b>	<b>1.48%</b>
<i>Source: IHS Markit Regional eXplorer version 2112</i>				

Table 89: Total Employment - Sol Plaatje, Frances Baard, Northern Cape and National Total, 2007-2017

In 2020, Sol Plaatje employed 74 300 people which is 73.82% of the total employment in Frances Baard District Municipality (101 000), 21.88% of total employment in Northern Cape Province (339 000), and 0.47% of the total employment of 15.7 million in South Africa. Employment within Sol Plaatje increased annually at an average rate of 1.75% from 2010 to 2020.

Sector	Sol Plaatje	Dikgatlong	Magareng	Phokwane
Agriculture	1 290	546	313	1 090
Mining	4 080	1 230	319	1 090



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

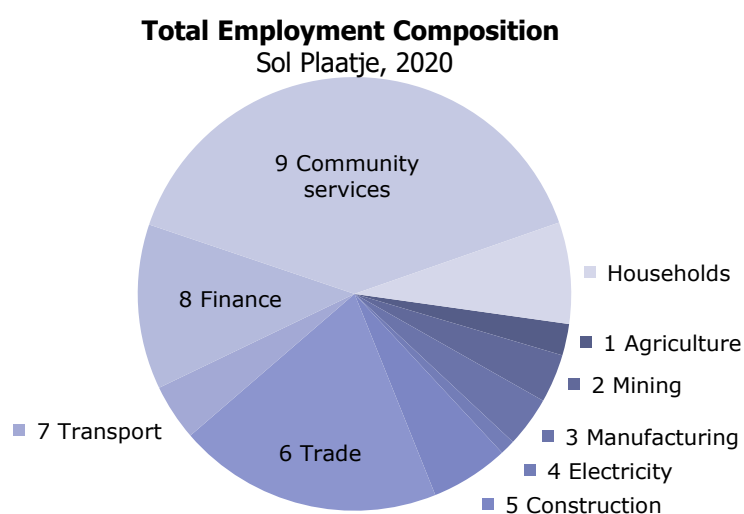
Sector	Sol Plaatje	Dikgatlong	Magareng	Phokwane
Manufacturing	3 050	494	120	557
Electricity	500	33	46	108
Construction	2 940	355	210	623
Trade	15 700	1 840	782	3 130
Transport	2 140	247	109	255
Finance	9 840	766	318	1 190
Community services	30 000	2 670	1 460	4 220
Households	4 760	781	282	1 150
<b>Total</b>	<b>74 300</b>	<b>8 960</b>	<b>3 960</b>	<b>13 400</b>

Source: IHS Markit Regional eXplorer version 2112

Table 90: Total Employment per Broad Economic Sector - Sol Plaatje and the rest of Frances Baard, 2020

Sol Plaatje municipal area employs a total number of 74 300 people within its local municipality. Sol Plaatje municipal area is also employing the highest number of people within Frances Baard District Municipality. The local municipality that employs the lowest number of people relative to the other regions within Frances Baard District Municipality is Magareng Local Municipality with a total number of 3 960 employed people.

In Sol Plaatje municipal area the economic sectors that recorded the largest number of employments in 2020 were the community services sector with a total of 30 000 employed people or 40.4% of total employment in the local municipal area. The trade sector with a total of 15 700 (21.1%) employs the second highest number of people relative to the rest of the sectors. The electricity sector with 500 (0,7%) is the sector that employs the least number of people in the Sol Plaatje municipal area, followed by the agriculture sector with 1 290 (1,7%) people employed.



Source: IHS Markit Regional eXplorer version 2112

Graph 12: Total Employment Composition



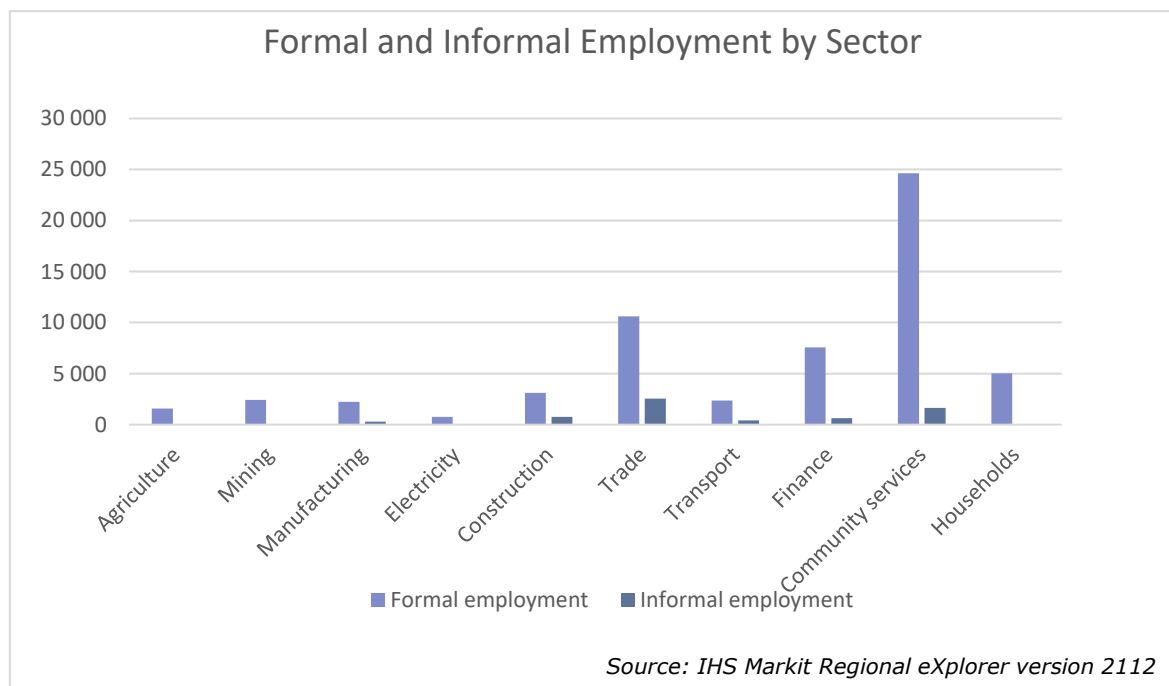
## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### FORMAL AND INFORMAL EMPLOYMENT

Total employment can be broken down into formal and informal sector employment. Formal sector employment is measured from the formal business side, and the informal employment is measured from the household side where formal businesses have not been established.

Formal employment is much more stable than informal employment. Informal employment is much harder to measure and manage, simply because it cannot be tracked through the formal business side of the economy. Informal employment is however a reality in South Africa and cannot be ignored.

The number of formally employed people in Sol Plaatje Local Municipality counted 68 900 in 2020, which is about 92,720% of total employment, while the number of people employed in the informal sector counted 5 410 or 7.28% of the total employment. Informal employment in Sol Plaatje increased from 5 180 in 2010 to an estimated 5 410 in 2020.



*Graph 13: Formal and Informal Employment by Broad Economic Sector*

Some of the economic sectors have little or no informal employment.

Mining Industry, due to well-regulated mining safety policies, and the strict registration of a mine, has little or no informal employment. The Electricity Sector is also well regulated, making it difficult to get information on informal employment. Domestic Workers and employment in the Agriculture Sector is typically counted under a separate heading.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

In 2020 the Trade Sector recorded the highest number of informally employed, with a total of 1 860 employees or 34.36% of the total informal employment. This can be expected as the barriers to enter the Trade Sector in terms of capital and skills required is less than with most of the other sectors. The Manufacturing Sector has the lowest informal employment with 264 and only contributes 4.88% to total informal employment.

Sector	Formal employment	Informal employment
Agriculture	1 290	n/a
Mining	4 080	n/a
Manufacturing	2 780	264
Electricity	500	n/a
Construction	2 360	583
Trade	13 800	1 860
Transport	1 640	494
Finance	9 000	842
Community services	28 600	1 370
Households	4 760	n/a

Table 91: Formal and Informal Employment by Broad Economic Sector - Sol Plaatje Local Municipality, 2020

The informal sector is vital for the areas with very high unemployment and very low labour participation rates. Unemployed people see participating in the informal sector as a survival strategy. The most desirable situation would be to get a stable formal job. But because the formal economy is not growing fast enough to generate adequate jobs, the informal sector is used as a survival mechanism.

### 3.12.3 Job Creation through EPWP\* Projects

Details	EPWP Projects	Jobs created through EPWP projects *FTEs
	No.	
2016/17	4	366
2017/18	14	407
2018/19	13	478
2019/20	8	325
2020/21	8	437
2021/22	8	437

\* "Full-Time Equivalent Job (FTE)" means 230 days per person day of work created by an EPWP project within a financial year.

Table 92: Job Creation through EPWP Projects

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.12.4 Local Economic Development Objectives included in the IDP

Municipal Key Performance Area: Local Economic Development

Strategic Objectives	Key Performance Indicator	2019/20		2020/21		2021/22		2022/23
		Revised Target	Actual	Revised Target	Actual	Revised Target	Actual	Target
To provide an enabling environment for LED in SPM within the context of National and Provincial Frameworks	Achieve annual revenue for the TRAM that exceeds R40'000	R19 773	R30 000	R0	R10 000	Not a target		
	Implement or attend marketing programmes for tourism promotion which may be in a form of exhibitions, tourism roads shows or tourism events	3	3	0	1	1	1	4
	Host and attend the functioning of the LED Forum	4	2	5	4	4	0	4
	Submit applications for external funding to implement the CBD framework (two for each manager per annum)	3	8	7	8	8	2	8
	Hold workshops to train and develop SMME's	4	4	0	4	4	7	4
	Enter into a twinning agreement with other municipalities with regard to LED in general and investment promotion in particular	1	0	0	1	1	1	1
	Enter into twinning agreement with other municipalities/Departments or private organisations for tourism promotion	1	2	0	2	1	0	2
	Marketing the Municipality as a premier destination for tourism and investment	1	1	1	1	1	1	Not a Target

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Strategic Objectives	Key Performance Indicator	2019/20		2020/21		2021/22		2022/23
		Revised Target	Actual	Revised Target	Actual	Revised Target	Actual	Target
	Develop an outdoor advertisement policy by end June 2022	Not a Target				1	1	Not a Target
To capacitate SMME's and local entrepreneurs	Facilitate the development of an informal trade policy by end June 2022	1	1	1	1	1	1	1
	Hold training/Development workshops for Tourism SMME's	Not a Target				2	1	2
To provide an enabling environment for LED in SPM within the context of National and Provincial Frameworks	Implementation of the Developmental Programme that supports SMME's through business incubation for at least 10 businesses annually	2	10	8	10	10	581	10
To capacitate SMME's and local entrepreneurs	Secure one letter of commitment with potential investors for the establishment of renewable energy development and training facility in Kimberley by end June 2022	0	1	0	1	1	0	1
	Enhancing Sol Plaatje Municipality's economic governance and infrastructure for Business Expansion Attraction and Retention (BEAR) by 30 June 2022	0%	0%	79%	100%	50%	100%	100%
	Establishment of an Automotive Hub at Roodepan by 30 June 2022	No a Target				100%	100%	Not a Target
	Establishment of the NC Innovation at Sol Plaatje University by 30 June 2022	Not a Target				100%	100%	Not a Target
	Construction of Craven Street Centre using Pre-owned shipping containers for business development by 30 June 2022	Not a Target				10%	10%	100%

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Strategic Objectives	Key Performance Indicator	2019/20		2020/21		2021/22		2022/23
		Revised Target	Actual	Revised Target	Actual	Revised Target	Actual	Target
Marketing the Municipality as a premier destination for tourism and investment	Complete the Terms of Reference for hosting an LED Investment summit by SPM by end of March 2022	0	1	0	1	1	0	1
	Complete a web-based value proposition that can be used as a marketing tool for Kimberley as an investment destination	1	1	0	1	1	0	1
	Development of tourism app for marketing tourism attractions and access of direct bookings to accommodation and attraction sites in Kimberley	Not a Target				100%	5%	100%
	100% Digitization of the Tourism Information Centre by 30 June 2022	Not a Target				100%	15%	100%
	Complete the Development of a Hiking Trail by end June 2022	Not a Target				100%	5%	100%
	Establish and Expand the Galeshewe Township Product by 30 June 2023	Not a Target				100%	10%	100%

Table 93: Local Economic Development Objectives included in the IDP

### 3.12.5 Financial Performance: Local Economic Development

Details	2020/21	2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
<b>Total Operational Revenue</b>	3 587	1 145	15 545	14 973	-4%
<b>Expenditure:</b>					
Employees	7 797	7 679	7 679	8 118	6%
Repairs and Maintenance	908	725	943	489	-48%
Other	54	274	274	132	-52%

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE



Details	2020/21	2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Expenditure	8 759	8 678	8 895	8 740	-2%
Net Operational Expenditure	5 172	7 533	(6 650)	(6 234)	-6%

Table 94: Financial Performance: Local Economic Development

### 3.12.6 Capital Expenditure

The following were capital expenditure for LED during the 2021/22 financial year.

Capital projects	2021/22				
	Budget	Adjustment budget	Actual expenditure	Variance from original budget	Variance from adjustment budget
(R)					
European Union Bear Project	0	14 400 000	13 891 002	0%	-4%
Craven Street Trade Centre	8 000 000	5 000 000	4 347 826	-46%	-13%
<b>Total all</b>	<b>8 000 000</b>	<b>19 400 000</b>	<b>18 238 828</b>	<b>128%</b>	<b>-6%</b>

Table 95: Capital Expenditure: LED

### 3.12.7 LED Highlights

LED Unit is pleased to report that mLab delivered on its all of its KPIs in 2019/20 despite the challenges caused by the national lockdowns due to the Covid-19 pandemic. mLab Northern Cape (mLab NC) incubated five start-ups under the Enterprise Development programme, supported 39 Skills Development Trainees, and hosted numerous Ecosystem Development programmes which positively impact the youth.

The following are five start-ups at mLab NC:

- NC Dev (Leandro Klein, Keenan) Online education academy
- Verification (Joseph Dlamini) Identity verification
- USTAC (Peter Michael Salo) Building management
- I-Check (Palesa Malefane) Price comparison application for retail
- Uncut - (Boitumelo Thekiso) Online marketplace for artisans to display and sell products

These accomplishments were achieved with a reduced budget due to the redeployment of public funds towards other Covid-19-related initiatives.



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

One challenge is the CodeTribe employment evidence following graduation of trainees. This had been adversely affected due to a number of organisations opting to put a hold on recruitment of talent as a result of uncertainty experienced in the past year, and the dire economic outlook in terms of business performance.

In response, mLab NC is exploring offering up to 60% of graduates' temporary employment opportunities by facilitating a CodeUp programme to enable these graduates to assist start-ups in developing their digital solutions.

### SKILLS DEVELOPMENT

#### *Codetribe Academy Skills Accelerator*

Sixteen learners were recruited instead of twenty due to limited workstations available at the location of mLab NC which was communicated at the inception of CodeTribe programme in Kimberley in 2019.

A total of six students have submitted their proof of employment letters. The global pandemic brought about reduced opportunities for CodeTribe graduates to gain employment. mLab will however, be offering graduates temporary employment opportunities to develop solutions for the start-ups within the Enterprise Development programme.

#### *Facility Management at mLab NC*

The Department of Economic Development and Tourism – Northern Cape, the Sol Plaatje Municipality and the Mobile Applications Laboratory NPC, in collaboration with the Department of Science and Innovation (DSI) established mLab Northern Cape (NC), modeled on the basis of the mLab, a Non-Profit Organisation (NPO), with the aim of developing skills and new start-ups to propel mobile applications development for a knowledge-based economy.

The Sol Plaatje Municipality has, as part of its strategic intent, the need to revitalise and modernise the township economy of Galeshewe, to which extent they have availed the SMME Village to locate mLab NC.

Given the challenges experienced in the previous financial year with respect to management of the SMME Village facility, these mLab NC partners entered into an agreement with Diamond Creative Vision to manage and maintain the building. Below is an outline of the responsibilities of the Facilities Manager.

#### **3.12.8 Comment on Local Economic Development Performance Overall**

With a GDP of R25.5 billion in 2020 (up from R16.9 billion in 2010), the Sol Plaatje Local Municipality contributed 78.30% to the Frances Baard District Municipality GDP of R32.6 billion in 2020 increasing in the share of the Frances Baard from 78.37% in 2010. The Sol Plaatje Local Municipality contributes 25.33% to the GDP of Northern Cape Province and 0.51% to the GDP of South Africa which had a total GDP of R 4.97 trillion in 2020 (as measured in nominal or current prices). Its contribution to the national economy stayed similar in importance from 2010 when it contributed 0.61% to South Africa, but it is lower than the peak of 0.61% in 2010.

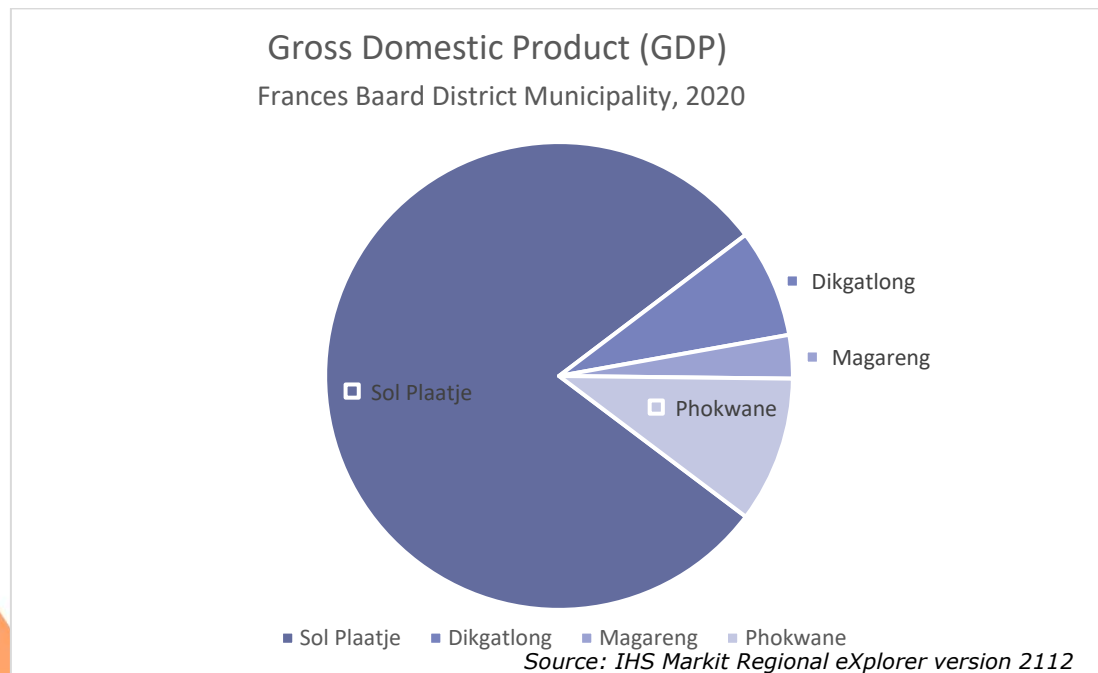
## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Year	Sol Plaatje	Frances Baard	Northern Cape	National Total	% of District Municipality	% of Province	% of National
2010	16.5	21.1	60.1	2 748.0	78.1%	27.5%	0.60%
2011	17.6	22.4	64.0	3 023.7	78.5%	27.4%	0.58%
2012	18.9	24.0	68.2	3 253.9	78.7%	27.7%	0.58%
2013	19.9	25.3	72.6	3 540.0	78.5%	27.4%	0.56%
2014	23.7	30.0	83.5	3 805.3	78.9%	28.4%	0.62%
2015	24.9	31.4	85.7	4 051.4	79.3%	29.0%	0.61%
2016	26.0	32.8	90.9	4 350.3	79.4%	28.6%	0.60%
2017	28.5	35.9	100.1	4 651.8	79.4%	28.5%	0.61%
2018	25.8	32.8	100.1	4 873.9	78.7%	25.8%	0.53%
2019	25.9	33.1	103.4	5 077.6	78.2%	25.1%	0.51%
2020	25.5	32.6	100.8	4 974.0	78.3%	25.3%	0.51%

Source: IHS Markit Regional eXplorer version 2112

Table 96: GDP - Sol Plaatje, Frances Baard, Northern Cape and National Total, 2010-2020

In 2020, the Sol Plaatje Local Municipality achieved an annual growth rate of -2.07% which is a significantly higher GDP growth than the Northern Cape Province's -8.53%, but is higher than that of South Africa, where the 2020 GDP growth rate was -6.96%. Contrary to the short-term growth rate of 2020, the longer-term average growth rate for Sol Plaatje (-0.95%) is significantly lower than that of South Africa (0.64%). The economic growth in Sol Plaatje peaked in 2017 at 2.47%.



Graph 14: GDP - Sol Plaatje Local Municipality and the rest of Frances Baard, 2020

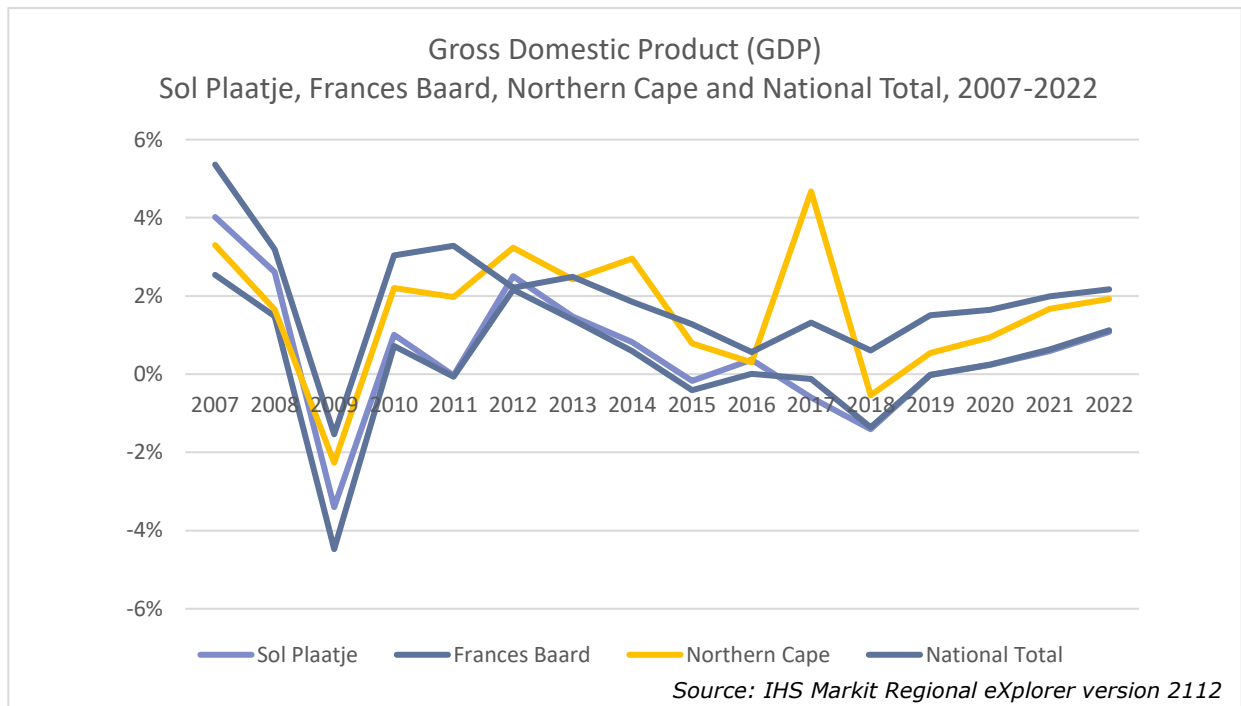


## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

The Sol Plaatje Local Municipality had a total GDP of R25.5 billion and in terms of total contribution towards Frances Baard District Municipality the Sol Plaatje Local Municipality ranked highest relative to all the regional economies to total Frances Baard District Municipality GDP. This ranking in terms of size compared to other regions of Sol Plaatje remained the same since 2010. In terms of its share, it was in 2020 (78.3%) very similar compared to what it was in 2010 (78.4%). For the period 2010 to 2020, the average annual growth rate of -0.9% of Sol Plaatje was the second relative to its peers in terms of growth in constant 2010 prices.

### ECONOMIC GROWTH FORECAST

It is expected that Sol Plaatje Local Municipality will grow at an average annual rate of 0.09% from 2017 to 2022. The average annual growth rate in the GDP of Frances Baard District Municipality and Northern Cape Province is expected to be 0.12% and 0.90% respectively. South Africa is forecasted to grow at an average annual growth rate of 1.58%, which is higher than that of the Sol Plaatje Local Municipality.



Graph 15: GDP - Sol Plaatje, Frances Baard, Northern Cape and National Total, 2007-2022 [Average annual growth rate, constant 2010 prices]

In 2022, Sol Plaatje's forecasted GDP will be an estimated R17.4 billion (constant 2010 prices) or 78.8% of the total GDP of Frances Baard District Municipality. The ranking in terms of size of the Sol Plaatje Local Municipality will remain the same between 2017 and 2022, with a contribution to the Frances Baard District Municipality GDP of 78.8% in 2022 compared to 78.9% in 2017. At a 0.09% average annual GDP growth rate between 2017 and 2022, Sol Plaatje ranked the second compared to the other regional economies.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### GROSS VALUE ADDED BY REGION (GVA-R)

The Sol Plaatje Local Municipality's economy is made up of various industries. The GVA-R variable provides a sector breakdown, where each sector is measured in terms of its *value-added* produced in the local economy.

The following summary table puts the Gross Value Added (GVA) of all the regions in perspective to that of the Sol Plaatje Local Municipality.

Economic Sectors	Sol Plaatje	Frances Baard	Northern Cape	National Total	% of District Municipality	% of Province	% of National
Agriculture	0.3	0.9	6.7	119.6	35.2%	4.7%	0.27%
Mining	0.8	1.2	20.9	372.9	68.4%	4.0%	0.22%
Manufacturing	0.8	1.3	3.1	573.4	57.3%	24.1%	0.13%
Electricity	1.0	1.5	3.4	167.2	65.0%	28.8%	0.58%
Construction	0.6	0.7	2.0	140.2	77.5%	27.3%	0.39%
Trade	3.1	4.0	9.9	655.2	79.1%	31.7%	0.48%
Transport	3.8	4.5	9.8	396.4	85.3%	39.0%	0.96%
Finance	4.7	5.6	12.7	879.5	84.9%	37.2%	0.54%
Community Services	7.8	9.5	22.7	1,125.3	82.2%	34.3%	0.69%
Total Industries	22.9	29.2	91.2	4,429.7	78.6%	25.1%	0.52%

Source: IHS Markit Regional eXplorer version 2112

Table 97: GVA by Broad Economic Sector - Sol Plaatje Local Municipality, 2020

In 2020, the community services sector is the largest within Sol Plaatje Local Municipality accounting for R7.8 billion or 34.0% of the total GVA in the local municipality's economy. The sector that contributes the second most to the GVA of the Sol Plaatje Local Municipality is the finance sector at 20.7%, followed by the transport sector with 16.7%. The sector that contributes the least to the economy of Sol Plaatje Local Municipality is the agriculture sector with a contribution of R318 million or 1.39% of the total GVA.

### HISTORICAL ECONOMIC GROWTH

For the period 2020 and 2010, the GVA in the finance sector had the highest average annual growth rate in Sol Plaatje at 0.71%. The industry with the second highest average annual growth rate is the community services sector averaging at 0.42% per year. The construction sector had an average annual growth rate of -3.15%, while the mining sector had the lowest average annual growth of -5.61%. Overall, a negative growth existed for all the industries in 2020 with an annual growth rate of -1.33% since 2019.

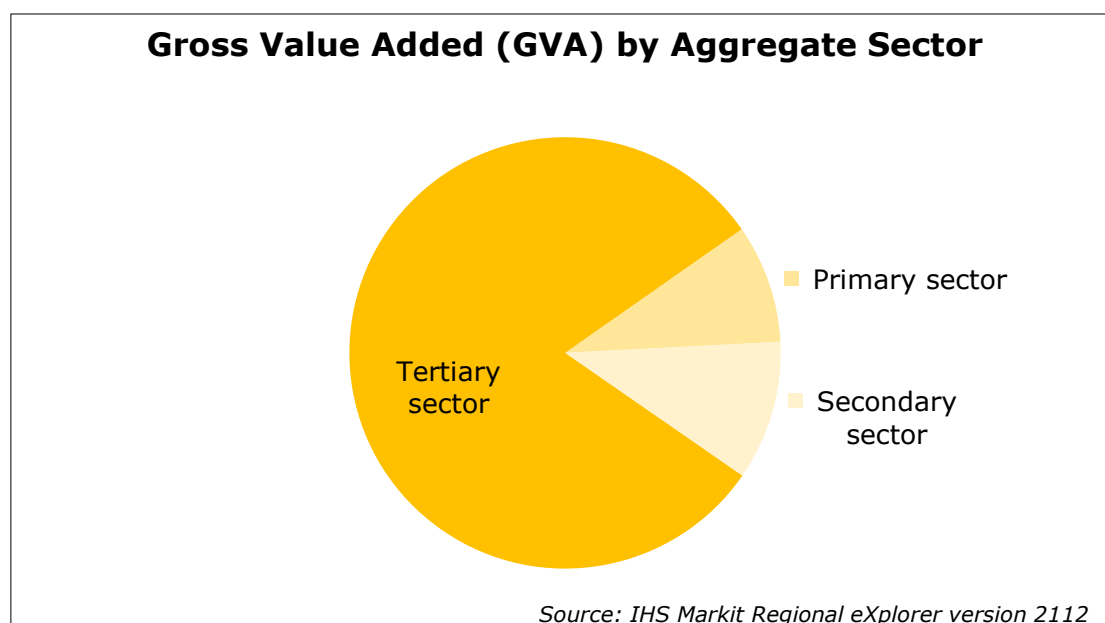
Sector	2010	2015	2020	Average Annual growth
Agriculture	0.23	0.21	0.21	-1.18%

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Sector	2010	2015	2020	Average Annual growth
Mining	1.72	1.02	0.97	-5.61%
Manufacturing	0.52	0.47	0.40	-2.44%
Electricity	0.48	0.45	0.48	0.00%
Construction	0.45	0.43	0.33	-3.15%
Trade	2.37	2.29	2.04	-1.47%
Transport	2.31	2.30	1.97	-1.58%
Finance	2.93	3.02	3.14	0.71%
Community Services	4.14	4.21	4.32	0.42%
Total Industries	15.15	14.40	13.86	-0.89%

Table 98: Historical Economic Growth

The tertiary sector contributes the most to the Gross Value Added within the Sol Plaatje Local Municipality at 85.0%. This is significantly higher than the national economy (69.0%). The secondary sector contributed a total of 10.0% (ranking second), while the primary sector contributed the least at 5.0%.



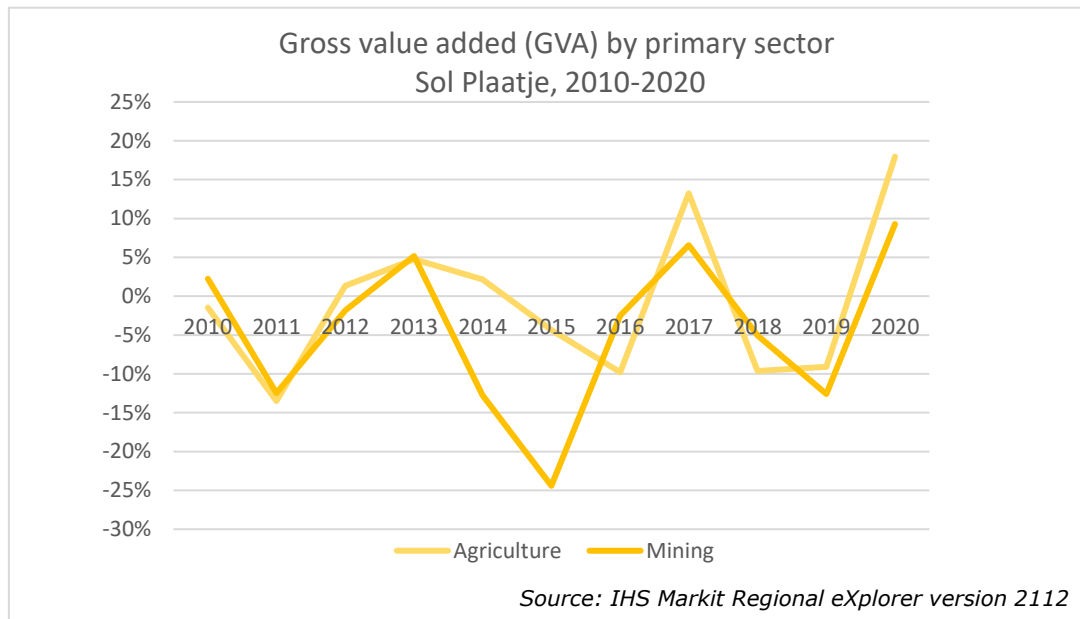
Graph 16: GVA by Aggregate Economic Sector - Sol Plaatje Local Municipality, 2017

The following is a breakdown of the Gross Value Added (GVA) by aggregated sector:

### Primary Sector

The Primary Sector consists of two broad economic sectors namely the mining and the agricultural sector. The following chart represents the average growth rate in the GVA for both sectors in Sol Plaatje Local Municipality from 2010 to 2020.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE



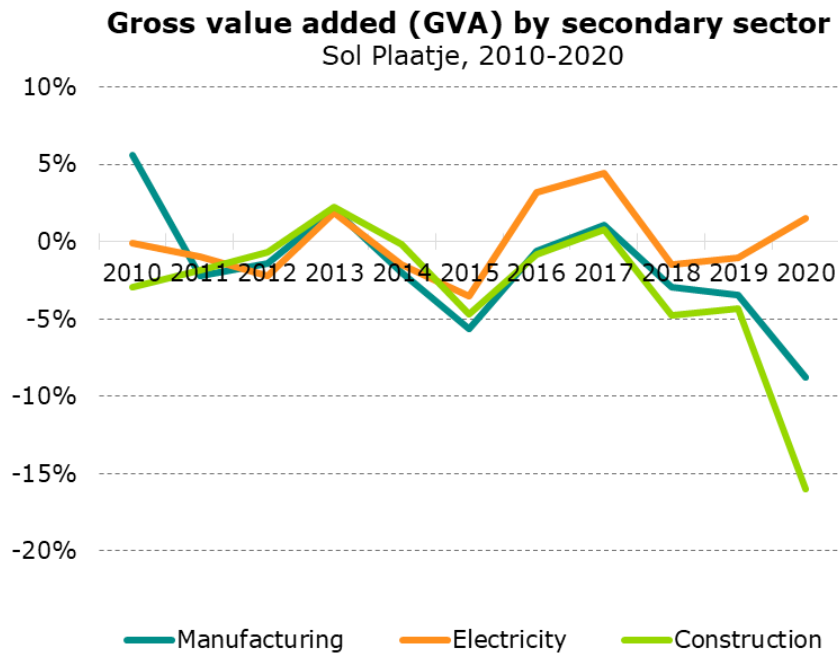
Graph 17: GVA by Primary Sector - Sol Plaatje, 2010-2020

Between 2010 and 2020, the agriculture sector experienced the highest positive growth in 2020 with an average growth rate of 18.0%. It is evident for the mining sector that the highest positive growth rate also existed in 2020 and it experienced a growth rate of 9.3% which is lower than that of the agricultural sector. The agricultural sector experienced the lowest growth for the period during 2011 at -13.5%, while the mining sector reached its lowest point of growth in 2015 at -24.4%. Both the agriculture and mining sectors are generally characterised by volatility in growth over the period.

### Secondary Sector

The Secondary Sector consists of three broad economic sectors namely the manufacturing, electricity and the construction sector. The following chart represents the average growth rates in the GVA for these sectors in Sol Plaatje Local Municipality from 2010 to 2020.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE



*Source: IHS Markit Regional eXplorer version 2112*

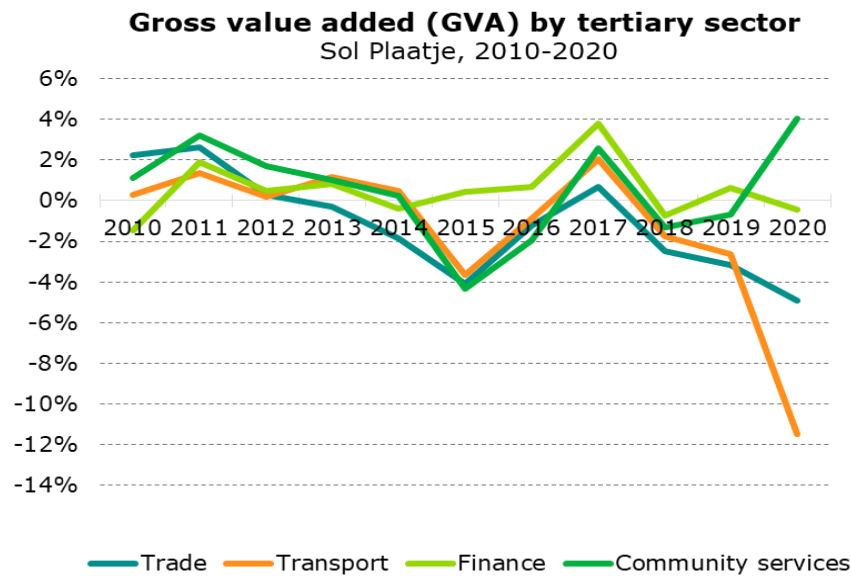
*Graph 18: GVA by Secondary Sector - Sol Plaatje, 2010-2020 [Annual percentage change]*

Between 2010 and 2020, the Manufacturing Sector experienced the highest positive growth in 2010 with a growth rate of 5.6%. The Construction Sector reached its highest growth in 2013 at 2.3%. The Manufacturing Sector experienced its lowest growth in 2020 of -8.8%, while Construction Sector also had the lowest growth rate in 2020 and it experiences a negative growth rate of -16.0% which is higher growth rate than that of the Manufacturing Sector. The Electricity Sector experienced the highest growth in 2017 at 4.5%, while it recorded the lowest growth of -3.5% in 2015.

### **Tertiary Sector**

The Tertiary Sector consists of four broad economic sectors namely the Trade, Transport, Finance and the Community Services Sector. The following chart represents the average growth rates in the GVA for these sectors in Sol Plaatje Local Municipality from 2010 to 2020.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE



Graph 19: GVA by Tertiary Sector - Sol Plaatje, 2007-2017

The Trade Sector experienced the highest positive growth in 2011 with a growth rate of 2.6%. The Transport Sector reached its highest point of growth in 2017 at 2.1%. The Finance Sector experienced the highest growth rate in 2017 when it grew by 3.8% and recorded the lowest growth rate in 2010 at -1.4%. The Trade Sector had the lowest growth rate in 2020 at -4.9%. The Community Services Sector, which largely consists of government, experienced its highest positive growth in 2020 at 4.0% and the lowest growth rate in 2015 with -4.3%.

### SECTOR GROWTH FORECAST

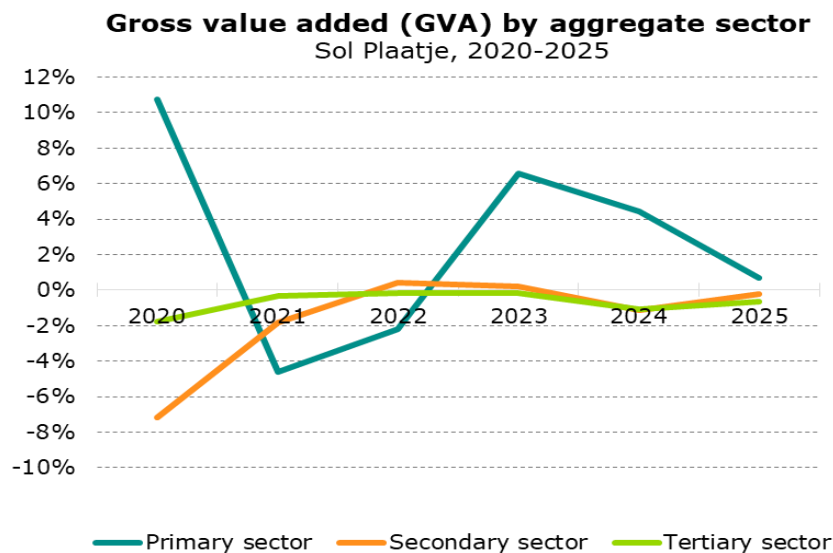
The GVA forecasts are based on forecasted growth rates derived from two sources: historical growth rate estimates and national level industry forecasts. The projections are therefore partly based on the notion that regions that have performed well in the recent past are likely to continue performing well (and vice versa) and partly on the notion that those regions that have prominent sectors that are forecast to grow rapidly in the national economy (e.g., finance and telecommunications) are likely to perform well (and vice versa). As the target year moves further from the base year (2010) so the emphasis moves from historical growth rates to national-level industry growth rates.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Sector	2020	2021	2022	2023	2024	2025	Average Annual growth
Agriculture	0.21	0.20	0.18	0.17	0.17	0.16	-4.91%
Mining	0.97	0.92	0.92	1.00	1.05	1.07	1.99%
Manufacturing	0.40	0.40	0.40	0.39	0.38	0.38	-1.29%
Electricity	0.48	0.48	0.49	0.49	0.49	0.50	0.65%
Construction	0.33	0.31	0.31	0.31	0.31	0.30	-1.34%
Trade	2.04	2.07	2.07	2.08	2.04	2.01	-0.29%
Transport	1.97	2.01	2.03	2.03	2.01	2.00	0.32%
Finance	3.14	3.08	3.12	3.14	3.14	3.16	0.09%
Community Services	4.32	4.27	4.19	4.15	4.07	4.03	-1.37%
<b>Total Industries</b>	<b>13.85</b>	<b>13.74</b>	<b>13.70</b>	<b>13.76</b>	<b>13.67</b>	<b>13.61</b>	<b>-0.36%</b>

Table 99: GVA by Broad Economic Sector - Sol Plaatje Local Municipality, 2020-2025

The mining sector is expected to grow fastest at an average of 1.99% annually from R965 million in Sol Plaatje Local Municipality to R1.07 billion in 2025. The community services sector is estimated to be the largest sector within the Sol Plaatje Local Municipality in 2025, with a total share of 29.6% of the total GVA (as measured in current prices), growing at an average annual rate of -1.4%. The sector that is estimated to grow the slowest is the agriculture sector with an average annual growth rate of -4.91%.



Source: IHS Markit Regional eXplorer version 2112

Graph 20: GVA by Aggregate Economic Sector - Sol Plaatje Local Municipality, 2017-2022 [Annual Growth Rate, Constant 2010 Prices]



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

The Primary Sector is expected to grow at an average annual rate of 0.90% between 2020 and 2025, with the Secondary Sector growing at -0.51% on average annually. The Tertiary Sector is expected to grow at an average annual rate of -0.48% for the same period.

### 3.13 FRESH PRODUCE MARKET

#### 3.13.1 Introduction

The South African Fresh Produce Market system is unique from the rest of the world because it functions on a commission basis. We have been told that this feature of South African market place is alone in the world. South Africa's fresh produce markets are the only system of fresh produce commission market in the world (Jansen, 2017). The system provides the ideal inclusive and transparent trading environment to all fresh produce, be it commercial, small scale or emerging farmers to sell the products directly to the buyers.

National Fresh Produce Markets are a trading platform where farmers see what value is being placed on their produce. The market uses market agents to sell fresh produce products and pay agents a commission fee. The market agents negotiate the price with farmers and the accepted agent commission is between 5-7%, 5% while a further 5% commission is added which goes to the municipality for the upkeep of the infrastructure and facilities.

This system is governed by legislation that protects the farmers and the Agricultural Produce Agents Council (APAC). APAC ensure that the farmers are more of a price maker rather than being price takers, and provide training, licensing and even disciplining market agents when necessary.

Sol Plaatje Fresh Produce Market is the sole national fresh produce market in the Northern Cape and falls under the Directorate of Strategic Economic Development & Planning. The market currently hosts two market agents namely, Subtropico and Kimberley Varsprodukte Agentskap.

#### Food Security

People living in cities and urban areas rely on being able to purchase their food, rather than growing it themselves. Sol Plaatje Fresh Produce Market is a vital location for buying of fruit and vegetables.

#### Local Economic Development (LED)

The food procured at the NFPMs find its way to the public via a number of entrepreneurs. The familiar sight of hawkers on the side of the road or traffic lights is an immediate example, which comes to mind, not only is food being available but also people are generating revenue.

#### TOP SERVICE DELIVERY





## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

---

To create a platform for business, hawkers and emerging farmers with a market for their produce either locally or internationally and give retailers and distributors access to fresh fruit and vegetables at their doorstep.

To ensure we comply with Health & Safety Act (Act No. 85 of 1993) and promote food safety and quality assurance.

The role of Sol Plaatje Fresh Produce Market is to provide the necessary facilities as well as to:

- Ensure Sol Plaatje Fresh Produce Market remains a preferred channel of distribution of fresh produce in the Northern Cape
- Create a platform to allow anyone to engage in trade without discrimination
- To render a cost effective and efficient service

### MEASURES TAKEN TO IMPROVE THE PERFORMANCE OF THE MARKET

- Benchmarking and liaising with other fresh produce markets
- Implementing the recommendations from the Business Plan
- Marketing and advertising
- Attract more agents on the trading floor

### THE SUPPORT GIVEN TO COMMUNITIES THAT ARE LIVING IN POVERTY

- School and crèche children tour, the children receive a fruit packet after the market tour
- With support of the agents the market is giving food and vegetables to the needy and soup kitchens

### MAJOR ACHIEVEMENTS

- Implementation of the Business Plan
- Erection of devil forks inside the market hall
- Painting of the market hall
- Maintenance of cold-rooms

### CHALLENGES

- Declining service standards
- Continued physical infrastructure deterioration
- Municipality not reinvesting municipal revenue into the market
- Security is one of the major challenges, due to no workforce we are experiencing break in daily, and this compromises the safety of the employees and the buyers
- Vandalism of market assets (ripening and cold room complex)

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.13.2 Policy Objectives included in the IDP

Strategic Objectives	Key Performance Indicator	2019/20		2020/21		2021/22		2022/23
		Revised Target	Actual	Revised Target	Actual	Revised Target	Actual	Target
To position the market as a productive and profitable section of the municipality	Report quarterly on the monitoring of tonnage and condemned produce	4	4	4	5	4	3	4
To provide a basis for sustainable municipal performance improvement	Implement the recommendations of the business plan	4	4	4	5	4	3	4
To position the market as a productive and profitable section of the municipality	Report quarterly on the turnover marketing and advertising of the market	4	4	2	4	4	3	4

Table 100: Fresh Produce Objectives included in the IDP

### 3.13.3 Financial Performance: Fresh Produce Market

Details	2020/21	2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
<b>Total Operational Revenue</b>	956	2 940	2 940	1 104	-62%
<b>Expenditure:</b>					
Employees	5 423	5 275	5 275	5 560	5%
Repairs and Maintenance	402	542	557	546	-2%
Other	369	425	425	367	-14%
<b>Total Operational Expenditure</b>	6 194	6 242	6 257	6 473	3%
<b>Net Operational Expenditure</b>	5 238	3 302	3 317	5 369	62%

Table 101: Financial Performance: Fresh Produce Market

### 3.13.4 Capital Expenditure

There was no capital expenditure during the period under review.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.13.5 Comment on the performance overall

Sol Plaatje Fresh Produce Market had no capital projects. In the absence of capital budget, it is difficult to implement recommendations from the Business Plan.

#### PROPOSED SOLUTION

- Council should invest in the Fresh Produce Market by prioritising market infrastructure
- Council should invest in security
- The Market needs to source funding from private investors
- Permanent health inspector on the trading floor (health and safety)
- Attract more business that can bring more feet to the market

### 3.14 URBAN RENEWAL PROGRAMME (URP)

#### 3.14.1 Introduction

The major drive behind the Urban Renewal Programme is to utilize public sector investment as a strategic vehicle to lobby private sector investment and to sustain spending and income generation in the townships as well as sustainable jobs creation thus developing a new township strategy known as the Urban Network Strategy UNS funded through NDPG.

Galeshewe is one of the national urban nodes earmarked for development and support from national treasury's Neighbourhood Development Partnership Grant (NDPG) which is technical and financial support.

The local economic development opportunities and social infrastructure development are as a direct result of initiatives such as UNS, NDPG through the URP due to the direct impact of public spending, job creation, SMME development, support and economic growth. These are the immediate financial and non-financial impacts of the URP.

#### OPPORTUNITIES

- Through Neighbourhood Development Partnership Grant, the Urban Renewal Programme can forge more inclusive planning and sectoral collaborations
- Readily available Neighbourhood Development Partnership Grant
- Implementation of the Urban Network Strategy to enhance commercialisation within the Kimberley CBD and attracting investment into the City
- Utilisation of the proposed Government development precinct in Roper parking as a catalyst of the Urban Network Strategy and synergies of plans with the National Department of Public Works
- Sol Plaatje University as a growth point for potential investments opportunities

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

- Positioning Kimberley as bulk mining consumables hub in the province
- Asset base of De Beers, Eskom and Transnet
- Strategic parcels of available land

### CHALLENGES

- Lack of internal budget allocation to fund URP initiatives limits URP scope of work
- Operational budgetary constraints hamper the implementation of URP projects as URP has limited technical expertise
- Absence of a political champion a strategic risk
- Failure of the Municipality to use URP for the intended objectives as envisioned by the Cabinet Lekgotla of 200
- No strategic and technical support from the provincial government
- URP has an unfunded mandate

### *Status of the Neighbourhood Partnership Grant*

Throughout the aforesaid financial year NDPG related projects were implemented by the Infrastructure Department thus no progress account can be provided from SEDP, and no funding allocation was made available for URP new projects.

### MITIGATION

- To resuscitate the Neighbourhood Development Partnership relationship with National Treasury (NDG Unit).
- To review past submitted projects for possible funding.
- Implementation of the Urban Network Strategy through a Medium-Term Revenue and Expenditure Framework period between the primary and secondary hub
- Submission of UNS capital projects to National Treasury (NDPG) for sourcing of funding for implementation and to lobby National Treasury to fund our capital projects through unlocking technical assistance for detailed designs and costing.
- To lobby the Executive Mayor to be a political champion for the URP

### PRIMARY HUB (KIMBERLEY CBD) SERVICES MASTER PLAN

The commissioning of a services master plan for the CBD will focus on the status of infrastructure in the CBD which comprises of roads & stormwater, water, sewer and electricity before the actual projects commences within the epicentre.

- Feasibility study for Public Intermodal Transport Precinct (Craven Taxi rank).

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

---

- Detail designs for all identified projects within the realm of the Urban Network Strategy. (Heritage Footprint project, SMME Activation Hubs etc).
- City Hall redevelopment project
- And infrastructural projects such as roads and storm water).

### **NDPG (CAPITAL GRANT)**

- Capital projects implementation
- Public Transport Network Project
- Resuscitation, continuation, and implementation of the following elements
- Taxi lay-bys
- Stormwater upgrade
- Sidewalks and bicycle lanes

### ***SMME Activation Marketing Hubs***

The project seeks to create an enabling space for SMMEs to operate by attracting feed to these flea markets and Exhibition spaces which will be operational mainly on weekends. This finds resonance and forms part of the overall Transport Development oriented plan and to picky bag on the Sol Plaatje University investment.

### ***Heritage Footprint Project***

The project has two elements, that of local economic development and tourism promotion of Kimberley as the City of Firsts. The project seeks to highlight and package all heritage resources within the secondary hub (Kimberley) in the process of promoting tourism. The project has an element of infrastructure as it seeks to plot color-coded paving on the sideways linking one heritage asset to the other. Along the pavement SMMEs will be allocated trading space to exhibit their wares or services. There will also be a running and cycling track along the activity spine to promote healthy living and non-motorized movement.

### ***City Hall Redevelopment Project***

The project will entail the redevelopment of the City Hall which has been characterised as the epicenter in the primary hub, it will further explore non-motorised movement within the precinct.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.14.2 Galeshewe Urban Renewal Programme Objectives included in the IDP

Strategic Objectives	Key Performance Indicator	2019/20		2020/21		2021/22		2022/23
		Revised Target	Actual	Revised Target	Actual	Revised Target	Actual	Target
To facilitate and promote inter-governmental relations programmes and projects on a continuous basis	Facilitate meetings with other spheres of government to strengthen IGR Relations	0	0	4	4	4	4	4
Enhance revenue through leveraging alternate sources of funding and identifying new revenue streams	Submission of business plans to external funders	0	0	4	4	4	4	4

Table 102: Galeshewe Urban Renewal Programme Objectives included in the IDP

### 3.14.3 Financial Performance: Urban Renewal Programme

Details	2020/21	2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
<b>Total Operational Revenue</b>	0	0	0	0	0%
<b>Expenditure:</b>					
Employees	2 913	3 717	3 717	3 277	-12%
Repairs and Maintenance	0	10	10	0	0%
Other	19	135	135	25	-82%
<b>Total Operational Expenditure</b>	<b>2 932</b>	<b>3 862</b>	<b>3 862</b>	<b>3 302</b>	<b>-15%</b>
<b>Net Operational Expenditure</b>	<b>2 932</b>	<b>3 862</b>	<b>3 862</b>	<b>3 302</b>	<b>-15%</b>

Table 103: Financial Performance: Urban Renewal Programme

### 3.14.4 Capital Expenditure 2021/22

There was no capital expenditure during the period under review.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.14.5 Comment on performance overall

The overall performance of all URP key performance indicators were met according to our performance agreement in the SDBIP targets.

## COMPONENT D: COMMUNITY & SOCIAL SERVICES

The mandate for the Directorate: Community and Social Development Services is derived from the Constitution of the Republic of South Africa (Act No. 108 of 1996) which provides that local government must, as part of its objectives, ensure the provision of services to communities in a sustainable manner; the promotion of a safe and healthy environment and the achievement of social development imperatives. The Directorate performs functions that are dedicated to the social and environmental well-being of the community. Part of the matters listed in Schedule 4(b) and 5(b) of the Constitution are the primary responsibility of this Directorate. These include firefighting services, municipal health services, cemeteries, cleansing services, municipal parks amongst others.

The functional responsibilities of the Directorate are Parks and Recreation:

- Library Services
- Waste Management and Environmental Health
- Emergency Services and Disaster Management
- Traffic Law Enforcement Services
- Motor Licensing and Registration Services
- Social Development Services and
- Primary Health Care Services (Clinics)

### 3.15 MOTOR VEHICLE LICENSING AND REGISTRATION

#### 3.15.1 Introduction

The primary sections residing under this Department are:

- Motor Registration Section
- Vehicle Testing Station
- Drivers' Licence Section.

The Drivers' Licensing Section is based on issuing legal, valid and authentic Learners' Licences, Drivers' Licences and Professional Drivers' Permits (PDP).





## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

The function of the Vehicle Testing Station is to ensure that all vehicles going through the Vehicle Testing Station (VTS) undergo roadworthiness to determine whether they are in a good condition and that they are roadworthy. In doing so, they are tested according to the compliance standards of the South African Bureau of Standards (SABS).

Registration of vehicles must be in-line with Road Traffic Act (Act No. 93 of 1996). All relevant registration documents must be submitted and comply with the requirements of the Act.

All spheres of government must comply with the requirements of the National Road Traffic Act (Act 93 of 1996) and the Provincial Standards.

The targets that we set in this regard were to address service delivery objectives and the administrative efficiency of the Department in delivering an effective service to every individual who requires the service of the Department.

Targets and actuals were adapted during the period under review due to:

- Staff component. We have one vacant post and two officials that are suspended to perform their duties under driver's license section.
- The challenge at Vehicle Testing Centre is that we have three vacant posts, two examiners of vehicles and one pit assistant.
- Drivers testing officers remain a problem, as the staff shortage has not been addressed and posts were not filled.
- There has been an increase in the number of renewals due to an influx of people in and around Sol Plaatje municipal area.

### 3.15.2 Motor Vehicle Licensing Objectives included in the the IDP

Strategic Objectives	Key Performance Indicator	2019/20		2020/21		2021/22		2022/23
		Revised Target	Actual	Revised Target	Actual	Revised Target	Actual	Target
To ensure sustainable delivery of community services (personal including environmental health, library, emergency and traffic services) to all residents of SPM	Process learner driver license applications	6 000	2 597	6 000	4 091	6 000	4 381	6 000
	Process driver license applications	3 600	2 408	3 600	4 579	3 600	4 463	3 600
	Test vehicles for roadworthiness to comply with the Act and SANS specifications	960	662	960	932	960	1 042	960

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Strategic Objectives	Key Performance Indicator	2019/20		2020/21		2021/22		2022/23
		Revised Target	Actual	Revised Target	Actual	Revised Target	Actual	Target
	Process of renewal applications of driver licenses of existing drivers and bi-annual renewal of PRDP (professional driving permit)	12 000	10 465	12 000	13 681	12 000	16 124	12 000

Table 104: Motor Vehicle Licensing Policy Objectives included in the IDP

### 3.15.3 Employees: Motor Vehicle Licensing and Registration

Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	Number				%
Municipal Manager and Senior Managers	1	1	1	0	0.0%
Other Managers	1	2	1	1	50.0%
Professionals	1	1	1	0	0.0%
Technicians & Trade Workers	3	6	3	3	50.0%
Clerks & Administrative Workers	14	14	13	1	7.1%
Community and Personal Workers	7	15	7	8	53.3%
Service and Sales Workers	0	0	0	0	0.0%
Plant & Machine Operators	0	3	0	3	100.0%
Elementary Occupations	2	6	1	5	83.3%
<b>Total</b>	<b>29</b>	<b>48</b>	<b>27</b>	<b>21</b>	<b>43.8%</b>

Table 105: Employees: Motor Vehicle Licensing and Registration

### 3.15.4 Financial Performance: Motor Vehicle Licensing and Registration

Details	2020/21	2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
<b>Total Operational Revenue</b>	6 606	6 760	6 760	8 750	29%
<b>Expenditure:</b>					
Employees	12 059	14 215	14 215	12 165	-14%
Repairs and Maintenance	221	472	472	421	-11%

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Details	2020/21	2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Other	132	410	410	129	-69%
<b>Total Operational Expenditure</b>	12 413	15 097	15 097	12 715	-16%
<b>Net Operational Expenditure</b>	5 807	8 337	8 337	3 966	-52%

Table 106: Financial Performance: Motor Vehicle Licensing and Registration

### 3.15.5 Capital Expenditure

There were no capital projects for the period under review.

### 3.15.6 Comment on Performance Overall

The department has been able to achieve the set performance objectives with limited resource availability. This achievement is largely due to the filling of critical vacancies and the improvement of staff morale due to innovative team building exercises implemented during the period under review.

## 3.16 LIBRARY SERVICES

### 3.16.1 Introduction to Libraries

#### VISION:

Kimberley Libraries: Dynamic, Welcoming, Safe, Easily Accessible Community Beacons - fulfilling informational and recreational needs of all.

#### MISSION:

Uplifting the community and enriching their lives through the power of information, literacy and recreation through collaboration, partnerships, emerging technologies, current and relevant library collections and a well-skilled, efficient workforce.

#### STRATEGIC OBJECTIVES

In order to fulfil our mission and realise our vision, we value and promote:

- Lifelong Learning
- Literacy
- Sufficient Collection Development
- Accessibility

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

- Partnerships
- Outreach and Marketing
- Efficient Operations
- Excellent Workforce
- Libraries as safe spaces

### SERVICE POINTS (9 LIBRARIES)

- Kimberley Public Library
- Beaconsfield Public Library
- Hadison Park Public Library
- Greenpoint Public Library
- Judy Scott Public Library (Florianville)
- Sonny Leon Public Library (Roodepan)
- Ubuntu Public Library (Homevale)
- Galeshewe Public Library
- Africana Research Library

All libraries also render outreach services to the schools and old age homes in the surrounding areas. Africana Research Library also works in collaboration with Sol Plaatje University.

The new library that was built in Greenpoint by the Department of Sport, Arts and Culture during the 2019/20 book year is still not operating. The recruitment process for 3 staff members (librarian, library assistant and a general worker) have not been finalized yet. Until the new library becomes operational the Municipality is still managing the depot library in Greenpoint.

### STAFF COMPLIMENT

**Full time staff complement:** 34 (4 vacant and funded positions)

The *Cleaner* position at Beaconsfield Library was filled during February 2022 and the *Senior Librarian: Africana Library* retired at the end of February 2022. The following positions are still vacant: *Manager: Library Services*, *Librarian (Kimberley)*, *Library Assistant (Judy Scott)* and *Senior Librarian (Head): Africana Library*

**Temporary staff complement:** 13 (2 vacant and funded positions)

Shift workers are appointed at the various libraries with the Conditional Grant Funding received from the Department of Sport, Arts and Culture. Two shift workers took up other positions in the municipality: 1 shift worker at Kimberley

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Library moved to Emergency Services in February 2022 and 1 shift worker at Beaconsfield Library moved to Supply Chain Management in June 2022. Two vacancies were filled during February 2022 - 1 at Kimberley Library and 1 at Sonny Leon Library.

### Total 51 (6 vacant and funded positions)

A new library was built in Greenpoint by the Department of Sport, Arts and Culture during the 2019/20 book year. The opening of the library was planned for April 2020, but as a result of the National Covid-19 Pandemic and lockdown, the opening of the new library was put on hold. The Department is currently busy with the recruitment process for 3 staff members: librarian, library assistant and a general worker. When the library starts operating, the current Library in Greenpoint that is managed by Sol Plaatje Municipality will be closed and all the books will be transferred to the new library. The Department of Arts and Culture will inform us in due course when the library becomes operational.

### KEY PERFORMANCE AREAS

- To establish a reading culture
- To provide a research service
- To provide an information service

### HIGHLIGHTS OF THE YEAR

During the year the libraries were still affected by the National Covid-19 Lockdown Restrictions, but nonetheless we still managed to do the following:

- Various displays were made at the different libraries during the year. Themes included: Spring, Heritage Day, Covid-19 Vaccination, Africa Day, Mothers' Day, International Museum Day, Herfs, Workers' Day, Library Week, Human Right's Day, Freedom Day, Easter, Valentine's Day, Love my library, Libraries – for the love of reading, World Read Aloud Day, Celebrate stories of love



Galeshewe



Sonny Leon



Beaconsfield



Kimberley



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE



- The Library and Information Association's Annual Conference was held virtually from 27-30 September 2021 and was attended by Mess M Hough and B Nagel.
- A successful workshop, *Preventative conservation of photographs* were held on 28-30 September 2021 at Africana Library. The facilitators were Mr. Keith Seaford and Mr. Dieter Wickert-Luderman from the City of Cape Town. They are both known as the best Conservators in the country and were willing to present this workshop in Kimberley. 12 Delegates from different museums and libraries across South Africa attended.
- Lebogang Ditsebe from the Chaeli Campaign facilitated a few workshops in the Kimberley Library hall during October 2021. Afterwards the library was presented with a copy of the book, *Unapologetically Able* by Chaeli Mycroft. It is the life-story of Chaeli, a young disabled girl who has received the International Children's Peace Award.
- Various outreach and holiday programs were held at the different libraries during 2022. The programs included school visits for library orientation, story hours, arts and crafts, as well as virtual outreach programs on the Library Facebook pages where they uploaded videos and story reading sessions by Ms C Beylefeld and Dr M Zwiegers.



Galeshewe



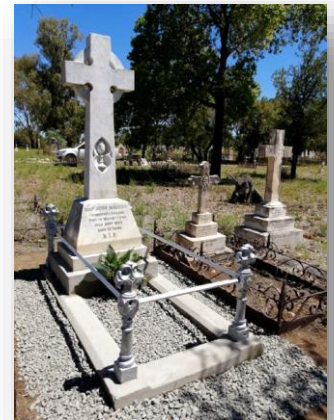
Beaconsfield



Sonny Leon

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

- Ms Annelize Rowan (African Library) received her Bachelor of Information Science Degree on 5 November 2021 in Bloemfontein.
- Mrs Shirley James, Head: Africana Library, completed the upgrade on the John McGuire gravestone at the Dutoitspan Cemetery on 8 December 2021. This request was made by the McGuire family in Ireland. Mrs James previously assisted the family with the McGuire family research.
- The Community and Social Development Services Department held a Strategic Planning and Team Building Weekend from 21- 22 January 2022 at Raekofela. All Library Heads attended.
- The 13th Annual World Read Aloud Day was celebrated on 2 February 2022. Stories were Read Aloud for groups of children visiting the libraries. Videos were also uploaded to our different Library Face Book Pages. Africana Library also posted videos on their Facebook Page of stories being read aloud.
- Mrs. M Hough attended an online training session about the POPI Act and how it applies to libraries on 17 February 2022. The session was facilitated by the Library and Information Association of South Africa's Special Libraries' Interest Group Free State (LISLIG).
- The Department of Sport, Arts and Culture is planning to build a new library in Galeshewe in the next 2 years. The first consultation meeting took place at Kimberley Public Library on 22 February 2022 and was attended by the Acting Manager, Mrs M Hough.
- SA Library Week was celebrated by all libraries during the week of 14-20 March 2022 with the theme: ReImagine! RePurpose! ReDiscover..... Libraries! The Library and Information Association of South Africa's Northern Cape Branch (LIASA NC) held a Library Week Launch Event at Kimberley Public Library with speakers from the Sol Plaatje University, Chaeli Campaign as well as a local Author and Life Coach, Mark Kotze. The Acting Manager: Libraries, Me M Hough, who is the Chairperson for LIASA NC, did an interview on Radio Teemaneng regarding Library Week on Monday 14 March 2022. During Library Week the Libraries also featured in the Diamond Fields Advertiser.





## CHAPTER 3: SERVICE DELIVERY PERFORMANCE



- Mark Kotze @ Library Week Launch
- Beaconsfield Staff at Library Week Launch



Puppet Show @ Library Week Launch



Radio Interview



DFA

- Africana Library received several donations during the year. Some interesting donations include Mr Richard Oliver's *Tramways of Kimberley*, a photograph of the *Griqualand West Coloured Rugby Union, Rhodes Cup 1935* donated by Mr Mark Fredericks, a *Kimberley-Boshoff map dated early 1900's that shows the Pniel Mission* by, Extraordinary Professor at Sol Plaatje University and well-known author, Mr Brian Willan. St Cyprian Church donated all their church registers to the Africana Library for safeguarding due to their inability to preserve these valuable records. The donation consists of baptism and marriage registers from several towns in the Northern Cape.
- New Health and Safety Representatives were elected at each library. They attended an information session on 26 April 2022. This session was facilitated by Me M Sigenu, Occupational Health & Safety Practitioner. The training for the new Health and Safety Representatives commenced in May 2022.
- Mess M Hough and B Nagel attended a 7-day training course on Labour Relations from 9 – 17 May 2022.
- All Libraries in the Frances Baard District did Asset Verification of all moveable assets of DSAC e.g. IT equipment and furniture during May 2022.
- All Library Staff attended a meeting on 23 May 2022, facilitated by Me M van Zyl from staff development unit to discuss the new staff Regulations to be implemented from July 2022.
- Kimberley Public Library assisted the Department of Sport, Arts and Culture with library related training to Correctional Services Officials on 25 May 2022. The





## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

training was attended by seven correctional service officers from different correctional facilities in the Northern Cape. The training was facilitated by Mess M Noortman and J Bezuidenhout.

- The year was ended off with another successful workshop at Africana Library on *Paper Conservation* by the Conservators Mr. Keith Seaford and Mr. Dieter Wickert-Luderman from the City of Cape Town on 28- 30 June 2022.



### GRANT FUNDING FROM THE DEPARTMENT OF SPORT, ARTS AND CULTURE

Kimberley Library and Research Services received an amount of R 8 300 000 grant funding from NC Department of Sport, Arts and Culture for the period July 2021 – June 2022. That is an increase of 6.4% from the previous financial year. This is a conditional grant and is being used to assist with the smooth daily operations of the library and research services. The Grant Funding was used for Staff salaries (permanent staff salaries are subsidised) and additional staff were appointed on contract (shift workers). It was also used for library outreach and marketing, security, maintenance, rental of Hadison Park Library's building, newspapers, magazines, stationary and other consumables, as well as staff development.

The Acting Manager: Libraries, Me M Hough, together with the Acting ED: CSDS, Me T Maropong, attended a Consultation Meeting at NC Provincial Library Services to discuss the New Business Plan and Reporting Template for the 2022/2023 Libraries Conditional Grant on 6 December 2021.

The Department of Sport, Arts and Culture hosted a Community Library Services Grant: 2021/22 Evaluation Meeting on Monday 30 May 2022 for the Frances Baard District Libraries. The meeting was attended by Me C Mazimba from Galeshewe Library, Me E Mpotsang (Financial Manager) and Mr KA Bogacwi (ED: CSDS).

### 3.16.2 Service Statistics for Libraries

Description	2019/20	2020/21	2021/22
Book circulation	128 632	67 903	77 192
Internet searches done by users	12 276	3 114	6 607
Photocopies made	302 263	94 370	97 536
Research completed successfully at Africana	892	1 071	1 218
Magazine circulation	4 535	1 649	1 646
Videos/cd's/art prints/puzzles circulated	784	365	412
Faxes sent	6	0	0
Enquiries handled	11 583	4 089	17 997

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE



Description	2019/20	2020/21	2021/22
Use of library halls	334	132	245

Table 107: Service Statistics for Libraries

### 3.16.3 Library Services Policy Objectives included in the IDP

Strategic Objectives	Key Performance Indicator	2019/20		2020/21		2021/22		2022/23
		Revised Target	Actual	Revised Target	Actual	Revised Target	Actual	Target
To ensure sustainable delivery of library services to all residents of Sol Plaatje Local Municipality								
To ensure sustainable delivery of community services (personal health, environmental health, libraries, parks and recreation, emergency and traffic services) to all residents of SPM	Conduct awareness programmes through monthly displays	120	117	60	38	60	79	60
	Respond to inquiries received regarding general information within seven working days	90%	99.5%	90%	50%	90%	91.67%	90%
	Conduct outreach programmes at all service points to inculcate a reading culture	120	286	60	70	60	92	60
	Respond to enquiries received regarding research at Africana Library within seven working days	90%	90%	90%	58.33%	90%	88.92%	90%
	Spend approved library grant (actual expenditure divided by the approved grant)	100%	100%	100%	100%	100%	100%	100%
	Submit reports to the Portfolio Committee on new library activities	12	6	10	4	10	11	10

Table 108: Library Services Policy Objectives included in the IDP

### 3.16.4 Employees: Library Services

Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	Number				%
Municipal Manager and Senior Managers	1	1	0	1	100.0%

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	Number				%
Other Managers	1	1	1	0	0.0%
Professionals	10	22	12	10	45.5%
Technicians & Trade Workers	0	0	0	0	0.0%
Clerks & Administrative Workers	1	1	1	0	0.0%
Community and Personal Workers	18	33	28	5	15.2%
Service and Sales Workers	0	0	0	0	0.0%
Plant & Machine Operators	1	1	1	0	0.0%
Elementary Occupations	7	7	7	0	0.0%
<b>Total</b>	<b>39</b>	<b>66</b>	<b>50</b>	<b>16</b>	<b>24.2%</b>

Table 109: Employees: Library Services

### 3.16.5 Financial Performance: Library Services

Details	2020/21	2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
<b>Total Operational Revenue</b>	7 891	8 150	8 650	8 427	-3%
<b>Expenditure:</b>					
Employees	14 190	15 949	16 149	15 339	-4%
Repairs and Maintenance	228	358	679	386	8%
Other	255	647	626	322	-50%
<b>Total Operational Expenditure</b>	14 673	16 955	17 455	16 047	-5%
<b>Net Operational Expenditure</b>	6 783	8 805	8 805	7 621	-13%

Table 110: Financial Performance: Library Services

### 3.16.6 Capital Expenditure

There was no capital expenditure for the period under review.

### 3.16.7 Comment on the Performance Overall

The Covid-19 pandemic continued to have a negative impact on the libraries' service delivery statistics and performance during 2021/2022. The libraries needed to adhere to the National Lockdown Levels announced throughout the year. Library Services were being rendered according to our Covid-19 working plan and only a certain

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

number of people were allowed inside the different libraries at a time according to available space and type of service rendered. Library halls could not be used for the most part of the year and the use of the public internet computers were also restricted. See table below.

Library	Photocopies	Studying/Research (3-hour sessions)	ICT(PIA) (30-Minute sessions)
Africana	N/A	2	N/A
Beaconsfield	1	5 (4 children side / 1 adult side)	2
Galeshewe	1	15 (4 children side / 11 study hall)	2
Greenpoint	1	1	1
Hadison Park	1	1	N/A
Judy Scott	1	8 (2 children side / 6 study hall)	2
Kimberley	1	26 (2 children side / 24 adult side)	2
Sonny Leon	1	4 (2 children side / 2 adult side)	1
Ubuntu	1	1	1

Old Age Homes could still not be visited due to the Covid-19 restrictions. During 2022 after the restrictions were lifted, we could accommodate more people at a time and more face-to-face outreach programs could be introduced again.

The physical usage of newspapers and magazines are still not at the capacity it was before National Lockdown started in March 2020. This is partly because some newspapers and magazines were ceased due to the impact of the National Corona Virus Pandemic. Some newspapers are now only available as digital copies e. g. Volksblad. Our users want access to especially the Volksblad newspaper since it is a local newspaper. We therefor subscribed to Media 24's online Netwerk24 subscription service. This gives all libraries access to all Media 24 digital newspapers and magazines available.

Cable theft and vandalism is still a huge problem at Galeshewe, Judy Scott and Ubuntu Libraries and the ICT services and operational statistics are still being negatively impacted because of this.

### 3.17 SOCIAL DEVELOPMENT (HIV/AIDS)

#### 3.17.1 Introduction to Social Development (HIV/Aids)

The Sol Plaatje Municipality must be a meaningful and effective partner in a sustainable TB/STI/HIV/AIDS Prevention, Support and Care Programme whilst addressing contributing issues.

#### 3.17.2 Service Objectives for Social Development (HIV/Aids)

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

- To provide TB/STI/HIV/AIDS, Youth and Poverty Alleviation services within the Sol Plaatje Municipality as well as provide the employees of Sol Plaatje Municipality with a sustainable prevention, support and care intervention of TB/STI/HIV/AIDS in a professional and respectful manner.
- Ensuring the widespread knowledge and understanding of HIV and AIDS, to reduce infections and improve the lives of those infected. This is done by promoting innovative approaches, partnerships and action to inform and empower.
- To promote awareness campaigns and commemorate special awareness days according to the National Department of Health Activity Calendar.
- To always ensure the availability of condoms (male & female) in the workplace and the community by distribution of condoms and demonstration to ensure correct usage thereof.
- To encourage the employees to know their HIV status by providing HST in the workplace and in the community.
- Provision of support by peer educators and all relevant partner NGOs to infected and affected employees.
- Aid with burials of indigent community members.
- Improve the living conditions of the community, where possible, through poverty alleviation programmes.

### 3.17.3 Social Development (HIV/Aids) Objectives included in the IDP

Strategic Objectives	Key Performance Indicator	2019/20		2020/21		2021/22		2022/23
		Revised Target	Actual	Revised Target	Actual	Revised Target	Actual	Target
To ensure sustainable delivery of social development (HIV/Aids) to all residents of Sol Plaatje Local Municipality								
To ensure sustainable delivery of community services (personal health, environmental health, libraries, parks and recreation, emergency and traffic services) to all residents of SPM	Distribute condoms to employees on a monthly basis	24 000	35 610	6 000	26 790	24 000	43 390	24 000
	Train Peer Educators to provide support to HIV positive employees and their families	12	19	2	8	6	44	7
	Conduct quarterly awareness campaigns for HIV, STI and TB	4	2	4	3	4	4	4
	Assist indigent families with burials	84	124	84	118	84	172	84
	Test employees for HIV/AIDS	84	44	12	30	12	14	12

Table 111: Social Development (HIV/Aids) Objectives included in the IDP

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.17.4 Employees: Social Development (HIV/Aids)

Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	Number				%
Municipal Manager and Senior Managers	1	1	1	0	0.0%
Other Managers	0	0	0	0	0.0%
Professionals	0	0	0	0	0.0%
Technicians & Trade Workers	0	0	0	0	0.0%
Clerks & Administrative Workers	2	2	2	0	0.0%
Community and Personal Workers	0	0	0	0	0.0%
Service and Sales Workers	0	0	0	0	0.0%
Plant & Machine Operators	0	0	0	0	0.0%
Elementary Occupations	0	0	0	0	0.0%
<b>Total</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>0</b>	<b>0.0%</b>

Table 112: Employees: Social Development (HIV/Aids)

### 3.17.5 Financial Performance: Social Development (HIV/Aids)

Details	2020/21	2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
<b>Total Operational Revenue</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>
<b>Expenditure:</b>					
Employees	2 840	2 890	2 890	2 883	0%
Repairs and Maintenance	78	168	143	94	-44%
Other	327	421	451	380	-10%
<b>Total Operational Expenditure</b>	<b>3 245</b>	<b>3 479</b>	<b>3 484</b>	<b>3 356</b>	<b>-4%</b>
<b>Net Operational Expenditure</b>	<b>3 245</b>	<b>3 479</b>	<b>3 484</b>	<b>3 356</b>	<b>-4%</b>

Table 113: Financial Performance: Social Development (HIV/Aids)

### 3.17.6 Capital Expenditure

There was no capital expenditure for the period under review.



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.17.7 Comment on the Performance Overall

This unit plays an important function in assisting and supporting Municipal employees with TB/STI/HIV/Aids Prevention, Support and Care Programme while at the same time addressing contributing issues.

The HIV counselling and testing is mostly conducted with the assistance of NGOs, especially during awareness campaigns. Clients are constantly counselled on healthy living and treatment adherence. In terms of HIV-related deaths, it is still a challenge to get such information since such information is not disclosed to this unit.

## COMPONENT E: ENVIRONMENTAL PROTECTION

According to Section 156(2) of the Constitution, a municipality may make and administer bylaws for the effective administration of matters that it has the right to administer. Air pollution is listed as a matter in which local government has authority and national and provincial government may not compromise or impede a municipality's right to exercise its powers or perform its functions.

### 3.18 SUSTAINABLE ENERGY AND CLIMATE CHANGE UNIT (SECCU)

#### 3.18.1 Introduction

The SECCU unit was moved to the Electricity Sub-directorate at the beginning of 2015. The two leading positions in SECCU are vacant now. This unit champions energy efficiency and climate change and facilitates the integration of the SPECCS within the Municipality.

This unit is currently not functioning. There is no budget allocation for this unit.

#### 3.18.2 SECCU Objectives taken from IDP

There were no key performance indicators for the period under review.

#### 3.18.3 Comment on performance overall

This unit is not functional. Currently all SSEG applications are being processed by the Electrical Department.

### 3.19 BIODIVERSITY

#### 3.19.1 Introduction

Biodiversity is the totality of life on earth, all living organisms are connected to the circle of life for survival. Hence the Sol Plaatje Municipality supports the initiative, through its Integrated Environmental Management Programme (IEMP) as far as the National Environmental Management Act (NEMA), Act No. 107 of 1998, (NEMA) and the National





## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Environmental Management Biodiversity Act (NEMBA), Act No. 10 of 2004, (NEMBA) is concerned i.e., for the protection and sustainable development use of the ecosystems and its' natural resources for the future generations to come.

The Biodiversity Section work with different stakeholders i.e., Government departments, local municipalities, NPOs, NGOs, Religious organisations etc. to ensure the environment and the natural resources within the Sol Plaatje Municipal jurisdiction are not harmed through illegal dumping, fire, air pollution etc., by raising awareness and educational campaigns to the broader communities of Kimberley, Galeshewe and surrounding areas through social media, i.e. Radio, flyers, banners, pamphlets etc.

### CHALLENGES

Financial constraints and lack of a fully-fledged biodiversity office to have its own budget and run its own programmes.

## COMPONENT F: HEALTH

This component includes clinics and environmental health. Health is a state of complete physical, mental and social well-being and not merely the absence of disease.

The Integrated Chronic Disease Management model (ICDM) is a public health approach to achieve an optimal clinical outcome for patients with chronic communicable and non-communicable diseases

### 3.20 CLINICS

#### 3.20.1 Introduction

Primary Health Care deals with the main health challenges.

The Primary Health Care objective is to provide an essential Health Care Service based on practical, socially acceptable health care to the communities. Primary Health Care is the first step in the provision of health care.

Total number of patients seen for the year: 215 500.

Attendance numbers at facilities are up and increasing daily, after the Covid pandemic. All facilities still follow the Covid-19 rules to curb contamination of the disease.

There is a new fear with the measles-outbreak during the year. Some facilities held special measles-drives at schools, vaccinating scholars and at facilities. The children under 5 years of age are all immunized against measles.

### CHALLENGES

- Facilities become too small to handle the full basket of services, therefore the infrastructure is not adequate.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

- Pharmacies at facilities to be extended with proper storeroom facilities to store bulk medication.
- Low maintenance of buildings, including non-cleaning of clinic yards.
- Doctor services improved, except for 2 clinics not receiving doctors' services.
- At some facilities nurses' work outside scope of practice, packing and distributing medication. No pharmacist available to render service.
- Staff morale low - high absenteeism rate due to staff shortages.
- At some facilities the pre-packing and labelling of medication is still done by professional nurses.
- Medication, labels and pill packages are regularly out of stock.
- No proper computer services available with linkages from one clinic to another.
- Due to no security services of Sol Plaatje at facilities, vandalism is on the increase.
- Budget constraints: Purchasing of cleaning material & stationary for 6 Sol Plaatje facilities.
- Lack of proper equipment – no budget available for purchasing new equipment.
- Outside companies to be sourced out for servicing of fire equipment/maintenance of alarm systems at facilities. Strain on budget of the section.
- Violent behaviour of patients, especially mental health patients.
- Occupational hazards, e.g., Tuberculosis, Extensively Drug Resistant TB, etc.
- Water-shutdowns remain a problem as hygienic standards cannot be properly upheld.

### 3.20.2 Service Data for Clinics

Description	2019/20	2020/21	2021/22	2022/23
	Actual			Estimate
The average number of patients visits on an average day	850	865	898	1 100
Total Medical Staff available on an average day	48	40	46	72
Average Patient waiting time (in minutes)	45-60	60-65	60-65	60-65
Number of HIV/Aids tests undertaken in the year	11 291	4 995	7 308	2 200
Number of tests in 4 above that proved positive	635	350	369	40
Number of children that are immunised at under one year of age	1 447	1 304	1 393	1 050
Child immunisations above compared with the child population under one year of age	No statistics available for the number of children in the population under one year of age.			

Table 114: Service Data for Clinics

Clinic attendance increase drastically after the Covid-pandemic, but there is a new fear of contracting measles.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.20.3 Clinics Policy Objectives included in the IDP

There were no key performance indicators for the period under review. Clinics report to Sol Plaatje and to the Department of Health. All monthly statistics and weekly reports are shared between Sol Plaatje and the Department of Health.

### 3.20.4 Employees: Clinics

Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
		Number			
Municipal Manager and Senior Managers	1	1	1	0	0.0%
Other Managers	0	1	0	1	100.0%
Professionals	5	71	2	69	97.2%
Technicians & Trade Workers	0	0	0	0	0.0%
Clerks & Administrative Workers	5	11	3	8	72.7%
Community and Personal Workers	0	0	0	0	0.0%
Service and Sales Workers	0	0	0	0	0.0%
Plant & Machine Operators	2	2	1	1	50.0%
Elementary Occupations	8	12	6	6	50.0%
<b>Total</b>	<b>21</b>	<b>98</b>	<b>13</b>	<b>85</b>	<b>86.7%</b>

Table 115: Employees: Clinics

### 3.20.5 Financial Performance: Clinics

Details	2020/21	2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
<b>Total Operational Revenue</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>
<b>Expenditure:</b>					
Employees	4 848	4 867	4 867	4 979	2%
Repairs and Maintenance	76	223	223	120	-46%
Other	56	168	168	121	-28%
<b>Total Operational Expenditure</b>	<b>4 980</b>	<b>5 258</b>	<b>5 258</b>	<b>5 220</b>	<b>-1%</b>
<b>Net Operational Expenditure</b>	<b>4 980</b>	<b>5 258</b>	<b>5 258</b>	<b>5 220</b>	<b>-1%</b>

Table 116: Financial Performance: Clinics

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.20.6 Capital Expenditure

There was no capital expenditure for the period under review.

### 3.21 ENVIRONMENTAL HEALTH

#### 3.21.1 Introduction to Environmental Health

Municipal Health Services (MHS) is entrenched in the Constitution of South Africa and is set out in legislation. The MHS is a highly regulated environment with the following functions:

- Food Safety
- Disease Control
- Environmental Assessments and Investigations
- Waste Management
- Pollution Control
- Occupational Health and Safety
- Chemical Safety
- Vector Control
- Water Quality Management

At this stage the country was still in the grip of a Covid-19 pandemic. Prior to March 2020, the focus was on Food Safety, Pollution Control and Environmental Assessments and Investigations. The primary approach within Environmental Health Services is the prevention and limitation of negative and adverse impacts on the health of our communities and the environment.

This all changed suddenly with the implementation of the nationwide lockdown and proclamation of strict Covid-19 preventative measures. The impact and long term effects of the Covid 19 epidemic was still felt within all spheres of the commercial, industrial world as well as communities. The Environmental Health Services has been functioning in the “trenches with contact tracing, awareness in communities, water safety and handling of human remains as the major points of focus. Funeral parlours, the actual burials/funerals, schools, Early Childhood Development (ECD) centres, homeless shelters and homes for the aged were also treated as priorities.

This section has seven (7) permanent Environmental Health Practitioners (EHPs) and three (3) intern EHPs responsible for all the tasks and duties as per the scope of practice, as well as the additional workload. Should the national norm of one EHP per 10,000 of the population be achieved, this will entail a staff component of twenty-eight EHPs. Therefore the severe staff shortage continues and as such the negative impact thereof on service delivery continues. The function

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

of Municipal Health Services (MHS) has been allocated to C municipalities, thus District Municipalities, however, due to similar lack of capacity, the Service Level Agreement between Frances Baard District Municipality and Sol Plaatje Local Municipality continues.

### 3.21.2 Service Statistics for Environmental Health

Description	2019/20	2020/21	2021/22
Persons given health/hygiene awareness – training in food safety	743	803	1 120
Inspection/investigations of food premises to ensure compliance with legislation	1 132	1 084	1 422
Environmental pollution control investigations	5	6	37
Water samples taken	212	370	692
Food samples taken	71	5	35
Inspections of complaints attended to ensure effective hygiene control	193	159	281
Vector control complaints attended to	2 818	2 662	3 187
Foodstuff condemned (unfit for human consumption)	20 690.54 kg	1 340 kg	1 321.55 kg
Certificates of acceptability applications – Inspections new food premises	749	302	195
Inspections/investigations of general businesses	3 219	3 255	3 821
Building plan inspections approved	38	55	54

Table 117: Service Statistics for Environmental Health

### 3.21.3 Environmental Health Objectives included in the IDP

Strategic Objectives	Key Performance Indicator	2019/20		2020/21		2021/22		2022/23
		Revised Target	Actual	Revised Target	Actual	Revised Target	Actual	Target
To ensure sustainable delivery of environmental health to all residents of Sol Plaatje Local Municipality								
To ensure sustainable delivery of community services (personal health, environmental health, libraries, parks and recreation, emergency and traffic services) to all residents of SPM	Conduct health/hygiene awareness training sessions	240	84	240	743	240	1 120	240
	Conduct routine inspections and investigations to ensure compliance to legislation	1 200	1 311	1 200	1 132	1 200	1 422	1 200
	Conduct surveys, inspections and attend to complaints to ensure effective vector control	2 160	4 530	2 160	2 812	2 160	3 187	2 160

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE



Strategic Objectives	Key Performance Indicator	2019/20		2020/21		2021/22		2022/23
		Revised Target	Actual	Revised Target	Actual	Revised Target	Actual	Target
health, libraries, parks and recreation, emergency and traffic services) to all residents of SPM	Conduct investigations and inspections of food premises	1 800	2 268	1 800	3 219	1 800	3 821	1 800

Table 118: Environmental Health Objectives included in the IDP

### 3.21.4 Employees: Environmental Health

Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	Number				%
Municipal Manager and Senior Managers	1	1	1	0	0.0%
Other Managers	1	4	0	4	100.0%
Professionals	6	24	8	16	66.7%
Technicians & Trade Workers	0	0	0	0	0.0%
Clerks & Administrative Workers	0	5	3	2	40.0%
Community and Personal Workers	0	1	1	0	0.0%
Service and Sales Workers	0	0	0	0	0.0%
Plant & Machine Operators	0	0	0	0	0.0%
Elementary Occupations	0	0	0	0	0.0%
<b>Total</b>	<b>8</b>	<b>35</b>	<b>13</b>	<b>22</b>	<b>62.9%</b>

Table 119: Employees: Environmental Health

### 3.21.5 Financial Performance: Environmental Health

Details	2020/21	2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
<b>Total Operational Revenue</b>	69	100	3 100	3 023	2923%
<b>Expenditure:</b>					
Employees	8 316	9 253	9 253	9 555	3%
Repairs and Maintenance	716	247	3 247	430	74%
Other	110	198	193	98	-50%

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Details	2020/21	2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Expenditure	9 142	9 698	12 693	10 083	4%
Net Operational Expenditure	9 073	9 598	9 593	7 059	-26%

Table 120: Financial Performance: Environmental Health

### 3.21.6 Capital Expenditure

There was no capital expenditure for the period under review.

### 3.21.7 Comment on the Performance Overall

During the past year, the strain on personnel and resources has been immense due impact of the Covid 19 epidemic as well as trying to ensure compliance with the National Norms and Standards. Due to the limitations on personnel, it was necessary to prioritize tasks and functions. The priority was food safety, water quality monitoring, non food premises compliance like funeral parlours, schools, ECD centres and complaints. A major effort was made to ensure compliance of food premises (especially tuckshops) to requirements (R 638). with many undocumented tuckshops opening daily.

The Service Level Agreement between Sol Plaatje Municipality and the Frances Baard District Municipality expired during July 2021 but has since been renewed for a further period of three years.

## COMPONENT G: SECURITY AND SAFETY

This component includes Traffic Law Enforcement; emergency services; disaster management, licensing and control of animals, and control of public nuisances, etc.

### 3.22 TRAFFIC LAW ENFORCEMENT

#### 3.22.1 Introduction to Traffic Law Enforcement

The Traffic Section is responsible to ensure a safe road environment by providing efficient and effective law enforcement resulting in the reduction in the loss of life as well as the number of persons injured on our roads and creating public awareness with emphasis to educate all road users.

The main function of traffic services is to ensure the free flow of traffic and for all road users to arrive alive. For us to be successful in this objective one needs to ensure as a priority that:





## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

---

- All vehicles that make use of the road are roadworthy
- The person in control of the vehicle must be driving fit
- Pedestrians are safe
- There is no overloading
- There is no drinking and driving
- Safety belts are worn

In order to achieve this our emphasis is placed on:

- Roadblocks
- Stopping and checking
- Speed and red traffic light law enforcement
- Hawkers
- Overloading of vehicles
- Taxis
- Parking offences in the CBD
- Drunk driving
- Escort of abnormal loads/processions
- Arrangements and policing of special events
- Execution of warrants of arrest
- Traffic related complaints
- Road signage and markings
- Traffic law administration
  - cashier services (payment of fines and miscellaneous payments)
  - data capturing
  - reporting and capturing of accidents
  - preparation of court dates
  - collecting and filing warrants of arrest
  - filing and safekeeping of all traffic court documents
  - representations
- Accidents
- Transportation of dangerous goods

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

- The Gatherings Act (Act No. 203 of 1993)
- Building Plans
- AARTO Awareness

### 3.22.2 Service Statistics for Traffic Law Enforcement

Description	2019/20	2020/21	2021/22
	Actual	Actual	Actual
Number of road traffic accidents during the year	2 249	2 597	0
Number of by-law infringements attended	22 547	18 095	28 159
Number of police officers in the field on an average day	34	34	33
Number of police officers on duty on an average day	42	41	40

Table 121: Service Statistics for Traffic Law Enforcement

### 3.22.3 Traffic Law Enforcement Objectives included in the IDP

Strategic Objectives	Key Performance Indicator	2019/20		2020/21		2021/22		2022/23
		Revised Target	Actual	Revised Target	Actual	Revised Target	Actual	Target
To ensure sustainable delivery of traffic services to all residents of Sol Plaatje Local Municipality								
To ensure sustainable delivery of community services (personal health, environmental health, libraries, parks and recreation, emergency and traffic services) to all residents of SPM	Facilitate regular stop and check points to improve road safety	108 000	60 378	72 000	12 569	40 000	12 357	72 000
	Conduct regular roadblocks to test the roadworthiness of vehicles conducted successfully in line with national initiatives	8	21	8	9	8	9	8
	Maintain road traffic signs and road markings in accordance with standards determined for SADC countries	90%	52.92%	90.00%	44.5%	90.00%	70%	70%
	Monitoring and collection of outstanding fines on a monthly basis	50%	22.12%	40.00%	33.5%	40.00%	17.16%	40%
	Report monthly on accidents in Sol Plaatje municipal area to the ED and the Safety and Security Committee	12	11	12	9	12	5	12

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE



Strategic Objectives	Key Performance Indicator	2019/20		2020/21		2021/22		2022/23
		Revised Target	Actual	Revised Target	Actual	Revised Target	Actual	Target
	Conduct bi-annual Firearm Training in terms of Regulation 21	2	0	2	0	2	0	2
	Conduct public awareness programmes for the implementation of AARTO	6	5	6	0	6	0	2

Table 122: Traffic Law Enforcement Objectives included in the IDP

### 3.22.4 Employees: Traffic Law Enforcement

Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	Number				%
Municipal Manager and Senior Managers	1	1	1	0	0.0%
Other Managers	5	5	5	0	0.0%
Professionals	0	0	0	0	0.0%
Technicians & Trade Workers	2	9	2	7	77.8%
Clerks & Administrative Workers	17	18	16	2	11.1%
Community and Personal Workers	0	0	0	0	0.0%
Service and Sales Workers	47	53	50	3	5.7%
Plant & Machine Operators	1	1	0	1	100.0%
Elementary Occupations	13	18	13	5	27.8%
<b>Total</b>	<b>86</b>	<b>105</b>	<b>87</b>	<b>18</b>	<b>17.1%</b>

Table 123: Employees: Traffic Law Enforcement

### 3.22.5 Financial Performance: Traffic Law Enforcement

Details	2020/21	2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
<b>Total Operational Revenue</b>	9 202	18 120	18 120	12 210	-33%
<b>Expenditure:</b>					
Employees	38 662	44 158	44 158	39 362	-11%
Repairs and Maintenance	326	1 815	1 815	1 185	-35%

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Details	2020/21	2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Other	845	1 331	1 331	667	-50%
<b>Total Operational Expenditure</b>	39 833	47 304	47 304	41 214	-13%
<b>Net Operational Expenditure</b>	30 631	29 184	29 184	29 004	-1%

Table 124: Financial Performance: Traffic Law Enforcement

### 3.22.6 Capital Expenditure

There was no capital expenditure for the period under review.

### 3.22.7 Comment on the Performance Overall

The vacant positions across the Traffic and Road Marking Technical Section continues to be a challenge.

A problem arose during 2021/22 financial year with the capturing of accidents as the system crashed and when we eventually came on line the license expired. New regulations were released that accidents will be captured on the eNatis system. Eventually, in September 2022 we were forced to move to a new service provider.

The implementation of AARTO is still in abeyance and we are awaiting the outcome of the Constitutional Court regarding the pending court case. Mr KL Louw is still the custodian for AARTO representing this department.

## 3.23 EMERGENCY SERVICES (INCLUSIVE OF DISASTER MANAGEMENT)

### 3.23.1 Introduction to Emergency Services

Rendering of an all-inclusive effective emergency service (fire, rescue and disaster management activities) through the following sections Operational, Public Safety and Training and Logistical to the residents of Sol Plaatje Municipal Area.

### 3.23.2 Service Statistics for Emergency Services

Description	2019/20	2020/21	2021/22
	Actual	Actual	
Total fires attended in the year	368	870	820
Total of other incidents attended in the year	431	193	200
Average turnout time - urban areas	3 min (minimum 85% according to the SANS 10090, Community safety against fires)		
Average turnout time - rural areas			
Firefighters in post at year end	36	33	41

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Description	2019/20	2020/21	2021/22
	Actual	Actual	
Total fire appliances at year-end	6	6	3 x Pumper 2 x water tanker 1 x snorkel 3 x skid unit
The average number of appliances off the road during the year	3	3	1 x Pumper 2 x water tanker 1 x snorkel 3

Table 125: Service Statistics for Emergency Services

### 3.23.3 Emergency Services Objectives included in the IDP

Strategic Objectives	Key Performance Indicator	2019/20		2020/21		2021/22		2022/23
		Revised Target	Actual	Revised Target	Actual	Revised Target	Actual	Target
To ensure sustainable delivery of community services (personal health, environmental health, libraries, parks and recreation, emergency and traffic services to all residents in Sol Plaatje Local Municipality								
To ensure sustainable delivery of community services (personal including environmental health, library, emergency and traffic services) to all residents of SPM  To ensure sustainable delivery of community services (personal including environmental health, library, emergency and traffic services) to all residents of SPM	Conduct monthly fire safety/prevention inspections	720	498	720	775	720	957	720
	Present Fire safety/ prevention programmes per annum	24	13	24	9	24	7	24
	Respond to 85% of emergency callouts within time limits as prescribed in table 1 and table 2 of SANS 10090 by 30 June 2022	85%	67.50%	85%	85%	85%	59%	85%
	Ensure 70% compliance with the National Disaster Management Tool by 30 June 2022	70%	75%	70%	77%	70%	59%	70%
	Manage commonage farms and offer support to emerging farmers	12	14	12	13	12	15	12
	Respond to all queries from community, SAPS and Traffic about free-roaming animals within the community	12	29	12	30	12	37	12

Table 126: Emergency Services Objectives included in the IDP

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.23.4 Employees: Emergency Services

Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
		Number			
Municipal Manager and Senior Managers	1	1	0	1	100.0%
Other Managers	2	15	2	13	86.7%
Professionals	3	7	7	0	0.0%
Technicians & Trade Workers	2	2	2	0	0.0%
Clerks & Administrative Workers	6	10	5	5	50.0%
Community and Personal Workers	0	10	0	10	100.0%
Service and Sales Workers	40	79	40	39	49.4%
Plant & Machine Operators	0	0	0	0	0.0%
Elementary Occupations	8	16	7	9	56.3%
<b>Total</b>	<b>62</b>	<b>140</b>	<b>63</b>	<b>77</b>	<b>55.0%</b>

Table 127: Employees: Emergency Services

### 3.23.5 Financial Performance: Emergency Services

Details	2020/21	2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
<b>Total Operational Revenue</b>	138	700	700	12	-98%
<b>Expenditure:</b>					
Employees	33 823	37 875	37 875	2 780	-93%
Repairs and Maintenance	2 328	2 538	2 608	287	-89%
Other	1 301	1 390	1 390	252	-82%
<b>Total Operational Expenditure</b>	<b>37 451</b>	<b>41 803</b>	<b>41 873</b>	<b>3 319</b>	<b>-92%</b>
<b>Net Operational Expenditure</b>	<b>37 313</b>	<b>41 103</b>	<b>41 173</b>	<b>3 307</b>	<b>-92%</b>

Table 128: Financial Performance: Emergency Services

### 3.23.6 Capital Expenditure

There was no capital expenditure for the period under review.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.23.7 Comment on the Performance Overall

#### HIGHLIGHTS

Some highlights for the Emergency Services through the financial year under review are:

- The Sol Plaatje Municipal Disaster Management Advisory Forum was not established, however, there was preparation made to have it running in 2022/23.
- We manage to create a Fire Protection Association under the umbrella of Frances Baard District Municipality.
- The Homevale Satellite Fire Station is completed but there are challenges to hand over to emergency services by the project manager.

#### CHALLENGES

Some challenges for the Emergency Services for the financial year under review are:

- The vehicle fleet and equipment are old and need replacement. The average age of the firefighting vehicles in service are sixteen years, and the maintenance costs on the vehicles are escalating at an alarming rate. Due to the fact that most vehicles are imported, the availability of critical parts is a huge challenge causing extended downtime of vehicles and equipment.
- Resources for the Homevale Satellite Fire Station. We have appointed 10 firefighters and the tender for the new fire engine was awarded and the delivery will be in 2023 if things go according to the plan. It must be stressed that the current resources will not be sufficient to serve all the fire stations and the new station.
- The overtime issue is still a challenge and it creates the unhappy and stressful workforce whereby they cannot take leave.
- The senior manager position was vacant and it creates instability in the emergency services.

## COMPONENT H: SPORT AND RECREATION

This component includes community Parks; Sports Fields; Sports Halls; Stadiums; Swimming Pools; Cemeteries and Campsites.

### 3.24 PARKS AND RECREATION

The provision of sport and recreational facilities, pleasure resort, parks and gardens and other horticultural services, community halls and to provide quality cemetery facilities and services to the residents of Sol Plaatje Municipal area.



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.13.3 Service Statistics for Parks and Recreation

The nature and extent of facilities provided are

Description	Number
Other community halls/facilities	10
Cemeteries and crematoriums (crematorium private)	12
Sporting facilities – Stadiums	2
Sports fields (Community facility)	8
Caravan Park	1
Swimming pools	4
Parks, gardens, islands	83 (60 ha)
Pleasure resorts	4

Table 129: Service Statistics for Parks and Recreation

### 3.13.4 Parks and Recreation Objectives included in the IDP

Strategic Objectives	Key Performance Indicator	2019/20		2020/21		2021/22		2022/23
		Revised Target	Actual	Revised Target	Actual	Revised Target	Actual	Target
To ensure sustainable delivery of community services parks and recreation services to all residents of SPM								
To ensure sustainable delivery of community services (personal health, environmental health, libraries, parks and recreation, emergency and traffic services) to all residents of SPM	Conduct monthly inspections of the cemeteries according to the templates	132	99	132	132	132	110	132
	Conduct monthly inspections of parks according to the templates	792	594	95%	95.42%	95%	79.58%	95%
	Remove alien vegetation trees as part of the maintenance and administration of parks, sports and recreational centres	312	407	312	640	312	443	312
	Maintain community halls monthly	120	86	84	92	84	84	84
	Maintain swimming pools monthly according to specific standards	48	36	48	48	48	40	48

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE



Strategic Objectives	Key Performance Indicator	2019/20		2020/21		2021/22		2022/23
		Revised Target	Actual	Revised Target	Actual	Revised Target	Actual	Target
	Maintain stadia monthly according to specific standards	24	19	24	24	24	20	24
	Conduct monthly inspections of the resorts (Riverton, Langleg, Transka and Rekaofela)	48	49	48	51	48	45	48

Table 130: Parks and Recreation Objectives included in the IDP

### 3.13.5 Employees: Parks and Recreation

Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	Number				%
Municipal Manager and Senior Managers	1	1	1	0	0.0%
Other Managers	2	3	3	0	0.0%
Professionals	1	2	2	0	0.0%
Technicians & Trade Workers	13	16	16	0	0.0%
Clerks & Administrative Workers	17	18	16	2	11.1%
Community and Personal Workers	4	7	5	2	28.6%
Service and Sales Workers	6	33	25	8	24.2%
Plant & Machine Operators	31	39	17	22	56.4%
Elementary Occupations	178	200	110	90	45.0%
<b>Total</b>	<b>253</b>	<b>319</b>	<b>195</b>	<b>124</b>	<b>38.9%</b>

Table 131: Employees: Parks and Recreation

### 3.13.6 Financial Performance: Parks and Recreation

Details	2020/21	2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	4 025	3 375	3 375	3 372	0%
Expenditure:					
Employees	65 576	57 986	57 986	57 310	-1%

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Details	2020/21	2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Repairs and Maintenance	5 098	6 027	6 007	5 135	-15%
Other	2 488	1 155	1 195	882	-24%
<b>Total Operational Expenditure</b>	<b>73 161</b>	<b>65 168</b>	<b>65 188</b>	<b>63 327</b>	<b>-3%</b>
<b>Net Operational Expenditure</b>	<b>69 137</b>	<b>61 793</b>	<b>61 813</b>	<b>59 955</b>	<b>-3%</b>

Table 132: Financial Performance: Parks and Recreation

### 3.13.7 Capital Expenditure

There was no capital expenditure for the period under review.

### 3.13.8 Comment on the Performance Overall

General maintenance of parks was done albeit the challenges faced by the section. In addition to the general maintenance of parks, four (4) dilapidated parks were upgraded in the 2021/22 financial year as the Parks and Gardens' projects. The four parks include the Entrance Route (Royal Street); John Daka (John Daka Street); Benjamin (Benjamin/Carl Street - Roodepan); Roodepan Flats (Corner of Starling and Raven Street) and all the work done was executed using the operational budget which was approved for the financial year. Playground and outdoor gym equipment was once more donated by the National Department of Sport, Arts, Culture and Recreation and were responsible for the installation thereof at the Homestead Park (Barkly Road). Two (2) members of the public were appointed by the Department for Labour (the service responsible for the installation of the equipment as appointed by the Department) to create jobs. The Homestead Park and Cenotaph monument were fenced off for safety and to avoid vandalism. Five (5) community members were appointed on contract as caretakers within the wards where the above-mentioned parks are situated. Due to pressure by the section in bringing back the sparkle, thirty-nine (39) members of the NGO that were volunteering in cleaning and greening were appointed by the section in terms of temporary contracts with its members due to a moratorium placed on filling of vacancies.

A business plan for funding was submitted to the Department of Economic Development and Tourism to apply for funding to upgrade the Langleg and Riverton Resorts. The application was successful and fifty (50) unemployed members of Riverton were appointed on contract for the cleaning campaign of the two (2) resorts and this had a positive impact on the upkeep of the resorts. Routine maintenance work was done at the resorts by the resort workers and service providers where work could not be executed internally. Maintenance work could not be done at the Langleg Resort as the resort was used to accommodate victims whose houses were flooded by raw sewage while

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

---

the Municipality was resolving the problem. Riverton/Langleg Resort however lost on revenue due to the Department of Water Affairs decision to open the Vaal Dam sluice gates to prevent flooding of the areas upstream where the Riverton and Langleg Resorts were flooded and posed a risk to clients and workers. A number of Riverton Resort's bungalows and chalets were burnt down in June 2022 during a service delivery protest which was a major setback as the chalets that were burnt were previously upgraded.

Plans were put in place in 2021 by Cemetery Management where a mass burial site was identified and prepared at the Phutanang Cemetery when the country was reaching its peak in the burial of victims who succumbed to COVID-19. Cemeteries have been faced with wrongful burials that were brought forward due to actions that were previously done that had a negative impact on the existing burial records that are in place. These complaints were referred to the Public Protector by the affected members of the community as the section was battling to resolve this challenge as this was never dealt with before. A decision was taken that a policy be developed to avoid and address wrongful challenges whereby the Policy on Burials and Exhumation dealing with wrongful burials were approved on 29 July 2021 (Resolution C96/07/21). An electronic application was developed to curb wrong burials and to update and maintain burial records electronically was piloted to improve the application to give the expected results. A team comprising of Parks, Stadium Brush Cutter Operators were availed in July 2021 to assist with the cleaning of cemeteries due to lack of resources faced by the cemeteries section in maintaining cemeteries. Cemeteries joined forces with Vusisiwe NPO which was funded by SETA and identified cleaning of local cemeteries as its project which has seen hundreds of the unemployed community members from various wards being temporarily employed by the NGO in cleaning of cemeteries in February 2022.

There was an unfortunate incident in February 2022 where a community member unlawfully gained access after hours at the Galeshewe Swimming Pool, drowned and lost his life. Due to constant theft and vandalism of municipal property that took place, only twelve (12) Access Controller/Securities who met the requirements were appointed internally on contract in February 2022 to safeguard the section's facilities that are hotspots. Due to shortage of manpower, these Access Controllers/Security cannot be stationed at one station for other hotspot areas that have been identified to be patrolled, hence some areas are still under siege due to lack of permanent security at municipal facilities.

The maintenance section has assisted the section with repairs needed at various sport and recreation facilities such as community halls, swimming pools, stadia and caravan park. Additional funds are needed to repair the RC Elliot Hall and cash pay points that were destroyed after the 2018 service delivery protest. Efforts made by the maintenance section were in vain to safeguard the structure to prevent further vandalism of the facility.



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

General challenges faced by the section which negatively affect service delivery include discipline, poor supervision and low literacy level of supervisors, non-filing of vacancies, ageing and deteriorating infrastructure, lack of security, limited funds budgeted for maintenance.

### COMPONENT I: CORPORATE POLICY, OFFICES AND OTHER SERVICES

This component includes Communications, Human Resource and Employment Equity, Recruitment and Selection, Training and Organisational Development, Gender and Special Programmes, Research and Efficiency, Employee Relations, Risk Management, Security, Councillor Support, Administration and Committee Services.

#### 3.25 CORPORATE SERVICES

Corporate Services provides support services to all departments, employees, as well as political offices, i.e., the Office of the Speaker and Office of the Executive Mayor.

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

##### 3.25.1 Employees: Corporate Services

Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
		Number			
Municipal Manager and Senior Managers	1	1	1	0	0.0%
Other Managers	14	19	14	5	26.3%
Professionals	8	8	5	3	37.5%
Technicians & Trade Workers	0	0	0	0	0.0%
Clerks & Administrative Workers	48	93	36	57	61.3%
Community and Personal Workers	0	0	0	0	0.0%
Service and Sales Workers	40	48	41	7	14.6%
Plant & Machine Operators	6	12	7	5	41.7%
Elementary Occupations	18	39	19	20	51.3%
<b>Total</b>	<b>135</b>	<b>220</b>	<b>123</b>	<b>97</b>	<b>44.1%</b>

Table 133: Employees: Corporate Services

The Corporate Services Directorate includes the following sections:

- Administration

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

- Security
- Risk Management
- Mayor's Office
- Committee Services
- Research & Efficiency
- Communication
- Gender & Special Projects
- Employee Relations
- Speaker's Office
- Human Resource
- Organisational Development & Training
- EAP & Selection

### 3.25.2 Financial Performance: Corporate Services

Details	2020/21	2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
<b>Total Operational Revenue</b>	6 247	6 804	7 078	6 869	1%
<b>Expenditure:</b>					
Employees	60 380	66 640	66 640	62 016	-7%
Repairs and Maintenance	55	2 807	2 737	2 183	-22%
Other	2 576	3 764	4 108	74	-98%
<b>Total Operational Expenditure</b>	63 012	73 211	73 485	64 274	-12%
<b>Net Operational Expenditure</b>	56 764	66 407	66 407	57 405	-14%

Table 134: Financial Performance: Corporate Services

### 3.25.3 Capital Expenditure

There was no capital expenditure for the period under review.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.25.4 Comment on the Performance Overall

Strategic performance indicates how well the Municipality is meeting its objectives and which policies and processes are working.

The Municipality is currently processing the Organisational Structure, Human Resource Plan as well as Human Resource Policies. Resources should be allocated for seamless implementation thereof, which must be monitored on an ongoing basis and results must be reported on during the financial year to various role players to enable timeous corrective measures where required.

### 3.26 HUMAN RESOURCE SERVICES

#### 3.26.1 Introduction to Human Resource Services

Dedicated and competent staff are fundamental for the municipality in achieving its goals and objectives. The municipality's biggest, and most important asset is its human capital; therefore, the municipality is committed to acquire, retain and develop the best human capital available in the market, and to make diligent efforts to develop and motivate all human capital towards a higher standard of performance. The municipality provides its employees with opportunities to attain their full potential and to serve at the highest level of responsibility consistent with his/her own interests, skills and abilities.

Human Resource at a strategic level provides management with effective and efficient strategic advice and support with reference to new and amended legislation, interpretation of policies, organisational change and sound labour relation practices.

#### 3.26.2 Human Resource Services Objectives included in the IDP

Municipal Key Performance Area: Municipal Institutional Development and Transformation

Strategic Objectives	Key Performance Indicator	2019/20		2020/21		2021/22		2022/23
		Revised Target	Actual	Revised Target	Actual	Revised Target	Actual	Target
To improve effective human resource development for staff and councillors	Monitor the implementation of the Human Resource Management Plan through conducting at least one review meeting annually	1	1	1	1	1	1	1
	Achieve 72% compliance with the EAP Plan of the municipality by ensuring	72%	65%	72%	72%	72%	72%	72%



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Strategic Objectives	Key Performance Indicator	2019/20		2020/21		2021/22		2022/23
		Revised Target	Actual	Revised Target	Actual	Revised Target	Actual	Target
	representation of the racial profile of the local authority on municipal level by 30 June 2022							
To provide a basis for sustainable municipal performance improvement	Evaluate all identified personnel in terms of the performance management system	2	2	2	2	2	2	2
	Co-ordinate bi-annual performance assessments of the municipal manager and managers reporting directly to the municipal manager by 30 June 2022	1	1	2	2	2	2	2
	Submit quarterly organisational performance reports to the Executive Mayor by the 20 <sup>th</sup> of the month following the end of each quarter for 2021/2022	4	4	4	4	4	4	4
	Develop and sign performance agreements and performance development plans with all identified personnel before 31 August	2	2	100%	100%	100%	100%	100%
	On a quarterly basis communicate the funded vacant positions in each directorate to the relevant Executive Director	1	1	4	4	4	4	4
To improve effective human resource development to staff and councillors	Review the organisational structure of the municipality on an annual basis with the aim of optimising efficiency and make recommendations by 30 June 2022	72%	65%	100%	100%	100%	100%	100%

Table 135: Human Resource Services Objectives included in the IDP

### 3.26.3 Risk Management Resource Services Objectives included in the IDP

Municipal Key Performance Area: Municipal Institutional Development and Transformation

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Strategic Objectives	Key Performance Indicator	2019/20		2020/21		2021/22		2022/23
		Revised Target	Actual	Revised Target	Actual	Revised Target	Actual	Target
To ensure an improved audit opinion through compliance with all relevant regulations, continuous assessment of risk and internal controls.	To report quarterly on the progress of risk mitigation to the Accounting Officer and Executive Management Team (EMT)	4	6	4	4	4	4	4
	Submit an Annual Report on risk management maturity level of SPM to National Treasury by 30 June each year	1	1	1	1	1	1	1

Table 136: Risk Management Resource Objectives included in the IDP

### 3.26.4 Financial Performance: Human Resource Services

Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
<b>Total Operational Revenue</b>	6 178	6 720	6 994	6 813	1%
<b>Expenditure:</b>					
Employees	17 551	21 642	21 642	18 935	-13%
Repairs and Maintenance	141	362	362	177	-51%
Other	952	3 125	3 399	1 206	-61%
<b>Total Operational Expenditure</b>	18 644	25 129	25 403	20 317	-19%
<b>Net Operational Expenditure</b>	12 466	18 409	18 409	13 504	-27%

Table 137: Financial Performance: Human Resource Services

### 3.26.5 Comment on the Performance Overall

Performance management is a process that measures the implementation of the organisation's strategy. It is also a management tool to plan, monitor, measure and review performance indicators to ensure efficiency, effectiveness and the impact of service delivery by the municipality. At local government level performance management is institutionalised through the legislative requirements on the performance management process for Local Government. Performance management provides the mechanism to measure whether targets meet the strategic goals, set by the organisation.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

The Municipal Systems Act (MSA), Act No. 32 of 2000, requires municipalities to establish a performance management system. Further, the MSA and the Municipal Finance Management Act (MFMA) requires the Integrated Development Plan (IDP) to inform the municipal budget and to be monitored for the performance of the budget against the IDP via the Service Delivery and the Budget Implementation Plan (SDBIP).

In addition, Regulation 7 (1) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 states that

*“A Municipality’s Performance Management System entails a framework that describes and represents how the municipality’s cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role players.”*

Performance management is not only relevant to the organisation, but also to the individuals employed in the organisation as well as the external service providers. This framework, inter alia, reflects the linkage between the IDP, Budget, SDBIP, individual and service provider performance.

Bearing this in mind, the need for local government service is forever increasing whilst the affordability of services is declining. However, the municipality has managed to achieve a targeted ratio of employee costs against total expenditure as indicated in the table below.

Operating Ratio			
Description	2020	2021	2022
Employee costs as a % of total expenditure	33.74%	33.52%	39.45%

Table 138: Employee Operating Ratio

### 3.27 FINANCIAL SERVICES

#### 3.27.1 Introduction to Financial Services

The Chief Financial Officer heads the Financial Services Directorate, with seven divisions in the directorate. The divisions are as follows:

- Revenue Management and Billing
- Expenditure Management and Payroll
- Supply Chain Management
- Assets Management
- Budget and Treasury Office
- Information Communication and Technology



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

- Debtors Management.

The financial services directorate is responsible for the implementation and compliance with Municipal Finance Management Act, Act No. 56 of 2003, the Municipal Property Rates Act, Act No. 6 of 2004, as amended, the Municipal Systems Act, Act No. 32 of 2000, as amended, Fiscal Powers and Functions Act, Act No. 12 of 2007, the Division of Revenue Act, to mention but a few.

During the 2020/21 financial year, there were 225 employees against staff establishment with 247 positions in the directorate, with cashiers and other services operating at eight service centres for the convenience of the public.

The directorate is responsible for ensuring general compliance with supply chain management policy of the municipality, whilst the expenditure section identifies any irregular expenditure that may have been incurred as a result of non-compliance.

The directorate submitted the General Valuation Roll 2019 in term of section 49 (1) of the Local Government: Municipal Property Rates Act 6 of 2004 (as amended Act 29 of 2014) on 30 January 2019 that became effective 1 July 2019. All objections were processed, and notifications were sent out according to sections 52 and 53 of the MPRA. Appeal process proposed for September 2021. The general valuation roll for 2019 shall remain valid for a four-year period ending 30 June 2023, except for amendments to existing properties or new developments, whereby supplementary valuations are conducted throughout each financial year.

Supply chain management division provides secretariat function for all the bid committees as set-up by the Municipal Manager. The Municipal Manager also appointed an ICT Steering Committee, the Asset Disposal Committee and the Insurance Committee all chaired by the Chief Financial Officer or his/her delegate. These committees have terms of reference and report to the Executive Management Team and Council, through various committees that exercise oversight on these issues.

The municipality implements consolidated billing and our key billing objectives are as follows:

- Customer information management to ensure accuracy of information and billing
- Timely billing to ensure improved payment levels
- Efficient bill notification procedures, reaching the customer
- Proper and accurate billing for rates based on the category and land use
- Proper tariff for each property category
- Accessibility through properly resourced service centres
- And fast and friendly customer interface (Cashiers, Indigents, and Debt Collection)

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

The table below represents revenue billed during the 2021/22 financial year:

Description	2020/21	2021/22			2021/22Variance	
	Actual	Original Budget	Adjust. Budget	Actual	Original Budget	Adjust. Budget
	Rand				Percentage	
Property rates	571 075	603 707	603 707	599 898	-0.6%	-0.6%
Service Charges - electricity revenue	659 307	861 157	861 157	728 847	-15%	-15%
Service Charges - water revenue	259 156	294 012	294 012	272 919	-7%	-7%
Service Charges - sanitation revenue	78 186	76 648	76 648	83 392	9%	8.8%
Service Charges - refuse revenue	56 401	59 567	59 567	60 632	2%	2%
Service Charges – other	0	0	0	0	0%	0%
Rentals of facilities and equipment	12 018	13 145	13 145	16 755	27%	27%
Interest earned - external investments	2 835	9 000	9 000	3 124	-65%	-65%
Interest earned - outstanding debtors	105 983	157 200	157 200	131 160	-17%	-17%
Dividends received	0	0	0	0	0%	0%
Fines	29 477	34 725	34 725	15 405	-56%	-56%
Licenses and permits	6 383	6 500	6 500	8 532	31%	31%
Agency services	0	0	0	0	0%	0%
Transfers recognised – operational	260 426	230 640	236 873	235 986	2%	0%
Other revenue	17 354	19 411	19 685	14 517	-25.2%	-26%
Gains on disposal of PPE	7 893	0	0	1 134	0%	0%
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>2 066 493</b>	<b>2 365 711</b>	<b>2 372 218</b>	<b>2 172 301</b>	<b>-8%</b>	<b>-8%</b>
Capital Grants	112 562	167 766	129 666	123 667	-26.3%	-5%
Public contributions & donations	0	0	0	76 850	0%	0%
<b>Total Revenue</b>	<b>2 179 055</b>	<b>2 533 477</b>	<b>2 501 884</b>	<b>2 372 819</b>	<b>-6%</b>	<b>-5%</b>

Table 139: Revenue Billed

### 3.27.2 Debt Recovery

Details of the types of accounts raised and recovered	2020/21		2021/22				2022/23	
	Actual for accounts billed in year	Proportion of accounts value billed that were collected in the year	Budgeted Billed for the Year	Actual for accounts billed in year	Actual Receipts	Proportion of accounts value billed that were collected	Estimated outturn for accounts billed in the year	Estimated Proportion of accounts billed that were collected
	R'000	%	R'000			%	R'000	%
Property Rates	599 898	68%	584 108	599 898	407 759	68%	627 646	85%

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Details of the types of accounts raised and recovered	2020/21		2021/22				2022/23	
	Actual for accounts billed in year	Proportion of accounts value billed that were collected in the year	Budgeted Billed for the Year	Actual for accounts billed in year	Actual Receipts	Proportion of accounts value billed that were collected	Estimated outturn for accounts billed in the year	Estimated Proportion of accounts billed that were collected
	R'000	%	R'000			%	R'000	%
Electricity – B	8 658	59%	3 689	8 658	5 067	59%	9 403	85%
Electricity – C	396 452	92%	519 484	396 452	366 686	92%	626 101	85%
Electricity Prepaid	254 197	100%	243 059	254 197	254 197	100%	284 350	100%
Water – B	2 588	20%	4 222	2 588	528	20%	2 692	85%
Water – C	256 568	64%	274 404	256 568	164 617	64%	308 025	85%
Sanitation	78 186	56%	71 175	78 186	44 059	56%	81 700	85%
Refuse	56 401	62%	53 984	56 401	34 820	62%	60 940	85%
Other	147 661	100%	209 837	147 661	147 738	100%	153 568	85%

*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. For 2021/22 financial year the average collection rate is budgeted at 85%.*

Table 140: Debt Recovery

### 3.27.3 Financial Services Objectives included in the IDP

Strategic Objectives	Key Performance Indicator	2019/20		2020/21		2021/22		2022/23
		Revised Target	Actual	Revised Target	Actual	Revised Target	Actual	Target
To ensure an improved audit opinion through compliance with all relevant regulations, continuous assessment of risk and internal controls	Submit an Audit Action Plan to the Municipal Manager to address issues raised by the Auditor General within (30) days after the end of the audit annually	1	1	1	1	1	1	1
Promote sound financial management and financial sustainability of Sol Plaatje Local Municipality through prudent fiscal management	Ensure that the actual spending on employee related costs does not exceed 33% of the total expenditure by 30 June 2022	32%	42.59%	37%	41.14%	33%	39.45%	33%
Enhance revenue through leveraging alternate sources of funding and identifying new revenue streams	Improve revenue enhancement by ensuring a collection rate of 85% after debt write off by 30 June 2022	89.40%	76%	85%	76.13%	85%	89.31%	85%

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE



Strategic Objectives	Key Performance Indicator	2019/20		2020/21		2021/22		2022/23
		Revised Target	Actual	Revised Target	Actual	Revised Target	Actual	Target
Promote sound financial management and financial sustainability of Sol Plaatje Local Municipality through prudent fiscal management	Maintain the cost coverage ratio of at least 1 month (annually)	3	-0.14	1	-0.95	1	0.91	1
	Maintain the debt coverage ratio of at least 2:1 against net assets of the municipality by 30 June 2022	2:1	4.62	2:1	4.25	2.1	2.28	2.1
	Reduce net debtor days to 300 days by 30 June 2022	200 days	602.87 days	300 days	671.25 days	300 days	356	300
	To spend at least 90% of the Operational Budget annually (30 June)	90%	93.17%	92%	79.41%	90%	95.17%	90%
	To spend at least 85% of the Capital Budget (including VAT) on capital projects identified in terms of the IDP by 30 June 2022	95%	72.25%	85%	73.66%	85%	82.16%	85%

Table 141: Financial Services Objectives included in the IDP

### 3.27.4 Employees: Financial Services

Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	Number				%
Municipal Manager and Senior Managers	1	1	1	0	0.0%
Other Managers	15	16	12	4	25.0%
Professionals	17	17	13	4	23.5%
Technicians & Trade Workers	10	10	3	7	70.0%
Clerks & Administrative Workers	141	141	94	47	33.3%
Community and Personal Workers	23	26	25	1	3.8%
Service and Sales Workers	0	0	0	0	0.0%
Plant & Machine Operators	0	0	0	0	0.0%
Elementary Occupations	26	36	26	10	27.8%
<b>Total</b>	<b>233</b>	<b>247</b>	<b>174</b>	<b>73</b>	<b>29.6%</b>

Table 142: Employees: Financial Services



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE



### 3.27.5 Financial Performance: Financial Services

Details	2020/21	2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
<b>Total Operational Revenue</b>	594 906	623 229	623 229	610 429	-2%
<b>Expenditure:</b>					
Employees	108 202	131 935	131 935	110 616	-16%
Repairs and Maintenance	2 616	2 284	2 324	2 728	17%
Other	15 563	18 393	18 353	12 786	-30%
<b>Total Operational Expenditure</b>	126 380	152 611	152 611	126 129	-17%
<b>Net Operational Expenditure</b>	(468 526)	(470 617)	(470 617)	(484 299)	3%

Table 143: Financial Performance: Financial Services

### 3.27.6 Capital Expenditure

There was no capital expenditure for the period under review.

### 3.27.7 Capital Expenditure Other

“Other” refers to projects that were budgeted for under Capex, but which were not specifically linked to a service but rather broadly beneficial to the municipality.

Capital projects	2021/22				
	Budget	Adjustment budget	Actual expenditure	Variance from original budget	Variance from adjustment budget
(R)					
Acq-Furniture and Office Equipment Replacement	2 000 000	2 000 000	183 923	-91%	-91%
Acq-Computer Equipment Replacement	3 500 000	3 500 000	3 857 475	10%	10%
P-Cnin Com F Fire/Ambulance	0	3 000 000	2 295 111	0%	0%
<b>Total all</b>	<b>5 500 000</b>	<b>8 500 000</b>	<b>6 336 509</b>	<b>15%</b>	<b>-25%</b>

Table 144: Capital Expenditure: Other

Current Ratio	30 June 2019	30 June 2020	30 June 2021	30 June 2022
Current assets	1 527 983 170	1 765 953	1 796 992	2 213 102
Current liabilities	423 116 584	578 995	640 169	1 160 207

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Current Ratio	30 June 2019	30 June 2020	30 June 2021	30 June 2022
Ratio 1:2 (Ideal)	3.61	3.05	2.81	1.91

Table 145: Current Ratio

The liquidity ratio reflects the relationship between the current assets less inventory and current liabilities of the municipality.

Liquidity Ratio	30 June 2019	30 June 2020	30 June 2021	30 June 2022
Current assets	1 527 983 170	1 765 953	1 796 992	2 213 102
Inventory	39 015 193	35 601	37 891	49 454
Current liabilities	423 116 584	578 995	640 169	1 160 207
Ratio 1:2 (Ideal)	3.52	2.99	2.75	1.86

Table 146: Liquidity Ratio

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

#### 3.28.1 Introduction to ICT

The ICT Unit provides a comprehensive range of services to the Municipality. Such services include but are not limited to the following:

- 1 Network Services:
  - Local and wide area network services using wired and wireless technologies.
  - Implementation of advanced network security measures.
  - Network performance monitoring and optimization.
- 2 Email and Collaboration Services:
  - Secure sending and receiving of emails.
  - Integration of advanced collaboration tools for team communication.
  - Calendar and scheduling functions with seamless integration across devices.
- 3 Information Sharing and Document Management:
  - Efficient sharing of restricted and public folders based on user permissions.
  - Implementation of document version control and revision history.
  - Integration with cloud-based storage solutions for easy access and backup.
- 4 User Authentication and Access Control:
  - Enhanced login services for improved PC security and traceability.
  - Implementation of multi-factor authentication for user accounts.
  - Regular security audits and updates to prevent unauthorized access.
- 5 Internet and Network Security:
  - Provisioning of secure and reliable internet access.



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

- Bandwidth management and optimization to ensure efficient network usage.
  - Implementation of robust firewalls and intrusion detection systems.
- 6 File Storage and Backup Services:
- Provisioning of secure and scalable file storage solutions.
  - Regular backups and disaster recovery planning for business continuity.
  - Integration with cloud-based storage for off-site backups and easy file access.
- 7 Desktop and Endpoint Services:
- Provisioning of modern desktop computers and thin clients.
  - Configuration and maintenance of endpoint security solutions.
  - Regular software updates and patches for optimal performance.
- 8 User Support and Help Desk Services:
- Dedicated help desk services for prompt assistance with computer tasks.
  - Remote troubleshooting and support for user issues.
  - User training and workshops to enhance computer literacy.
- 9 Hosting and Cloud Services:
- Provisioning of secure and redundant environments for hosting software systems.
  - Integration with cloud-based hosting platforms for scalability and flexibility.
  - Monitoring and management of hosted systems for optimal performance.
- 10 Backup, Archiving, and Business Continuity:
- Implementation of robust backup and archiving solutions.
  - Disaster recovery planning and regular testing of backup systems.
  - Provisioning of secure environments for hardware and network services.
- 11 Geographic Information System (GIS) Services:
- Provisioning of an integrated GIS for community-based technology solutions.
  - Data collection, analysis, and visualization for informed decision-making.
  - Integration with other municipal systems for seamless data sharing.
- 12 Software Maintenance, Development, and Support:
- Development and enhancement of software systems tailored to municipal needs.
  - Regular maintenance and updates to ensure optimal system performance.
  - Centralized support for user issues and interaction with system suppliers/vendors.
- 13 System Installation and Accreditation:
- Evaluation and installation of upgrades and new systems.
  - Accreditation of systems based on industry standards and best practices.
  - Testing and validation of new systems for compatibility and performance.
- 14 Hardware Infrastructure Services:
- Provisioning and management of hardware infrastructure for networks and systems.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

- Regular hardware maintenance, upgrades, and replacements.
- Monitoring and optimization of hardware resources for optimal performance.

### 3.28.2 Service Statistics for ICT

The nature and extent of facilities provided are:

Description	2019/20	2020/21	2021/22
Service Requests handled	3 054	4 492	3 450
Average network uptime	99.5	99.6	Not a target
Mission-critical production server uptime	99.83	99.93	Not a target

Table 147: Service Statistics for ICT

### 3.28.3 ICT Objectives included in the IDP

Strategic Objectives	Key Performance Indicator	2019/20		2020/21		2021/22		2022/23
		Revised Target	Actual	Revised Target	Actual	Revised Target	Actual	Target
To ensure continuous maintenance and replacement of furniture, office and computer equipment and create a secure environment within the municipality	Ensure an agile, customer-orientated ICT service desk that maintains an MTTR of eight hours or less, for at least 90% of service requests logged by 30 June annually	90%	77.59%	90%	90.92%	90%	88.4%	90%
	Ensure that all identified information technology related needs as per the procurement plan have been addressed by 30 June 2021	100%	100%	100%	76%	100%	100%	100%
	To ensure that the ICT Strategic Plan vision to connect, collaborate and communicate with employees, council and the community of Kimberley is realized by 30 June 2021	10%	0%	100%	80%	Not a target	Not a target	Not a target

Table 148: ICT Objectives included in the IDP

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE



### 3.28.4 Employees: ICT

Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
		Number			
Municipal Manager and Senior Managers	1	1	0	1	100.0%
Other Managers	0	2	2	0	0.0%
Professionals	2	4	2	2	50.0%
Technicians & Trade Workers	2	8	3	5	62.5%
Clerks & Administrative Workers	2	5	1	4	80.0%
Community and Personal Workers	0	0	0	0	0.0%
Service and Sales Workers	0	0	0	0	0.0%
Plant & Machine Operators	0	0	0	0	0.0%
Elementary Occupations	0	0	0	0	0.0%
<b>Total</b>	<b>7</b>	<b>20</b>	<b>8</b>	<b>12</b>	<b>60.0%</b>

Table 149: Employees: ICT

(Note) ICT is part of Finance, however the above figures are not included in Finance Employee figures.

### 3.28.5 Financial Performance: ICT

Details	2020/21	2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
<b>Total Operational Revenue</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>
<b>Expenditure:</b>					
Employees	8 594	9 383	9 383	7 928	-16%
Repairs and Maintenance	411	390	390	204	-48%
Other	8 012	5 201	5 201	2 738	-47%
<b>Total Operational Expenditure</b>	<b>17 017</b>	<b>14 974</b>	<b>14 974</b>	<b>10 869</b>	<b>-27%</b>
<b>Net Operational Expenditure</b>	<b>17 017</b>	<b>14 974</b>	<b>14 974</b>	<b>10 869</b>	<b>-27%</b>

Table 150: Financial Performance: ICT



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.28.6 Comment on the Performance Overall

In the year 2021/22, ICT demonstrated its commitment to service excellence despite the challenges posed by the Covid-19 pandemic and associated restrictions. Despite severe financial constraints, we achieved significant progress through various activities, which highlight our advancements:

1. Implementation of the Employee Self-Service leave application system.
2. Upgraded backup software and acquired an LTO tape drive to enhance backup redundancy for Network Attached Storage at the offsite server room.
3. Replaced 150 aging desktop computers.
4. Completed the replacement of segment 1 of the fibre optic cable between the Civic Centre and Municipal Stores.
5. Upgraded the municipality's fibre optic internet connection from 100mbps to 500mbps.

Furthermore, we have worked towards enhancing corporate governance and governance of Information and Communication Technology (ICT) services within the municipality. We have developed several policies, frameworks, and plans for review and approval, with implementation scheduled for the 2022/23 financial year. These include:

- Corporate Governance of Information and Communications Technology Policy and Charter.
- Governance of Information and Communications Technology Framework.
- Information and Communications Technology Management Framework.
- 5-year ICT Strategic plan aligned with the IDP (Integrated Development Plan) that necessitates restructuring and capacity building of the ICT Section.
- Information and Communications Technology Access Management Policy.
- Information and Communications Technology Acceptable Use Policy.
- Information and Communications Technology Backups and Restores Policy.
- Information and Communication Technology Change Management Policy and Change Control Form.
- Information and Communication Technology Change Management Policy and Change Control Form.
- Information and Communication Technology Cybersecurity Strategy.
- Information and Communication Technology Incident Response Procedure.
- Information and Communications Technology Planning, Process, and Controls.
- Information and Communication Technology Project Management Methodology and Business Case Template.
- Information and Communications Technology Supplier Management Methodology with accompanying draft Master and Service Level Agreement Templates.
- Information and Communication Technology System Development Life-Cycle Methodology.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

- Information and Communications Technology User Tools of Trade Policy.
- Information and Communications Technology Work from Home Policy.
- Updated Risk Register to encompass all the above.

Moreover, a new terms of reference was developed for the ICT Steering Committee and approved by the accounting officer to monitor the implementation of the above.

In addition, we are focused on improving and enabling Information and Communication Technology Continuity Management within the municipality, by developing and seeking approval for the following initiatives, with implementation planned for the 2022/23 financial year:

- Information and Communication Technology Strategy and Roadmap, contingent upon the restructuring and capacitation of the ICT Section and the establishment of an ICT Continuity Management Committee and Team.
- Information and Communication Technology Continuity Management Plan.

As technology continues to evolve, ICT remains committed to keeping pace by developing our staff and enhancing the services we provide. The following paragraph provides an overview of our goals and plans for the upcoming 2021/22 fiscal year.

### 3.28.7 Objectives for the 2022/23 Financial Year

The sectional objectives for the 2022/23 fiscal year are as follows:

1. Enhance Cybersecurity:
  - Upgrade the municipality's Microsoft License from M365 E3 to M365 E5, ensuring advanced security features and protection against evolving cyber threats.
  - Replace all existing switches and wireless access points in the network with suitable counterparts, improving network security and performance.
2. Modernize Telephony System:
  - Implement a comprehensive software-based voice-over-IP (VoIP) telephone system, significantly reducing annual operational expenditure on telephony by at least 80%.
  - Procure suitable handsets to complement the new system, ensuring efficient and cost-effective communication within the municipality.
3. Improve Radio Network Infrastructure:



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

- Construct a 55m radio mast at Kimberley Fresh Produce Market, serving as the primary high site for the municipality's wide area radio network.
  - Alleviate radio frequency interference that disrupts the stability of the network throughout Kimberley.
  - Enhance the municipality's network design by introducing redundancy and ensuring reliable communication.
4. Enhance Service Delivery:
- Install Solid-State Drives (SSDs) in all customer-facing PCs to accelerate service delivery and improve end-user productivity.
  - Boost the performance of systems used for interacting with the public, leading to faster response times and increased efficiency.

By focusing on these objectives in the 2022/23 fiscal year, the municipality's ICT section aims to strengthen cybersecurity measures, streamline telephony operations, improve network infrastructure, and enhance service delivery for both internal and external stakeholders.

### 3.29 SUPPLY CHAIN MANAGEMENT SERVICES

#### 3.29.1 Priorities and Achievements

Supply Chain Management (SCM) is the management of all links and interfaces in the supply chain. However, all these links and interfaces are not of equal importance and therefore the management task of various needs or interfaces in the supply chain will differ accordingly to impact on the relevant supply chain processes on the creation and delivery of consumer value.

SCM implies optimised performance from all supply chain members across all processes and activities and ultimately the development of consumer-driven performance measures aimed at ensuring the continuous improvement of the supply chain.

#### 3.29.2 Measures to Improve Performance and Achievements

Achieving a Supply Chain distinction is getting more difficult by the day. For good results to be achieved in Supply Chain Management, a comprehensive control system is necessary to ensure effective and efficient performance measurement right through the Supply Chain Unit, but care should be exercised not to limit the authority of managers. Tighter cross-functional co-operation can now be the best tool to improve performance and achievements. Key performance indicators for Supply Chain performance measurements should be included in all cross-functional Managers' performance contracts.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

There is a great need for our Information Technology function to support SCM with platforms and applications. At this stage, human error is playing a far too big role. To eliminate this kind of risk, the Municipality should seriously and urgently look at procuring an electronic system. The electronic system will also assist in achieving real-time reports, which will provide valuable insight and will allow management to improve the critical decision-making process and reduce human error. Currently part of the process is done electronically, and requisitions of orders are generated electronically. Contracts are captured on the system and can be viewed with ease.

### 3.29.3 Supply Chain Management Objectives included in the IDP

Strategic Objectives	Key Performance Indicator	2019/20		2020/21		2021/22		2022/23
		Revised Target	Actual	Revised Target	Actual	Revised Target	Actual	Target
To ensure effective spatial planning and development in order to establish a competitive economic position	To improve the SCM turnaround time to twelve weeks for annual contracts from closing date to date of award	12 weeks	9 weeks	12 weeks	0	12 weeks	10 weeks	12 weeks
	To improve the SCM turnaround time to six weeks for once-off contracts from closing date, to date of award	6 weeks	4.5 weeks	6 weeks	0	6 weeks	6 weeks	6 weeks
To capacitate SMMEs and local entrepreneurs	To successfully implement the PPPFA Regulations to achieve BBEE and Radical Economic Transformation through local procurement by ensuring at least 60% of the municipality's tenders are awarded to EMEs, OSEs and from businesses in the rural areas within the municipal jurisdiction by 30 June 2022	60%	60%	60%	0	20%	29%	60%
To ensure an improved audit opinion through compliance with all relevant regulations, continuous assessment of risk and internal controls	To implement an effective and efficient Supply Chain Management System by ensuring that successful appeals are not more than 5% of tenders awarded by 30 June 2022	5%	1.25%	5%	0	5%	2.50%	5%

Table 151: Supply Chain Management Objectives included in the IDP

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.29.4 Employees: Supply Chain Management

Occupational Level	2020/21	2021/22			
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	Number				%
Municipal Manager and Senior Managers	1	1	1	0	0.0%
Other Managers	5	5	1	4	80.0%
Professionals	0	0	0	0	0.0%
Technicians & Trade Workers	0	0	0	0	0.0%
Clerks & Administrative Workers	30	32	28	4	12.5%
Community and Personal Workers	0	0	0	0	0.0%
Service and Sales Workers	0	0	0	0	0.0%
Plant & Machine Operators	0	0	0	0	0.0%
Elementary Occupations	1	1	1	0	0.0%
<b>Total</b>	<b>37</b>	<b>39</b>	<b>31</b>	<b>8</b>	<b>20.5%</b>

Table 152: Employees: Supply Chain Management

(Note: Supply Chain is part of Finance. The above figures are not included in Finance Employee figures).

### 3.29.5 Financial Performance: Supply Chain Management

Details	2020/21	2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
<b>Total Operational Revenue</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>
<b>Expenditure:</b>					
Employees	12 865	16 339	16 339	12 652	-23%
Repairs and Maintenance	169	308	308	226	-27%
Other	239	424	424	179	-58%
<b>Total Operational Expenditure</b>	<b>13 274</b>	<b>17 071</b>	<b>17 071</b>	<b>13 057</b>	<b>-24%</b>
<b>Net Operational Expenditure</b>	<b>13 274</b>	<b>17 071</b>	<b>17 071</b>	<b>13 057</b>	<b>-24%</b>

Table 153: Financial Performance: Supply Chain Management

### 3.29.6 Capital Expenditure

There was no capital expenditure during the period under review.



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.30 FLEET MANAGEMENT SECTION

The Fleet Management Section is the custodian of the municipal vehicle and machinery fleet, which consists of 218 petrol and diesel vehicles (excluding earthmoving machinery, fire engines & other miscellaneous equipment). The core responsibility of the section is to manage and ensure that the vehicle fleet and drivers/operators follow the relevant legislation of the National Road Traffic Act (Act No. 93 of 1996, as amended) and OHSA. (Load testing and inspection of lifting equipment, testing and certification of pressure vessels, working at heights, relevant training, vehicle licensing, COFs, correct driving license codes, etc.). It is also the responsibility of the section to manage traffic fines and municipal motor vehicle accidents.

The responsibility of vehicle fleet replacement exists in this section. Due to the substantial percentage of specialised vehicles and machinery, the Fleet Manager must ensure that the correct technical specifications are stipulated for the application and operation of these units.

Despite the achievements made, there are still major challenges relating to the replacement of the aged fleet due to insufficient capital funding. This situation affects negatively service delivery, as vehicles and machinery are critical service delivery tools.

The allocation of funds for vehicle fleet replacement has drastically decreased, resulting in units being run on what is termed, a Graveyard Policy, that is, operating vehicles until they are dead and past their economic life span. Consequently, inadequate provision for capital replacement leads to truck re-building. Trucks do not last forever, and re-building should be a temporary measure to bridge financial challenges. The older the fleet becomes, the more downtime and the non-availability of spare parts increases.

A modest amount of R35m was made available and only an amount of R13m was made available for procurement of fleet for vehicle fleet replacement during the 2021/22 financial year. Translated in tangible vehicle terms, this is equivalent to the cost of two and a half refuse compactor vehicles. The issue of vehicle fleet replacement must take top priority, amongst others, on the IDP and funding be aligned, as far as reasonably possible, with the vehicle fleet replacement plan. Currently, our vehicle needs far outstrip the funds made available for vehicle fleet replacement and ultimately the objective of improving service delivery will remain a pipedream, due to a serious lack of critical service delivery resources.

*“Transportation is one of the tools required by civilized man to bring order in chaos. It reaches into every phase and facet of our existence. Viewed from every standpoint, economic, political and military, it is unquestionably the most important industry in the world.” (Gavinato, JL et al 1982)*

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.30.1 Municipal Vehicle Fleet

The Sol Plaatje Municipal vehicle fleet consist of a broad spectrum of different types of vehicles & machinery, ranging from light commercial vehicles to very specialised vehicles.

The total fleet complement is 310 units, including fire-fighting vehicles, earth-moving vehicles, tractors, trailers, lawnmowers, and other equipment.

**THE AGE PROFILE OF THE VEHICLE FLEET (PETROL & DIESEL, TRACTORS, EARTHMOVING AND FIRE ENGINE UNITS) IS AS FROM:**

- 2019 Units 1 –10yrs old = 125
- 2022 Units 1 -10yrs = 135
- 2019 Units older than 10yrs = 94
- 2022 Units older than 10yrs = 114

#### 2021/22 VEHICLE FLEET REPLACEMENT PROGRAM

A modest budget of R35m was allocated for this financial year.

Only an amount of R13m was made available for procurement of fleet.

Awards were made at the Bid Adjudication Meeting (BAC) on 11 July 2022 for a Major Pumper and 4Ton DropSide Truck.

### 3.30.2 New Vehicles Procured for 2021 /22

#### INFRA/TSD01/2021 – VEHICLE FLEET REPLACEMENT - PHASE 1

- 1x 8000 Lt Capacity Sewage Tanker for Sanitation Department R 1 331 000.00
- 1x 1ton Long Wheelbase LCV for Cleansing Department R 336 699.00
- 1x 20 Cubic Meter Refuse Compactor for Cleansing Department R 2 474 505.60

#### INFRA/TSD01/2022 – VEHICLE FLEET REPLACEMENT - PHASE 2

- 3x 4Ton Drop-Side Trucks for Sanitation Department R 2 596 997.85
- 1x Major Pumper (Fire Engine) for Emergency Department R 9 080 749.00
- Deposit was paid on the Major Pumper for an amount of R 4 540 374.80
- Outstanding balance will be paid on the delivery of the Major Pumper R 4 540 374.80
- The Major Pumper will only be delivered on the 15th of December 2023

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.30.3 Capital Expenditure: Fleet Management

The following were capital expenditure for fleet management during the 2021/22 financial year.

Capital projects	2021/22				
	Budget	Adjustment budget	Actual expenditure	Variance from original budget	Variance from adjustment budget
(R)					
European Union Bear Project	0	14 400 000	13 891 002	0%	-4%
Craven Street Trade Centre	8 000 000	5 000 000	4 347 826	-46%	-13%
<b>Total all</b>	<b>8 000 000</b>	<b>19 400 000</b>	<b>18 238 828</b>	<b>128%</b>	<b>-6%</b>

Table 154: Capital Expenditure: Fleet Management

### 3.31 MECHANICAL ENGINEERING AND WORKSHOPS

The core function of the Mechanical Engineering Department is to provide an efficient and cost-effective mechanical engineering support service to Sol Plaatje Local Municipality. This includes the corrective and scheduled maintenance of our fleet, Water Purification Plants, Sewage Treatment Plants, water and sewer reticulation systems. Furthermore, the Department are also responsible for the maintenance of the sewer pump stations, pools, machinery and other mechanical-related services. Additionally, the Department is responsible for the fleet management of the Municipality.

#### 3.31.1 Safety

The Department is accountable for certain aspects regarding the safety of our fleet. This includes the maintenance of our fleet to ensure that it is in a roadworthy condition. The former is coupled with repair work that needs to be done to ensure that the vehicles obtain certificates of fitness in order to be licensed as stipulated in the National Road Traffic Act.

Additionally, the Department is responsible for the maintenance of the upkeep of the Municipal Workshop Complex in Ashburnham. Here, where safety is concerned, we ascribe to the Occupational Health and Safety Act (OHS Act), Act No. 85 of 1993.

Thus, we ensure that pressure vessels and lifting equipment is tested according to the said Act. Also, we ensure that the Mechanical Engineering Department meets the requirements as set out in the Occupational Health and Safety Act (OHS Act), Act No. 85 of 1993. Hereby the Department supports the Deputy Director - Electrical Engineering, who is appointed as GMR 2(1) under the Occupational Health and Safety Act (OHS Act) to ensure compliance to the Act.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.31.2 Employees: Mechanical Engineering and Workshops

These employees are shared amongst the Electrical, Water Services and Roads and Stormwater Departments.

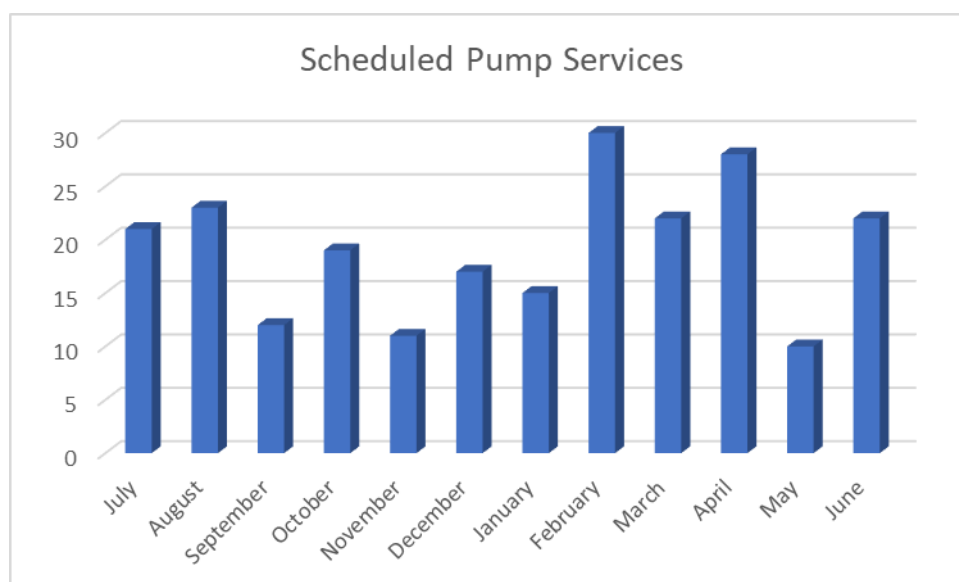
### 3.31.3 Financial Performance: Mechanical Engineering and Workshops

Details	2020/21	2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
<b>Total Operational Revenue</b>	0	0	0	0	0%
<b>Expenditure:</b>					
Employees	18 512	20 057	20 057	18 408	-8%
Repairs and Maintenance	1 840	2 410	2 410	2 198	-9%
Other	282	617	617	381	-38%
<b>Total Operational Expenditure</b>	20 634	23 083	23 083	20 987	-9%
<b>Net Operational Expenditure</b>	20 634	23 083	23 083	20 987	-9%

Table 155: Financial Performance: Mechanical Engineering and Workshops

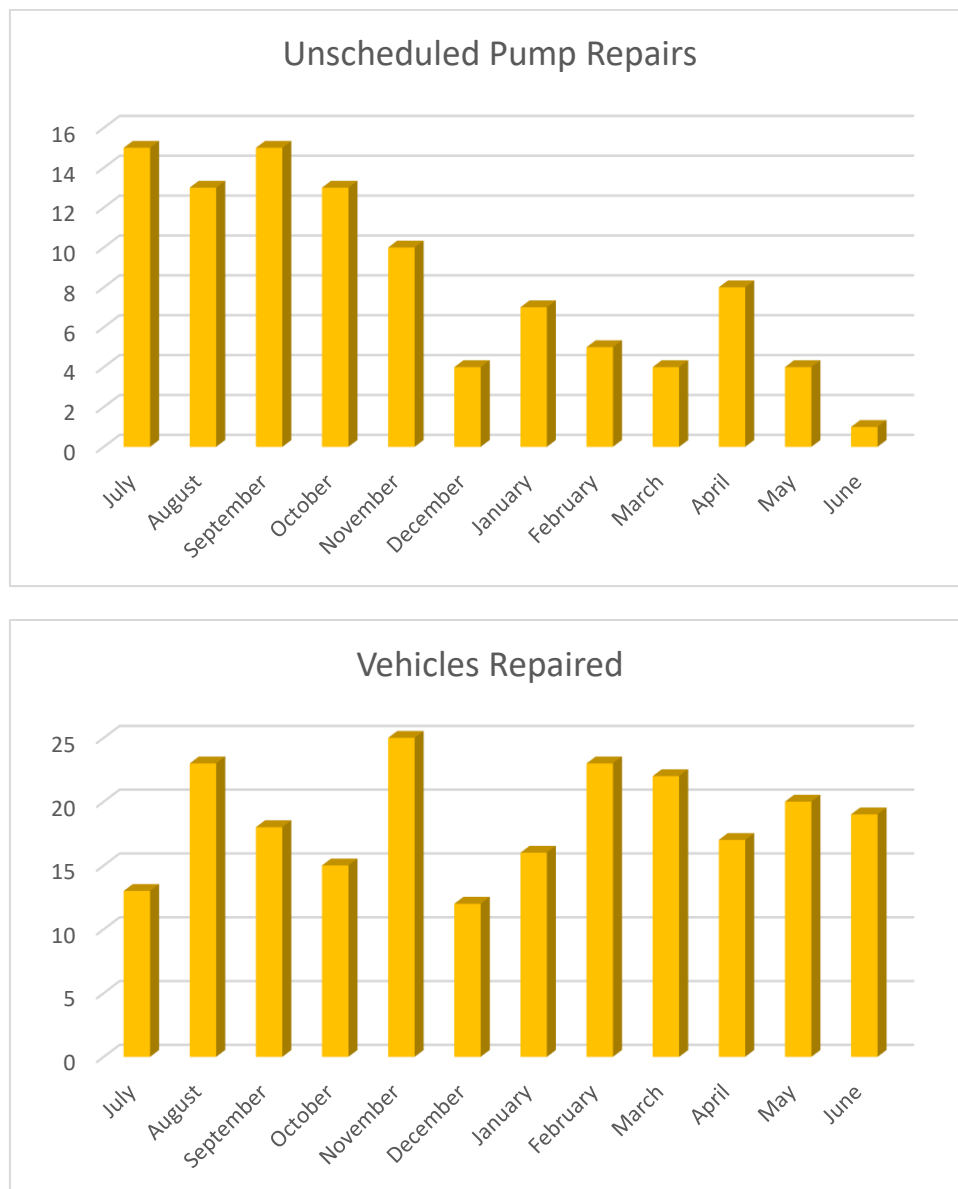
### 3.31.4 Scheduled and unscheduled maintenance on fleet and pumps

The following graphs depicts the unscheduled and scheduled maintenance done on our fleet and pumps for the period 2021/22





## CHAPTER 3: SERVICE DELIVERY PERFORMANCE



Graph 21: Unscheduled and Scheduled Maintenance on Fleet and Pumps

### 3.31.5 Challenges

As reported earlier, one of the major challenges that the Department faces is the age of our fleet. This challenge affects almost every section within the Municipality and thus jeopardizes service delivery. Another challenge is the vandalizing of our pump stations. The former puts a huge strain on scarce resources and also affects the dignity of the community in general.



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.32 AUDITED ANNUAL PERFORMANCE REPORT

#### 3.32.1 Legislative and Other Mandates

The Constitution of the Republic of South Africa gives credence to the establishment of municipalities for the whole territory of the Republic. In terms of Section 151 (2), the executive and legislative authority of a municipality is vested in its Municipal Council. Section 151 (3) legislates that municipalities have the right to govern on its own initiative, the local government affairs of its community, subject to national and provincial legislation.

The objects of local government are determined in terms of Constitutional Law of the Republic, Section 152 (1) and are:

- (a) to provide a democratic and accountable government for local communities.
- (b) to ensure the provision of services to communities in a sustainable manner.
- (c) to promote social and economic development.
- (d) to promote a safe and healthy environment; and
- (e) to encourage the involvement of communities and community organisations in matters of local government.

The Constitution further categorises municipality in terms of Section 155, and in terms of this paragraph, Sol Plaatje is Category B. There is various other legislation that categorises municipality such as the Upper Limits Gazette for the payment of salaries and benefits of both Councillors and Senior Management, as well as for the purposes of MFMA Implementation which classifies the municipality as a high-capacity municipality, and in terms of mSCOA Regulations, Sol Plaatje is Category B1, Secondary City.

The powers and functions of the municipality are assigned in terms of the Constitution's Schedules A and B. An activity or function performed by the municipality that are not listed in the schedule are referred to as unfunded mandate, and such in the case of Sol Plaatje includes, provision of primary health care, the operation and maintenance of Rekaofela and Transka Resorts and operation of Libraries.

The municipality receives unconditional grants from the respective provincial departments in this regard, funds which have not been forthcoming for the last 5 (five) years at least. This means that these functions are now 100% funded from rates revenue and impact on determination of cent in the rand rate to ensure funding of all functions under this category.



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.32.2 Organisation Structure

To perform the functions and fulfil its mandate as alluded above, the municipality approved an organogram that meets the criteria in terms of Local Government Systems Act 32 of 2000 as amended, Regulations No.37245, on the Appointment and Conditions of Employment of Senior Managers, Notice 21 of 17 January 2014 which refers to the staff establishment.

In accordance with these regulations, the staff establishment falls under the following departments as per Section 4 of the regulations referred to supra, to perform the following duties

- (a) To provide development and town planning – Strategy, Economic Development and Planning
- (b) To provide public works and basic services to communities – Infrastructure and Services
- (c) To provide community services – Community Services
- (d) To manage the finances of the municipality – Financial Services
- (e) To render corporate support services – Corporate Services

The Senior Managers are referred to as Executive Directors, with the exception of the Senior Manager for Finance, as the head is referred to Chief Financial Officer in line with MFMA.

Executive Directors are appointed in terms of the Municipal Systems Act, Section 56 and as such report to the Municipal Manager. There are line managers in the Office of the Municipal Manager assigned with specific responsibilities, and some of these managers, for efficiency purposes, have dual reporting responsibilities, to the Corporate Services Executive Director. These managers are:

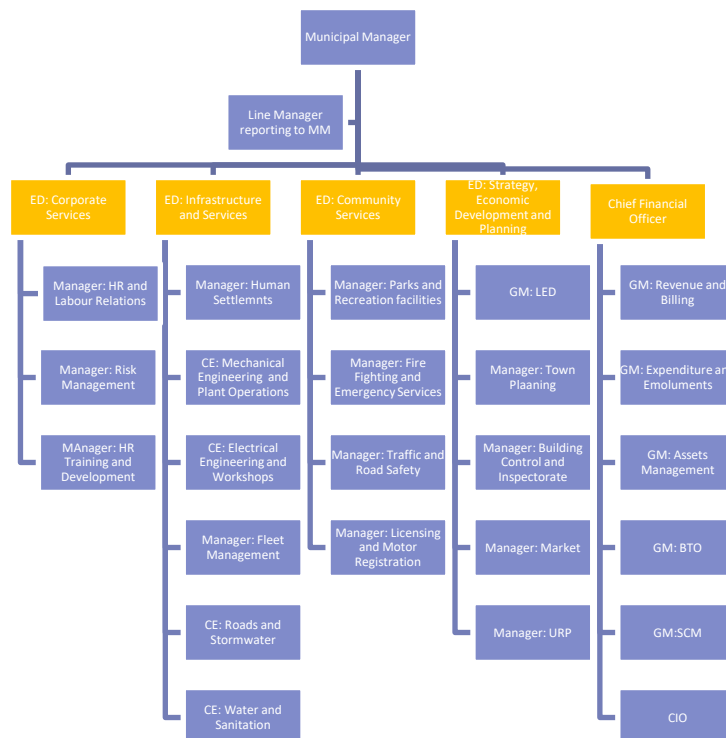
- PMU Manager oversees the successful planning, execution and completion of projects in the municipality and reports to the Municipal Manager for him, to have a bird's eye view on project implementation.
- Policy Manager drives the research and development of suitable policies to avoid a void in the organisation. The absence of policy may lead to jeopardy and confusion; it is better to regulate than create a laissez faire situation.
- IDP Manager is responsible for long-term planning in the organisation as well as annual review of all plans in the municipality for the purposes of developing an achievable IDP.
- Legal Services, this section provides guidance across the organisation on all legal matters including provision of legal opinions on various matters and policies.
- Communications Management is established under Municipal Manager's Office to ensure a coordinated approach to external communication and management of public relations and social media.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

- Internal Audit reports administratively to the Municipal Manager.

Each department and Line Manager reporting to the Municipal Manager have Key Performance Indicators they are responsible for in terms of this Annual Performance Report. The structure for the preparation of the Annual Report is headed by the Executive Director, and as such, the ultimate responsibility and accountability vests with each Senior Manager or Manager in the office of the Municipal Manager.

The layout of the Sol Plaatje Organogram is presented below:



### 3.32.3 Municipal Systems of Governance

The Council operates with a mayoral system and as such, has committees established in terms of the Municipal Structures Act, section 80, and these committees are chaired by a Member of the Mayoral Committee as follows:

1. Community Services and Public Safety Committee
2. Utility and Trading Services Committee
3. Budget and IDP Committee
4. Finance Committee
5. Corporate Services Committee
6. Roads and Transport Committee
7. IGR Committee



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

8. LED Committee
9. Safety and Security Committee
10. Human Settlements Committee

The following Committees have been established in terms of MSA Section 79

1. SPELUM Committee
2. MPAC
3. Rules Committee
4. Disciplinary Committee

The Chairperson of Section 80 Committees are full-time and those of Section 79 Committees are part-time and are remunerated as such, in terms of the upper limits gazette as they apply to Sol Plaatje Municipality.

Each Committee has its own terms of reference (ToR) adopted and these terms of reference are reviewed for every term of office of councillors.

### 3.32.4 Legislative Requirements: Performance Management in Local Authorities

Outlined in Section 40 of the Municipal Systems Act 32 of 2000 (MSA), Municipalities must establish mechanisms to monitor and review its Performance Management System (PMS) to measure, monitor, review, evaluate and improve performance at organisational-, departmental- and employee levels. Section 34 of the MSA furthermore points out that the Integrated Development Plan (IDP) must be reviewed on an annual basis and that during the IDP review process the Key Performance Areas, Key Performance Indicators and Performance Targets be reviewed and this review will form the basis for the review of the Organisational Performance Management and Performance Contracts of Senior Managers.

The Municipal Planning and Performance Management Regulations (2001) stipulates that a “municipality’s performance management system entails a framework that describes and represents how the municipality’s cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role-players” (Chapter 3, Section 7, Municipal Planning and Performance Management Regulations, 2001).

Section 46 of the Municipal Systems Act (Act 32 of 2000) inter alia stipulates the following: - "Annual reports 46. (1) A municipality must prepare for each financial year an annual report consisting of –

*(a) a performance report reflecting -*

*(i) the municipality’s, and any service provider’s, performance during that financial year, also in comparison with targets of and with performance in the previous financial year.*



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

(ii) *the development and service delivery priorities and the performance targets set by the municipality for the following financial year.*

(iii) *measures that were or are to be taken to improve performance*

The Annual Performance Report aid to measure the implementation of the organisation's strategy. It is also a management tool to plan, monitor, measure and review performance indicators to ensure efficiency, effectiveness and the impact of service delivery by the municipality. The effective implementation of this monitoring tool promotes the following:

- Efficient, economic and effective use of resources,
- Accountable public administration
- Transparent by providing information,
- Responsive to the needs of the community, and
- Facilitate a culture of public service and accountability among staff

(1) *A municipality must prepare for each financial year a performance report reflecting:*

- a. the performance of the Municipality and each external service provider during that financial year.*
- b. a comparison of the performance referred to in paragraph (a) with targets set for performance in the previous financial year; and*
- c. measures taken to improve performance.*

In addition, Regulation 7 (1) of the Local Government: Municipal Planning and Performance Management Regulations (No R796 of 24 August 2001) states that:

*"A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role players."*

Performance management is not only relevant to the organisation, but also to the individuals employed in the organisation as well as the external service providers and the Municipal Entities where applicable. This framework, inter alia, reflects the linkage between the IDP, Budget, SDBIP and individual and service provider performance.

This Annual Performance Report covers the performance information from 01 July 2021 to 30 June 2022 and focuses on the implementation of the Service Delivery Budget and Implementation Plan (SDBIP), in relation to the objectives as encapsulated in the Municipality's Integrated Development Plan (IDP).

The report reflects actual performance of the Municipality as measured against the performance indicators and targets in its Integrated Development Plan (IDP) and Service Delivery and Budget Implementation Plan (SDBIP) for 2021/22.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

The format of the report will reflect the Municipality's Key Performance Indicators (KPI) per Municipal Key Performance Area.

Each Key Municipal KPA have number of Municipal Key Performance Indicators (KPI's) which were deliberately designed by the Sol Plaatje Municipality to focus its development initiatives in a more coherent and organised manner. This report will also endeavour to report to Council the Municipality's performance in terms of the five (5) National Government's Strategic Key Performance Areas for local government, which are:

- (1) Basic and Sustainable Service Delivery and Infrastructure Development.
- (2) Local Economic Development.
- (3) Municipal Institutional Transformation and Development.
- (4) Municipal Financial Viability and Management and
- (5) Good Governance and Public Participation.

### 3.32.5 Performance Management Overview and Performance

In order to improve on performance planning, implementation, measurement and reporting, the institution implemented the following actions; Departmental operational plans were developed for monitoring and reporting operational programmes; An electronic performance management system is operational within the Municipality.

The same system forms the basis of performance evaluations of the Executive Managers and Municipal Manager. The Municipality endeavoured during the development of the Top Layer (TL) Service Delivery and Budget Implementation Plan (SDBIP) as well as with the development of the Departmental SDBIP that the "SMART" principle be adhered to in the setting of indicators and objectives. Emphasis was placed on ensuring that targets were specific and time bound, thus making it measurable. The Integrated Development Plan (IDP) was developed for 2017- 2022 and is reviewed annually. The Top Layer SDBIP in the IDP was also revised in May 2021 respectively for 2021/22 period.

### 3.32.6 Performance Evaluation Panels

Performance evaluation panels have initially been established for the assessment of performance of the Municipal Manager as well as Managers directly accountable to the Municipal Manager per Council Resolution. The membership of performance evaluation panels is amended over time and re-affirmed subsequently again for every generation of IDP and the audit committee. Performance Assessment Panels for the assessment of Section 57 employees were established as follows:

- A) For purposes of evaluating the annual performance of the Municipal Manager (section 54A), an Evaluation Panel constituting of the following persons was established
  - (i) Executive Mayor or Mayor.





## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

- (ii) Chairperson of the Performance Audit Committee.
  - (iii) Member of the Mayoral or another member of Council.
  - (iv) Mayor and/or Municipal Manager from another Municipality; and
  - (v) Member of a Ward Committee as nominated by the Executive Mayor or Mayor.
- B) For purposes of evaluating the annual performance of managers directly accountable to the Municipal Manager, an Evaluation Panel constituted of the following persons was established:
- (i) Municipal Manager.
  - (ii) Chairperson of the Performance Audit Committee or the Audit Committee in the absence of a Performance Audit Committee.
  - (iii) Member of the Mayoral or Executive Committee or in respect of a plenary type of Municipality, another member of Council; and
  - (iv) Municipal Manager from another Municipality

Performance Evaluation sessions are conducted quarterly. The first and the third quarter assessment are informal assessments. Formal assessments are conducted for the mid-year quarter two) and Full year (quarter four).

The final (fourth quarter) and formal performance evaluation sessions of the Municipal Manager and Managers Directly accountable to the Municipal Manager covering the 2021/22 financial year will be performed once the Auditing of the Annual Financial Statements and the Predetermined Objective has been finalised by the Auditor General. The minutes of all meetings are available on the GroupWise electronic document management system.

The final performance evaluation will commence once the Annual Report 2021/22 has been adopted by the Council.

### 3.32.7 Auditing of Performance Information

The MFMA and the Municipal Planning and Performance Management Regulations require that the Municipal Council establish an audit committee consisting of a minimum of three members, where most members are not employees of the municipality. No Councillor may be a member of an audit committee. The council shall also appoint a chairperson who is not an employee.

The Regulations give municipalities the option to establish a separate performance audit committee whereas the MFMA provides for a single audit committee as further being recommended by National Treasury in terms of their MFMA Circular no. 65 of November 2012.

The Audit Committee relies on the work done by the Internal Audit in terms of the Internal Audit Charter and receives and considers reports and minutes of meetings presented to it at its scheduled meetings. In carrying out its mandate, the Audit Committee must have a good understanding of the strategic goals of the Municipality, strategic focus areas

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

as outlined in the Integrated Development Plan (IDP) and the Service Delivery Budget Implementation Plan (SDBIP) and should perform the following functions:

Review and comment on compliance with statutory requirements and performance management best practices and standards.

- Review and comment on the alignment of the Integrated Development Plan, the Budget, Service Delivery and Budget Implementation Plan and performance agreements.
- Review and comment on the relevance of indicators to ensure they are measurable and relate to services performed by the Municipality.
- Review compliance with in-year reporting requirements.
- Review the quarterly performance reports submitted by internal audit.
- Review and comment on the Municipality's annual reports within the stipulated timeframes. Review and comment on the Municipality's performance management system and make recommendations for its improvement at least twice a year.
- At least twice during a financial year submit an audit report to the municipal council concerned.

In reviewing the municipality's performance management system the Audit Committee focus on economy, efficiency, effectiveness and impact in so far as the key performance indicators and performance targets set by the municipality are concerned. The Internal Audit function within the municipality is co-ordinated and managed by an Internal Audit Executive within the office of the Municipal Manager. List of companies that were appointed during the year to execute some audits that were on the plan or requested.

### 3.32.8 Strategic Overview of Sol Plaatje Municipality

#### IDP VISION

**“Towards a leading and a Modern City”**

#### STRATEGIC OBJECTIVES TO REALISE THE VISION

- Spatial Transformation
- Inclusive Growth
- Service Provision
- Good Governance



### 3.32.9 Statistical Background of the Municipality

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Sol Plaatje Municipality, which includes Kimberley, is the only secondary city in the Northern Cape. The municipality houses 66% of the population of the province in a relatively small area, the extent. This makes Sol Plaatje Municipality the urban centre of the province.

Kimberley is approximately 110 km east of the confluence of the Vaal and Orange Rivers. The Sol Plaatje municipality is the seat of the Northern Cape Provincial Government and the Frances Baard District Council. Kimberley is the seat of the Northern Cape Division of the High Court of South Africa, which exercises jurisdiction over the province.

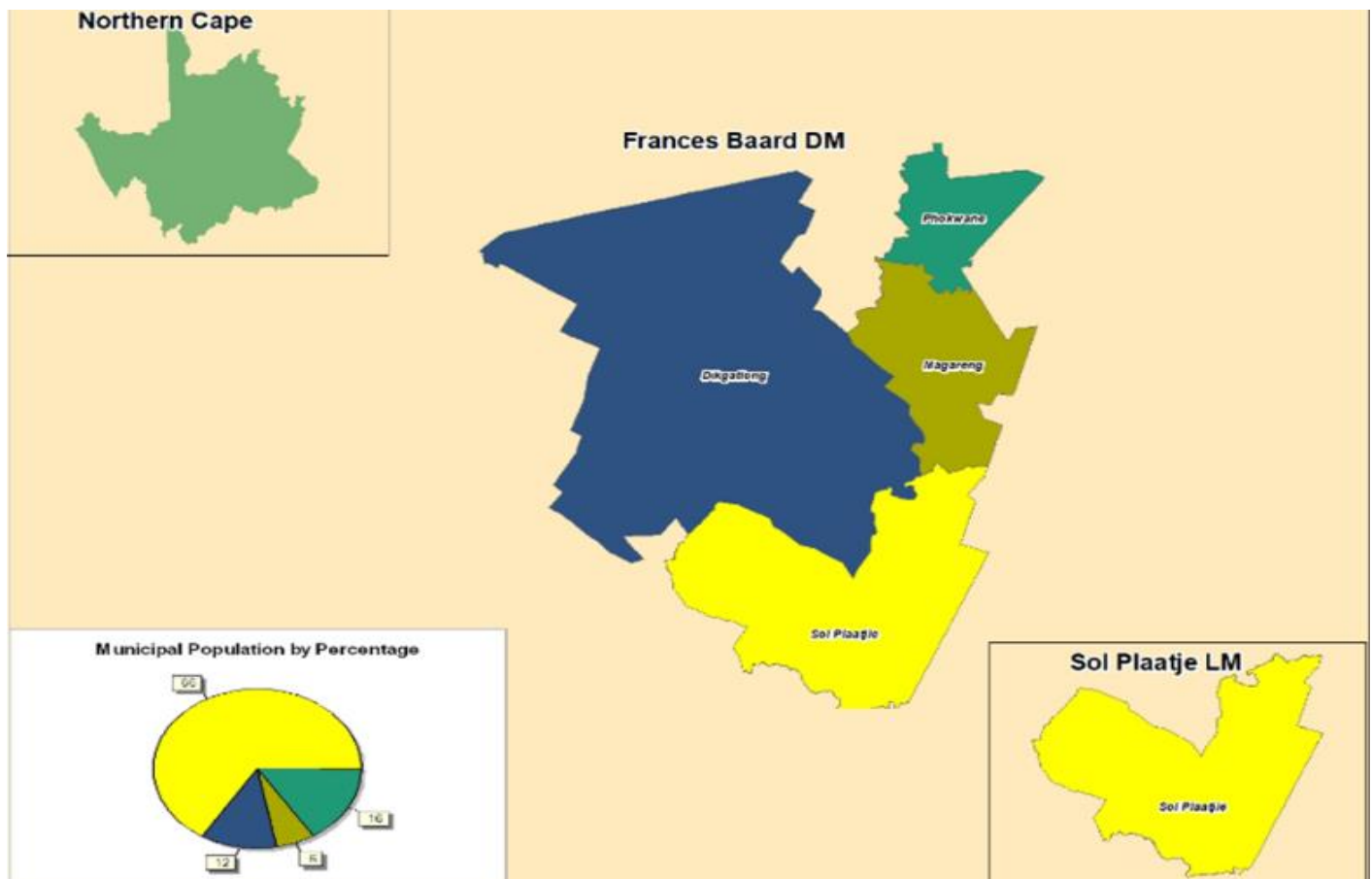


Figure 2: Source: Sol Plaatje Municipality, 2019

In order to improve on performance planning, implementation, reporting and measurement, the institution implemented the following actions:

- There has been a reduction in the number of KPI's that the Municipality is reporting on. The reduction on the number of KPIs afforded the institution the opportunity to focus on strategic issues, which are well defined, outcome based and not operational in nature. Each Directorate prepares operational plans, which are reported on, on a monthly basis and are taken into account during performance assessments as well, in addition to Top Layer Targets linked to performance contracts of the relevant incumbents.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

- There is a column in the SDBIP for each KPI to ensure that the portfolio of evidence was populated correctly.
- An electronic performance management system is operational within the Municipality. The same system forms the basis for performance evaluations of the executive directors. The Municipality endeavoured during the development of the Top Layer as well as with the development of the Directorate SDBIPs that the “SMART” principle was adhered to. Emphasis was placed on ensuring that targets were specific and time bound, thus making it measurable.
- The new 5-year IDP 2017/2018 to 2021/2022 was approved at a Special Council meeting on 31 May 2017 and has been developed after having taken into account the inputs of management and the public in general. It is aimed at addressing the needs of the people, which in the forefront is security of land tenure and access to basic services.
- The Top Layer SDBIP in the IDP was also revised during February 2022. An Adjustment Budget and Adjusted SDBIP were done for the 2021/22 Medium Term Revenue and Expenditure Framework (MTREF) in terms of Section 28 of the Municipal Finance Management Act (Act 56 of 2003) for the year ending 30 June 2022. The Adjusted Budget and SDBIP were approved during a Special Council meeting held on 28 February 2022, resolution C23/02/22.
- The 2021/22 MTREF was approved by Council on the 26<sup>th</sup> of May 2021, resolution C80/05/21 in accordance with MFMA Section 24 (1). Section 28 of MFMA requires a municipality to revise an approved annual budget through an adjustment, and Section 28 (4) requires that only the mayor may table an adjustment budget in the municipal council.
- The municipality adopted a Performance Management Framework, all MSA Section 56 and 57 appointees signed performance agreements accordingly, except where the appointee is in the acting capacity. The Audit Committee has been in place and functional and considered performance management reports as submitted by management. Quarterly performance reports in terms of the Performance Regulations and MFMA Section 52(d). The Annual Report is also prepared and submitted to Council accordingly.
- The Audit Committee took place on these dates and the quarterly performance reports were presented:
  - Meeting 1: 30 August 2021
  - Meeting 2: 29 November 2021
  - Meeting 3: 28 February 2022
  - Meeting 4: 27 June 2022

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.32.10 Executive Summary: Performance Management and Reporting

The organisational performance is evaluated by means of a municipal scorecard (Top Layer SDBIP) at organisational level and through the Service Delivery Budget Implementation Plan (SDBIP) at the Directorate levels. The SDBIP is a plan that converts the IDP and budget into measurable criteria on how, where and when the strategies, objectives and normal business process of the municipality is implemented. It also allocates responsibility to directorates to deliver the services in terms of the IDP and Budget.

MFMA Circular No.13 prescribes that:

- The IDP and budget must be aligned.
- The budget must address the strategic priorities.
- The SDBIP should indicate what the municipality is going to do during next 12 months.
- The SDBIP should form the basis for measuring the performance against goals set during the budget /IDP processes.

The SDBIP were prepared as described in the paragraphs below and approved by the Executive Mayor. The overall assessment of actual performance against targets set for the Key Performance Indicators as documented in the SDBIP is illustrated in terms of the following assessment methodology:

Category	Colour	Explanation
KPI Not Yet Measured	Grey	KPIs with no targets or actuals in the selected period
KPI Not Met	Red	0% > = Actual/Target < 75%
KPI Almost Met	Orange	75% > = Actual/Target < 100%
KPI Met	Green	Actual/Target = 100%
KPI Well Met	Olive	100% > Actual/Target < 150%
KPI Extremely Well Met	Navy Blue	Actual/Target > = 150%

The municipal scorecard (Top Layer SDBIP) consolidates service delivery targets set by Council/ Senior Management and provide an overall picture of performance for the municipality, reflecting performance on its strategic priorities. Components of the Top Layer SDBIP include:

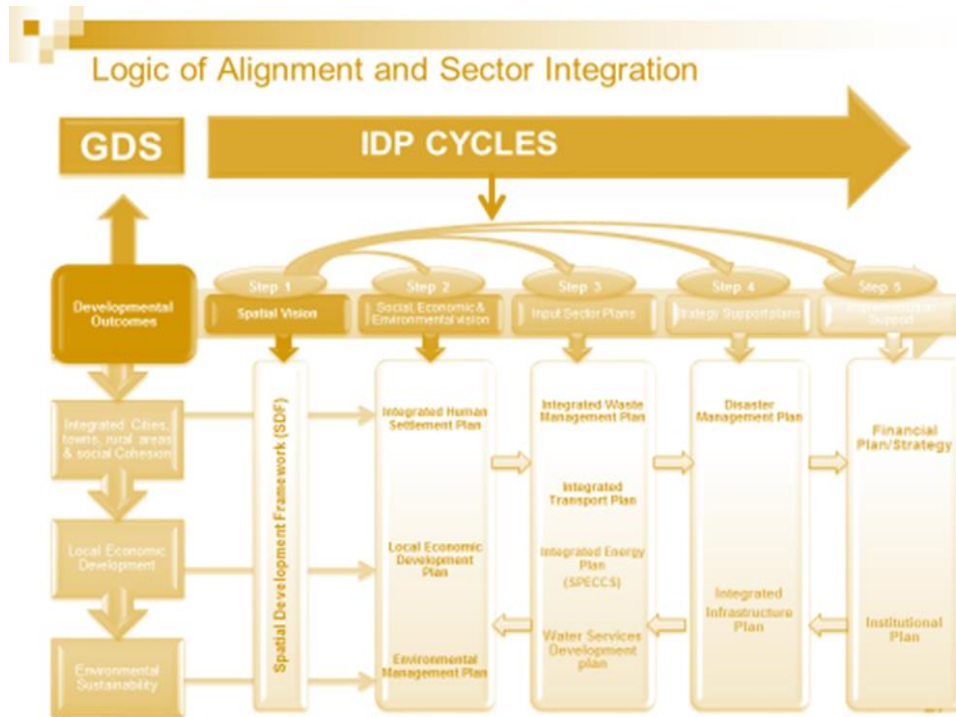
One-year detailed plan, but should include a three-year capital plan, the necessary components include:

- Monthly projections of revenue to be collected for each source.
- Expected revenue to be billed and collected
- Monthly projections of expenditure (operating and capital) and revenue for each vote.
- Quarterly projections of service delivery targets and performance indicators for each vote.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

- Non-financial measurable performance objectives in the form of targets and indicators.
- And detailed capital project plan broken down by ward over three years.

The following diagram illustrates the establishment, components and review of the municipal scorecard (Top Layer SDBIP):



### 3.32.11 SDBIP Link to Strategic Issues in the IDP

The Municipality endeavors to have a seamless link between IDP, as the strategic plan, the SDBIP, which operationalises the IDP and the Budget and the performance agreements of top and middle management – as well as to all levels of staff. This is illustrated in the diagram below:

The new 5-year IDP 2017/18 to 2021/22 has been developed after having considered the inputs of management and the public in general. It is aimed at addressing the needs of the people, which in the forefront is the security of land tenure and access to basic services.

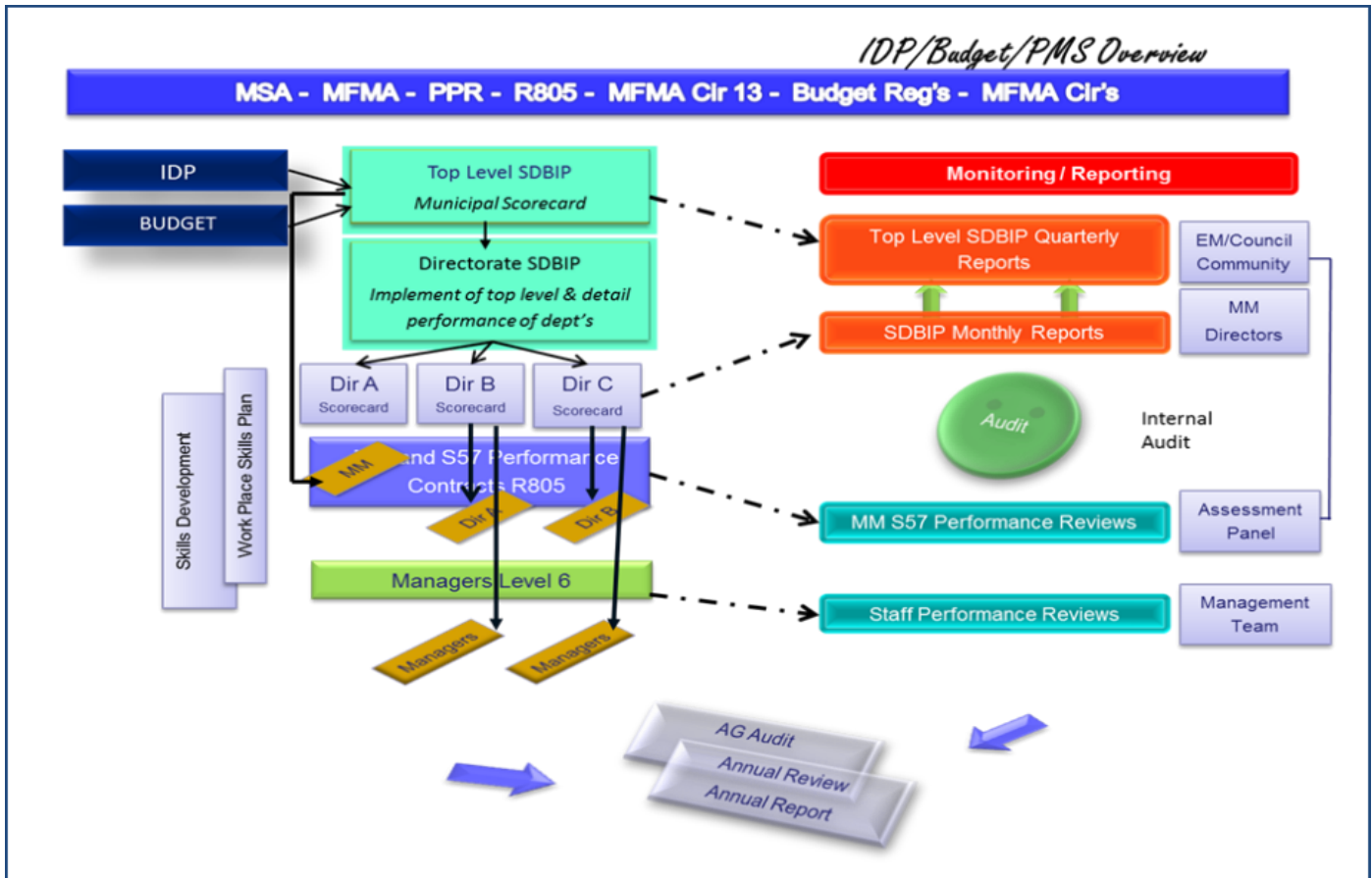
The 5-year IDP reviewing the strategic objectives of the 5-year IDP in relation to both the present contextual issues relating to development in SPM and the latest national and provincial strategies and plans it was found that the current strategic focus of the IDP remains sound and correct and that focus for this MTREF should be on implementation.

Sol Plaatje Municipality must, during the remainder of this IDP cycle, concentrate on an action-oriented development programme that will see the fruition of the present strategic objectives.



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

It should also be emphasized that the implementation of this development programme is also dependent on creating the correct preconditions for delivery, including institutional alignment, securing financial resources and creating optimal stakeholder configurations.



The vision set out for the Sol Plaatje Municipality to work towards a leading and modern city was announced by the Executive Mayor in August 2016 post elections. The strategic path to be forged is presented in this IDP. It is a programme to unlock the value of land to create economic opportunities and liveable human settlements with the foundation of quality and reliable infrastructure to deliver access to basic services.

Sol Plaatje is a pilot for the “new deal” - the Integrated Urban Development Framework, this is a unique opportunity for the municipality and the residents of Sol Plaatje. To achieve spatial integration, alignment prioritisation of projects a “Capital Expenditure Framework” (CEF) became a municipal mandate with the promulgation of the Spatial Planning and Land Use Management Act, Act 16 of 2013 (SPLUMA) section (21)(n).

However, the concept of a Capital Investment- or Capital Expenditure Framework has been alluded to in several other preceding legislative and policy instruments such as Section 153 of the Constitution of South Africa that states, *a municipality must structure and manage its administration, budgeting and planning process to prioritise basic needs*



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE



**and to promote social and economic development.** The Municipality has successfully implemented the IUDF and CEF has assisted in terms of allocation of budget for IUDG for financial year 2021/22. Furthermore, the CEF has enabled the National Department of COGTA to approve the PHDA's (Priority Housing Development Areas). This will inter-alia assist with the following:

- Transform entrenched spatial patterns which have historically exacerbated social inequality and economic inefficiency - Revitalise, Renew and Redevelop area post-apartheid spatial legacy.
- Achieve a balance between spatial equity, economic competitiveness and environmental sustainability.
- Implement spatially targeted projects to achieve spatial transformation.

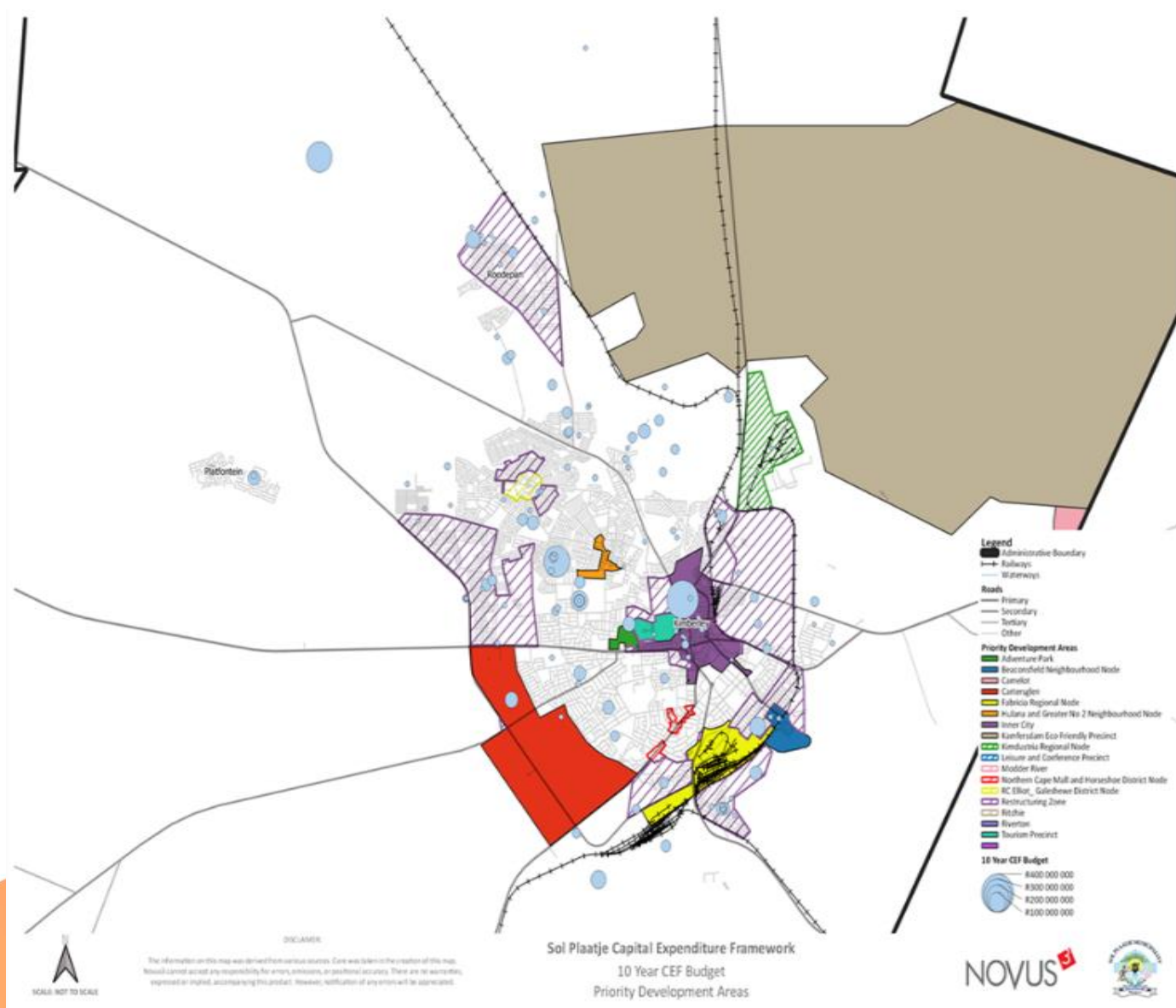


Figure 3: Capital Expenditure Framework

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

In the course of making the “Back to Basics” programme of local government a reality, a new vision “Towards a leading and modern city” is presented in this IDP. The Future is a new deal wherein all stakeholders will work towards developing a:

- Clean city
- City that attracts investment, manufacturers and tourists
- City with good infrastructure
- Safe and secure City - A city that cares
- City where there is security- jobs, shelter
- City that facilitates the creation of jobs
- City that houses people
- City with youth involved productively
- City that harnesses integrated development
- City that facilitates skills development
- City that invests in public participation, relates to the people
- City that works together
- City with good IGR harnessed to build integrated human settlements

### 3.32.12 Data Definitions

Data definition is a set of facts and statistics collected for reference and analysis purposes. These explain the meaning of data which is information that has been translated into a form that supports the manner and methodology used to measure performance and provide guidance on information that must be used as part of the portfolio of evidence.

The table below gives explanation of performance measurement indicators and explains how each indicator is being measured. Please note that all these indicators are reported on for the financial year ended 30 June 2022 and as such relate to the performance for this specific year, unless stated otherwise in the definitions set out below.

#### BASIC AND SUSTAINABLE SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

Ref	Directorate	Strategic Objective	KPI Name	Data Definition
TL11	Finance	To ensure a basic standard of living for all through the provision of basic sanitation, water, electricity and refuse delivery services	15 000 Indigent households to receive free basic services (water, electricity, sanitation and waste removal according to national guidelines) by 30 June 2022	This indicator refers to the number of indigent households receiving free basic services from the municipality. There are two categories of indigents - income poor (R<3750) and households who are beneficiaries of subsidised houses. The number reported will be determined by the

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Ref	Directorate	Strategic Objective	KPI Name	Data Definition
				total number of households as per the indigent register
TL31	Community and Social Development	To ensure sustainable delivery of community services (environmental health, library, emergency and traffic services) to all residents of SPM	To achieve at least 70% compliance with the National Disaster Management Tool by 30 June 2022	The Municipal Disaster Management Programme Evaluation Tool is completed by Emergency Services. The document is submitted to the National Treasury in compliance with the Disaster Management Act No.57 of 2002, section 21. An average percentage is calculated and reported at year-end. Annual evidence report of compliance
TL36	Strategy, Economic Development and Planning	Develop suitable located and affordable housing (shelter) and decent human settlements	Planning and Surveying of 512 erven in various wards within Sol Plaatje Municipality by 30 June 2022	Project entails the creation of 512 erven for mixed use purposes including residential, business, government, educational, etc. Pegging and surveying of project sites Evidence Layout Plan and Draft SG Diagram
TL42	Infrastructure and Services	To address the poor condition of the roads in the Sol Plaatje area through maintenance and upgrading projects	To upgrade at least 3 km of access roads to a paved surface in Sol Plaatje area by 30 June 2022	This indicator refers to the length of road paved during the period under review. It should be measured by signed-off reports from engineers/project managers detailing the roads paved. Paving - output = km. Roads in Sol Plaatje area which were earmarked for paving during the 2021/22 financial year
TL43	Infrastructure and Services	To address the poor condition of the roads in the Sol Plaatje area through maintenance and upgrading projects	Patching and resealing of 86 000 square metres of roads in Sol Plaatje area by 30 June 2022	This project entail the repair of road by the filling of pothole, base repair, milling off of the damaged road surface and the application of a new road surface. The focus was to curb the development of potholes on road which would be best to receive a new surface and is fatigued by the load it is carrying. These are road suffering of stress crack which has high traffic volume and which be very expensive to rehabilitate structurally. The source of evidence will be a list of street names with the square metres of work concluded
TL45	Infrastructure and Services	To ensure the availability of critical service delivery tools at all times (fleet management)	Ensure that all identified fleet items to be procured for the year, are delivered by 30 June 2022	This indicator measures the delivery and inspection of all identified critical fleet assets as per the Fleet Replacement Programme for the financial year. The evidence is signed invoices and delivery documentation for replacement of critical fleet as per the replacement programme

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Ref	Directorate	Strategic Objective	KPI Name	Data Definition
TL46	Infrastructure and Services	To ensure the adequate provision, upgrading and maintenance of electricity services infrastructure	To appoint a professional service provider for the pre-engineering and professional consultancy associated works for Hadison Park Substation by 30 June 2022	Project entails the appointment of a suitable service provider for the pre-engineering and professional consultancy associated works for the Hadison Park Substation. POE will be the Appointment letter, project progress reports, minutes of site meetings, design drawings, technical specification and completion certificate
TL47	Infrastructure and Services	To ensure the adequate provision, upgrading and maintenance of electricity services infrastructure	Completion of 35% of the construction work for Lerato Park Link Services by 30 June 2022	Project entails % construction completed to link Lerato Park to the electricity network to have adequate capacity for the Lerato Park Housing development. Evidence: Project progress, minutes of site meetings, physical site visits and completion certificate
TL48	Infrastructure and Services	To ensure a basic standard of living for all through the provision of basic sanitation, water, electricity and refuse delivery services	To complete the electrification of 1100 households by 30 June 2022 (Lethabo Park Phase 1)	This indicator refers to the number of households in Lethabo Park connected to the electricity network. Evidence will be approved layout plans, signed off completion certificates of the various engineers/project managers (COC), annexure detailing erven connected
TL50	Infrastructure and Services	To ensure a basic standard of living for all through the provision of basic sanitation, water, electricity and refuse delivery services	Decrease electricity losses to 16% by 30 June 2022	This indicator refers to the electricity loss realised by the municipality. It is calculated by determining the difference between the number of units purchased and the number of unties sold and reporting that as a percentage. Evidence will be calculation on electricity losses as per the actual records system
TL51	Infrastructure and Services	To ensure the adequate provision, upgrading and maintenance of water and sanitation services infrastructure	Complete 100% work for the installation of electrical and mechanical components in Lerato Park Sewer pump station by 30 June 2022	This is a roll-over project from 2020/21 and entails to upgrade the pump station to have adequate capacity for the Lerato Park Housing development. Evidence will be project progress reports, minutes of site meetings, physical site visits
TL52	Infrastructure and Services	To ensure the adequate provision, upgrading and maintenance of water and sanitation services infrastructure	To complete 100% procurement phase for the appointment of a service provider which is 10% of the overall weighting for the construction work for the Carters Ridge sewer pump station building with all electrical and	Project entails the appointment of a suitable service provider for the construction of Carters Ridge sewer pump station building with all electrical and mechanical equipment to cater for the new developments as the existing pump station is at capacity. Evidence will be the tender document, appointment letter and minutes

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE



Ref	Directorate	Strategic Objective	KPI Name	Data Definition
			mechanical equipment by 30 June 2022	
TL53	Infrastructure and Services	To ensure a basic standard of living for all through the provision of basic sanitation, water, electricity and refuse delivery services	Decrease water losses to 50% by 30 June 2022	The water losses are calculated by comparing the amount of water purchased from the department of Water Affairs to the amount of water sold to consumers. The difference between the amount purchased and the amount sold will be reported as a loss. Evidence will be the calculation on water losses as per the actual records system
TL54	Infrastructure and Services	To ensure management of the quality of the drinking water and waste water through compliance with the applicable legislation	To ensure through effective monitoring that a 98% Blue Drop Status on quality compliance is achieved by 30 June 2022	This is the status allocated to the municipality by the Department of Water Affairs, based on the quality of drinking water and supporting systems within the municipal area. This is measured by obtaining the latest Blue Drop reports from the Blue Drop System (BDS) managed by the Department of Water Affairs. The reports measure different criteria at each Waterworks (Riverton and Ritchie). An overall average for the year is calculated and reported in the APR. Evidence will be % Blue Drop Quality Compliance Status achieved
TL55	Infrastructure and Services	To ensure management of the quality of the drinking water and waste water through compliance with the applicable legislation	To ensure through effective monitoring that a 60% Green Drop Status on effluent quality compliance is achieved by 30 June 2022	This is the status allocated to the municipality by the Department of Water Affairs, based on the quality of drinking water and supporting systems within the municipal area. This is measured by obtaining the latest Green Drop report from the Green Drop System (GDS) managed by the Department of Water Affairs. The reports measure different criteria at each of the Wastewater Treatment works (Homevale, Beaconsfield and Riverton). An overall average for the year is calculated and reported in the APR. Evidence will be % Green Drop Treated Effluent Quality Compliance Status achieved
TL57	Infrastructure and Services	To ensure a basic standard of living for all through the provision of basic sanitation, water,	To complete the electrification of 150 over the 411 households in	This indicator refers to the number of households in Lerato Park connected to the electricity network.



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Ref	Directorate	Strategic Objective	KPI Name	Data Definition
		electricity and refuse delivery services	Lerato Park by 30 June 2022	Evidence will be approved layout plans, signed off completion certificates of the various engineers/project managers (COC), annexure detailing erven connected
TL58	Infrastructure and Services	To ensure a basic standard of living for all through the provision of basic sanitation, water, electricity and refuse delivery services	Complete the electrification of 64 households by 30 June 2022 (Soul City - King Sinare)	This indicator refers to the number of households in Soul City – King Sinare connected to the electricity network. Evidence will be approved layout plans, signed off completion certificates of the various engineers/project managers (COC), annexure detailing erven connected
TL59	Infrastructure and Services	To ensure a basic standard of living for all through the provision of basic sanitation, water, electricity and refuse delivery services	To complete the electrification of 270 households by 30 June 2022 (Golf Course - Riemvasmaak)	This indicator refers to the number of households at Golf Course – Riemvasmaak connected to the electricity network. Evidence will be approved layout plans, signed off completion certificates of the various engineers/project managers (COC), annexure detailing erven connected
TL60	Infrastructure and Services	To ensure sustainable delivery of community services (environmental health, library, emergency and traffic services) to all residents of SPM	To complete 100% of the construction of the Homevale Fire Station by 30 June 2022	This is a roll over project from FY 2020/21. The project entails the construction of a two-bay fire station. Evidence will be the project progress reports, minutes of site meetings, physical site visits
TL61	Infrastructure and Services	To ensure a basic standard of living for all through the provision of basic sanitation, water, electricity and refuse delivery services	To complete 100% of the reconstruction work of 320 aged sink toilets in Kagisho, Kutlwanong and Phomolong by 30 June 2022	Roll over project from FY 2020/21 The toilets will not be constructed individually before the next toilet can be constructed. The construction process will unfold starting with foundations and brickwork for all toilets, etc. So the project will be 50% completed however it would not mean that a toilet has been fully constructed) Evidence will be project progress reports, minutes of site meetings, physical site visits
TL62	Infrastructure and Services	To ensure a basic standard of living for all through the provision of basic sanitation, water, electricity and refuse delivery services	To complete the appointment of a service provider for the construction of the foundations for 2 elevated water tanks by 30 June 2022	Roll over project from FY 2020/21. Project entails the appointment of a suitable service provider for the construction of 2 foundations for 2 elevated water tanks for provision of water. Evidence will be the Tender document, appointment letter and minutes

Table 156: Basic and Sustainable Service Delivery and Infrastructure Development

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE



### LOCAL ECONOMIC DEVELOPMENT

Ref	Responsible Directorate	Strategic Objective	KPI Name	Data Definition
TL1	Office of the Municipal Manager	To develop sustainable living through job creation (EPWP and other initiatives)	Create 400 FTE jobs through EPWP initiatives of the SPM by 30 June 2022	The municipality is a beneficiary of an EPWP Incentive grant. There is a system used to capture the number of jobs created and days worked per month by the contract workers. The reporting requirements under EPWP requires the conversion of the total days worked per month (accumulated for the period) into days equivalent to a full time person doing similar work, and the system has the formula. The responsibility for the collection of information and reporting lies with the PMU
TL10	Finance	To capacitate SMME's and local entrepreneurs	To successfully implement the PPPFA Regulations to achieve BBEE and radical economic transformation through local procurement by ensuring at least 20% of the municipality's tenders are awarded to EME's, OSE's and from the businesses in the rural areas within the municipal jurisdiction by 30 June 2022	This indicator refers to the goods/services procured by the municipal stores. It is measured by calculating the percentage of total payments (excl. bulk purchases ESKOM, DWA) that were made to BBEE companies. The report from SCM is used to calculate this. Report detailing the BBEE levels per creditor
TL32	Strategy, Economic Development and Planning	To ensure effective spatial planning and development in order to establish a competitive economic position	Ensuring a response time of 11 weeks for building plan submissions received in the current financial year for buildings or architectural buildings greater than 500 m <sup>2</sup> annually	The activities in Building Industry of any economy is an indicator that there is improvement in the economic lifecycle. This sector absorbs unskilled labour and as such create opportunities and alleviates poverty. A register of building plan submissions (<500 m <sup>2</sup> ) responded to for each month of the financial year is kept by the town planning section. Average weeks is calculated by dividing the average days by 7. An overall average is then calculated for the year. A response received may be in the form of an approval, disapproval, or referral for additional information. Register indicating the steps for processing and dates when each step was signed off
TL33	Strategy, Economic Development and Planning	To ensure effective spatial planning and development in order to	Ensuring a response time of 11 weeks for building plan submissions received in the current financial	A register of building plan submissions (>500 m <sup>2</sup> ) responded to for each month of the financial year is kept by the town planning section. Average weeks is calculated by



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE



Ref	Responsible Directorate	Strategic Objective	KPI Name	Data Definition
		establish a competitive economic position	year for buildings or architectural buildings less than 500 m <sup>2</sup> annually	dividing the average days by 7. An overall average is then calculated for the year. A response received may be in the form of an approval, disapproval, or referral for additional information. Register indicating the steps for processing and dates when each step was signed off
TL34	Strategy, Economic Development and Planning	To ensure effective spatial planning and development in order to establish a competitive economic position	To process 80% category 1 land use applications received until 30 April of the current financial year through MPT (Municipal Planning Tribunal) by 30 June 2022 in terms of the SPLUMA by-law (2015)	All category 1 applications for land use shall be directed to the MPT, and no longer through Council Section 79 Committee of SPELUM. Register of processed Category 1 land use applications
TL35	Strategy, Economic Development and Planning	To ensure effective spatial planning and development in order to establish a competitive economic position	To process at least 200 buildings plans that were received before 1 July 2021 by the end of the current financial year (30 June 2022)	The Building Inspectorate had accumulated backlogs as a result of (amongst other things) the moratorium that was placed on development by council a number of years ago. It is the intention to clear this backlog within the next three years. Register indicating the number of building plans processed which were received before 1 July 2021, numbers and dates when plans were addressed
TL37	Strategy, Economic Development and Planning	To capacitate SMME's and local entrepreneurs	Implementation of the Developmental Programme that supports SMME's through business incubation for at least 10 businesses annually	The municipality has two SMME Villages with more than 10 incubation spaces available. Municipality serve as unit of measurement to perform in this indicator. The type of developmental programme for the identified business or individual, would depend on the needs and requirements of that specific business or individual. It can vary from a business plan development to financial analysis and cash flow forecasts to entrepreneurial training and development. The focus is on supporting SMME's. This can be in the form of developing existing businesses or supporting aspiring business owners to develop new businesses. Proof of attendance register's for businesses provided with Business Skills Developmental Programme
TL38	Strategy, Economic Development and Planning	To ensure effective spatial planning and development in order to establish a competitive economic position	Review of the Sol Plaatje Land Use Management Scheme by 30 June 2022	Project entails the review for effective spatial planning and development in order to establish a competitive economic position. The scheme incorporates the area of jurisdiction of SPM

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE



Ref	Responsible Directorate	Strategic Objective	KPI Name	Data Definition
				Draft land Use Scheme with Maps and Regulations
TL39	Strategy, Economic Development and Planning	To capacitate SMME's and local entrepreneurs	Enhancing Sol Plaatje Municipality's economic governance and infrastructure for Business Expansion Attraction and Retention (BEAR) by 30 June 2022	<p>Implementation of the E-One stop shop, development of IT enabled tools for SPM such as call centre and maintenance system, informal trade automated tool, revenue enhancement through development of digital vending machine tool owned by SPM, to harmonised business regulatory environment as well as capacity and capability enhancement of the municipality (institution) and municipal officials (individual) in order to reduce red tape and promote SPLM's BEAR endeavours for overall innovation-driven, sustainable and inclusive local economic development (LED).</p> <p>Evidence will be Capacity and Capability Enhancement Program, Ease of Doing Business Index; and Testing and Piloting e-One-Stop Shop</p>
TL40	Strategy, Economic Development and Planning	To capacitate SMME's and local entrepreneurs	Establishment of an Automotive Hub at Roodepan by 30 June 2022	<p>The overall project objective is to implement a skills acquisition and entrepreneurial support project for</p> <p><b>300</b> young men and women over the next three years in the Sol Plaatje Municipality, geared at reducing youth unemployment within Frances Baard District Municipality.</p> <p>Evidence will be submission of business plan to source funds for the established of Auto Motive Hub proposal developed</p>
TL41	Strategy, Economic Development and Planning	To capacitate SMME's and local entrepreneurs	Establishment of the Northern Cape Innovation at Sol Plaatje University by 30 June 2022	<p>Project entails to promote innovation for social and economic development in the NC through advocacy, networking and capacity building.</p> <p>Northern Cape Innovation Forum in partnership DEDaT, TLIU, SPU and SPU assist LED Unit with implementation of innovation projects which addresses primary, secondary and tertiary targeting one project per annum.</p> <p>Evidence one innovation project related LED</p>
TL56	Strategy, Economic Development and Planning	To capacitate SMME's and local entrepreneurs	Construction of Craven Street Centre using Pre-Owned shipping containers for business	Project entails the construction upgrade of existing Craven Street Taxi Rank SMME Stalls through containerisation for a period of 24 months.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE



Ref	Responsible Directorate	Strategic Objective	KPI Name	Data Definition
			development by 30 June 2022	Evidence completed SMMEs Containerisation Stalls
TL8	Finance	To ensure effective spatial planning and development in order to establish a competitive economic position	To improve the SCM turnaround time to 12 weeks for annual contracts from closing date to date of award by June 2022	This indicator refers to the time that lapses between the closing date of a once-off tender until the award of annual contract. This can be measured by taking the difference between the closing date of the tender as per the tender advert (signed off MBD1) and the date of the final award as per the minutes of the BAC. The average turnaround around time per quarter/annum is reported
TL9	Finance	To ensure effective spatial planning and development in order to establish a competitive economic position	To improve the SCM turnaround time to 6 weeks for once off contracts from closing date to date of award by June 2022	This indicator refers to the time that lapses between the closing date of a once-off tender until the award of annual contract. This can be measured by taking the difference between the closing date of the tender as per the tender advert (signed off MBD1) and the date of the final award as per the minutes of the BAC. The average turnaround around time per quarter/annum is reported

Table 157: Local Economic Development

### GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Ref	Responsible Directorate	Strategic Objective	KPI Name	Data Definition
TL6	Office of the Municipal Manager	To ensure an improved audit opinion through compliance with all relevant regulations, continuous assessment of risk and internal controls	Internal audit to perform an assessment of the internal control environment and other risk areas within the municipality and issue at least 10 internal audit reports to the audit committee during the financial year	Internal Control environment includes the presence of necessary and prescribed by-laws, approved policies and procedures as well as job description of staff performing duties within the municipal legislative framework and policy prescripts. The Internal Audit is guided by the audit plan. Progress reports as per the Audit Committee quarterly reports are used as a base to verify the effectiveness of internal controls as per internal audit reports
TL19	Finance	To ensure an improved audit opinion through compliance with all relevant regulations, continuous assessment of risk and internal controls	To implement an effective and efficient Supply Chain Management System by ensuring that successful appeals is not more than 5% of tenders awarded by 30 June 2022	This is calculated by dividing the number of successful appeals by the total number of tenders received for the year. The aim is to minimise the number of successful appeals as that is an indication of the appropriateness and fairness of the supply chain management procedures followed

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE



Ref	Responsible Directorate	Strategic Objective	KPI Name	Data Definition
TL20	Finance	To ensure an improved audit opinion through compliance with all relevant regulations, continuous assessment of risk and internal controls	Submit an Audit Action Plan to the Municipal Manager to address issues raised by the Auditor General within thirty (30) days after the end of the audit annually	This indicator refers to the audit action plan that is based on the findings received from the Auditor General during the previous year audit. This document is submitted to the Municipal Manager and the National Treasury on an annual basis. The indicator is measured by confirming the compilation and submission of Audit Action Plan to Management, MPAC and Audit Committee
TL27	Corporate Services	To ensure an improved audit opinion through compliance with all relevant regulations, continuous assessment of risk and internal controls	To report quarterly on the progress of risk mitigation to the Accounting Officer and Executive Management Team (EMT)	It is further required that progress in the implementation of the risk control measures is reported on to the EMT and to the Audit Committee. Quarterly reports are compiled by CRO and presented at these meetings
TL28	Corporate Services	To ensure an improved audit opinion through compliance with all relevant regulations, continuous assessment of risk and internal controls	Submit an Annual Report on risk management maturity level of SPM to NT by 30 June each year	An overall report on risk maturity must be compiled annually and submitted to Municipal Manager. This report gives a sense on how serious risk management is taken in the organisation and assist in the development of tactics to institutionalise risk management and necessary intervention required. This indicator refers to the implementation of an annual report on the risk management maturity level of the municipality. The indicator will be evidenced by the Enterprise risk management framework document
TL29	Corporate Services	Promote community participation and communication	To communicate to the public (established residential areas) by issuing monthly newsletters	This indicator will be based on perceptions rather than the outcomes of community surveys or other formal means. On a random basis people may be asked to give their views of the municipality in as far as service delivery, responsiveness, quality of service and service offering excellence
TL30	Corporate Services	Promote community participation and communication	To respond to all media enquiries and issue media statement within 24 hours after an occurrence	This can be measured by analysing response time to the media enquiries received

Table 158: Good Governance and Public Participation

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

Ref	Responsible Directorate	Strategic Objective	KPI Name	Data Definition
TL12	Finance	Enhance revenue through leveraging alternate sources of funding and identifying new revenue streams	Improve revenue enhancement by ensuring a collection rate of 85% after debt write off by 30 June 2022	The debt collection rate is calculated by adding the opening debtors balance to the billed revenue and deducting the bad debts written off and closing balance/ divided by the billed revenue for the period; after distorting factors have been taken into account. Circular 72
TL13	Finance	Promote sound financial management and financial sustainability of Sol Plaatje Municipality through prudent fiscal management	To spend at least 85% of the Capital Budget (including VAT) on capital projects identified in terms of the IDP by 30 June 2022	The percentage is calculated dividing the total amount of capital spending by the total capital budget for the period
TL14	Finance	Promote sound financial management and financial sustainability of Sol Plaatje Municipality through prudent fiscal management	To spend at least 90% of the Operational Budget annually (30 June)	The percentage is calculated dividing the total amount of operational spending by the total operational expenditure budget for the period
TL15	Finance	Promote sound financial management and financial sustainability of Sol Plaatje Municipality through prudent fiscal management	Maintain the debt coverage ratio of at least 2:1 against net assets of the municipality by 30 June 2022	The debt coverage ratio is calculated by dividing the total liabilities for the period by the total own operating revenue
TL16	Finance	Promote sound financial management and financial sustainability of Sol Plaatje Municipality through prudent fiscal management	Reduce net debtor days to 300 days by 30 June 2022	The debt coverage ratio is calculated by dividing the total liabilities for the period by the total own operating revenue
TL17	Finance	Promote sound financial management and financial sustainability of Sol Plaatje Municipality through prudent fiscal management	Maintain the cost coverage ratio of at least 1 month (annually)	The cost coverage ratio is calculated by dividing the total liabilities for the period by the total own operating revenue.
TL18	Finance	Promote sound financial management and financial sustainability of Sol Plaatje Municipality through prudent fiscal management	Ensure that the actual spending on employee related costs does not exceed 33% of the total expenditure by 30 June 2022	The percentage is calculated by dividing the total employee related cost by the total operating expenditure budgeted for the period

Table 159: Municipal Financial Viability and Management

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE



### MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

Ref	Responsible Directorate	Strategic Objective	KPI Name	Data Definition
TL2	Office of the Municipal Manager	To provide a basis for sustainable municipal performance improvement	Monitor the implementation of the Integrated Performance Management Policy by conducting at least one review meeting annually	This indicator refers to the review of the Performance Management Policy on an annual basis. Review will be evidenced by minutes of meeting held to review and documented changes (if applicable)
TL3	Office of the Municipal Manager	To provide a basis for sustainable municipal performance improvement	Submit quarterly organisational performance reports to the Executive Mayor by the 20th of the month following the end of each Quarter for 2021/22	The signed-off quarterly reports will be evidence that this indicator has been achieved
TL4	Office of the Municipal Manager	To provide a basis for sustainable municipal performance improvement	Submit the Final IDP document for adoption to Council by 31 May annually	Approval of IDP is a critical milestone in terms of Municipal Systems Act. The IDP informs the budget and there must be a clear linkage between what has been identified as critical and that which is funded. Adoption is by Council resolution
TL5	Office of the Municipal Manager	To provide a basis for sustainable municipal performance improvement	Submit the Final SDBIP document to the Executive Mayor by 30 June annually	It is important to operationalise the IDP and Budget in an SDBIP with clear monthly and quarterly targets that must be achieved. The SDBIP also serves as a basis for the development of performance agreements of the MM and Senior Managers. In terms of Circular 13, it must be submitted to the Executive Mayor 28 days after the approval of IDP and Budget. the SDBIP was approved together with the Budget, and there is a Council Resolution to this effect
TL11	Office of the Municipal Manager	To ensure continuous maintenance and replacement of furniture, office and computer equipment and create a secure environment within the municipality	To ensure that the ICT Strategic Plan aligns to the IDP and as such delivers on the municipality's vision for a "Leading Modern City" through initiatives that includes the employees and the community of Kimberley by 30 June 2022	Project entails to ensure that all identified information technology related needs as per the strategic plan have been addressed. Project close out reports. Approved business cases and improved audit findings



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE



Ref	Responsible Directorate	Strategic Objective	KPI Name	Data Definition
TL21	Corporate Services	To enable effective training and skills development through various initiatives and partnering with the private sector	Equip staff to implement efficiency, monitoring and productivity through the following improvement interventions by 30 June 2022 : Leadership, management, vocational and professional development training. Learning/competency and development programme	The evidence for this indicator would be the list of staff attending various training and development courses/programmes during the year under review. Evidence in the form of registration documents, attendance registers etc. is available
TL22	Corporate Services	To improve effective human resource development to staff and councillors	Review the organisational structure of the municipality on an annual basis with the aim of optimising efficiency and make recommendations by 30 June 2022	The review of the organizational structure is evidenced by minutes of meetings, recommendation for amendment and ultimately a reviewed organogram
TL23	Corporate Services	To improve effective human resource development to staff and councillors	Monitor the implementation of the Human Resource Management Plan through conducting at least one review meeting annually	This indicator refers to the content of the approved HR Management plan. The evidence for this will be contained in the HR Plan. A strong work team is required to implement the SDBIP and service delivery obligations of the municipality. There is a strategy in place for the management of Human Resources. The strategy must be received annually and be approved by Council after every review. It becomes important that the review process is documented in this regard as part of portfolio of evidence that it indeed took place
TL24	Corporate Services	To improve effective human resource development to staff and councillors	Achieve 72% compliance with the EAP plan of the municipality by ensuring representation of the racial profile of the local authority on municipal level by 30 June 2022	The municipality must develop an Employee Assistance Plan which must be approved by Executive Management Team by recommendation of the ED. It is anticipated that due to inadequate funding and changes in a year that only 70% of the plan approved would be executed. This indicator relates to the compliance of the organogram with the EAP Plan of the municipality. This is measured by comparing the current staff establishment of the municipality
TL25	Corporate Services	To provide a basis for sustainable municipal performance improvement	On a quarterly basis communicate the funded vacant positions in each directorate to the	To ensure that ED's are informed of all vacant positions and to fill critical positions as and when required.



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Ref	Responsible Directorate	Strategic Objective	KPI Name	Data Definition
			relevant Executive Director	Number of communications provided
TL26	Corporate Services	To provide a basis for sustainable municipal performance improvement	Co-ordinate bi-annual performance assessments of the municipal manager and managers reporting directly to the municipal manager by 30 June 2022	This indicator refers to the legislated performance assessments of section 57 employees. The bi-annual assessments will be substantiated by signed-off documentation detailing the outcomes of these assessments

Table 160: Municipal Institutional Development and Transformation

### 3.32.13 Financial Performance Overview

The Statement of Financial Performance is prepared on a similar basis to the prescribed budget format, detailing Revenue by source and Expenditure by type. The consolidated summary of the financial performance is indicated in Tables below:

Summary Statement of Financial Performance: YTD Budget					
Description	YTD Budget June 2022	YTD Actual June 2022	Variance Favourable (Unfavourable)	YTD Actual vs YTD Budget	Variance Favourable (Unfavourable)
	(R'000)			%	
Total Revenue (excluding capital transfers and contributions)	2 372 218	2 181 403	(190 815)	92.0%	(8.0)%
Total Revenue (including capital transfers and contributions)	2 501 884	2 305 070	(196 814)	92.1%	(7.9)%
Total Operational Expenditure	2 421 590	2 315 070	(106 520)	95.6%	(4.4)%

Table 161: Consolidated Summary: Statement of Financial Performance

As indicated in the Table above, as at 30 June 2022, the billed revenue excluding capital grants amounted to R2 181 403 billion which resulted in a variance of minus 8.0% when compared to the YTD Budget of R2 372 218 billion. The billed revenue including capital grants resulted in an unsatisfactory variance of minus 7.9% when compared to the YTD budget of R2 501 884 billion. Going forward, Capital grants will be recognised in the Statement of Financial Performance, on a monthly basis as soon as the conditions of the grant has been met. The Total Operational Expenditure resulted in a negative variance of minus 4.4%.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE



Summary Statement of Financial Performance: Adjustment Budget					
Description	Adjustment Budget	YTD Actual June 2022	Variance Favourable (Unfavourable)	% YTD Actual vs Adjustment Budget	% Variance Favourable (Unfavourable) Ideal IYM % - 91.67%
	(R'000)			%	
Total Revenue (excluding capital transfers and contributions)	2 372 218	2 184 415	1 986 731	92.1%	-7.9%
Total Revenue (including capital transfers and contributions)	2 501 884	2 266 612	2 058 122	90.6%	-9.4%
Total Operational Expenditure	2 421 590	1 970 355	1 768 556	81.4%	-18.6%

Table 162: Consolidated Summary: Statement of Financial Performance: Adjustment Budget

Indicated in the Table above is the YTD actual compared to the Adjusted Budget. When calculating the ideal In-Year-Monitoring percentage of 100% [calculated as follow: (100/12 months x 12 months of the year)] as at the end of June 2022, the Total operational revenue excluding capital grants versus the Adjusted Budget resulted in a negative variance of minus 8.04%. The Total operational revenue including capital grants versus the Adjusted Budget resulted in an unsatisfactory variance of minus 7.87%. The Total Operational Expenditure resulted in an unsatisfactory variance of minus 4.40%.

Please note that certain Revenue by source and Expenditure by type categories are showing excessive negative and/or positive variances. This is due to fact that the YTD budgets were all systematically determined on a straight-line basis by dividing the total budget per category per line item by 12. The capital projections were also done in the same fashion. Please note that variances within a 5% range, as prescribed by National Treasury are acceptable and need not necessarily be explained.

### 3.32.14 Performance of Revenue by Source

#### FINANCIAL PERFORMANCE SUMMARY: REVENUE

Table C4 Monthly Budget Statement - Financial Performance (Revenue) - June 2022

Revenue by source	Adjustment Budget	Monthly Actual	Year TD actuals	Year TD Budget	% Achieved YTD Budget	YTD variance	YTD variance %	Achieved Adjusted Budget	Adjustment Budget variance	Adjust-ed Variance IYM %- 100%
	R'000	R'000	R'000	R'000	%	R'000	%	%	R'000	%
Property rates	603 707	22 816	599 898	603 707	99.4	(3 809)	-0.6	99.4	(3 809)	-0.6
Service charges - Electricity revenue	861 157	60 038	728 847	861 157	84.6	(132 309)	-15.4	84.6	(132 309)	-15.4



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Revenue by source	Adjustment Budget	Monthly Actual	Year TD actuals	Year TD Budget	% Achieved YTD Budget	YTD variance	YTD variance %	Achieved Adjusted Budget	Adjustment Budget variance	Adjust-ed Variance IYM %-100%
	R'000	R'000	R'000	R'000	%	R'000	%	%	R'000	%
Service charges - Water revenue	294 012	6 995	272 919	294 012	92.8	(21 093)	-7.2	92.8	(21 093)	-7.2
Service charges - Sanitation revenue	76 648	4 505	83 392	76 648	108.8	6 744	8.8	108.8	6 744	8.8
Service charges - Refuse revenue	59 567	2 872	60 632	59 567	101.8	1 065	1.8	101.8	1 065	1.8
Rental of facilities and equipment	13 145	2 118	16 755	13 145	127.5	3 610	27.5	127.5	3 610	27.5
Interest earned - External investments	9 000	2 310	3 124	9 000	34.7	(5 876)	-65.3	34.7	(5 876)	-65.3
Interest earned - Outstanding debtors	157 200	13 173	131 160	157 200	83.4	(26 040)	-16.6	83.4	(26 040)	-16.6
Fines, penalties and forfeits	34 725	9 496	13 943	34 725	40.2	(20 782)	-59.8	40.2	(20 782)	-59.8
Licences and permits	6 500	644	8 532	6 500	131.3	2 032	31.3	131.3	2 032	31.3
Agency services	0	0	0	0	0	0	0	0	0	0
Transfers and subsidies	236 873	16 045	235 986	236 873	99.6	-887	-0.4	99.6	-887	-0.4
Other revenue	19 685	-418	14 517	19 685	73.7	(5 168)	-26.3	73.7	(5 168)	-26.3
Gains on disposal of PPE		10 324	11 698			11 698			11 698	
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>2 372 218</b>	<b>150 916</b>	<b>2 181 403</b>	<b>2 372 218</b>	<b>92.0</b>	<b>190 815</b>	<b>-8.0</b>	<b>92.0</b>	<b>190 815</b>	<b>-8.0</b>
Transfers and subsidies - capital	129 666	81 584	123 667	129 666	95.4	(5 999)	-4.6	95.4	5 999	-4.6

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Revenue by source	Adjustment Budget	Monthly Actual	Year TD actuals	Year TD Budget	% Achieved YTD Budget	YTD variance	YTD variance %	Achieved Adjusted Budget	Adjustment Budget variance	Adjust-ed Variance IYM %-100%
	R'000	R'000	R'000	R'000	%	R'000	%	%	R'000	%
Total Revenue (including capital transfers and contribution s)	2 501 884	232 500	2 305 070	2 501 884	92.1	(196 814)	-7.9	92.1	(196 814)	-7.9

Table 163: Financial Performance Summary: Revenue

### COMPARISON AGAINST THE YTD BUDGET

- Property Rates is showing a negative YTD variance of 0.6%.
- Service charges is performing satisfactorily for the month under review, however Electricity revenue is showing a very concerning under-recovery of minus 15.4%, attributable to the billing being lower than anticipated. According to the Billing section, this is mainly as a result of the KVA meters that have not been read since January 2020. According to Occupational Health and Safety (OHS) law; employees are not allowed to enter sub-stations without a valid ORHV (Operating Regulations for High Voltage Systems) Regulations Certificate. The meter readers who had the ORHV certificate, their certificates expired. Training was arranged after Covid, but unfortunately did not did pass the re-certification. Subsequent training was arranged in May 2022 and there is now a designated team that will do the KVA meter reading from June 2022. The interim readings as a result of this, might have been estimated too low according to the Billing section. Sanitation service charges is showing an over-recovery of 8.8%, as a result of the actuals billed being higher than the YTD budget.
- Interest earned – External investments shows a negative variance of minus 65.3%, as a result of accrued interest revenue that was recognised for the 2020/21 financial year. It should be noted that investments have been declining year-on-year but have remained relatively constant for the period under review. This however, also served as a major impediment preventing the municipality from actually earning more interest. Due to financial constraints the municipality could not increase its investments which largely contributes to the lower interest earned. The reduced interest rate by the Reserve bank, prior to the latest interest rate hikes, also had a negative impact on Interest earned. The bulk of the interest earned normally gets recognised at year-end.
- Interest earned on outstanding debtors is showing a negative variance of minus 16.6%. The Billing section will have to do a thorough investigation into the lower interest generated and ascertain that interest is being duly

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

charged to all outstanding balances that should attract interest and also confirm if interest write-offs are not erroneously done against the income vote.

- Fines, penalties and forfeits is showing a negative variance of 59.8% as a result of the under-recovery of Law enforcements fines with a 8.57% achieved versus a target of R17,900 million. The unit is experiencing various challenges in terms of capacity and the process of the reconciliation of fines with the Department of Justice needs to improve. Added to this, Covid-19 had put a heavy strain on the collection of fines as physical contact is limited in the apprehension of offenders and execution of warrant of arrests. Final fine recognition will be finalised as part of year-end procedures aligned to iGRAP 1. Penalties: Disconnection fees achieved an actual of 19.17% against an annual target of R16,500 million. The bulk blocking of prepaid meters could not materialise but Credit Control is embarking on a campaign for debt collection efforts.
- Licences and permits is showing a positive variance of 31.3%, however there are possible outstanding payments due to the Department of Transport, Safety and Liaison. There is sometimes a delay in the timing of receipts and eventual transfer, especially towards month-end. The responsible employee for this function, retired and the unit is experiencing some change-over challenges in this regard. It appears there is improvement compared to the prior months.
- Capital grants is showing a negative variance of 4.6%, as a result of the lower than anticipated capital grant expenditure. Serious intervention will have to be taken by Management to improve on capital grant expenditure and capital expenditure overall.

### COMPARISON AGAINST ADJUSTMENT BUDGET

Based on the IYM percentage of 100%, the majority of revenue sources are performing satisfactorily.

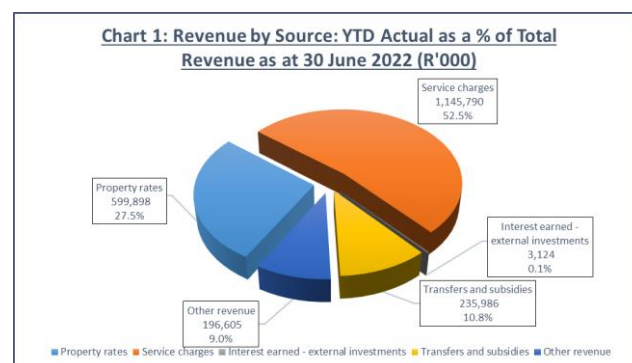
- Property rates is performing satisfactorily.
- Service charges is performing satisfactorily. The negative variance on Electricity sales of 15.4% is higher than the acceptable variance of 5%. Same factors are applicable as described in the paragraph above.
- Interest from External Investments shows an unsatisfactory variance of minus 65.3%. Same factors are applicable as described in the paragraph above.
- Interest on outstanding debtors is showing a negative variance of 16.6%. Same factors are applicable as described in the paragraph above.
- Fines, penalties and forfeits is showing a negative variance of 59.8%. Same factors are applicable as described in the paragraph above.
- Licences and permits is showing a positive variance of 31.3%. Same factors are applicable as described in the paragraph above.
- Other Revenue is lower than anticipated.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE



- Transfers – recognised capital is showing a negative variance of 4.6%, as a result of the lower grant spending.

Also indicated in the Chart below is the weighting of the YTD Actual on billed Revenue per Source as a percentage of total operational revenue as at 30 June 2022. The main contributors of the municipality's revenue are Service Charges (52.5%), Property Rates (27.5%) and Transfers and subsidies (10.8%).



Graph 22: Revenue by Source: YTD Actual as a percentage of Total Revenue

### 3.32.15 Operating Expenditure by Type

**Table C4 Monthly Budget Statement - Financial Performance (Expenditure) - June 2022**

Expenditure By Type	Adjustment Budget	Monthly Actual	Year TD actuals	Year TD Budget	% Achieved YTD Budget	YTD variance	YTD variance %	Achieved Adjusted Budget	Adjustment Budget variance	Adjusted Variance IYM %-100%
	R'000	R'000	R'000	R'000	%	R'000	%	%	R'000	%
Employee related costs	841 588	85 784	773 189	841 588	91.9	(68 399)	-8.1	91.9	(68 399)	-8.1
Remuneration of councillors	34 547	3 533	30 737	34 547	89.0	(3 810)	-11.0	89.0	(3 810)	-11.0
Debt impairment	275 000	129 489	267 518	275 000	97.3	(7 482)	-2.7	97.3	(7 482)	-2.7
Depreciation & Asset impairment	79 150	69 999	69 999	79 150	88.4	(9 151)	-11.6	88.4	(9 151)	-11.6
Finance changes	63 461	52 687	72 909	63 461	114.9	9 449	14.9	114.9	9 449	14.9
Bulk purchases - Electricity	647 000	124 066	639 689	647 000	98.9	(7 311)	-1.1	98.9	(7 311)	-1.1
Inventory consumed	231 530	43 974	237 516	231 530	102.6	5 986	2.6	102.6	5 986	2.6
Contracted services	41 242	11 868	38 163	41 242	92.5	(3 079)	-7.5	92.5	(3 079)	-7.5
Transfers and subsidies	4 850	0	2 546	4 850	52.5	(2 304)	-47.5	52.5	(2 304)	-47.5
Other expenditure	132 462	(25 631)	110 364	132 462	83.3	(22 099)	-16.7	83.3	(22 099)	-16.7
Loss on disposal of PPE	70 760		72 440	70 760	102.4	1 680	2.4	102.4	1 680	2.4

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Expenditure By Type	Adjustment Budget	Monthly Actual	Year TD actuals	Year TD Budget	% Achieved YTD Budget	YTD variance	YTD variance %	Achieved Adjusted Budget	Adjustment Budget variance	Adjusted Variance IYM %-100%
	R'000	R'000	R'000	R'000	%	R'000	%	%	R'000	%
Total Expenditure	2 421 590	495 768	2 181 403	2 421 590	95.6	(106 520)	-4.4	95.6	(106 520)	-4.4

Table 164: C4 Financial Performance Summary (Expenditure)

### COMPARISON AGAINST YTD BUDGET (SDBIP TARGET)

As indicated in the Table 4 above, as at 30 June 2022 current YTD expenditure shows an unsatisfactory variance of minus 4.4%. The YTD actual amounted to R2,315,070 billion against the YTD Budget of R2,421,590 billion.

- Employee related costs shows an unsatisfactory variance of minus 8.1%. Post-retirement benefit obligations are not factored in and will only be finalised as part of year-end procedures. There was also a soft lock on the filling of non-critical vacancies for the past few months.
- Remuneration of councillors is showing an under-expenditure of 11.0%, as a result of the gazette on the Determination of upper limits of salaries, allowances and benefits of different members of municipal councils for 2021/2022 financial year that has not been issued. The gazette was issued in June 2022 and approval for implementation was obtained from Council. Final approval is awaited from the MEC for COGHSTA.
- Depreciation was projected for on a straight-line basis but will only be provided for, as part of year-end procedures. Herewith the response from the Asset Management Unit, why Depreciation cannot be recognised at least quarterly "The Asset Management System currently do not interface with the Financial System and this make it difficult, to post the transactions for depreciation monthly or quarterly. We currently have to pass journals in the financial system to recognise depreciation in the general ledger. This is due to the fact that the systems do not interface. Once journals are passed for depreciation and changes needs to be done for depreciation due to asset processes like disposals or impairment recognition, we will have to pass new journals for the correction of depreciation. The Asset Management System can currently interface with the Financial System but requires authorization from the service provider of the Financial System. Asset Management is one of the core functions that will be dealt with by the re-established mSCOA Steering Committee."
- Debt impairment was provided for on a quarterly for the first two quarters. However, the municipality has been treating debt write-offs erroneously and all write-offs must be done directly against the expenditure vote and not against the Statement of Financial Position. This will be corrected as part of year end procedures.
- Expenditure on Contracted services is lower than anticipated, especially pertaining to Legal Cost Advice & Litigation which is 44.39% spent versus an adjusted budget of R4,147 million. Prepaid Electricity Vendors is 96.4% spent versus a budget of R25,500 million. The June 2022 invoice is due at the end of July 2022.



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

- Bulk purchases – Electricity is unsatisfactory and based on accrual accounting principles, the July 2021 to May 2022 ESKOM invoices were captured on the system. The June 2022 invoice is not yet reflected on the system but will be captured during July 2022. Journals must be passed to correct interest on overdue accounts that was captured against bulk purchases prior to the Adjustment budget being approved.
- Bulk purchases Water is treated in line with GRAP 12. Actuals are understated because the municipality was not billed for July and September 2021 and received the outstanding invoices from the Department on 8 July 2022. These invoices are therefore not captured on the system, resulting in the substantial understatement of this expenditure line item. The invoice for January 2022 was not captured on the system due to the incorrect volume billed. The Department corrected this error and also corrected a billing error for August 2021. The capturing and corrections will be finalised during July 2022 as part of year-end procedures.
- Transfers and subsidies show a negative variance of 47.5%. The grant funding of R2,200 due to the SPCA has been paid in full. Other grants also show minimal movement due to cash flow constraints.
- Finance charges is showing a positive variance of 14.9%. Interest on External borrowing is paid bi-annually and the second instalment for this financial year was paid during 30 June 2022. Interest on overdue accounts was adjusted upwards in the Adjustment budget. Corrections on the actuals pertaining to Interest paid on overdue accounts will be journalized on the system. All Interest paid on overdue accounts must be recognized as Fruitless and Wasteful expenditure in the Annual Financial Statements.
- The expenditure on Inventory consumed is showing a satisfactory variance of 2.6%. It has been reiterated monthly that expenditure on Inventory consumed needs to be monitored closely and remedial action be taken to ensure that funds are spent effectively with good value for money and also that funds will be fully spent at year-end.
- During the 2019/20 Mid-year Budget Assessment the following factors were identified by the municipality that negatively affects the expenditure on Inventory consumed:
  - The possible root causes can vary from poor preventative maintenance strategies, poor planning, vehicles being at the Workshop for longer periods which is hampered by the availability of suitable parts, procurement processes exacerbated by a lack of valid tenders being in place for which the user departments are responsible for, clamping down on deviations and major works still outstanding for which proper procurement processes needs to be adhered to, and then prioritisation as a result of the cash flow constraints. It is advised that management finalise maintenance plans and implement these plans within the current financial constraints, ensure that remedial action be taken to improve on preventative maintenance and spend funds cost-effectively and efficiently to address service delivery issues and ensure assets are maintained at desired levels and are being utilised optimally. The



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

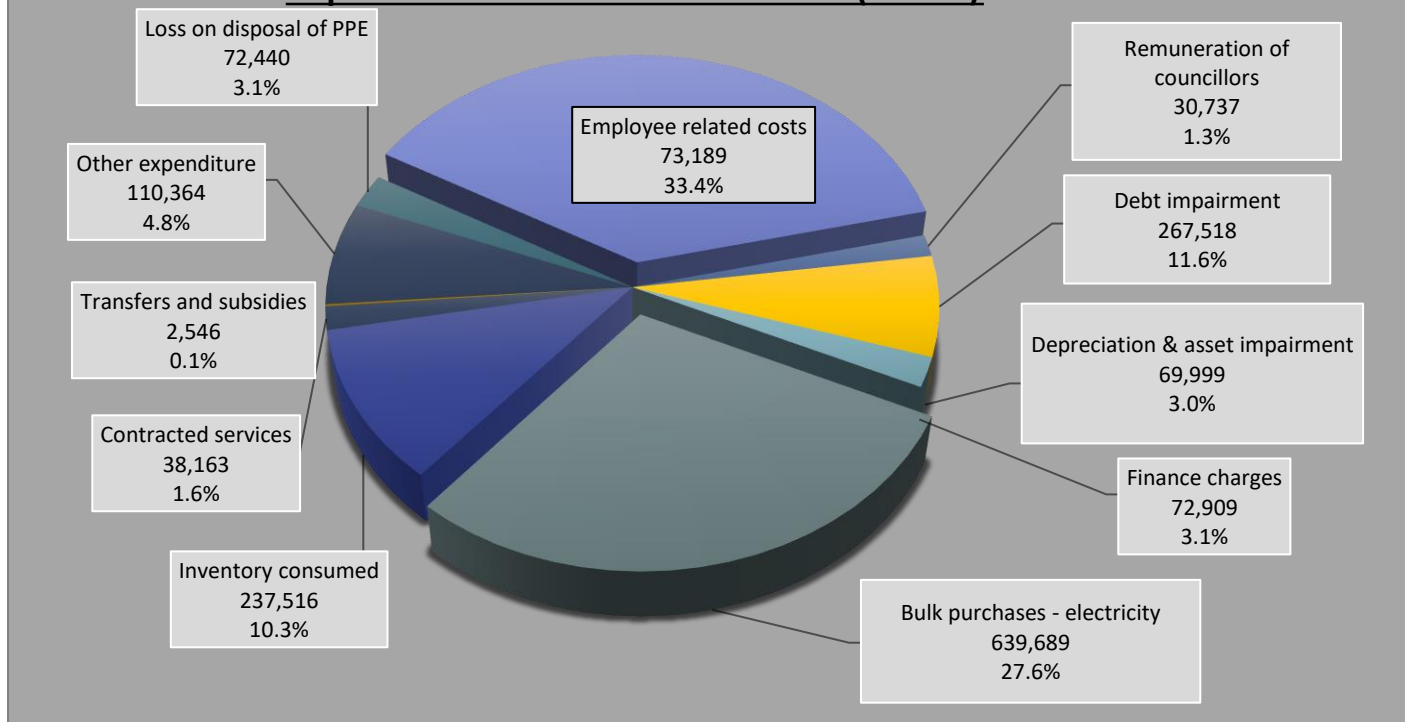
spending of funds will have to be prioritised, wastage be curbed, overall personnel performance and productivity be monitored and improved.

### OPERATING EXPENDITURE BY TYPE: COMPARISON AGAINST ADJUSTMENT BUDGET

Indicated in the Table above, is the YTD actual compared to the Adjusted Budget. The ideal In-Year-Monitoring percentage as at the end of June 2022 is 91.67%. The total operational expenditure against the Adjusted Budget is 95.6% spent, resulting in a unsatisfactory variance of minus 4.4%.

- Employee costs and Councillors remuneration is showing a negative variance of minus 8.1% and 11%, respectively. Same factors are applicable as explained above.
- Depreciation will be provided for at year-end. Same factors are applicable as explained above.
- Finance charges are paid bi-annually and show a satisfactory variance of 14.9%. Same factors are applicable as explained above.
- Debt impairment was provided for on a quarterly for the first two quarters. However, the municipality has been treating debt write-offs erroneously and all write-offs must be done directly against the expenditure vote and not against the Statement of Financial Position. This will be corrected as part of year end procedures.
- Expenditure on Contracted services is lower than anticipated, same factors are applicable as explained above.
- Transfers and grants is unsatisfactory with a variance of minus 47.5%. The same factors are applicable as explained in the paragraph above.
- Water inventory under Inventory consumed and Loss on disposal of PPE (Water losses), corrective journals was passed but the actuals are understated, due to the issues pertaining to the July to September 2021 invoices and the January 2022 invoice.

**Chart 2: Expenditure by Type : YTD Actual as a % of Total Expenditure as at 30 June 2022 (R'000)**



*Graph 23: Expenditure by Type: YTD Actual as a percentage of Total Expenditure*

Also indicated in the Chart above is the weighting of the YTD Actual on Expenditure by Type as a percentage of total operational expenditure as at 30 June 2022. The main cost drivers of the municipality are Employee Related Costs (33.4%), Debt Impairment (11.6%) and Bulk Purchases – Electricity (27.6%). It should be noted that these percentages are still slightly distorted as a result of the following:

- The Post-retirement benefit obligations under Employee related costs will be finalized as part of the year-end procedures. The soft lock on filling of vacancies also plays a role.
- Depreciation is not provided for and will only be finalized at year-end.
- Debt impairment that will be corrected as part of year end procedures.
- Finance charges is paid bi-annually. Interest on overdue account needs to be corrected.
- Corrective journals for Water inventory and Loss on disposal of PPE (Water losses) was processed, still understated due to the issues raised above.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### BULK PURCHASES: ELECTRICITY, WATER INVENTORY AND WATER LOSSES

- The table below, is the year to date expenditure on Bulk Purchases: Electricity. When compared to the IYM percentage of 100% as at end of June 2022, Bulk Purchases: Electricity is showing an unsatisfactory variance of minus 1.13%. The June 2022 invoice will also be captured in July 2023 as a year-end sundry creditor.

Description	Original Budget	Adjusted Budget	Monthly Actual	YTD Actual	% Spent Adjusted Budget	% Variance Favourable (Unfavourable) Ideal IYM % - 100%
Bulk purchases: Electricity	647 000 000	647 000 000	124 066 423	639 688 887	98.87	-1.13
<b>Total</b>	<b>647 000 000</b>	<b>647 000 000</b>	<b>124 066 423</b>	<b>639 688 887</b>	<b>98.87</b>	<b>-1.13</b>

Table 165: Summary of YTD Bulk Electricity Expenditure

- The table below, is the Inventory Water which is showing a negative variance of minus 35.1% when compared to the ideal percentage of 91.67%. During the adjustment budget and advised by NT, Bulk purchases water was split between Inventory Water and Water Losses in the Statement of Financial Performance aligned to GRAP 12. A corrective journal was done to correct the year-to-date actuals. The municipality is awaiting the July and September 2021 bulk water invoice from the Department of Water Services and it has therefore not been committed on the system. This matter was taken up with the Department but has since been resolved. The erroneous January 2022 bill was corrected by the Department.

Description	Original Budget	Adjusted Budget	Monthly Actual	YTD Actual	% Spent Original Budget	% Variance Favourable (Unfavourable) Ideal IYM % - 100%
Bulk purchases: Water	114 000 000	0	0	0	0.0	-100.0
Inventory - Water	0	45 240 000	16 046 390	45 378 479	100.3	0.3
Non-revenue water losses	0	70 760 000	25 356 420	71 234 814	100.7	0.7
<b>Total</b>	<b>114 000 000</b>	<b>116 000 000</b>	<b>41 402 811</b>	<b>116 613 293</b>	<b>100.5</b>	<b>0.5</b>

Table 166: Summary of YTD Bulk Water Expenditure

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.32.16 Capital Expenditure

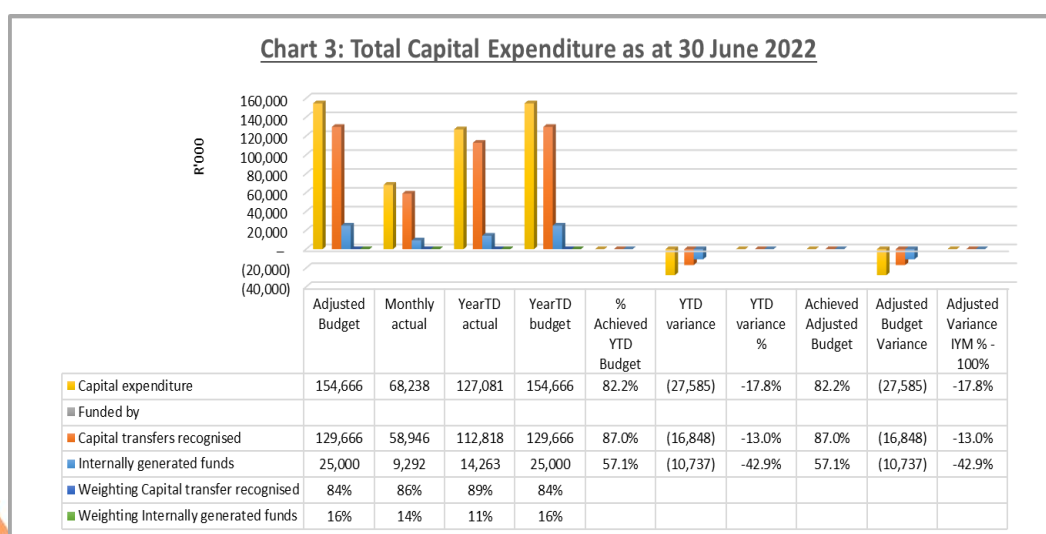
#### HIGH LEVEL SUMMARY: CAPITAL EXPENDITURE

NC091 Sol Plaatje - Table C4 Monthly Budget Statement - Capital Expenditure - June 2022

Capital Expenditure	Adjustment Budget	Monthly Actual	Year TD actuals	Year TD Budget	% Achieved YTD Budget	YTD variance	YTD variance %	Achieved Adjusted Budget	Adjustment Budget variance	Adjusted Variance IYM %-100%
	R'000	R'000	R'000	R'000	%	R'000	%	%	R'000	%
Capital expenditure	154 666	68 238	127 081	15 666	82.2	(27 585)	-17.8	82.2	(27 585)	-17.8
Funded by:										
Capital transfers recognised	129 666	58 946	112 818	129 666	87.0	(16 848)	-13.0	87.0	(16 848)	-13.0
Internally generated funds	25 000	9 292	14 263	25 000	57.1	(10 737)	-42.9	57.1	(10 737)	-42.9
Weighting Capital transfer recognised	84.00%	86.00%	89.00%	84.00%						
Weighting Internally generated funds	16.00%	14.00%	11.00%	16.00%						

Table 167: High level summary: Capital Expenditure

#### TOTAL CAPITAL EXPENDITURE: ACTUAL VS BUDGET



Graph 24: Total Capital Expenditure



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

As indicated in the table and chart above, the year to date actual on capital expenditure as at end of June 2022 amounted to R127,081 million and 82.2% spent when compared to the year to date budget of R154,666 million and 82.2% spent when compared to the adjusted budget of R154,666 million. The total year to date capex is funded from capital grants R112,818 million (90%) and internally generated funds R14,263 million (10%). Expenditure on capex is satisfactory. Planning of project managers also needs to improve going forward. One of the major challenges that the municipality is experience is in respect of tendering processes.

The majority of capital projects are based on a functionality criteria. Bidders either do not meet the functionality criteria or submit incomplete tender documents resulting in bidders being non-responsive. Due to the non-responsiveness of bidders, these bids unfortunately have to be re-advertised. The municipality has been implementing more compulsory site meetings to sensitise service providers on the compliance issues pertaining to bid documents.

Secondly, project managers need to realistically anticipate challenges and immediately address delays in order to ensure that projects are completed within the specified timeframe. Contract management also needs to be monitored more closely, placing emphasis on the performance of appointed service providers and addressing issues of non-performance immediately. The Project Management Unit (PMU) is not adequately staffed, resulting in a lack of qualified permanently appointed project managers.

Lastly, it is advised that disputes, if any are addressed and resolved expeditiously. The capital expenditure is slow during the financial year and overall capital expenditure remains a major concern. Remedial action will have to be taken going forward to ensure improvement on capex. It should be noted that capital expenditure excludes VAT and commitments.

### 3.32.17 Top Layer SDBIP

The Top Layer Service Delivery and Budget Implementation Plan is an all-encompassing organisational scorecard used to measure overall and individual's performance. Twice a year, the Municipal Manager and Senior Managers are assessed on their performance based on targets set against the achievements as reported.

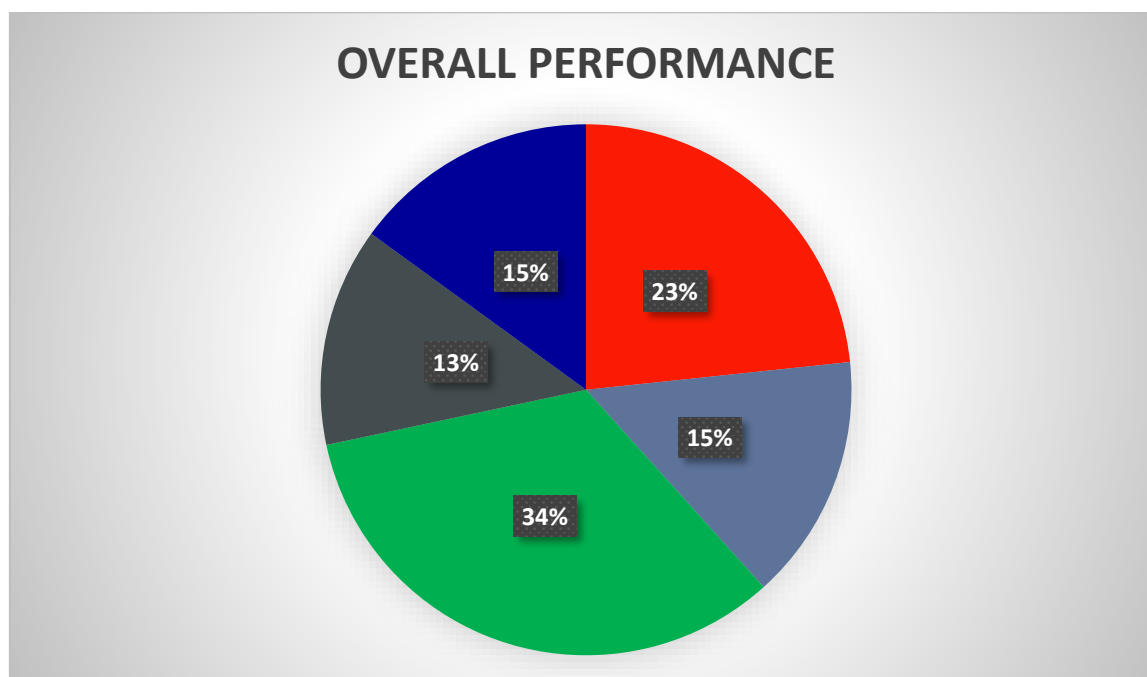
The overall performance of the organisation is acceptable, however, due to uncondusive economic conditions and an increase in unemployment rate the financial indicators did not perform well. Cash flow problems and financial constraints force the institution to take remedial action by centralizing the Supply Chain Unit and the implementation of a Cost Containment and Overtime Policy. The focal point was to improve our debt collection rate by encouraging residents to register as indigents (if they qualify) and to enforce our Debt Collection Policy.

It is only 23% of KPI's set that were not met, whilst 77% of KPI's were either met to extremely well met. It should be emphasised that the category of "almost met" includes all achievement between 76% - 99% of targets met.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE



The diagram below indicates an overall summary of the organisational performance for the period 1 July 2021 to 30 June 2022.



	Summary of Overall Performance: Sol Plaatje Municipality	
	KPI Not Met	14
	KPI Almost Met	9
	KPI Met	20
	KPI Well Met	8
	KPI Extremely Well Met	9
	<b>Total KPIs</b>	<b>60</b>

### 3.32.18 Organisational Performance per Key Performance Area

The organisational scorecard is based on the key performance areas as guided in the Performance Regulations of 2001. Each of the KPI's within the KPA are assigned to an individual who is the KPI owner and the Senior Manager responsible for that function takes overall responsibility of performance and delivery. All these form part of the performance agreements, and are assessed half yearly.



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### SUMMARY OF PERFORMANCE PER KEY PERFORMANCE AREA

#### Basic and Sustainable Service Delivery and Infrastructure Development

SDBIP Ref	Strategic Objective	KPI	Unit of Measurement	Baseline	Source of Evidence	Quarter ending June 2022					Overall Performance for Quarter ending September 2021 to Quarter ending June 2022		
						Target	Actual	R	Departmental KPI: Performance Comment	Departmental KPI: Corrective Measures	Target	Actual	R
TL11	To ensure a basic standard of living for all through the provision of basic sanitation, water, electricity and refuse delivery services	15 000 Indigent households to receive free basic services (water, electricity, sanitation and waste removal according to national guidelines) by 30 June 2022	No of indigents per the Indigent Register	11 980	Number of Indigents per the Indigent Register	15 000	12 264	O	[D164] GM : Revenue: No of indigents per the Indigent Register determined. (June 2022)	[D164] GM : Revenue: Debora's Management Section will focus on indigent verification, as well as adjust the income threshold to allow for qualification. (June 2022)	15 000	12 264	O
TL31	To ensure sustainable delivery of community services (personal including environmental health, waste management, bio-diversity,	To achieve at least 70% compliance with the National Disaster Management Tool by 30 June 2022	% Compliance with the National Disaster Management Tool	77.00%	Annual evidence report of compliance	70.00%	59.00%	O	[D307] Chief Emergency Services: No resources (financial and human) (June 2022)	[D307] Chief Emergency Services: To have the DRM structure (June 2022)	70.00%	59.00%	O

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

SDBIP Ref	Strategic Objective	KPI	Unit of Measurement	Baseline	Source of Evidence	Quarter ending June 2022					Overall Performance for Quarter ending September 2021 to Quarter ending June 2022		
						Target	Actual	R	Departmental KPI: Performance Comment	Departmental KPI: Corrective Measures	Target	Actual	R
	motor registration and licensing, library, emergency and traffic services) to all residents of SPM												
TL36	Develop suitable located and affordable housing (shelter) and decent human settlements	Planning and Surveying of 512 erven in various wards within Sol Plaatje Municipality by 30 June 2022	Layout Plan and Draft SG Diagram	0	Layout Plan and Draft SG diagram	512	512	G	[D367] Manager: Urban Planning: Layout Plan and Draft SG Diagram completed. (June 2022)	[D367] Manager: Urban Planning: No corrective measure (June 2022)	512	512	G
TL42	To address the poor condition of the roads in the Sol Plaatje area through maintenance and upgrading projects	To upgrade at least 3 km access roads to a paved surface in Sol Plaatje area by 30 June 2022	Distance of km paved	5.30	Project reports and actual measurement on the ground	0.75	3	B	[D468] City Engineer: Roads and Storm water: Progress report submitted (June 2022)		3	3	G
TL43	To address the poor condition of the roads in the	Patching and resealing of 86 000 square metres	Square metres of roads	56 500	Project progress reports, minutes of site meetings	86 000	0	R			86 000	93 000	G2

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

SDBIP Ref	Strategic Objective	KPI	Unit of Measurement	Baseline	Source of Evidence	Quarter ending June 2022					Overall Performance for Quarter ending September 2021 to Quarter ending June 2022		
						Target	Actual	R	Departmental KPI: Performance Comment	Departmental KPI: Corrective Measures	Target	Actual	R
	Sol Plaatje area through maintenance and upgrading projects	of roads in Sol Plaatje area by 30 June 2022			and physical site visits								
TL45	To ensure the availability of critical service delivery tools at all times (fleet management)	Ensure that all identified fleet items to be procured for the year, are delivered by 30 June 2022	Percentage of identified fleet items delivered at year end	100.00%	Delivery documentation and physical inspection of vehicles delivered	100.00%	95.00%	O	[D471] Manager: Fleet: 1 x 30 cubic metre refuse compactor double delivered, 1 x 1 Ton Long Wheel Base LCV's single cab delivered. An order had been placed for 1 x 8000 lts capacity sewage tanker but will only be delivered in new financial year. (June 2022)	[D471] Manager: Fleet: Building of Sewer tanker is in process but could not be completed before year end. (June 2022)	100.00%	95.00%	O
TL46	To ensure the adequate provision, upgrading and maintenance of electricity services infrastructure	To appoint a professional service provider for the pre-engineering and professional consultancy associated works for Hadison Park	Percentage completion as per project progress report	0.00%	Appointment letter, project progress reports, minutes of site meetings, design drawings, technical specification and	100.00%	100.00%	G	[D472] City Engineer: Electricity: Contractor appointed (June 2022)		100.00%	100.00%	G

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

SDBIP Ref	Strategic Objective	KPI	Unit of Measurement	Baseline	Source of Evidence	Quarter ending June 2022					Overall Performance for Quarter ending September 2021 to Quarter ending June 2022		
						Target	Actual	R	Departmental KPI: Performance Comment	Departmental KPI: Corrective Measures	Target	Actual	R
		Substation by 30 June 2022			completion certificate								
TL47	To ensure the adequate provision, upgrading and maintenance of electricity services infrastructure	Completion of 35% of the construction work for Lerato Park Link Services by 30 June 2022	Percentage completion as per project progress report	0.00%	Project progress, minutes of site meetings, physical site visits and completion certificate	35.00%	0.00%	R	[D473] City Engineer: Electricity: Target could not be achieved as only long lead materials could be ordered by contractor with the current budget of R5 m. (June 2022)	[D473] City Engineer: Electricity: To ensure that budget allocation is sufficient to complete project (June 2022)	35.00%	0.00%	R
TL48	To ensure a basic standard of living for all through the provision of basic sanitation, water, electricity and refuse delivery services	To complete the electrification of 1166 households by 30 June 2022 (Lethabo Park Phase 1)	Number of houses connected to electricity network	0	Approved layout plans, signed off completion certificates of the various engineers/project managers (COC), annexure detailing erven connected	1 166	0	R	[D474] City Engineer: Electricity: Project is still under construction. Construction commenced towards the end of the financial year. (June 2022)	[D474] City Engineer: Electricity: There are four contractors which are currently executing the construction works. The works are currently being expedited to reach the prospective completion date of 30 August 2022. (June 2022)	1 166	0	R

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

SDBIP Ref	Strategic Objective	KPI	Unit of Measurement	Baseline	Source of Evidence	Quarter ending June 2022					Overall Performance for Quarter ending September 2021 to Quarter ending June 2022		
						Target	Actual	R	Departmental KPI: Performance Comment	Departmental KPI: Corrective Measures	Target	Actual	R
TL50	To ensure a basic standard of living for all through the provision of basic sanitation, water, electricity and refuse delivery services	Decrease electricity losses to 16% by 30 June 2022	Percentage electricity loss	18.00%	Calculation on electricity losses as per the actual records system	16.00%	29.69%	R	[D476] City Engineer: Electricity: Report submitted. (June 2022)	[D476] City Engineer: Electricity: Replace Old Plessey, by-passed and faulty prepaid meters. Eliminate interim electricity meter readings. (June 2022)	16.00%	29.69%	R
TL51	To ensure the adequate provision, upgrading and maintenance of water and sanitation services infrastructure	Complete 100% work for the installation of electrical and mechanical components in Lerato Park Sewer Pump station by 30 June 2022	Percentage completion as per project progress report	15.00%	Project progress reports, minutes of site meetings, physical site visits	100.00%	16.00%	R	[D477] City Engineer: Water and Sanitation: Administrative problems with sub contractor. Progress report attached (June 2022)	[D477] City Engineer: Water and Sanitation: Sorted out all administrative issues such as guarantees, update construction programme and cash flow to monitor work done on site and increase level of supervision on site. (June 2022)	100.00%	16.00%	R

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

SDBIP Ref	Strategic Objective	KPI	Unit of Measurement	Baseline	Source of Evidence	Quarter ending June 2022					Overall Performance for Quarter ending September 2021 to Quarter ending June 2022		
						Target	Actual	R	Departmental KPI: Performance Comment	Departmental KPI: Corrective Measures	Target	Actual	R
TL52	To ensure the adequate provision, upgrading and maintenance of water and sanitation services infrastructure	To complete 100% procurement phase for the appointment of a service provider which is 10% of the overall weighting for the construction work for the Carters Ridge sewer pump station building with all electrical and mechanical equipment by 30 June 2022	Percentage completion of the process as per tender document, appointment letter and minutes	0.00%	Tender document, appointment letter and minutes	10.00%	89.00%	B	[D478] City Engineer: Water and Sanitation: The project is currently seven calendar months beyond the original contract period. The reason for this is the excessive underground water which filled the trenches. The natural water table of the area increased dramatically due to the Hillcrest and Carters Glen Sewer Pump Stations overflowing with sewer in the area. This also resulted in the contract value to be increased from R26 097 04,96 to R37 851 949,74. (June 2022)		10.00%	89.00%	B
TL53	To ensure a basic standard of living for all through the provision of	Decrease water losses to 50% by 30 June 2022	Percentage water loss	59.40%	Calculation on water losses as per the actual records system	50.00%	64.63%	R	[D479] Compliance Man : Water and Sanitation: Report submitted (June 2022)	[D479] Compliance Man : Water and Sanitation: Enabling programmes to be	50.00%	64.63%	R

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

SDBIP Ref	Strategic Objective	KPI	Unit of Measurement	Baseline	Source of Evidence	Quarter ending June 2022					Overall Performance for Quarter ending September 2021 to Quarter ending June 2022		
						Target	Actual	R	Departmental KPI: Performance Comment	Departmental KPI: Corrective Measures	Target	Actual	R
	basic sanitation, water, electricity and refuse delivery services									implemented, including Riverton backwash water reclamation. (June 2022)			
TL54	To ensure management of the quality of the drinking water and waste water through compliance with the applicable legislation	To ensure through effective monitoring that a 98% Blue Drop Status on quality compliance is achieved by 30 June 2022	% Compliance of water quality	98.00%	% Blue Drop Quality Compliance Status achieved	98.00%	98.80%	G2	[D480] Compliance Man : Water and Sanitation: Report submitted. (June 2022)		98.00%	98.80%	G2
TL55	To ensure management of the quality of the drinking water and waste water through compliance with the applicable legislation	To ensure through effective monitoring that a 60% Green Drop Status on effluent quality compliance is achieved by 30 June 2022	% Compliance of effluent quality	32.00%	% Green Drop Treated Effluent Quality Compliance Status achieved	60.00%	43.00%	R	[D481] Compliance Man : Water and Sanitation: The target could not be achieved due to Homevale and Ritchie WWTW not being operational. (June 2022)	[D481] Compliance Man : Water and Sanitation: To ensure that Homevale and Ritchie WWTW are repaired and put back into operation to improve on Green Drop Status. (June 2022)	60.00%	43.00%	R



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

SDBIP Ref	Strategic Objective	KPI	Unit of Measurement	Baseline	Source of Evidence	Quarter ending June 2022					Overall Performance for Quarter ending September 2021 to Quarter ending June 2022		
						Target	Actual	R	Departmental KPI: Performance Comment	Departmental KPI: Corrective Measures	Target	Actual	R
TL57	To ensure a basic standard of living for all through the provision of basic sanitation, water, electricity and refuse delivery services	To complete the electrification of 150 over the 411 households in Lerato Park by 30 June 2022	Number of houses connected to electricity network	0	Approved layout plans, signed off completion certificates of the various engineers/project managers (COC), annexure detailing erven connected	150	0	R	[D492] City Engineer: Electricity: Project is still under construction. Lack of materials and machinery has delayed the construction programme. (June 2022)	[D492] City Engineer: Electricity: The contract of the current service provider has been terminated. Supply Chain Management processes are being implemented to obtain a new service provider to execute the project. The prospective completion date is 30 August 2022. (June 2022)	150	0	R
TL58	To ensure a basic standard of living for all through the provision of basic sanitation, water, electricity and refuse delivery services	Complete the electrification of 64 households by 30 June 2022 (Soul City - King Sinare)	Number of houses connected to electricity network	0	Approved layout plans, signed off completion certificates of the various engineers/project managers (COC), annexure	64	64	G	[D493] City Engineer: Electricity: Electrification of 64 houses were completed successfully (June 2022)		64	64	G

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

SDBIP Ref	Strategic Objective	KPI	Unit of Measurement	Baseline	Source of Evidence	Quarter ending June 2022					Overall Performance for Quarter ending September 2021 to Quarter ending June 2022		
						Target	Actual	R	Departmental KPI: Performance Comment	Departmental KPI: Corrective Measures	Target	Actual	R
					detailing erven connected								
TL59	To ensure a basic standard of living for all through the provision of basic sanitation, water, electricity and refuse delivery services	To complete the electrification of 270 households by 30 June 2022 (Golf Course - Riemvasmaak)	Number of houses connected to electricity network	0	Approved layout plans, signed off completion certificates of the various engineers/project managers (COC), annexure detailing erven connected	270	0	R	[D494] City Engineer: Electricity: Project is still under construction. Lack of materials and machinery has delayed the construction programme. (June 2022)	[D494] City Engineer: Electricity: Construction work is still continuing. The option of utilizing a service provider is still being explored to help expediting the programme. Prospective date is 30 August 2022. (June 2022)	270	0	R
TL60	To ensure sustainable delivery of community services (personal including environmental health, waste management,	To complete 100% of the construction of the Homevale Fire Station by 30 June 2022	Percentage completion as per project progress report	80.00%	Project progress reports, minutes of site meetings, physical site visits	100.00%	97.00%	O	[D495] City Engineer: Water and Sanitation: The project has been delayed due to financial difficulties the contractor has been experiencing. Once the electrical connection is completed the project will be completed and	[D495] City Engineer: Water and Sanitation: Electrical Department to expedite electrical connection for the Fire Station. (June 2022)	100.00%	97.00%	O

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

SDBIP Ref	Strategic Objective	KPI	Unit of Measurement	Baseline	Source of Evidence	Quarter ending June 2022					Overall Performance for Quarter ending September 2021 to Quarter ending June 2022		
						Target	Actual	R	Departmental KPI: Performance Comment	Departmental KPI: Corrective Measures	Target	Actual	R
	bio-diversity, motor registration and licensing, library, emergency and traffic services) to all residents of SPM								the handover and close out can commence. (June 2022)				
TL61	To ensure a basic standard of living for all through the provision of basic sanitation, water, electricity and refuse delivery services	To complete 100% of the reconstruction work of 320 aged sink toilets in Kagisho, Kutlwanong and Phomolong by 30 June 2022	Percentage completion as per project progress report (the toilets will not be constructed individually before the next toilet can be constructed. The construction process will unfold starting with foundations	38.00%	Project progress reports, minutes of site meetings, physical site visits	100.00%	95.00%	O	[D496] City Engineer: Water and Sanitation: The project is on-going and the expected completion date is 30 July 2022. Kindly take note that the project have been experiencing challenges and those caused delays. The service provider experienced protest, financial challenges, poor workmanship, theft and poor quality work have all led to these delays. Currently the	[D496] City Engineer: Water and Sanitation: Project is on-going and expected to be completed by 31 July 2022 (June 2022)	100.00%	95.00%	O

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

SDBIP Ref	Strategic Objective	KPI	Unit of Measurement	Baseline	Source of Evidence	Quarter ending June 2022					Overall Performance for Quarter ending September 2021 to Quarter ending June 2022		
						Target	Actual	R	Departmental KPI: Performance Comment	Departmental KPI: Corrective Measures	Target	Actual	R
			and brickwork for all toilets, etc. So the project will be 50% completed however it would not mean that a toilet has been fully constructed)						project is delayed by 7 months. (June 2022)				
TL62	To ensure a basic standard of living for all through the provision of basic sanitation, water, electricity and refuse delivery services	To complete the appointment of a service provider for the construction of the foundations for 2 elevated water tanks by 30 June 2022	Percentage completion of the process as per tender document, appointment letter and minutes	0.00%	Tender document, appointment letter and minutes	100.00%	100.00%	G	[D497] City Engineer: Water and Sanitation: Foundations for 2 elevated water tanks have been completed (June 2022)		100.00%	100.00%	G

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Summary of Results: Basic and Sustainable Service Delivery and Infrastructure Development			
R	KPI Not Met	0% <= Actual/Target <= 74.999%	8
O	KPI Almost Met	75.000% <= Actual/Target <= 99.999%	5
G	KPI Met	Actual meets Target (Actual/Target = 100%)	5
G2	KPI Well Met	100.001% <= Actual/Target <= 149.999%	2
B	KPI Extremely Well Met	150.000% <= Actual/Target	1
Total KPIs:			21

### Municipal Financial Viability and Management

SDBIP Ref	Strategic Objective	KPI	Unit of Measurement	Baseline	Source of Evidence	Quarter ending June 2022					Overall Performance for Quarter ending September 2021 to Quarter ending June 2022		
						Target	Actual	R	Departmental KPI: Performance Comment	Departmental KPI: Corrective Measures	Target	Actual	R
TL12	Enhance revenue through leveraging alternate sources of funding and identifying new revenue streams	Improve revenue enhancement by ensuring a collection rate of 85% after debt write off by 30 June 2022	% Collection rate	76.13%	Financial and Audit reports	85.00%	89.31%	G2	[D165] GM : Revenue: Collection has slightly improved. (June 2022)	[D165] GM : Revenue: A collection strategy has been implemented. (June 2022)	85.00%	89.31%	G2

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

SDBIP Ref	Strategic Objective	KPI	Unit of Measurement	Baseline	Source of Evidence	Quarter ending June 2022					Overall Performance for Quarter ending September 2021 to Quarter ending June 2022		
						Target	Actual	R	Departmental KPI: Performance Comment	Departmental KPI: Corrective Measures	Target	Actual	R
TL13	Promote sound financial management and financial sustainability of Sol Plaatje Municipality through prudent fiscal management	To spend at least 85% of the Capital Budget (including VAT) on capital projects identified in terms of the IDP by 30 June 2022	Percentage capital spending	73.66%	Financial and Audit reports	85.00%	82.16%	O	[D166] ED: Financial Services: 82.16% Capital Expenditure (June 2022)	[D166] ED: Financial Services: Update of payment vouchers (June 2022)	85.00%	82.16%	O
TL14	Promote sound financial management and financial sustainability of Sol Plaatje Municipality through prudent fiscal management	To spend at least 90% of the Operational Budget annually (30 June)	Percentage operational spending	79.40%	Financial and Audit reports	90.00%	95.17%	G2	[D167] ED: Financial Services: 95.17 % Operational Expenditure (June 2022)	[D167] ED: Financial Services: Post adjustment budget may change percentage. (June 2022)	90.00%	95.17%	G2
TL15	Promote sound financial management and financial sustainability of Sol Plaatje Municipality through prudent fiscal management	Maintain the debt coverage ratio of at least 2:1 against net assets of the	Debt coverage ratio	4.25	Financial and Audit reports	2.10	2.28	G2	[D168] ED: Financial Services: Debt Coverage Ratio is 2.28 (June 2022)		2.10	2.28	G2

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

SDBIP Ref	Strategic Objective	KPI	Unit of Measurement	Baseline	Source of Evidence	Quarter ending June 2022					Overall Performance for Quarter ending September 2021 to Quarter ending June 2022		
						Target	Actual	R	Departmental KPI: Performance Comment	Departmental KPI: Corrective Measures	Target	Actual	R
	Municipality through prudent fiscal management	municipality by 30 June 2022											
TL16	Promote sound financial management and financial sustainability of Sol Plaatje Municipality through prudent fiscal management	Reduce net debtor days to 300 days by 30 June 2022	Net debtor days	671.25	Financial and Audit reports	300	356	R	[D169] ED: Financial Services: To reduce net debtor days (June 2022)	[D169] ED: Financial Services: Credit Control Policy to be implemented. (June 2022)	300	356	R
TL17	Promote sound financial management and financial sustainability of Sol Plaatje Municipality through prudent fiscal management	Maintain the cost coverage ratio of at least 1 month (annually)	Cost coverage ratio	-0.95	Financial and Audit reports	1	0.91	O	[D170] ED: Financial Services: Cost coverage 0.91 (June 2022)	[D170] ED: Financial Services: Collection strategy implementation (June 2022)	1	0.91	O



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

SDBIP Ref	Strategic Objective	KPI	Unit of Measurement	Baseline	Source of Evidence	Quarter ending June 2022					Overall Performance for Quarter ending September 2021 to Quarter ending June 2022		
						Target	Actual	R	Departmental KPI: Performance Comment	Departmental KPI: Corrective Measures	Target	Actual	R
TL18	Promote sound financial management and financial sustainability of Sol Plaatje Municipality through prudent fiscal management	Ensure that the actual spending on employee related costs does not exceed 33% of the total expenditure by 30 June 2022	Employee cost as a percentage of total operating cost	41.14%	Financial and Audit reports	33.00%	39.45%	R	[D171] ED: Financial Services: 39.46 Employee cost/Total Expenditure (June 2022)	[D171] ED: Financial Services: New overtime policy reviewed. (June 2022)	33.00%	39.45%	R

Summary of Results: Municipal Financial Viability and Management			
R	KPI Not Met	0% <= Actual/Target <= 74.999%	2
O	KPI Almost Met	75.000% <= Actual/Target <= 99.999%	2
G	KPI Met	Actual meets Target (Actual/Target = 100%)	0
G2	KPI Well Met	100.001% <= Actual/Target <= 149.999%	3
B	KPI Extremely Well Met	150.000% <= Actual/Target	0
Total KPIs:			7

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### Local Economic Development

SDBIP Ref	Strategic Objective	KPI	Unit of Measurement	Baseline	Source of Evidence	Quarter ending June 2022					Overall Performance for Quarter ending September 2021 to Quarter ending June 2022		
						Target	Actual	R	Departmental KPI: Performance Comment	Departmental KPI: Corrective Measures	Target	Actual	R
TL1	To develop sustainable living through job creation (EPWP and other initiatives)	Create 400 FTE jobs through EPWP initiatives of the SPM by 30 June 2022	Number of jobs created	439	Register and reports of jobs created through EPWP	400	437	G2	[D57] PMU Manager: Total number of FTE jobs created at end June 2022 (June 2022)		400	437	G2
TL8	To ensure effective spatial planning and development in order to establish a competitive economic position	To improve the SCM turnaround time to 12 weeks for annual contracts from closing date to date of award by June 2022	Average time in weeks to award tender	12	Average Time in weeks to award tenders	12	12	G	[D161] Manager : SCM: implemented (June 2022)		12	10	B
TL9	To ensure effective spatial planning and development in order to establish a competitive economic position	To improve the SCM turnaround time to 6 weeks for once off contracts from closing date to date of award by June 2022	Average time in weeks to award tender	6	Average Time in weeks to award tenders	6	6	G	[D162] Manager : SCM: Implemented (June 2022)		6	6	G

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

SDBIP Ref	Strategic Objective	KPI	Unit of Measurement	Baseline	Source of Evidence	Quarter ending June 2022					Overall Performance for Quarter ending September 2021 to Quarter ending June 2022		
						Target	Actual	R	Departmental KPI: Performance Comment	Departmental KPI: Corrective Measures	Target	Actual	R
TL10	To capacitate SMME's and local entrepreneurs	To successfully implement the PPPFA Regulations to achieve BBBEE and radical economic transformation through local procurement by ensuring at least 20% of the municipality's tenders are awarded to EME's, OSE's and from the businesses in the rural areas within the municipal jurisdiction by 30 June 2022	Percentage of tenders and value thereof awarded to EME, OSE, local and from business in the rural areas within the municipal jurisdiction	60.00%	Percentage of tenders and value thereof awarded to EME, OSE, local and from business in the rural areas within the municipal jurisdiction	20.00%	20.00%	G	[D163] Manager : SCM: Performance implemented (June 2022)		20.00%	29.00%	G2
TL32	To ensure effective spatial planning and development in order to establish	Ensuring a response time of 11 weeks for building plan submissions	Average response time in weeks to process building plans	10	Register indicating the steps for processing and dates when	11	11	G	[D363] Manager: Urban Planning: Target met. (June 2022)	[D363] Manager: Urban Planning: None. (June 2022)	11	6.75	B

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

SDBIP Ref	Strategic Objective	KPI	Unit of Measurement	Baseline	Source of Evidence	Quarter ending June 2022					Overall Performance for Quarter ending September 2021 to Quarter ending June 2022		
						Target	Actual	R	Departmental KPI: Performance Comment	Departmental KPI: Corrective Measures	Target	Actual	R
	a competitive economic position	received in the current financial year for buildings or architectural buildings greater than 500 m <sup>2</sup> annually			each step was signed off								
TL33	To ensure effective spatial planning and development in order to establish a competitive economic position	Ensuring a response time of 11 weeks for building plan submissions received in the current financial year for buildings or architectural buildings less than 500 m <sup>2</sup> annually	Average response time in weeks to process building plans	11.75	Register indicating the steps for processing and dates when each step was signed off	11	14	R	[D364] Manager: Urban Planning: Target not met due to outstanding comments from Water & Sanitation. (June 2022)	[D364] Manager: Urban Planning: To ensure that reminder letters are sent to the Department Water & Sanitation for outstanding comments. (June 2022)	11	12	R
TL34	To ensure effective spatial planning and development in order to establish a competitive	To process 80% category 1 land use applications received until 30 April of the current financial year through MPT (Municipal	Percentage of Category 1 land use applications processed	64.50%	Register of processed Category 1 land use applications	80.00%	78.00%	O	[D365] Manager: Urban Planning: Target Met (June 2022)	[D365] Manager: Urban Planning: To ensure that sister Departments in particular electrical Department submit comments on time. Reminder letters to	80.00%	78.00%	O

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

SDBIP Ref	Strategic Objective	KPI	Unit of Measurement	Baseline	Source of Evidence	Quarter ending June 2022					Overall Performance for Quarter ending September 2021 to Quarter ending June 2022		
						Target	Actual	R	Departmental KPI: Performance Comment	Departmental KPI: Corrective Measures	Target	Actual	R
	economic position	Planning Tribunal) by 30 June 2022 in terms of the SPLUMA by-law (2015)								be send in June. (June 2022)			
TL35	To ensure effective spatial planning and development in order to establish a competitive economic position	To process at least 200 buildings plans that were received before 1 July 2021 by the end of the current financial year (30 June 2022)	Number of building plans processed	57	Register indicating the number of building plans processed which were received before 1 July 2020, numbers and dates when plans were addressed	200	209	G2	[D366] Manager: Urban Planning: The target for the processing of backlog building plan applications for financial year 2021/22 has been met. (June 2022)	[D366] Manager: Urban Planning: No corrective measure. (June 2022)	200	209	G2
TL37	To capacitate SMME's and local entrepreneurs	Implementation of the Developmental Programme that supports SMME's through business incubation for at least 10	Number of SMME businesses provided with skills	8	Proof of attendance registers for businesses provided with business skills developmental programme	3	223	B	[D368] Manager: SMME: During the month of March NC mLab conducted survey as part of economic recovery plan. (April 2022) [D368] Manager: SMME: The SMMEs	[D368] Manager: SMME: Thus any interventions to support small businesses should be coordinated with private and public partnerships to increase impact	10	581	B

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

SDBIP Ref	Strategic Objective	KPI	Unit of Measurement	Baseline	Source of Evidence	Quarter ending June 2022					Overall Performance for Quarter ending September 2021 to Quarter ending June 2022		
						Target	Actual	R	Departmental KPI: Performance Comment	Departmental KPI: Corrective Measures	Target	Actual	R
		businesses annually							trained during the 2021/22 were in total of 581 from the workshops hosted by NC mLab: Galeshewe SMMes Village for both incubatees and virtual incubatees. (June 2022)	and to collectively contribute meaningfully in growing the local economy. The need to support small businesses cannot be over emphasized in order to create jobs and ultimately grow the economy. This baseline study can be used as a reference when developing planned small business development activities that are practical and promote inclusive economic growth. Small businesses should be encouraged to adopt technology in order to improve business			

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

SDBIP Ref	Strategic Objective	KPI	Unit of Measurement	Baseline	Source of Evidence	Quarter ending June 2022					Overall Performance for Quarter ending September 2021 to Quarter ending June 2022		
						Target	Actual	R	Departmental KPI: Performance Comment	Departmental KPI: Corrective Measures	Target	Actual	R
										productivity and business processes. Business support services should be easily accessed by these small businesses in order to improve business compliance status, technical and strategic training programmes to be initiated that can channel or link small businesses with big corporates. In conclusion, small businesses require all the necessary support and enabling environment to grow and create jobs. (April 2022) [D368] Manager: SMME: The KPI we			



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

SDBIP Ref	Strategic Objective	KPI	Unit of Measurement	Baseline	Source of Evidence	Quarter ending June 2022					Overall Performance for Quarter ending September 2021 to Quarter ending June 2022		
						Target	Actual	R	Departmental KPI: Performance Comment	Departmental KPI: Corrective Measures	Target	Actual	R
										have exceed the 10 SMMEs were supposed to be trained with additional 571 trained. (June 2022)			
TL38	To ensure effective spatial planning and development in order to establish a competitive economic position	Review of the Sol Plaatje Land Use Management Scheme by 30 June 2022	Spelum recommendation of the Draft Land Use Management Scheme	0.00%	Draft land Use Scheme with Maps and Regulations	100.00%	100.00%	G	[D369] Manager: Urban Planning: Draft Land Use Scheme, 2022 tabled before council on the 21 June 2022. (June 2022)	[D369] Manager: Urban Planning: No corrective measure. (June 2022)	100.00%	100.00%	G
TL39	To capacitate SMME's and local entrepreneurs	Enhancing Sol Plaatje Municipality's economic governance and infrastructure for Business Expansion Attraction and Retention (BEAR) by 30 June 2022	Percentage use components output deliveries	79.00%	Capacity and Capability Enhancement Program, Ease of Doing Business Index; and Testing and Piloting e-One-Stop Shop	50.00%	100.00%	B	[D370] Manager: LED: The project it is in its technical implementation phase dealing with components 2 and 3. The LED Maturity Assessment Session was concluded with managers with LED Unit except Tourism Manager who on leave.	[D370] Manager: LED: The Ease of Doing Business with Informal Traders also commenced during the month June 2022 will be completed in following year. (June 2022)	50.00%	100.00%	B

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

SDBIP Ref	Strategic Objective	KPI	Unit of Measurement	Baseline	Source of Evidence	Quarter ending June 2022					Overall Performance for Quarter ending September 2021 to Quarter ending June 2022		
						Target	Actual	R	Departmental KPI: Performance Comment	Departmental KPI: Corrective Measures	Target	Actual	R
									The assessment with Tourism Manager will be done during the month of May 2022. During May 2022 a further LED Assessment Maturity Session will be done with Acting ED: SEDP and Chairperson of LED Committee, further LED Maturity Workshops will be contacted with Council, EMT and LED Committee. (April 2022) [D370] Manager: LED: The LED Maturity Assessment workshops and sessions were conducted including Institutional assessment workshop. The research was conducted with formal businesses relating to ease of doing business and red tape reduction. The budget allocated for 2021/22 by				

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

SDBIP Ref	Strategic Objective	KPI	Unit of Measurement	Baseline	Source of Evidence	Quarter ending June 2022					Overall Performance for Quarter ending September 2021 to Quarter ending June 2022		
						Target	Actual	R	Departmental KPI: Performance Comment	Departmental KPI: Corrective Measures	Target	Actual	R
									National Treasury amounting to R14 400 000 was all spent during 2021/22 financial year (June 2022)				
TL40	To capacitate SMME's and local entrepreneurs	Establishment of an Automotive Hub at Roodepan by 30 June 2022	Percentage use components output deliveries	0.00%	Completed approved of AutoMotive Hub proposal	100.00%	100.00%	G	[D371] Manager: LED: During the month March 2022 we were able to submit the business of the Automotive Hub to National Treasury under the Jobs Fund Programme, the application was submitted through Unisa Enterprise. While we are still waiting for MDA and RMI to finalise their processes (April 2022) [D371] Manager: LED: The business plan for sourcing funds from Jobs Funds at National Treasury was submitted	[D371] Manager: LED: Corrective measures implemented was to submit application for funding to National Treasury to avoid waiting for MDA and RMI feedback. (June 2022)	100.00%	100.00%	G

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

SDBIP Ref	Strategic Objective	KPI	Unit of Measurement	Baseline	Source of Evidence	Quarter ending June 2022					Overall Performance for Quarter ending September 2021 to Quarter ending June 2022		
						Target	Actual	R	Departmental KPI: Performance Comment	Departmental KPI: Corrective Measures	Target	Actual	R
									and feedback will be provided in the next financial year that is month of August 2022. On other hand we are still waiting for MDA FEEDBACK. (June 2022)				
TL41	To capacitate SMME's and local entrepreneurs	Establishment of the Northern Cape Innovation at Sol Plaatje University by 30 June 2022	Percentage use components output deliveries	0.00%	Launch of the Northern Cape Innovation Forum in poartnership DEDaT, TLIU, SPU and OTP	100.00%	100.00%	G	[D372] Manager: LED: The NCIF was launched in 2021. We have now appointed the Provincial Facilitator and NCIF is fully operational (April 2022) [D372] Manager: LED: The NCIF is 100% operational (June 2022)	[D372] Manager: LED: There is no corrective measure on the KPI since it was met or completed in full (June 2022)	100.00%	100.00%	G
TL56	To capacitate SMME's and local entrepreneurs	Construction of Craven Street Centre using Pre-owned shipping containers for business development by 30 June 2022	Percentage use components output deliveries	0.00%	Appointment letter of service provider and progress report on construction	10.00%	10.00%	G	[D349] Manager: LED: We have purchased the containers directly from the supplier after the contractor has signed cession agreement with supplier. We were able to spent the entire R5 million which was	[D349] Manager: LED: The purchase of containers direct from the supplier was the corrective measure to ensure that allocated funds are secured and there is	10.00%	10.00%	G

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

SDBIP Ref	Strategic Objective	KPI	Unit of Measurement	Baseline	Source of Evidence	Quarter ending June 2022					Overall Performance for Quarter ending September 2021 to Quarter ending June 2022		
						Target	Actual	R	Departmental KPI: Performance Comment	Departmental KPI: Corrective Measures	Target	Actual	R
									allocated for 2021/22. This was done so because the were challenges with handing over of the site because we had to engage with Greenpoint Taxi association and informal trade association. (June 2022)	performance on the project. (June 2022)			

Summary of Results: Local Economic Development			
R	KPI Not Met	0% <= Actual/Target <= 74.999%	4
O	KPI Almost Met	75.000% <= Actual/Target <= 99.999%	1
G	KPI Met	Actual meets Target (Actual/Target = 100%)	1
G2	KPI Well Met	100.001% <= Actual/Target <= 149.999%	1

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Summary of Results: Local Economic Development			
B	KPI Extremely Well Met	150.000% <= Actual/Target	3
Total KPIs:			10

### Municipal Transformation and Institutional Development

SDBIP Ref	Strategic Objective	KPI	Unit of Measurement	Baseline	Source of Evidence	Quarter ending June 2022					Overall Performance for Quarter ending September 2021 to Quarter ending June 2022		
						Target	Actual	R	Departmental KPI: Performance Comment	Departmental KPI: Corrective Measures	Target	Actual	R
TL2	To provide a basis for sustainable municipal performance improvement	Monitor the implementation of the Integrated Performance Management Policy by conducting at least one review meeting annually	Minutes of meeting conducted. Item on policy review tabled to council	1	Council adopted PMS policy document	1	0	R	[D58] IDP Manager: The Policy Manager is currently busy with review of framework to adhere with changes to legislation. Meetings were also held with Cogta. The reviewed framework must still be tabled to council for approval. (June 2022)	[D58] IDP Manager: Regular follow up e-mails have been set to Policy Manager wrt status on progress. (June 2022)	1	0	R

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

SDBIP Ref	Strategic Objective	KPI	Unit of Measurement	Baseline	Source of Evidence	Quarter ending June 2022					Overall Performance for Quarter ending September 2021 to Quarter ending June 2022		
						Target	Actual	R	Departmental KPI: Performance Comment	Departmental KPI: Corrective Measures	Target	Actual	R
TL3	To provide a basis for sustainable municipal performance improvement	Submit quarterly organisational performance reports to the Executive Mayor by the 20th of the month following the end of each Quarter for 2021/22	No of reports submitted	4	Actual report submitted and signed off by EM	1	2	B	<p>[D59] IDP Manager: Due to the under capacity of the IDP Unit report could not be submitted within set timeframe but will be submitted during May 2022 (April 2022)</p> <p>[D59] IDP Manager: Mid-year report was approved by council on 31 January 2022. Oversight of IDP Unit to update during February 2022. (May 2022)</p> <p>[D59] IDP Manager: Due to the under capacity in the IDP Unit the 3rd Quarter Report could not be submitted within set time frame but was submitted to Executive Mayor on</p>	<p>[D59] IDP Manager: Acting IDP Manager was appointed in April 2022. Post of IDP Manager must be filled as a matter of urgency. (April 2022)</p> <p>[D59] IDP Manager: The report must still be tabled to the Portfolio Committee but the meeting scheduled for 7 June was postponed due to no quorum. (June 2022)</p>	4	4	G



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

SDBIP Ref	Strategic Objective	KPI	Unit of Measurement	Baseline	Source of Evidence	Quarter ending June 2022					Overall Performance for Quarter ending September 2021 to Quarter ending June 2022		
						Target	Actual	R	Departmental KPI: Performance Comment	Departmental KPI: Corrective Measures	Target	Actual	R
									16 May 2022. (June 2022)				
TL4	To provide a basis for sustainable municipal performance improvement	Submit the Final IDP document for adoption to Council by 31 May annually	Tabled IDP for Council adoption	1	Adopted IDP document	1	0	R	[D60] IDP Manager: Final IDP for the 5th Year period 2022/23-26/27 was not approved only the draft on 7 June 2022. (June 2022)	[D60] IDP Manager: New MM appointed on 1 July 2022 will ensure that the IDP for 2022-2027 be approved. Prospective date end July 2022. (June 2022)	1	0	R
TL5	To provide a basis for sustainable municipal performance improvement	Submit the Final SDBIP document to the Executive Mayor by 30 June annually	SDBIP approved by Mayor	1	Approved SDBIP document	1	0	R	[D61] IDP Manager: Only the draft SDBIP was approved during a council meeting held on 7 June 2022. (June 2022)	[D61] IDP Manager: New MM appointed on 1 July 2022 will ensure that SDBIP for FY 2022/2023 be approved after IDP has been approved. Prospective date end July 2022. (June 2022)	1	0	R

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

SDBIP Ref	Strategic Objective	KPI	Unit of Measurement	Baseline	Source of Evidence	Quarter ending June 2022					Overall Performance for Quarter ending September 2021 to Quarter ending June 2022		
						Target	Actual	R	Departmental KPI: Performance Comment	Departmental KPI: Corrective Measures	Target	Actual	R
TL7	To ensure continuous maintenance and replacement of furniture, office and computer equipment and create a secure environment within the municipality	To ensure that the ICT Strategic Plan aligns to the IDP and as such delivers on the municipality's vision for a "Leading Modern City" through initiatives that includes the employees and the community of Kimberley by 30 June 2022	Percentage of ICT Projects successfully completed	80.00%	Project close out reports. Approved business cases and improved audit findings	100.00%	87.50%	O	[D63] Chief Information Officer: In terms of the percentage of items delivered that were procured via procurement plans the value is 87.5%. In terms of budget spent however the amount is only 79% due to project for the erection of a 55m mast at the Kimberley Market having to be abandoned due to time lost as a result of numerous factors. (June 2022)	[D63] Chief Information Officer: Mast project rolled over to the 22/23 financial year. (June 2022)	100.00%	87.50%	O
TL21	To enable effective training and skills development through various	Equip staff to implement efficiency, monitoring and productivity through the following improvement	Number of interventions performed	1	Proof of number of interventions performed	1	2	B	[D232] Manager : Training and Organisational Development: Performance Management System	[D232] Manager : Training and Organisational Development: Following	2	3	B

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

SDBIP Ref	Strategic Objective	KPI	Unit of Measurement	Baseline	Source of Evidence	Quarter ending June 2022					Overall Performance for Quarter ending September 2021 to Quarter ending June 2022		
						Target	Actual	R	Departmental KPI: Performance Comment	Departmental KPI: Corrective Measures	Target	Actual	R
	initiatives and partnering with the private sector	interventions by 30 June 2022 : Leadership, management, vocational and professional development training. Learning/competency and development programme							and Labour Relations projects are rolling outs May and June 2022. Programmes for minimum competencies and Councillor Development is being requested for web quotes and SALGA for support. (June 2022)	procurement steps. (June 2022)			
TL22	To improve effective human resource development to staff and councillors	Review the organisational structure of the municipality on an annual basis with the aim of optimising efficiency and make recommendations by 30 June 2022	Record of review and recommendations made and review performed	100.00%	Proof of record of review and recommendations made	100.00%	100.00%	G	[D233] Manager : Human Resources: reviewed accordingly (June 2022)		100.00%	100.00%	G
TL23	To improve effective human resource development to	Monitor the implementation of the Human Resource Management Plan through conducting	Number of review meetings held	1	Submission of documentary proof (progress reports, minutes of meetings,	1	1	G	[D234] ED: Corporate Services: monitored accordingly (May 2022) [D234] ED: Corporate		1	1	G

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

SDBIP Ref	Strategic Objective	KPI	Unit of Measurement	Baseline	Source of Evidence	Quarter ending June 2022					Overall Performance for Quarter ending September 2021 to Quarter ending June 2022		
						Target	Actual	R	Departmental KPI: Performance Comment	Departmental KPI: Corrective Measures	Target	Actual	R
	staff and councillors	at least one review meeting annually			actual plan etc.) of tabling of HRM Plan				Services: Monitored according (June 2022)				
TL24	To improve effective human resource development to staff and councillors	Achieve 72% compliance with the EAP plan of the municipality by ensuring representation of the racial profile of the local authority on municipal level by 30 June 2022	% compliance to the EAP	72.00%	Equity register	72.00%	72.00%	G	[D235] ED: Corporate Services: in process of achieving (April 2022)		72.00%	72.00%	G
TL25	To provide a basis for sustainable municipal performance improvement	On a quarterly basis communicate the funded vacant positions in each directorate to the relevant Executive Director	Number of communications provided	0	Number of communications provided	1	4	B	[D236] Manager : Human Resources: Communicate accordingly (May 2022) [D236] Manager : Human Resources: communicated accordingly (June 2022)		1	4	B

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

SDBIP Ref	Strategic Objective	KPI	Unit of Measurement	Baseline	Source of Evidence	Quarter ending June 2022					Overall Performance for Quarter ending September 2021 to Quarter ending June 2022		
						Target	Actual	R	Departmental KPI: Performance Comment	Departmental KPI: Corrective Measures	Target	Actual	R
TL26	To provide a basis for sustainable municipal performance improvement	Co-ordinate bi-annual performance assessments of the municipal manager and managers reporting directly to the municipal manager by 30 June 2022	Number of assessments conducted	2	Number of assessments conducted	0	0	G	[D237] Manager : Human Resources: co-ordinated accordingly (March 2022)		2	2	G

### Summary of Results: Municipal Transformation and Institutional Development

R	KPI Not Met	0% <= Actual/Target <= 74.999%	2
O	KPI Almost Met	75.000% <= Actual/Target <= 99.999%	1
G	KPI Met	Actual meets Target (Actual/Target = 100%)	7
G2	KPI Well Met	100.001% <= Actual/Target <= 149.999%	0
B	KPI Extremely Well Met	150.000% <= Actual/Target	1
Total KPIs:			11

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### Good Governance and Public Participation

SDBIP Ref	Strategic Objective	KPI	Unit of Measurement	Baseline	Source of Evidence	Quarter ending June 2022					Overall Performance for Quarter ending September 2021 to Quarter ending June 2022		
						Target	Actual	R	Departmental KPI: Performance Comment	Departmental KPI: Corrective Measures	Target	Actual	R
TL6	To ensure an improved audit opinion through compliance with all relevant regulations, continuous assessment of risk and internal controls	Internal audit to perform an assessment of the internal control environment and other risk areas within the municipality and issue at least 10 internal audit reports to the audit committee during the financial year	Number of internal audit reports completed	13	Internal Audit reports	3	1	R	[D62] Chief Audit Executive: investigation on INEP (April 2022)	[D62] Chief Audit Executive: none required (April 2022)	10	22	B
TL19	To ensure an improved audit opinion through compliance with all relevant regulations, continuous assessment of risk	To implement an effective and efficient Supply Chain Management System by ensuring that successful appeals is not more than 5% of tenders	Percentage successful appeals	5.00%	Actual appeals lodged	5.00%	5.00%	G	[D172] Manager : SCM: Implemented (June 2022)		5.00%	2.50%	B

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

SDBIP Ref	Strategic Objective	KPI	Unit of Measurement	Baseline	Source of Evidence	Quarter ending June 2022					Overall Performance for Quarter ending September 2021 to Quarter ending June 2022		
						Target	Actual	R	Departmental KPI: Performance Comment	Departmental KPI: Corrective Measures	Target	Actual	R
	and internal controls	awarded by 30 June 2022											
TL20	To ensure an improved audit opinion through compliance with all relevant regulations, continuous assessment of risk and internal controls	Submit an Audit Action Plan to the Municipal Manager to address issues raised by the Auditor General within (30) days after the end of the audit annually	Audit Action Plan submitted	1	Audit Action Plan	0	1	B	[D173] ED: Financial Services: Audit Action Plan is submitted to Municipal Manager within 30 days of annual audit. (June 2022)		1	1	G
TL27	To ensure an improved audit opinion through compliance with all relevant regulations, continuous assessment of risk and internal controls	To report quarterly on the progress of risk mitigation to the Accounting Officer and Executive Management Team (EMT)	Quarterly reports on strategic risk register	4	Quarterly reports	1	1	G	[D238] Chief Risk Officer: No target was set for May (May 2022) [D238] Chief Risk Officer: Submitted to Audit Com (June 2022)	[D238] Chief Risk Officer: None required (June 2022)	4	4	G
TL28	To ensure an improved audit opinion through	Submit an Annual Report on risk management	Maturity report submitted	1	Maturity report and minutes of	1	1	G	[D239] Chief Risk Officer: Maturity Audit was done (June 2022)	[D239] Chief Risk Officer: See report (June 2022)	1	1	G

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

SDBIP Ref	Strategic Objective	KPI	Unit of Measurement	Baseline	Source of Evidence	Quarter ending June 2022					Overall Performance for Quarter ending September 2021 to Quarter ending June 2022		
						Target	Actual	R	Departmental KPI: Performance Comment	Departmental KPI: Corrective Measures	Target	Actual	R
	compliance with all relevant regulations, continuous assessment of risk and internal controls	maturity level of SPM to NT by 30 June each year			audit committee								
TL29	Promote community participation and communication	To communicate to the public (established residential areas) by issuing monthly newsletters	Number of newsletters issued	12	Number of newsletters issued	3	3	G	[D240] Manager : Communications: No target has been set (May 2022) [D240] Manager : Communications: to residents are done via different media tools (whats app, etc.) (June 2022)		12	12	G
TL30	Promote community participation and communication	To respond to all media enquiries and issue media statement within 24 hours after an occurrence	Reponse times after an event has occurred in hours	24	Response times after an event has occurred	24	24	G	[D241] Manager : Communications: No target has been set for May (May 2022) [D241] Manager : Communications: All responses with regard to media inquiries are done		24	24	G



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

SDBIP Ref	Strategic Objective	KPI	Unit of Measurement	Baseline	Source of Evidence	Quarter ending June 2022					Overall Performance for Quarter ending September 2021 to Quarter ending June 2022		
						Target	Actual	R	Departmental KPI: Performance Comment	Departmental KPI: Corrective Measures	Target	Actual	R
									within required time frame as and when requested. (June 2022)				

Summary of Results: Good Governance and Public Participation			
R	KPI Not Met	0% <= Actual/Target <= 74.999%	0
O	KPI Almost Met	75.000% <= Actual/Target <= 99.999%	0
G	KPI Met	Actual meets Target (Actual/Target = 100%)	5
G2	KPI Well Met	100.001% <= Actual/Target <= 149.999%	0
B	KPI Extremely Well Met	150.000% <= Actual/Target	2
Total KPIs:			7

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE



### 3.32.19 Conclusion

We believe that this annual performance report provides a complete and accurate overview of the municipality's performance against targets set for the 2021/22 financial year.

### 3.32.20 Municipal Manager's Quality Certification

#### Quality Certificate

I, **SB Matlala**, the Municipal Manager of Sol Plaatje Municipality, hereby certify that the



Annual Performance Report

For the year ended **30 June 2022** has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print name: **SB MATLALA**

Municipal Manager of Sol Plaatje Local Municipality (NC091)

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

The background features several overlapping, semi-transparent orange shapes. A large, light-orange triangle points towards the bottom right. Overlapping its top-left corner is a darker orange shape. Another orange shape is visible in the bottom right corner. The text 'CHAPTER 4' is positioned in the lower-left area of the page.

# **CHAPTER 4**

### ORGANISATIONAL DEVELOPMENT PERFORMANCE

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

### COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

#### 4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

##### 4.1.1 Employee Totals

The table below indicates the number of approved posts according to the approved organogram, posts filled and vacancies as at 30 June 2022:

Description	2020/21	2021/22			
	Employees	Approved Posts	Employees	Vacancies	Vacancies
	No				%
Municipal Manager's Office	23	29	18	11	37.9
<b>Infrastructure and Services</b>					
Executive Director's Office	12	13	12	1	7.7
Water & Sanitation	239	326	161	165	50.6
Electricity Services	196	225	123	102	45.3
SECCU	0	2	0	2	100
Housing	56	77	37	40	51.9
Roads & Storm Water	114	161	51	110	68.3
<b>SEDP</b>					
SEDP	132	179	71	108	60.3
<b>Community Services</b>					
Clinics	21	98	13	85	86.7
Emergency Services	80	140	63	77	55
Environmental Health	18	35	13	22	62.9
Library Services	49	66	50	16	24.2
Motor Vehicle Licensing & Registration	25	48	27	21	43.8
Parks & Recreation	263	319	195	124	38.9
Social Development HIV/Aids	3	3	3	0	0
Traffic Law Enforcement	88	105	87	18	17.1
Waste Management	175	349	113	236	67.6

## CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE



Description	2020/21	2021/22			
	Employees	Approved Posts	Employees	Vacancies	Vacancies
	No				%
Corporate Services					
Corporate Services	166	220	123	97	44.1
Financial Services					
Finance	217	247	174	73	29.6
ICT	16	20	8	12	60
Supply Chain	34	39	31	8	20.5
Total	1 927	2701	1373	1328	49.17

Table 168: Approved Posts, Employees and Vacancies

Note: These figures exclude the Legislators. Vacancies are calculated against the posts on the approved organogram. Not all the posts on the organogram are budgeted for.

### 4.1.2 Vacancy Rate

Several attempts have been made to fill vacancies; however, the applicants often do not have the required qualifications. The post is then re-advertised. We currently have a soft lock on appointments.

The table below indicates the vacancy rate as at 30 June 2022:

Category	Total Approved Posts	Vacancies	Vacancies %
	No.		
S54 Municipal Manager	1	1	100
CFO	1	0	0
Other S56 Directors (excluding Finance posts)	4	0	0
Other S57 Managers (Finance posts)	6	1	16.6
Police officers	53	3	5.7
Fire fighters	79	39	49.4
Senior management: Levels 13-15 (excluding Finance posts)	136	71	52.2
Senior management: Levels 13-15 (Finance posts)	26	9	34.6
Highly skilled supervision: Levels 9-12 (excluding Finance posts)	448	236	52.7
Highly skilled supervision: Levels 9-12 (Finance posts)	39	18	46.2
Total	793	378	47.7

Table 169: Vacancy Rate

## CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE



### 4.1.3 Staff Turnover Rate

The table below indicates the staff turnover rate for the last two years:

Description	Total Appointments as of beginning of Financial Year	Terminations during the Financial Year	Staff Turnover Rate
	No.		%
2019/20	9	83	922
2020/21	3	47	1566
2021/22	11	70	636

Table 170: Staff Turnover Rate

## COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

### 4.2 INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

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

### 4.3 POLICIES

#### 4.3.1 Overview on Workforce Policy Development

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

Recruitment includes headhunting technical staff based on the provisions of the approved Human Resource Recruitment and Selection Policy.

#### 4.3.2 Human Resource Policies and Plans

Municipalities fall under the scope of the South African Local Government Association (SALGA). Accordingly, the policy environment for municipalities, including the Sol Plaatje Municipality, is regulated by the South African Local Bargaining Council (SALBC) agreements. Given that municipalities exercise legislative and executive authority in terms of Chapter 7 of the Constitution of the Republic of South Africa (1996, as amended), read in conjunction with the legislative framework on co-operative governance, municipalities adopt policies and procedures to regulate the policy lacuna of the SALBC framework, for instance section 151(3) of the Constitution provides that

## CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE



*“a Municipality has the right to govern on its own initiative, the local affairs of its community, subject to national and provincial legislation...”.*

The policy schedule reflects this dialectical interrelationship between policies adopted by the SALBC and the Sol Plaatje Municipality for the applicable period. The local government legislative framework including but not limited to the following legislation regulates other policies:

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

It should be noted that all the Human Resource Policies will have to be revised in order to be aligned with the Municipal Staff Regulations.

The table below shows the Human Resource Policies and Plans that are applicable in the municipality:

Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
Affirmative Action	100%	100%	7 July 2010
Attraction and Retention	100%	100%	Tabled at Committee of Council: Corporate
Code of Conduct for employees	100%	100%	Schedule 1 of Municipal Systems Act
Delegations, Authorisation & Responsibility	100%	100%	Adopted by June 2005
Disciplinary Code and Procedures	100%	100%	SALGBC Agreement: Adopted
Essential Services	100%	100%	Regulated by the Labour Relations Act
Employee Assistance / Wellness	90%	100%	Tabled at Committee of Council: Corporate
Employment Equity	100%	100%	7 July 2010
Exit Management	100%	100%	HR Procedure
Grievance Procedures	100%	100%	SALGBC Agreement
HIV/Aids	100%	100%	Approved 6 June 2018
Human Resource Training and Development	100%	100%	Regulated by Skills Development Act

## CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE



Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
Information Technology Policies	100%	100%	30 June 2010, reviewed July 2012
Job Evaluation	100%	100%	Approved by Council, 4 November 2014
Leave	100%	100%	SALGBC
Occupational Health and Safety	100%	100%	Regulated by Health and Safety Act
Official Housing	N/A	N/A	Not Applicable
Travelling and Subsistence Allowance Policy	100%	100%	8 December 2009; reviewed 2012
Official transport to attend Funerals	N/A	N/A	Not applicable
Official Working Hours and Overtime	100%	0%	Conditions of Service
Organisational Rights	100%	100%	SALGBC Agreement
Payroll Deductions	100%	100%	HR Procedure
Performance Management and Development	100%	100%	Approved 7 July 2010
Recruitment, Selection and Appointments	100%	100%	Approved 10 December 2020
Remuneration Scales and Allowances	100%	100%	SALGBC Agreement
Resettlement	100%	100%	Housing Procedure
Sexual Harassment	100%	100%	Reviewed 7 July 2010
Skills Development	100%	100%	Regulated by Skills Development Act
Smoking	90%	100%	Tabled at Committee of Council: Corporate
Special Skills	100%	100%	Council resolution
Uniforms and Protective Clothing	100%	100%	HR Procedure
Rewards and Incentive	100%	100%	Approved 6 June 2018
Disability	100%	100%	Approved 6 June 2018
Skills and Retention	100%	100%	Approved 6 June 2018
Ethics	100%	100%	Approved 4 June 2019
Rewards & Incentive	100%	100%	Approved 6 June 2018
Overtime	100%	100%	Approved 4 February 2020
Study	100%	100%	Approved 6 June 2018
Consequence Management	100%	100%	Approved 14 October 2020
Code/Ethics	100%	100%	Approved 4 June 2019
Telecommunications	100%	100%	Approved November 2020
Danger Allowance	100%	100%	Approved April 2021
Pregnancy and Maternity	100%	100%	Reviewed

Table 171: Human Resource Policies and Plans

### 4.4 INJURIES, SICKNESS AND SUSPENSIONS



## CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE



Occupational injury is a personal injury, disease or death resulting from an occupational accident. Occupational injury will influence the loss of man hours according to the seriousness of the injury/disease which can be costly to the municipality based on the financial and productivity performance.

In terms of injury on duty the Municipality is unable to prematurely calculate IOD for any future injuries. The table below indicates the number and cost of Injuries on duty for the 2021/22 financial year:

Type of injury	Injury Leave Taken	Employees injured	Proportion employees using IOD sick leave	Average Injury Leave per employee	Total Estimated Cost
	Days	No.	%	Days	Rand
Required basic medical attention only	0	6	0	0	2 993.00
Required medical attention	188	16	0.78	8.51	213 294.50
<b>Sub Total</b>	<b>188</b>	<b>22</b>	<b>0.78</b>	<b>8.51</b>	<b>216 287.50</b>
Permanent disablement	0	0	0	0	0
Fatal	0	1	0	0	785 661.85
<b>Total</b>	<b>188</b>	<b>22</b>	<b>0.78</b>	<b>8.51</b>	<b>1 001 949.35</b>

Table 172: Number and Cost of Injuries on Duty

### 4.4.1 Sick Leave (excluding injuries on duty)

The number of days sick leave taken by employees has service delivery and cost implications. The monitoring of sick leave identifies certain patterns or trends. Once these patterns are identified, corrective measures can be taken.

A Health and Safety Office is appointed by the municipality to educate all employees on policies as well as to improve safety measures in the workplace. Each Directorate has a Health and Safety Committee which monitors injuries in the said directorate.

Sick leave per employee is not calculated separately, it forms part of the total remuneration package per employee

The table below indicates the number of days and cost of sick leave:

Salary band	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per Employee
	Days	%	No	No	Days
Lower skilled (Levels 1-2)	1 018	10.8	207	207	4.92
Skilled (Levels 3-5)	6 588	25.1	625	625	10.54
Highly skilled production (levels 6-8)	4 120	27.3	399	399	10.33

## CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE



Salary band	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per Employee
	Days	%	No	No	Days
Highly skilled supervision (levels 9-12)	2 722	10.4	274	274	9.94
Senior management (Levels 13-15)	956	18.2	72	72	13.28
MM and S57	52	0	6	6	8.67
<b>Total</b>	<b>15 456</b>		<b>1 583</b>	<b>1 583</b>	<b>9.76</b>

Table 173: Number of Days and Cost of Sick Leave

### 4.4.2 Suspensions & Financial Misconduct

There were no suspension cases or cases of financial misconduct.

There is a tendency by the accused employees to contest their cases in Labour Court as well as Labour Appeal Court.

## COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

### 4.5 INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

The Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) Section 68 (1) requires municipalities to develop their human resource capacity to a level that enables them to perform their functions and exercise their powers in an economical, effective, efficient, and accountable way. Annually a training plan is developed to upskill the employees and councillors based on the IDP related training needs and to improve the delivery of services. Monthly feedback, on these training interventions, is reported to the relevant Council Sub-Committee.

Access to funding for training remains a challenge. This was further problematic with the state Lockdown since March 2020. The COVID-19 protocols and restrictions in the few training venues that were accessible severely restricted the training interventions and numbers of beneficiaries.

### Skills Development and Training 2021/22

The table below indicates the number of employees that received training in the year under review:

Category		Trained in post	Learnerships		Skills programmes & other short courses		Other forms of training		Total	
			Actual	Target	Actual	Target	Actual	Target	Actual	Target
Managers	Female	15	0	0	14	20	1	1	15	21
	Male	22	0	0	18	25	4	1	22	26

## CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE



Category		Trained in post	Learnerships		Skills programmes & other short courses		Other forms of training		Total	
			Actual	Target	Actual	Target	Actual	Target	Actual	Target
Professionals	Female	24	0	0	19	16	5	5	24	21
	Male	33	0	0	13	13	20	9	33	22
Technicians and Trade Workers	Female	17	0	0	17	17	2	0	19	17
	Male	41	0	0	41	43	16	0	57	43
Community and Personal Services Workers	Female	36	0	0	36	30	0	0	36	30
	Male	68	0	0	68	70	0	0	68	70
Clerical and Administrative Workers	Female	121	0	0	121	115	0	0	121	115
	Male	45	0	0	27	35	0	0	27	35
Machine Operators and Drivers	Female	11	0	0	11	19	0	0	11	19
	Male	56	0	0	56	61	0	0	56	61
Labourers	Female	42	0	0	42	50	0	0	42	50
	Male	182	0	0	182	190	0	0	182	190
Sales and Service Workers	Female	42	0	0	42	50	0	0	42	50
	Male	96	0	0	96	110	0	0	96	110
Total		851	0	0	803	864	48	16	851	880

Table 174: Skills Development and Training

### 4.5.1 Skills Development Expenditure 2021/22

The total budget allocated for skills development and other capacitation programmes was R6 556 000 for all management levels, and the total sum spent for the skills development expenditure is R4 472 000. Councillor development is included.

Category		Employees as at the beginning of the financial year	Learner ships		Skills programmes & other short courses		Other forms of training		Total	
			Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual
			R'000							
Managers & Leg	Female	15	0	0	130	78	1 000	65	1 130	143
	Male	22	0	0	55	33			55	33
Professionals	Female	24	0	0	20	0	618	617	638	617
	Male	33	0	0	50	19	597	443	647	462
Technicians and Trade Workers	Female	17	0	0	0	0	2 700	2 658	2 700	2 658
	Male	41	0	0	100	97	496	196	596	293

## CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE



Category		Employees as at the beginning of the financial year	Learner ships		Skills programmes & other short courses		Other forms of training		Total	
			Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual
			R'000							
Clerical and Administrative Workers	Female	36	0	0	10	9	50	26	60	35
	Male	68	0	0	50	32	50	30	100	62
Community and Personal Service Workers	Female	121	0	0	5	4	5	0	10	4
	Male	45	0	0	50	8	50	0	100	4
Machine Operators and Drivers	Female	11	0	0	5	5	5	0	10	8
	Male	56	0	0	60	5	60	0	120	5
Elementary occupations	Female	42	0	0	80	15	80	0	160	15
	Male	182	0	0	30	18	30	0	60	18
Sales and Service Workers	Female	42	0	0	25	20	60	0	85	20
	Male	96	0	0	35	95	50	0	85	95
<b>Total</b>		<b>2 007</b>	<b>0</b>	<b>0</b>	<b>7 05</b>	<b>438</b>	<b>5 851</b>	<b>4 035</b>	<b>6 556</b>	<b>4 472</b>
<b>% of municipal salaries (original budget) allocated for workplace skills plan</b>									<b>1%</b>	

Table 175: Skills Development Expenditure

This is for the skills year and includes the Financial Interns, Infrastructure, Skills Development (ISDG) Candidates and the councillors. Several of the Infrastructure and Skills Development candidates completed their journey before the end of their contracts and hence this reflects as underspending.

### 4.5.2 MFMA Competencies

In 2007, the minimum competencies for officials responsible for financial and supply chain management were regulated. Minimum higher education qualifications, work-related experience and core managerial and occupational competencies are among the aspects covered by the regulations.

The minimum competency levels also seek to professionalize the local government sector and to make it a career choice for talented officials and to some extent mitigate some of the root causes of poor financial management and service delivery experienced at Local Government level. It is also required to report to National Treasury on a quarterly basis on the progress of the minimum competency levels.

The table below is the status of applicable personnel as at 30 June 2022:

## CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE



Position	Highest Educational Qualification	Work Related Experience	Performance Agreement Signed (where required)	Completed Required Unit standards	Requirements met	Compliant (consider budget)
Accounting Officer	✓	✓	✓	X	3	X
CFO Municipality	✓	✓	✓	X	3	X
Senior Manager (S56)	✓	✓	X	✓	3	X
Senior Manager (S56)	✓	✓	✓	X	3	X
Senior Manager (S56)	✓	✓	✓	X	3	X
Senior Manager (S56)	✓	✓	✓	X	3	X
Middle Manager: Finance	✓	✓	✓	X	3	X
Middle Manager: Finance	✓	✓	✓	X	3	X
Head SCM	✓	✓	✓	X	3	X
SCM Manager	X	✓	✓	X	2	X
SCM Manager	✓	✓	✓	✓	4	✓
SCM Manager	✓	✓	✓	✓	4	✓

Table 176: Financial Competency Development

Councillors were capacitated in various areas related to their portfolios and the new councillors underwent Induction and the accredited Integrated Councillor Induction Programme presented by SALGA.

### COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

#### 4.6 INTRODUCTION TO WORKFORCE EXPENDITURE

In terms of National Treasury's MFMA Circular No. 71 (Uniform financial ratios and norms), the benchmarked norm on employee costs is between 25% to 40% which is considered acceptable depending on the size and services rendered by the Municipality. The Municipality's target is 33% employee costs ratio against total operating expenditure. Total employee costs increased by 5.6% from R726 million to R766 million.

## CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE



As at 30 June 2022, the employee costs were 33.22% of the total operating expenditure, which is slightly higher than the target of 33%. The total overall overtime expenditure decreased by 7% from R34 231 000 in 2019/20 to R31 792 741 in 2020/21. As indicated in the table below, employee costs as a percentage of total operational expenditure decreased by 0.38% from 33.60% in 2020/21 to 33.22% in 2021/22:

Description	2019/20	2020/21	2021/22
	R		
Employee costs actual	653 808 737	726 330 899	766 906 239
Total Operational Expenditure	1 937 693 630	2 161 845 877	2 308 661 689
Employee costs as % of Operational Expenditure	33.74%	33.60%	33.22%

Table 177: Employee Costs

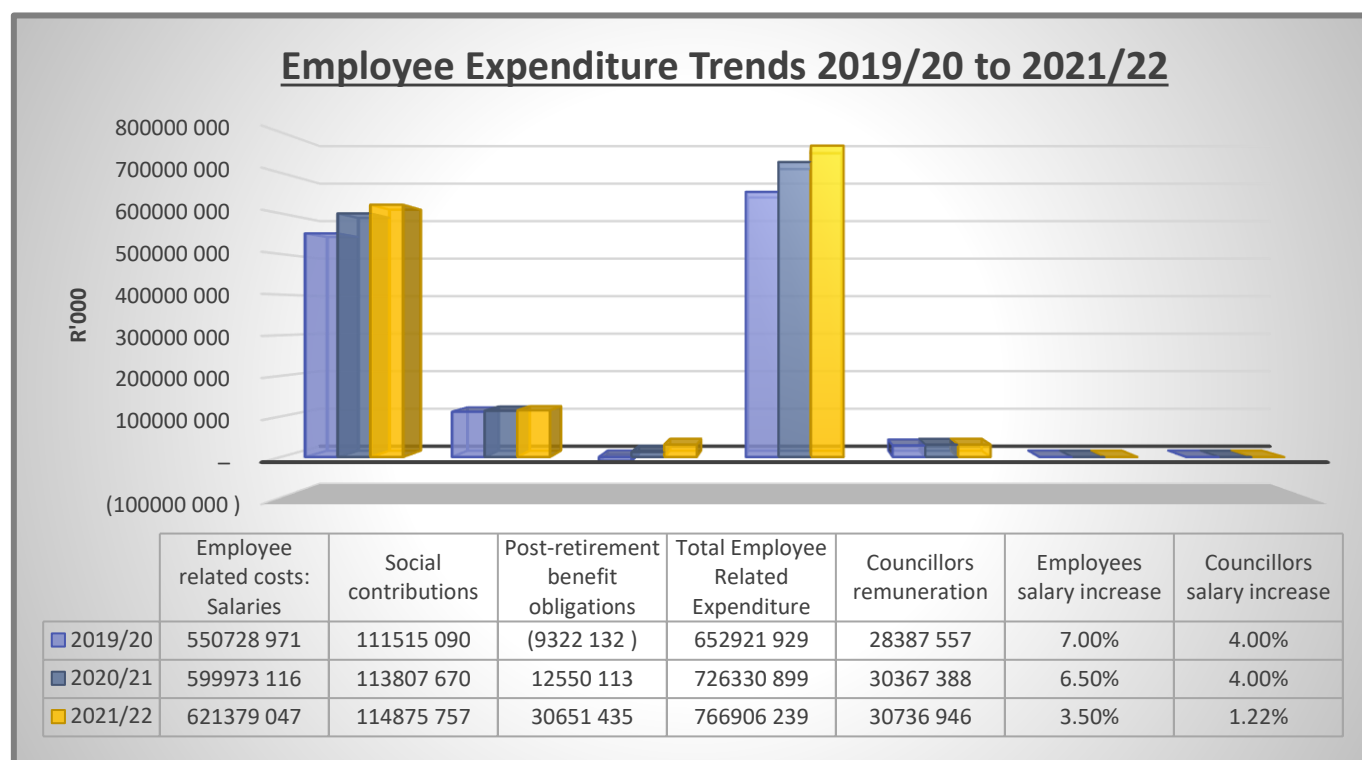
### 4.6.1 Employee Expenditure Trends

Councillors are remunerated based on upper limits gazette as promulgated by the Minister for CoGTA. An average increase of 1.224% was approved and implemented with total councillor's benefits amounting to R30 737 million. From the table below, it can be noted that employee related costs increased by an average of 11%.

Description	2017/18	2018/19	2019/20	2020/21	2021/22	Year on year increase (decrease) (2017/18 to 2021/22)
	R'000					%
Employee-related costs: Salaries	515 122	547 950	550 729	599 973	621 379	4%
Social contributions	99 586	104 707	111 515	113 808	114 876	1%
Post-retirement benefit obligations	32 602	35 530	(9 322)	12 550	30 651	144%
<b>Total Employee Related Expenditure</b>	<b>647 309</b>	<b>688 187</b>	<b>652 922</b>	726 331	766 906	<b>6%</b>
Councillors' remuneration	28 409	28 388	30 367	30 367	30 737	1%
Employees salary increase	7.36%	7.00%	6.50%	6,50%	3,50%	4%
Councillors' salary increases	5.50%	4.00%	4.00%	4,00%	1,22%	1%

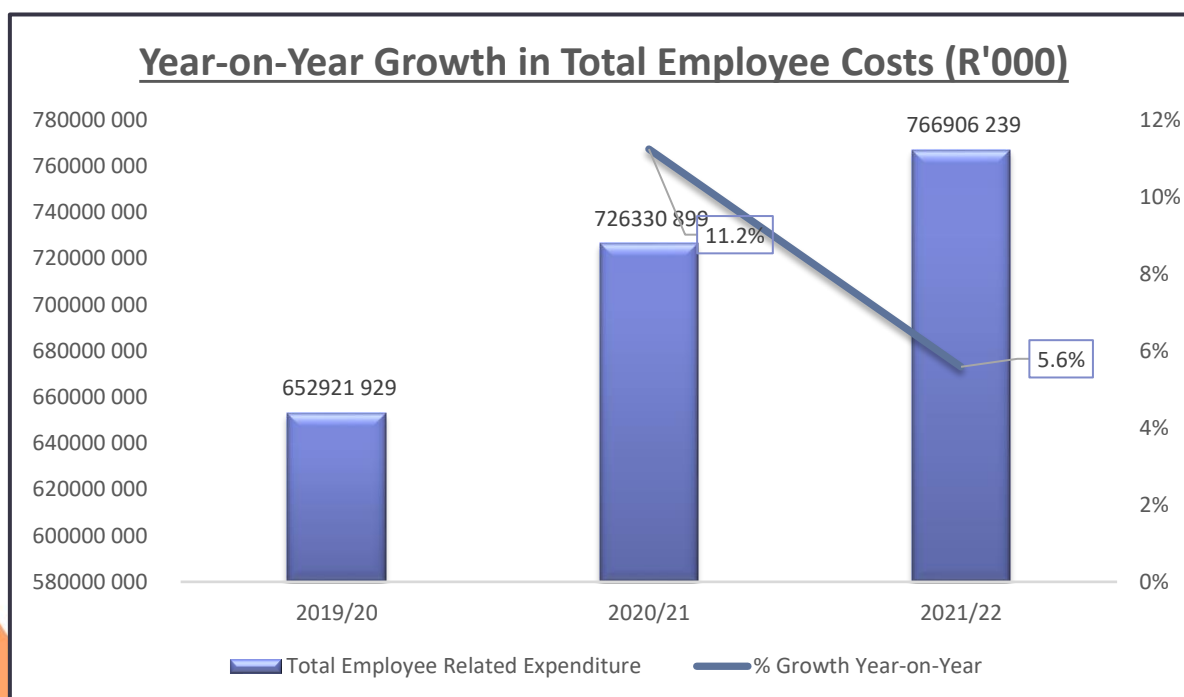
Table 178: Employee Expenditure Trends

### Employee Expenditure Trends 2017/18 to 2021/22



Graph 25: Expenditure Trends

## Growth in Total Employee Costs Year on Year



Graph 26: Growth in Total Employee Costs Year on Year

## CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE



### 4.6.2 Employees whose salary levels exceed the grade determined by job evaluation

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Admin Officer	3	T9	C3	Positions were graded below what employees were currently receiving
Admin Officers: Informal Trade	1	T10	C5	
Admin Officers: Personal Assistant	4	T10	C5	
Administrator	1	T8	C1	
Cashier	9	T5	B2	
Clerk	1	T5	C1	
Clerk	3	T5	B2	
Clerk	5	T5	B3	
Clerk: Verifications	4	T5	B2	
Communications Officer	1	T11	D1	
Controller	4	T10	C5	
Controller	2	T11	C5	
Controller: Sanitation	1	T7	C2	
Driver	2	T5	C3	
Driver Messenger	3	T4	B3	
Driver Messenger	1	T4	B1	
Employee Relations Manager	1	T11	D4	
Engineering Technician	1	T11	C5	
Foreman: Sanitation	1	T11	C5	
General Assistants	20	T3	A3	
Handyman	11	T5	B3	
Head Properties	1	T14	D3	
Head: Administration	1	T9	C5	
Internal Investigator	1	T13	D3	
Liaison Officer	1	T9	C3	
Liaison Officer	1	T12	D4	
Peace Officer	1	T9	C4	
Principal Clerk	4	T7	C1	
Project Manager	1	T12	D3	
Project Manager	1	T11	C5	
Risk Officer	1	T11	D1	
SDBIP Officer	1	T11	C5	
Senior Admin Officer	1	T11	D5	



## CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE



Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Senior Clerk	2	T6	C1	
Senior Clerk	2	T6	B5	
Senior Clerk	4	T6	B4	
Senior Supply Chain Officer	1	T12	D5	
Senior Supervisor: Cemetery	1	T8	C1	
Switchboard Operators	2	T5	B3	
VIP Protection	1	T6	C1	

Table 179: Salary Levels Exceed the Grade Determined

The background features several overlapping, semi-transparent orange geometric shapes. A large, light-orange triangle points towards the bottom right, with a smaller, darker-orange triangle nested within its upper-left portion. Another orange shape is visible in the top-left corner. The text 'CHAPTER 5' is positioned in the lower-left area, overlapping the large triangle.

# **CHAPTER 5**

## CHAPTER 5: FINANCIAL PERFORMANCE



### COMPONENT A: STATEMENT OF FINANCIAL PERFORMANCE

The statement of financial performance provides an overview of the financial performance and focuses on the financial health of the Municipality.

### INTRODUCTION TO FINANCIAL STATEMENTS

#### 5.1.1 Financial Performance of Operational Services

Financial Performance of Operational Services						
Description	2020/21	2021/22			2021/22 Variance	
	Actual	Original Budget	Adjust. Budget	Actual	Original Budget	Adjust. Budget
	(R'000)				%	
Operating Cost						
Water	314 140	296 663	326 563	326 816	10%	0%
Waste Water (Sanitation)	27 717	27 101	27 101	23 991	-11%	-11%
Electricity	749 833	857 928	889 891	786 085	-8%	-12%
Waste Management	58 513	70 592	70 592	71 978	2%	2%
Housing	21 940	23 480	23 480	19 874	-15%	-15%
Component A: sub-total	1 172 143	1 275 764	1 337 627	1 228 744	-4%	-8%
Waste Water (Storm Water Drainage)	0	0	0	0	0	0
Roads	42 545	43 632	44 607	43 731	0%	-2%
Transport	39 833	47 304	47 304	41 214	-13%	-13%
Component B: sub-total	82 378	90 936	91 911	84 946	-7%	-8%
Planning	34 380	41 324	41 542	33 007	-20%	-21%
Local Economic Development	5 614	6 848	6 848	6 015	-12%	-12%
Component B: sub-total	39 994	48 172	48 390	39 022	-19%	-19%
Planning (Strategic & Regulatory)	0	0	0	0	0	0
Local Economic Development	0	0	0	0	0	0
Component C: sub-total	0	0	0	0	0	0
Community & Social Services	40 133	42 230	42 836	42 959	2%	0%
Environmental Protection	665	711	711	700	-1%	-1%
Health	17 367	18 435	21 435	18 659	1%	-13%

## CHAPTER 5: FINANCIAL PERFORMANCE



Financial Performance of Operational Services						
Description	2020/21	2021/22			2021/22 Variance	
	Actual	Original Budget	Adjust. Budget	Actual	Original Budget	Adjust. Budget
	(R'000)				%	
Security and Safety	61 175	68 050	68 050	66 103	-3%	-3%
Sport and Recreation	47 702	55 822	55 732	53 032	-5%	-5%
Corporate Policy Offices and Other	700 290	744 863	754 897	774 496	4%	3%
<b>Component D: sub-total</b>	<b>867 332</b>	<b>930 112</b>	<b>943 662</b>	<b>955 950</b>	<b>3%</b>	<b>1%</b>
<b>Total Expenditure</b>	<b>2 161 846</b>	<b>2 344 984</b>	<b>2 421 590</b>	<b>2 308 662</b>	<b>-2%</b>	<b>-5%</b>

*In this table operational income is offset against operational expenditure leaving a net operational expenditure total for each service as shown in the individual net service expenditure tables in chapter 3. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.*

Table 180: Financial Performance of Operational Services

The municipality has used consultancies for various and specialised work during the year. The table below lists all major consultancy work procured by the municipality.

Name of the Firm	Nature of the Service	Amount Paid in Rand
Aganang Consulting Engineers	Galeshewe Storm Water Upgrade	3 329 097.10
Bigen Africa Services (Pty) Ltd	1. Installation and construction of the Link Bulk Water and Sanitation Infrastructure for Lerato Park - Upgrade/Augmentation of Leageng and Eagle Pump Stations (Mechanical Electrical and Civil). 2. Electrification of Lerato Park Phase 5 (COGHSTA) & Phase 6 (PTN of 6) & electrification of Lethabo Park	40 019 736.29
Gibb (Pty) Ltd	Homelite Satellite Fire Station	182 578.01
Makone Consulting Engineers Cc	Re-Construction of Toilet Top Structures in Kutlwanong, Kagisho and Phomolong within SPM Phase 2	554 721.59
MVD Kalahari Consulting Engineers And Town Planner	Gogga Outfall Sewer and Carter's Ridge Pump Station	914 448.91
MVD Kalahari Town And Regional Planners	Township Establishment Various Wards	2 825 550.00
Zaqen Actuaries (Pty) Ltd	Actuarial Valuation - Post-Retirement Benefits	24 150.00
1 Pangaea Expertise & Solutions (Pty) Ltd	Landfill Site Valuation	30 500.00
<b>Grand Total</b>		<b>47 880 781.90</b>
<b>Total No. of Consultants</b>		<b>8</b>

Table 181: Consultancy Work Procured

## CHAPTER 5: FINANCIAL PERFORMANCE

### 5.1.2 Revenue Collection Performance by Vote and by Source

#### a) REVENUE COLLECTION PERFORMANCE BY VOTE

Vote Description	2020/21	2021/22			2021/22 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjust. Budget
	R'000				%	
Executive and Council	0	0	0	0	0%	0%
Municipal and General	431 670	419 951	454 836	419 075	0%	-8%
Municipal Manager	0	0	0	0	0%	0%
Corporate Services	1 415	6 804	7 078	6 869	1%	-3%
Community Services	99 474	110 627	114 127	106 478	-4%	-7%
Financial Services	571 568	623 229	623 229	610 429	-2%	-2%
Strategy Economic Development and Planning	6 910	9 041	23 441	17 626	95%	-25%
Infrastructure Services	1 069 606	1 305 018	1 305 018	1 157 181	-11%	-11%
<b>Total Revenue by Vote</b>	<b>2 179 055</b>	<b>2 533 477</b>	<b>2 501 884</b>	<b>2 372 819</b>	<b>-6%</b>	<b>-5%</b>
Variances are calculated by dividing the difference between the actual and original/adjustments budget by the actual.						

Table 182: Revenue Collection Performance by Vote

#### b) REVENUE COLLECTION PERFORMANCE BY SOURCE

Description	2020/21	2021/22			2021/22 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjust. Budget
	R'000				%	
Property rates	571 075	603 707	603 707	599 898	-0,6%	-0,6%
Service Charges - electricity revenue	659 307	861 157	861 157	728 847	-15%	-15%
Service Charges - water revenue	259 156	294 012	294 012	272 919	-7%	-7%
Service Charges - sanitation revenue	78 186	76 648	76 648	83 392	9%	8,8%
Service Charges - refuse revenue	56 401	59 567	59 567	60 632	2%	2%
Service Charges – other	0	0	0	0	0%	0%
Rentals of facilities and equipment	12 018	13 145	13 145	16 755	27%	27%
Interest earned - external investments	2 835	9 000	9 000	3 124	-65%	-65%
Interest earned - outstanding debtors	105 983	157 200	157 200	131 160	-17%	-17%
Dividends received	0	0	0	0	0%	0%
Fines	29 477	34 725	34 725	15 405	-56%	-56%



## CHAPTER 5: FINANCIAL PERFORMANCE

Description	2020/21	2021/22			2021/22 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjust. Budget
	R'000				%	
Licenses and permits	6 383	6 500	6 500	8 532	31%	31%
Agency services	0	0	0	0	0%	0%
Transfers recognised – operational	260 426	230 640	236 873	235 986	2%	0%
Other revenue	17 354	19 411	19 685	14 517	-25,2%	-26%
Gains on the disposal of PPE	7 893	0	0	1 134	0%	0%
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>2 066 493</b>	<b>2 365 711</b>	<b>2 372 218</b>	<b>2 172 301</b>	<b>-8%</b>	<b>-8%</b>
Capital Grants	112 562	167 766	129 666	123 667	-26,3%	-5%
Public contributions & donations	0	0	0	76 850	0%	0%
<b>Total Revenue</b>	<b>2 179 055</b>	<b>2 533 477</b>	<b>2 501 884</b>	<b>2 372 819</b>	<b>-6%</b>	<b>-5%</b>

Table 183: Revenue Collection Performance by Source

### 5.1.3 Reconciliation of Budget Summary

Description	2021/22								2020/21			
	Original Budget	Budget Adjustments	Final adjustments budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
	R'000						%		R'000			
	1	2	3	4	5	6	7	8	9	10	11	12
<b>Financial Performance</b>												
Property rates	603 707	0	603 707	599 898	0	(3 809)	99,4%	99,4%	0	0	0	571 075
Service charges	1 291 383	0	1 291 383	1 145 790	0	(145 593)	88,7%	88,7%	0	0	0	1 053 050
Investment revenue	9 000	0	9 000	3 124	0	(5 876)	34,7%	34,7%	0	0	0	2 835
Transfers recognised – operational	230 640	6 233	236 873	235 986	0	(887)	99,6%	102,3%	0	0	0	260 426
Other own revenue	230 981	274	231 255	187 503	0	(43 752)	81,1%	81,2%	0	0	0	179 107
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>2 365 711</b>	<b>6 506</b>	<b>2 372 218</b>	<b>2 172 301</b>	<b>0</b>	<b>(199 917)</b>	<b>91,6%</b>	<b>91,8%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2 066 493</b>
Employee costs	836 388	5 200	841 588	766 906	0	(74 682)	91,1%	91,7%	0	0	0	(74 682)
Remuneration of councillors	34 547	0	34 547	30 737	0	(3 810)	89,0%	89,0%	0	0	0	(3 810)
Debt impairment	275 000	0	275 000	267 518	0	(7 482)	97,3%	97,3%	0	0	0	(7 482)
Depreciation & asset impairment	79 150	0	79 150	70 060	0	(9 090)	88,5%	88,5%	0	0	0	(9 090)
Finance charges	22 261	41 200	63 461	72 909	0	9 449	114,9%	327,5%	0	0	0	9 449

## CHAPTER 5: FINANCIAL PERFORMANCE

Description	2021/22								2020/21			
	Original Budget	Budget Adjustments	Final adjustments budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
	R'000						%		R'000			
	1	2	3	4	5	6	7	8	9	10	11	12
Materials and bulk purchases	926 331	(47 801)	878 530	831 827	0	(46 703)	94,7%	89,8%	0	0	0	(46 703)
Transfers and grants	4 850	0	4 850	2 546	0	(2 304)	52,5%	52,5%	0	0	0	(2 304)
Other expenditure	166 457	78 007	244 464	266 158	0	21 694	108,9%	159,9%	0	0	0	21 694
<b>Total Expenditure</b>	<b>2 344 984</b>	<b>76 606</b>	<b>2 421 590</b>	<b>2 308 662</b>	<b>0</b>	<b>(112 928)</b>	<b>95,3%</b>	<b>98,5%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2 161 846</b>
<b>Surplus/(Deficit)</b>	<b>20 727</b>	<b>(70 100)</b>	<b>(49 373)</b>	<b>(136 361)</b>	<b>0</b>	<b>(86 988)</b>	<b>276,2%</b>	<b>-657,9%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(95 353)</b>
Transfers recognised – capital	167 766	(38 100)	129 666	123 667	0	(5 999)	95,4%	73,7%	0	0	0	112 562
Contributions recognised - capital & contributed assets	0	0	0	76 850	0	76 850	0	0	0	0	0	0
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>188 493</b>	<b>(108 200)</b>	<b>80 293</b>	<b>64 157</b>	<b>0</b>	<b>(16 137)</b>	<b>79,9%</b>	<b>34,0%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>17 210</b>
Share of surplus/ (deficit) of associate	0	0	0	0	0	0	0	0	0	0	0	0
<b>Surplus/(Deficit) for the year</b>	<b>188 493</b>	<b>(108 200)</b>	<b>80 293</b>	<b>64 157</b>	<b>0</b>	<b>(16 137)</b>	<b>79,9%</b>	<b>34,0%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>17 210</b>



## CHAPTER 5: FINANCIAL PERFORMANCE

Description	2021/22								2020/21			
	Original Budget	Budget Adjustments	Final adjustments budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
	R'000						%		R'000			
	1	2	3	4	5	6	7	8	9	10	11	12
Capital expenditure & funds sources												
Capital expenditure	179 266	(24 600)	154 666	129 675	0	(24 991)	83,8%	72,3%	0	0	0	132 020
Transfers recognised – capital	167 766	(38 100)	129 666	112 818	0	(16 848)	87,0%	67,2%	0	0	0	114 627
Public contributions & donations	0	0	0	0	0	0	0	0	0	0	0	0
Borrowing	0	0	0	0	0	0	0	0	0	0	0	0
Internally generated funds	11 500	13 500	25 000	16 856	0	(8 144)	67,4%	146,6%	0	0	0	17 393
<b>Total sources of capital funds</b>	<b>179 266</b>	<b>(24 600)</b>	<b>154 666</b>	<b>129 675</b>	<b>0</b>	<b>(24 991)</b>	<b>83,8%</b>	<b>72,3%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>132 020</b>
Cash flows												
Net cash from (used) operating	260 265	0	260 265	254 439	0	(5 825)	97,8%	97,8%	0	0	0	113 668
Net cash from (used) investing	(142 399)	(36 867)	(179 266)	(89 593)	0	89 673	50,0%	62,9%	0	0	0	(170 071)
Net cash from (used) financing	(16 583)	5 849	(10 734)	(13 073)	0	(2 339)	121,8%	78,8%	0	0	0	(3 894)

## CHAPTER 5: FINANCIAL PERFORMANCE

Description	2021/22								2020/21			
	Original Budget	Budget Adjustments	Final adjustments budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
	R'000						%		R'000			
	1	2	3	4	5	6	7	8	9	10	11	12
Cash/cash equivalents at the year-end	195 174	(31 018)	164 156	190 783	0	26 627	116,2%	97,8%	0	0	0	39 010

Table 184: Reconciliation of Budget Summary



## CHAPTER 5: FINANCIAL PERFORMANCE

### 5.1.4 Comment on Financial Performance

The municipality renders trading and rates-related services. Trading services are provided at a cost recovery tariff structure cross-subsidisation and contributions to the rates funded services in line with the budget policy of the municipality. The major revenue source for the municipality is service charges, with sale of electricity being the largest contributor, followed by revenue from rates and taxes.

The major cost drivers for various services range between bulk purchase costs and/or employee costs. Close monitoring of major cost drivers per function are monitored to ensure that no over-expenditure takes place of which management is not aware.

As at year-end the total operating revenue was R2 372 819 billion vs an adjusted budget of R2 501 884 billion, resulting in an actual achieved of 95% with a satisfactory variance of minus 5%. This is mainly attributable to an under-performance on service charges Electricity and Water, Fines and Other revenue that did not materialise. Total operational expenditure amounted to R2 308 662 billion vs an adjusted budget of R2 421 590 billion, resulting in an actual of 95%, with a satisfactory variance of minus 5%.

The municipality is facing some major challenges, with cash flow remaining the most critical. The non-availability of cash can have serious repercussions with service delivery being affected the worst. The municipality has implemented cost containment measures and strategies are in place to collect outstanding debt.

## 5.2 GRANTS

The following grants were gazetted and transferred to the municipality:

### 5.2.1 Grant Performance

Description	2020/21		2021/22		2021/22 Variance	
	Actual	Budget	Adj. Budget	Actual	Original Budget	Adj. Budget
	R'000				Percentage	
Operating Transfers and Grants						
National Government	245 173	222 840	223 855	223 255	0.2%	-0.3%
Equitable share	234 642	212 328	212 328	212 328	0.0%	0.0%
Financial Management Grant	1 700	1 650	1 650	1 650	0.0%	0.0%
Municipal Systems Improvement	0	0	0	0	0.0%	0.0%
Expanded Public Works	4 170	3 362	3 362	3 362	0.0%	0.0%
Infrastructure Skills Development Grant (ISDG)	4 661	5 500	5 500	4 901	-10.9%	-10.9%

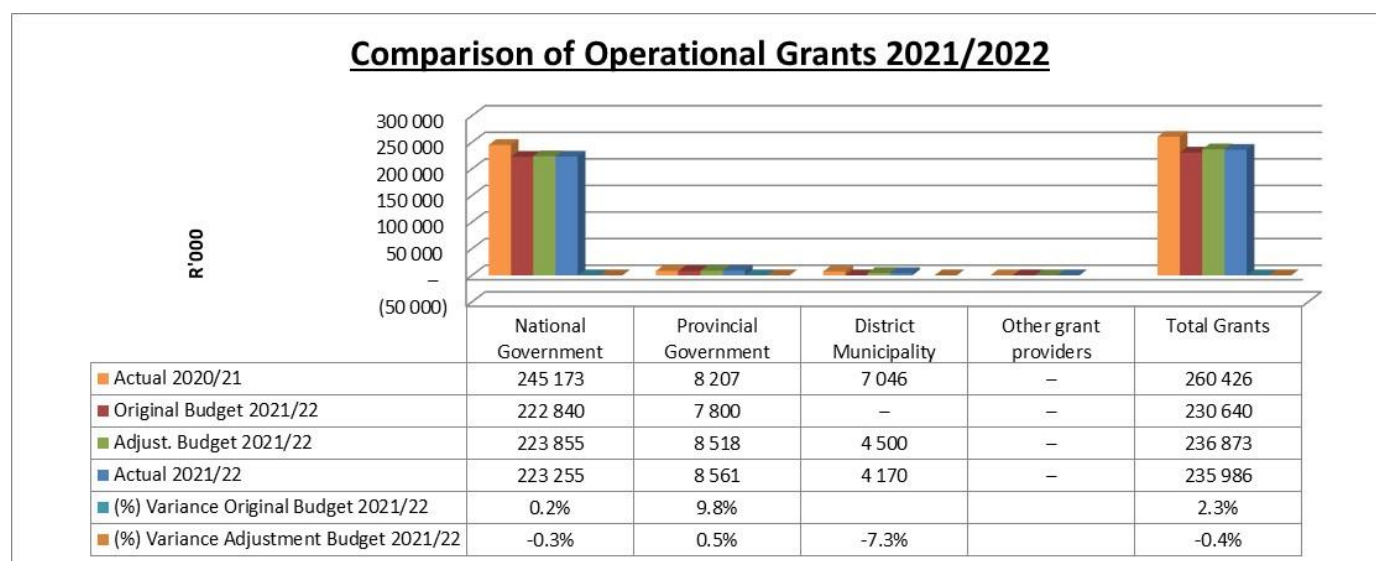
## CHAPTER 5: FINANCIAL PERFORMANCE



Description	2020/21		2021/22		2021/22 Variance	
	Actual	Budget	Adj. Budget	Actual	Original Budget	Adj. Budget
	R'000				Percentage	
Municipal Disaster Relief Grant	0	0	1 015	1 015	0.0%	0.0%
<b>Provincial Government</b>	<b>8 207</b>	<b>7 800</b>	<b>8 518</b>	<b>8 561</b>	<b>9.8%</b>	<b>0.5%</b>
Library Services	7 800	7 800	8 300	8 300	6.4%	0.0%
Department of Economic Development & Tourism	407	0	218	261	0.0%	20.0%
<b>District Municipality</b>	<b>7 046</b>	<b>0</b>	<b>4 500</b>	<b>4 170</b>	<b>0.0%</b>	<b>-7.3%</b>
Frances Baard District Municipality	7 046	0	4 500	4 170	0.0%	-7.3%
<b>Other grant providers</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>0.0%</b>
Miscellaneous	0	0	0	0	0.0%	0.0%
Other Donations	0	0	0	0	0.0%	0.0%
<b>Total Operating Transfers and Grants</b>	<b>260 426</b>	<b>230 640</b>	<b>236 873</b>	<b>235 986</b>	<b>2.3%</b>	<b>-0.4%</b>

Table 185: Grant Performance

The graph below indicates the comparison of operational grants for 2021/22



Graph 27: Operational grants 2021/22

### 5.2.2 Conditional Grants Received (excl. IUDG)

## CHAPTER 5: FINANCIAL PERFORMANCE



Details	2021/22			Variance	
	Original Budget	Adjust. Budget	Actual		
	R'000			Budget	Adjust. Budget
				%	
DSAC	8 300	8 300	8 300	100%	100%
EPWP	3 362	3 362	3 362	100%	100%
FMG	1 650	1 650	1 650	100%	100%
ISDG	5 500	5 500	4 901	89%	89%
Department of Economic Development	345	345	261	76%	76%
INEP	66 500	36 500	35 458	53%	97%
Department of Water Affairs	25 000	21 000	16 043	64%	76%
European Union	0	14 400	13 891	0%	96%
<b>Total</b>	<b>110 657</b>	<b>91 057</b>	<b>83 866</b>	<b>76%</b>	<b>92%</b>
<i>This includes Neighbourhood Development Partnership Grant, Public Transport Infrastructure and Systems Grant and any other grant excluding Municipal Infrastructure Grant (MIG) which is dealt with in the main report. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.</i>					

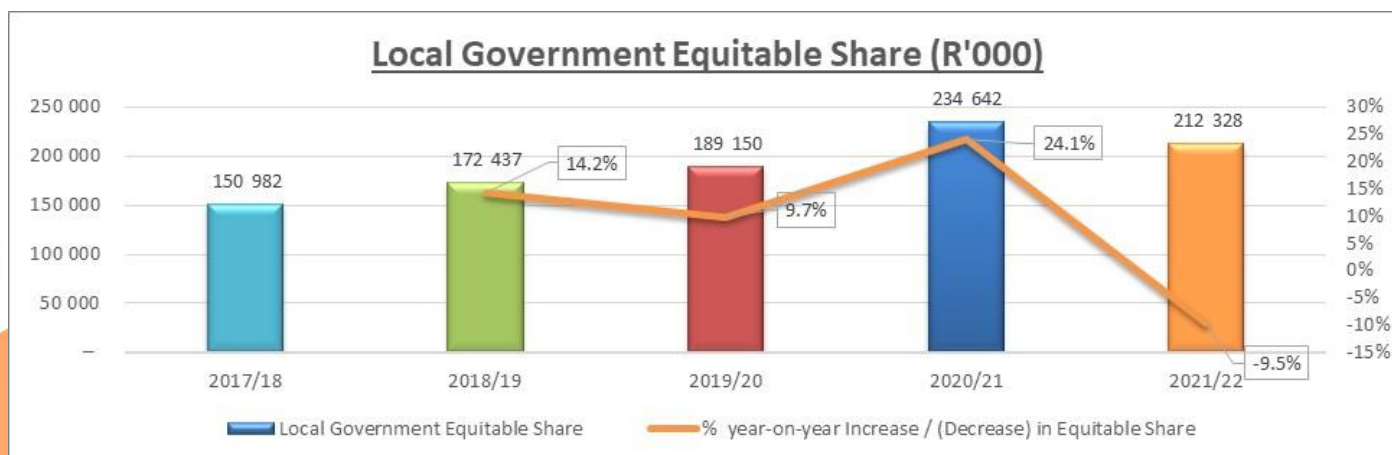
Table 186: Conditional Grants Received

There were no major conditions applied by the donor, other than those prescribed by the grant itself.

### 5.2.3 Comment On Operating Transfers and Grants

The total operational grants recognised amounted to R235 986 million with an actual achieved of 99.6% versus the adjusted budget of R236 873 million. Operational grants performed very well for the period under review.

The graph below indicates the percentage year-on-year increase/(decrease) in Equitable Share



Graph 28: Equitable Share

## CHAPTER 5: FINANCIAL PERFORMANCE

---

The equitable share increased by 24.1% from R189,150 million (2019/20) to R234,642 million (2020/21), attributable to the additional allocation of R29m for the Covid pandemic availed by National Treasury. There was a substantial decrease in Equitable Share receipts of 9.5% from 2020/21 to 2021/22, as the state of disaster for Covid was abolished and the Equitable Share allocation reverted to a formula prescribed by National Treasury. The municipality utilised the Equitable Share *inter alia* to subsidise indigent households, indigent relief expenses like the provision of chemical toilets for informal settlements, installation of prepaid meters for approved indigent households, a portion is designated for Roads for pothole repairs, audit fees for the Auditor-General, EPWP cleaning project, Councillor's remuneration etc.

### **INFRASTRUCTURE SKILLS DEVELOPMENT GRANT (ISDG)**

#### ***ISDG Funded Unemployed Graduates Programme***

The Municipality is faced with several challenges with regard to infrastructure management, bulk infrastructure capacity shortage, poor water quality and compromised basic service delivery resulting from the shortage of technical skills. The purpose of the Infrastructure Skills Development Grant (ISDG) Programme is to professionalise interns in areas where there is a lack of manpower and professionalised skills to assist the Municipality to improve on service delivery. The Infrastructure Skills Development Programme is funded under the Infrastructure Skills Development Grant of National Treasury.

Given the infrastructure challenges, the Municipality fully supports this Infrastructure Skills Development Grant Programme - Unemployed Graduate Project. Sol Plaatje Municipality has managed to utilize this project to enhance skills and value has been added in the following areas:

#### Contributions in their fields:

All interns have contributed well to their sections in the Municipality. Sol Plaatje Municipality has managed to utilize this project to enhance skills and value has been added in the following areas:

- Project upgrades to the Carter's Ridge Sewerage Pump Station
- Installation of services to sites in the area
- Upgrade of the Gogga Sewer Outfall Line
- GIS external portal for use to community
- Turn-around time of the GIS section has improved
- Updating zoning to correctly bill the community
- Route optimising of waste collection saving on the consulting fees, fuel costs and overtime costs
- Land-use inspectors project increasing the revenue for the municipality



## CHAPTER 5: FINANCIAL PERFORMANCE

---

- The installation of bulk link water and sanitation infrastructure for various areas in the area
- Galeshewe Stormwater upgrade
- Operation and Maintenance of Road Administration
- Operation and Maintenance of Wayleave control
- The upgrading of gravel roads in Galeshewe
- The refurbishment of Galeshewe stormwater infrastructure system
- Energy Efficient Demand side management allowing the municipality to monitor own electricity consumption and requirements of the consumers and losses
- Upgrade of the Riverton Sub-station with two new 10MVA 66/3.3kV transformers
- National Solar Water Heating programme providing 6000 Solar Geysers to low income households
- Management of Small-Scale Embedded Generation allowing electricity consumers to install Solar rooftops up to 1MVA for consumers
- Electrification of areas providing electrical infrastructure and electrical supply to the community
- Application for funding and drafting business plans for various municipal projects.

From this list one can see that Sol Plaatje Municipality is serious about skills transfer in enabling it to achieve its strategic goals in the long term. Sol Plaatje has and will attempt to employ these professionalised graduates in vacant posts to comply with the relevant legislation.

This is the second intake of graduates for the Municipality and covers the four disciplines: Civil Engineering, Electrical Engineering, Town Planning and Geomatic Practitioners. During this year four of the fourteen graduates have completed their experiential learning required by their professional bodies and this has meant that they could submit their applications for professionalization. One applied for Civil Technician with the Engineering Council of South Africa; two submitted their applications with the South African Council for Planners; and one applied with the South African Geomatics Council to be a Professional GISc Practitioner. Feedback from these professional bodies has been delayed by the COVID-19 pandemic, but we have no doubt we will soon hear good news from them. One candidate from the previous intake still has to professionalise as a Civil Technologist.

Since appointment of the new intake, all interns have been registered under the relevant professional body and have steadily been developed. All interns have individualised personal development plans and receive the required training. They work under the supervision of a qualified supervisor and a registered mentor. The mentors that have been selected for the project include: Sarel Haasbroek (Civil Engineering); Hendrik Jonck (Electrical Engineering) and Herman Booysen (GIS). We are grateful for their commitment to the programme.

### *Highlights*

## CHAPTER 5: FINANCIAL PERFORMANCE

- Professionalisation record:
  - Intake 1: 14 graduates appointed and contracted; 13 professionalised graduates; and 100% employment.
  - Intake 2: 17 graduates appointed and contracted; all registered as candidates with the required professional bodies; 5 have submitted (including re-submissions) in past year; one was professionalised and two await outcomes from their professional bodies; seven will submit in the 2022/23 financial year.
- 3 Mentors are still contracted and involved regularly with the graduates.
- Regular monthly reporting and meetings.
- Training plans developed for all interns.
- Civil engineering service providers contracted where secondment is required for a short period.
- National Treasury workshops are attended.
- Financial budget expenditure was fair to good at 89.46%.
- All reporting and the revised business plan were submitted on time.

### **Challenges**

This programme has had its challenges and some of these matters prevented us from reaching our goals, for example:

- Resignations of candidates has resulted in underspending.
- Seconding candidates to receive exposure in design.
- The after effects of COVID have left an apathy with the candidates which has been challenging to manage.

It remains a privilege to be part of this National Treasury project. The graduates have developed well during the past year and have really added much value to their sections. Sol Plaatje Municipality and the city has truly benefited from this programme.

### **THE EXPANDED PUBLIC WORKS PROGRAMME INCENTIVE GRANT**

The Expanded Public Works Programme (EPWP) is a government strategy to reduce poverty and unemployment in society. EPWP involves creating work opportunities for the unemployed through maximising job opportunities within projects. In support to this SPLM has adopted the strategy and is implementing it through its maintenance and capital programmes. This includes work done in-house and work contracted out to service providers. SPLM has so far been steadfast in the implementation of EPWP.

An amount of R3,6 million was allocated to the municipality for the financial year. At year end the funds were fully spent on various projects. The municipality has so far been steadfast in the implementation of EPWP, however the main challenge thus far is the declining incentive grant over the years and ensuring the sustainability of jobs created



## CHAPTER 5: FINANCIAL PERFORMANCE

through the programme. At the end of the financial year funds were fully spent on various projects. The municipality had to counter-fund the projects by approximately R15 million in order to ensure continuation of projects.

The following projects were embarked on during the 2021/22 financial year. These projects are not limited to the provided list, however, are those reported on the EPWP MIS:

### List of EPWP Projects

The table below indicates the EPWP projects:

No	Project Name	No. of Work Opportunities	No of FTE created
1	CBD cleaning section	55	52.3
2	Carters Ridge pump station	24	12.5
3	Cleaning of stormwater intakes 2021/22	54	29.5
4	G/Sol Plaatje cleaning and greening	435	271.7
5	Landfill site 2020/21	23	25.3
6	Lerato Park SO 2021/22	5	0.2
7	Reconstruction old zinc toilets	60	15.4
8	Upgrading of gravel roads in various wards	82	30.2
<b>Total</b>		<b>738</b>	<b>437</b>

Table 189: List of EPWP Projects

### OVERALL SUMMARY FOR THE YEAR

The EPWP projects are progressing extremely well within the Sol Plaatje Local Municipality.

- Number of projects: 8
- Work Opportunities: 738
- Estimated FTEs created: 437

### CHALLENGES AND CONCLUSION

The incentive grant allocation increases due to the performance of the Monitoring and Reporting on EPWP. The municipality remain committed in supporting the EPWP as a government strategy to reduce poverty and unemployment. There are still challenges in terms of financing all anticipated initiatives however, the municipality strives to enhance job creation efforts within all its projects and under reporting of quality data.

#### 5.2.4 Grants Expenditure from Sources other than DoRA

## CHAPTER 5: FINANCIAL PERFORMANCE



Details of Donor	Actual Grant		Municipal Contribution	Date Grant Terminates	Date Contribution Terminates	Nature and benefit from the grant received
	2020/21	2021/22	2021/22			
	R'000					
FBDM	7 670	7 670	0	Annual allocation	N/A	Infrastructure
Library Services	8 300	8 300	0	Annual allocation	N/A	Libraries
Department of Economic Development	345	261	0	As per annual application & approval	N/A	SEDP
European Union	14 400	14 400	0	Annual allocation	N/A	LED

Table 187: Grant Expenditure from Sources other than DoRA

### 5.2.5 Comment on Conditional Grants and Grants Received from Other Sources

#### THE INTEGRATED URBAN DEVELOPMENT GRANT (IUDG)

The municipality is in the 3<sup>rd</sup> year of receiving the IUDG which replaced the Municipal Infrastructure Grant (MIG). During the transition from MIG to IUDG, there were a few multi-year projects committed under the MIG which necessitated their prioritisation under the IUDG prior to considering new projects, and that was done successfully. The programme has performed well thus far with 100% expenditure reported in the previous years. An amount of R66 million has been allocated for the current year 21/22. The amount allocated over the years has been increasing and may still improve if the municipality meets certain requirements of the grant such as having an approved asset management plan. This will assist in unlocking a greater incentive portion of the grant which will allow for more flexibility in terms of non-infrastructure related projects.

The municipality has approved a Capital Expenditure Framework (CEF) which is a consolidated, high-level view of infrastructure investment needs in a municipality over the long term (at least ten years) that considers not only infrastructure needs but also how these needs can be financed and what impact the required investment in infrastructure will have on the financial viability of the municipality going forward. The CEF includes all the infrastructure requirements (engineering as well as social infrastructure) that falls within the mandate of the municipality and is funded by the municipality including grants, own funding and borrowings. It is an important tool in ensuring that long-term infrastructure investment decisions are timeously made in a financially viable way to support the IUDF objectives in facilitating spatial transformation.

#### ALLOCATION AND EXPENDITURE

## CHAPTER 5: FINANCIAL PERFORMANCE

Description	2021/22
Allocation	R54 266 000
Expenditure	R48 551 669
Difference	R5 714 331

Table 188: Allocation and Expenditure

### RELATING BACKLOGS TO MUNICIPAL SPENDING ON SERVICE DELIVERY INFRASTRUCTURE

One of the municipal IDP objectives is that the municipality must concentrate on its core functions to improve efficiency of its service delivery to households who are in dire need of basic services.

### LIST OF PROJECTS FOR THE 2021/22 FINANCIAL YEAR:

Project Name
Upgrade of gravel roads
Resealing of Roads
Lerato Park Sewer Upgrade
Craven Street Taxi Rank Upgrade
Township Establishment
Elevated Water Tanks Distribution
Homevale Firestation

Table 192: List of Projects for 2021/22 Financial Year

### WHAT ARE THE RESULTS AND WHO BENEFITS IN 2021/22

The following project deliverables were achieved for financial year 2021/22:

Project Name	Project Deliverables
Upgrade of gravel roads	3 km of access roads were paved .
Resealing of Roads	93 000 square metres of roads were patched and resealed
Lerato Park Sewer Upgrade	Installation of electrical and mechanical components in Lerato Park Sewer Pump Station
Craven Street Taxi Rank Upgrade	Appointment of a service provider for the construction of Craven Street Centre using pre-owned shipping containers for business development
Township Establishment	512 Erven were planned and surveyed.
Elevated Water Tanks Distribution	Service provider appointed for construction of foundations for 2 elevated water tanks
Homevale Firestation	Construction of Fire Station 97% complete

Table 193: Projects Deliverables Achieved

### WATER SERVICES INFRASTRUCTURE GRANT (WSIG)

## CHAPTER 5: FINANCIAL PERFORMANCE

The 2021/22 financial year's allocation is dedicated towards the completion of the Carter's Ridge Sewer Outfall Line which commenced in 2019/20. Linked to this project is the construction of a new pump station building within Carter's Ridge area. The tender process for this project need to fast tracked in order to avoid future delays and under-spending.

### THE NEIGHBOURHOOD DEVELOPMENT PARTNERSHIP GRANT (NDPG)

An amount of R10 million was allocated to the municipality for the 2021/22 financial year under NDPG, to proceed with the next phase of works. The municipality appointed consulting engineers to complete the detailed designs and work that was advertised in November 2020. A contractor was appointed, however, later terminated due to not meeting contractual requirements. There were intentions to appoint the second lowest bidder from the received tenders, however, during the month of September 2021 it was decided that the tender be re-advertised. It is advised that the consulting engineers be instructed to commence with the process of re-advertising and ensure that the cooling off period in terms of CIDB is observed.

### 5.3 ASSET MANAGEMENT

#### 5.3.1 Introduction to Asset Management

The implementation of GRAP within the public sector requires of entities to perform a review of useful lives as well as to conduct impairment testing on an annual basis.

A direct relationship exists between conditional assessment and the useful life assessment, as the condition of an asset will inform the municipality of its remaining useful life.

This exercise was duly completed and the necessary journals to adjust the RUL (Remaining Useful Lives) of the assets was implemented.

National Treasury indicates that the review of useful life is a check to see if there is any evidence to suggest that the expected life should be changed. This evidence could be internal or external.

These factors will provide evidence of an asset's function and capacity/utilisation from which to form an opinion on the condition of the asset (Conditional assessment).

The DPLG Guidelines for infrastructure management suggests this simple generic five-point grading:

Grade	Description	Detailed description	Indicative RUL
1	Very good	Sound structure well maintained. Only normal maintenance required	71-100% EUL
2	Good	Serves needs but minor deterioration (< 5%). Minor maintenance required	46-70% EUL

## CHAPTER 5: FINANCIAL PERFORMANCE



Grade	Description	Detailed description	Indicative RUL
3	Fair	Marginal, clearly evident deterioration (10-20%). Significant maintenance required	26-45% EUL
4	Poor	Significant deterioration of structure and/or appearance. Significant impairment of functionality (20-40%). Significant renewal/upgrade required	11-25% EUL
5	Very poor	Unsound, failed needs reconstruction/replacement (> 50% needs replacement)	0-10% EUL

Table 189: Five-Point Grading

### HERITAGE ASSETS

The Municipality has identified the following categories of heritage assets:

- Municipal jewellery
- Other antiques and collections
- Antique paintings
- Areas of land of historic or specific significance
- Monuments

### COMMUNITY ASSETS

Community assets are defined as any asset that contributes to the community's well-being. Examples are parks, libraries and fire stations.

#### 5.3.2 Repairs and Maintenance Expenditure 2021/22

Description	Original Budget	Adjustment Budget	Actual	Budget variance
	(R)			%
Repairs and Maintenance Expenditure	279 331	231 530	192 138	-17.0%

Table 190: Repairs and Maintenance Expenditure

#### 5.3.3 Repairs and Maintenance over the past Three Financial Years

Repairs and Maintenance	2019/20	2020/21	2021/22
	R'000		
Total operating expenditure	1 937 694	2 161 846	2 308 662
Actual expenditure Repairs and Maintenance	152 736	165 616	192 138

## CHAPTER 5: FINANCIAL PERFORMANCE



Repairs and Maintenance	2019/20	2020/21	2021/22
	R'000		
Percentage	7.88%	7.66%	8.32%

Table 191: Repairs and Maintenance over the past Three Financial Years

The graph below reflects the repairs and maintenance as a percentage of operating expenditure for the past three financial years



Graph 29: Repairs and Maintenance as a Percentage of Operating Expenditure

### 5.3.4 Comment on Repairs and Maintenance 2021/22

For the 2021/22 financial year, 83.0% of the adjusted repairs and maintenance budget was spent, resulting in an underspending of 17.0%. It should be noted that at year-end, certain qualifying repairs and maintenance expenditure is capitalised as soon as the useful life of the asset is extended, and this negatively influences the overall expenditure on the operational repairs and maintenance. Repairs and maintenance spending can be improved but with the lack of adequate maintenance plans, funds are not always spent cost-effectively. This has a negative impact on service delivery and the availability of funds for routine, planned maintenance. There appears to be a high level of crises management which is exacerbated by aging infrastructure. This urgently needs to be addressed to ensure the surety and sustainability of services.

Wastage of material and labour also needs to be addressed to maintain assets and ensure that it operates at optimal levels. It is imperative that assets are maintained at periodic intervals to ensure that the useful life of an asset is maximised. Repairs and maintenance as a percentage of gross operational expenditure was 8.3% for the period under review, which is aligned to the norm of 8%.

## CHAPTER 5: FINANCIAL PERFORMANCE

### 5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

#### 5.4.1 Liquidity Ratio

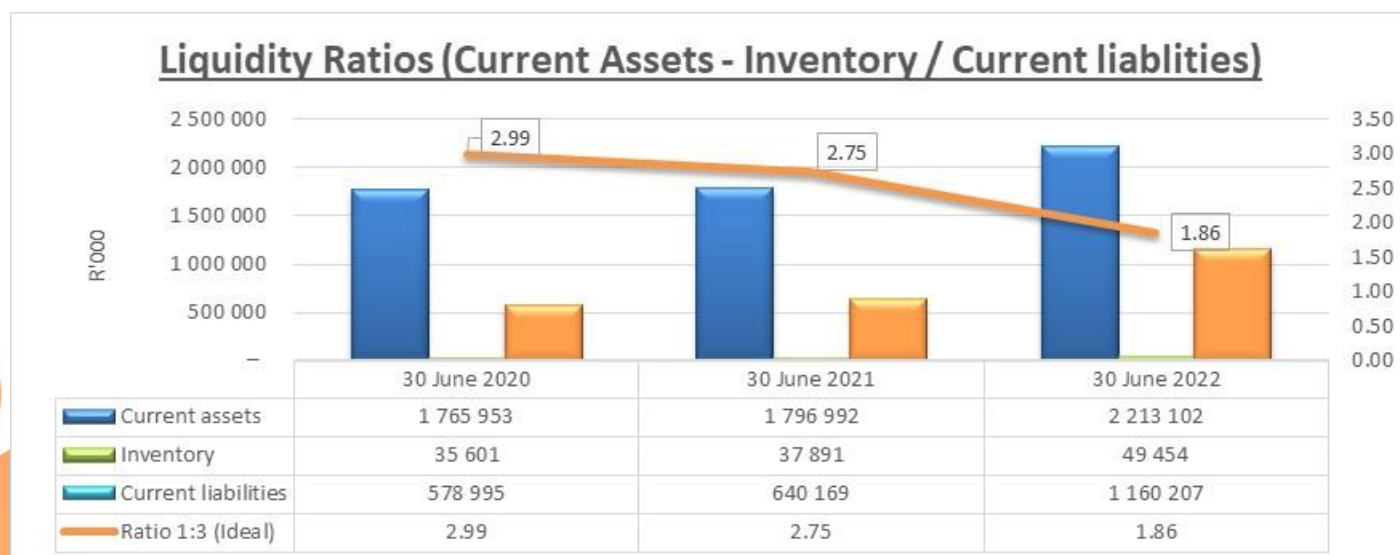
Liquidity Ratio	30 June 2020	30 June 2021	30 June 2022
	R'000		
Current assets	1 765 953	1 796 992	2 213 102
Inventory	35 601	37 891	49 454
Current liabilities	578 995	640 169	1 160 207
<b>Ratio 1:2 (Ideal)</b>	<b>2.99</b>	<b>2.75</b>	<b>1.86</b>

Table 192: Liquidity Ratio

#### COMMENT ON LIQUIDITY RATIO

The liquidity ratio of the municipality has declined when compared to the previous financial year, from 1:2.75 to 1:1.86, against a National Treasury norm of 1:3, which is a major concern, however distorted by a significant Trade Receivables balance at year-end and exacerbated by the increase in Current Liabilities. This means that each rand of Current Liabilities of the municipality is covered 1.86 times by its current assets. It further indicates that the municipality can meet its short to medium term commitments from a liquidity perspective, but not necessarily from a cash perspective, especially when considering the escalation in debt owed to Eskom and the Water Board, the lower debtor's collection rate and cost coverage ratios below.

The graph below reflects the liquidity ratios for the past three financial years



Graph 30: Liquidity Ratios

## CHAPTER 5: FINANCIAL PERFORMANCE

### 5.4.2 Cost Coverage Ratio

Cash / Cost Coverage Ratio	30 June 2020	30 June 2021	30 June 2022
	R'000		
Number of months cost coverage	1 Month	0 Month	1 Month
Number of days cost coverage	16 Days	7 Days	36 Days
<b>Cost coverage ratio</b>	<b>0.53</b>	<b>0.23</b>	<b>1.20</b>
Cash and cash equivalents	99 307	39 010	190 783
Unspent Conditional Grants	27 126	6 273	1 726
Total Annual Operational Expenditure	1 634 755	1 689 715	1 894 527

Table 193: Cost Coverage Ratio

#### COMMENT ON COST COVERAGE RATIO

The cost coverage ratio of the municipality has improved from 0.23 (7 days) for the year ended 30 June 2021 to 1.2 (36 days) for the year ended 30 June 2022. The ratio shows the number of months for which the municipality would be able to fund its monthly expenditure should no revenue be received. This in fact means that the municipality has cash reserves available for one month. This ratio is very alarming, and serious interventions will have to be put in place to drastically turn the situation around. The main reason for the decline is the decrease in the cash balance as at year-end, increased capital expenditure, repayment of long-term borrowing, low collection rate, high operational expenditure, including excessive expenditure on overtime, EPWP and various other factors.

The graph below reflects the cost coverage ratio for the past three financial years



Graph 31: Cost Coverage Ratio



## CHAPTER 5: FINANCIAL PERFORMANCE

### 5.4.3 Total Outstanding Service Debtors

Total Outstanding Service Debtors	30 June 2020	30 June 2021	30 June 2022
Outstanding debt	1 128 670	1 249 632	1 434 129
Amount billed	1 049 129	1 053 050	1 145 790
Percentage	107.58%	118.67%	125.17%

Table 194: Total Outstanding Service Debtors

#### COMMENT ON TOTAL OUTSTANDING SERVICE DEBTORS

Outstanding service debtors have increased from 118.67% as at 30 June 2021, to 125.17% as at 30 June 2022. This is a worrying trend and debt collection measures need to be put in place to address the increasing outstanding debtors of the municipality. Tough economic conditions and unemployment negatively contributes to the increase in outstanding debtors. It is imperative that the Credit Control and Debt Collection Policy is applied fairly and consistently. This will go a long way in improving on the payment culture across customer groups.

The graph below reflects the outstanding debtors as a percentage of billed revenue for the past three financial years



Graph 32: Debtors as a Percentage of Billed Revenue

### 5.4.4 Debt Coverage

Debt Coverage	30 June 2020	30 June 2021	30 June 2022
	R'000		
Total liabilities	993 665	1 048 900	1 573 701

## CHAPTER 5: FINANCIAL PERFORMANCE

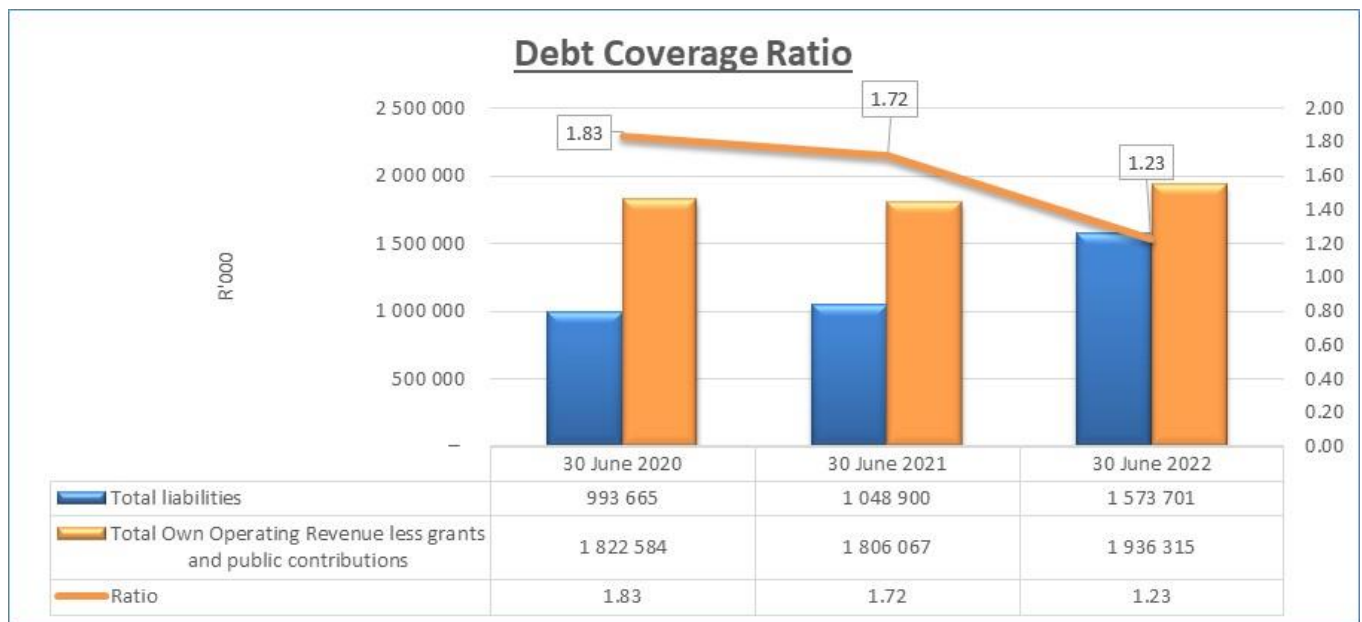
Debt Coverage	30 June 2020	30 June 2021	30 June 2022
	R'000		
Total Own Operating Revenue less grants and public contributions	1 822 584	1 806 067	1 936 315
<b>Ratio</b>	<b>1.83</b>	<b>1.72</b>	<b>1.23</b>

Table 195: Debt Coverage

### COMMENT ON DEBT COVERAGE

The debt coverage ratio examines the relationship between the municipality's own generated revenue (revenue excluding grants, subsidies and public contributions received) and the total liabilities of the municipality. This ratio has declined from the previous financial year. Mainly because total liabilities increased by 50%, whilst the own revenue increased by 7%

The graph below reflects the debt coverage for the past three financial years



Graph 33: Debt Coverage

### 5.4.5 Creditors System Efficiency

Creditors System Efficiency	30 June 2020	30 June 2021	30 June 2022
	R'000		
Outstanding creditors	340 066	416 521	972 148
Total credit purchases	947 846	930 596	1 094 338

## CHAPTER 5: FINANCIAL PERFORMANCE



Creditors System Efficiency	30 June 2020	30 June 2021	30 June 2022
	R'000		
Percentage	35.88%	44.76%	88.83%

Table 196: Creditors System Efficiency

### COMMENT ON CREDITORS SYSTEM EFFICIENCY

The percentage of outstanding creditors as a percentage of the total credit purchases of the municipality have significantly increased compared to the previous financial year. This is mainly due to the cash flow constraints experienced by the municipality and the high Eskom accounts during the winter months of June, July and August resulting in the significant increase in outstanding creditors as at 30 June 2022. Trade payables increased by 133%.

The graph below reflects the creditors system efficiency for the past three financial years



Graph 34: Creditors System Efficiency

### 5.4.6 Capital Charges to Operating Revenue

Capital Charges to Operating Revenue	30 June 2020	30 June 2021	30 June 2022
	R'000		
Total revenue	2 030 786 174	2 180 642 595	2 176 889 377
Interest paid on long term borrowings (AFS Note 33)	24 948 017	23 527 986	22 325 916
Percentage	1.23%	1.08%	1.03%

Table 197: Creditors System Efficiency

### COMMENT ON CAPITAL CHARGES TO OPERATING REVENUE

## CHAPTER 5: FINANCIAL PERFORMANCE



The interest paid on long-term borrowing as a percentage of total revenue has decreased from 1.08% (2020/21) to 0.94% (2021/22). The municipality did not incur any long-term borrowing for the period under review.

The graph below reflects the capital charges to operating revenue for the past three financial years



Graph 35: Capital Charges to Operating Revenue

### 5.4.7 Employee Costs

Employee costs	30 June 2020	30 June 2021	30 June 2022
	R'000		
Gross Revenue	2 180 643	2 179 055	2 372 819
Gross Expenditure	1 937 694	2 161 846	2 308 662
Employee costs	653 809	726 331	766 906
Employee costs as a % of Gross Revenue	<b>29.98%</b>	<b>33.33%</b>	<b>32.32%</b>

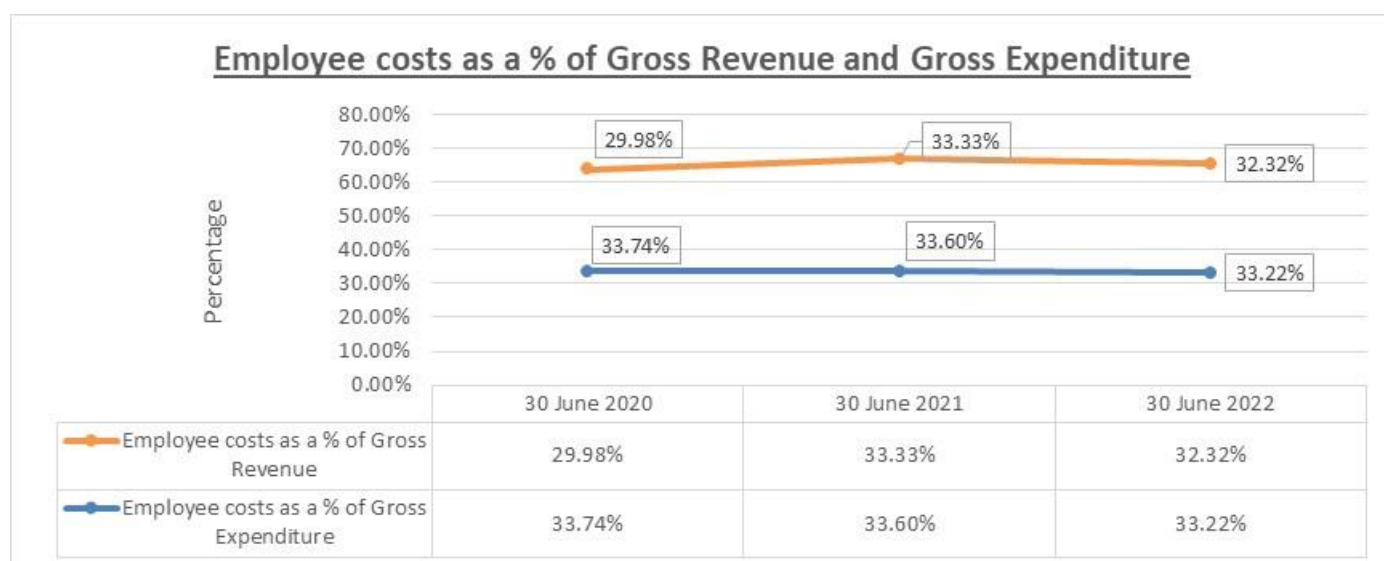
Table 198: Employee Costs

#### COMMENT ON EMPLOYEE COSTS

Employee cost as a percentage of gross revenue and gross expenditure has decreased from the previous financial year

The graph below reflects the employee costs as a percentage of gross revenue and gross expenditure for the past three financial years

## CHAPTER 5: FINANCIAL PERFORMANCE



Graph 36: Employee Costs as a Percentage of Gross Revenue and Expenditure

### 5.4.8 Repairs and Maintenance

R&M as percentage of Expenditure	30 June 2020	30 June 2021	30 June 2022
	R'000		
Actual expenditure Repairs and Maintenance	152 736	165 616	192 138
Gross Expenditure	1 937 694	2 161 846	2 308 662
Percentage	<b>7.88%</b>	<b>7.66%</b>	<b>8.32%</b>

Table 199: Repairs and Maintenance

#### COMMENT ON REPAIRS AND MAINTENANCE

Repairs and maintenance cost as a percentage of total expenditure has increased from the previous financial year. This is attributable to the saving of 17% versus the allocated budget.

**The graph below reflects repairs and maintenance as a percentage of operating expenditure for the past three financial years**

## CHAPTER 5: FINANCIAL PERFORMANCE



Graph 37: Repairs and Maintenance as a Percentage of Operating Expenditure

### COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

#### 5.5 Capital Expenditure

Capital expenditure relates mainly to construction projects that will have value lasting over many years. Capital expenditure is funded from conditional capital grants and own internally generated funds. Component B deals with capital spending indicating where the funding comes from and whether Municipalities are able to spend the available funding as planned. The capital spending for the 2021/22 financial year increased substantially from the 2020/21.

This is representative of the most important infrastructure programmes because it comprises of Roads, Water and Sanitation and Electricity projects. Of the projects mentioned, relates to the Lerato Park Sewer and Water projects as well as the Electricity project. The Carters Glen Sewer Pump Station project is also one of the major projects, with substantial funding received from the Water Services Infrastructure Grant (WSIG).

##### 5.5.1 Capital Expenditure – New & Upgrade/Renewal Programmes

###### a) CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME

Capital Expenditure - New Assets Programme*							
Description	2020/21	2021/22			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2021/22	2022/23	2023/24
	R'000						
Capital expenditure by Asset Class							

## CHAPTER 5: FINANCIAL PERFORMANCE



Capital Expenditure - New Assets Programme*							
Description	2020/21	2021/22			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2021/22	2022/23	2023/24
	R'000						
<b>Infrastructure – Total</b>	<b>35 223</b>	<b>39 000</b>	<b>42 200</b>	<b>42 200</b>	<b>51 948</b>	<b>69 786</b>	<b>73 075</b>
<b>Infrastructure: Road transport – Total</b>	<b>6 163</b>	<b>13 000</b>	<b>15 200</b>	<b>15 200</b>	15 000	20 000	20 000
Roads Infrastructure	6 163	13 000	15 200	15 200	15 000	20 000	20 000
<b>Storm water Infrastructure - Total</b>	<b>1 963</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Storm water Conveyance	1 963	0	0	0	0	0	0
<b>Infrastructure: Electricity – Total</b>	<b>0</b>	<b>1 000</b>	<b>1 000</b>	<b>1 000</b>	<b>6 000</b>	<b>6 000</b>	<b>6 000</b>
LV Networks	0	0	0	0	4 000	0	0
Capital Spares	0	1 000	1 000	1 000	2 000	6 000	6 000
<b>Infrastructure: Water – Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10 000</b>	<b>26 018</b>	<b>28 508</b>
Distribution	0	0	0	0	10 000	26 018	28 508
<b>Infrastructure: Sanitation – Total</b>	<b>27 098</b>	<b>25 000</b>	<b>26 000</b>	<b>26 000</b>	<b>20 948</b>	<b>17 768</b>	<b>18 567</b>
Pump Station	19 291	25 000	21 000	21 000	19 948	17 768	0
Toilet Facilities	7 807	0	5 000	5 000	1 000	0	18 567
<b>Total Capital Expenditure on renewal of existing assets</b>	<b>35 223</b>	<b>39 000</b>	<b>42 200</b>	<b>42 200</b>	<b>51 948</b>	<b>69 786</b>	<b>73 075</b>

Table 200: Total Capital Expenditure on renewal of existing assets



## CHAPTER 5: FINANCIAL PERFORMANCE



Capital Expenditure - New Assets Programme*							
Description	2020/21	2021/22			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2021/22	2022/23	2023/24
	R'000						
Capital expenditure by Asset Class							
Infrastructure – Total	51 665	87 266	61 266	61 266	55 090	20 000	20 898
Infrastructure: Electricity - Total	16 469	65 000	38 000	38 000	33 000	20 000	20 898
LV Networks	16 469	65 000	38 000	38 000	33 000	20 000	20 898
Infrastructure: Water - Total	1 312	0	1 000	1 000	1 000	0	0
Distribution	1 312	0	1 000	1 000	1 000	0	0
Infrastructure: Sanitation - Total	21 320	22 266	22 266	22 266	21 090	0	0
Reticulation	21 320	22 266	22 266	22 266	21 090	0	0
Community	5 055	0	3 000	3 000	0	0	0
Fire/Ambulance Stations	5 055	0	3 000	3 000	0	0	0
Investment properties	1 437	3 000	3 000	3 000	5 000	5 000	5 000
Improved Property	1 437	3 000	3 000	3 000	5 000	5 000	5 000
Other assets	1 763	5 500	5 500	5 500	13 300	5 500	5 500
Computers - hardware/equipment	1 687	3 500	3 500	3 500	11 300	3 500	3 500
Furniture and other office equipment	76	2 000	2 000	2 000	2 000	2 000	2 000
Intangibles	2 483		14 400	14 400	0	0	0
Licences and Rights	2 483	0	14 400	14 400	0	0	0
Transport Assets	1 825	4 000	9 500	9 500	35 405	21 882	17 596
Transport Assets	1 825	4 000	9 500	9 500	35 405	21 882	17 596
Total Capital Expenditure on New Assets	51 665	99 766	96 666	96 666	108 795	52 382	48 994

Table 201: Capital Expenditure - New Assets Programme



## CHAPTER 5: FINANCIAL PERFORMANCE



Capital Expenditure - New Assets Programme*							
Description	2020/21	2021/22			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2021/22	2022/23	2023/24
	R'000						
Capital expenditure by Asset Class							
Infrastructure - Total	31 971	32 500	19 800	19 800	21 000	32 000	42 000
Infrastructure: Road transport - Total	31 971	30 000	17 300	17 300	12 000	30 000	40 000
Roads Infrastructure	31 971	30 000	17 300	17 300	12 000	30 000	40 000
Infrastructure: Electricity - Total	0	1 500	1 500	1 500	7 000	0	0
HV Substations	0	1 500	1 500	1 500	7 000	0	0
Infrastructure: Water - Total	0	1 000	1 000	1 000	2 000	2 000	2 000
Distribution		1 000	1 000	1 000	2 000	2 000	2 000
Community - Total	643	8 000	8 000	8 000	8 300	0	0
Stalls	643	8 000	8 000	8 000	8 300	0	0
Total Capital Expenditure on renewal of existing assets	32 613	40 500	27 800	27 800	29 300	32 000	42 000

Table 202: Capital Expenditure – Renewal of Existing Assets

### 5.6 SOURCES OF FINANCE

The table below indicates the capital expenditure by funding source for the 2021/22 financial year:

Details	2020/21	2021/22			2021/22 Variance	
	Audited outcome	Original budget (OB)	Adjustment budget	Actual	Adjustment to OB variance	Actual to OB variance
	R'000				%	
Source of finance						
External loans	0	0	0	0	0.0%	0.0%
Public contributions and donations	0	0	0	0	0.0%	0.0%

## CHAPTER 5: FINANCIAL PERFORMANCE



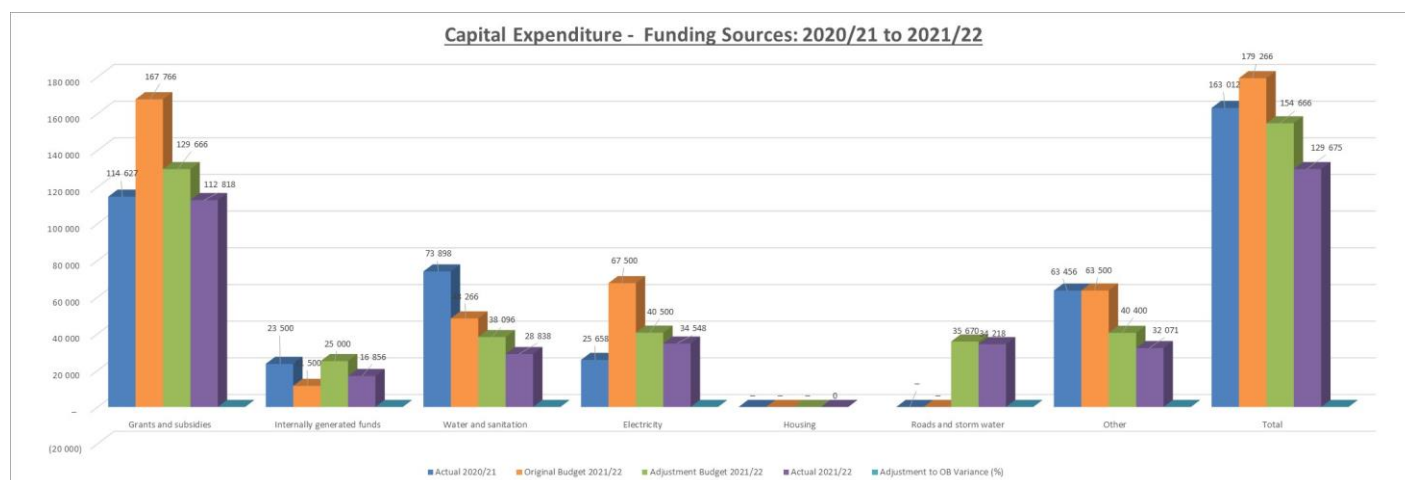
Details	2020/21	2021/22			2021/22 Variance	
	Audited outcome	Original budget (OB)	Adjustment budget	Actual	Adjustment to OB variance	Actual to OB variance
	R'000				%	
Grants and subsidies	114 627	167 766	129 666	112 818	-12.99%	-32.75%
Internally generated funds	23 500	11 500	25 000	16 856	-32.57%	46.58%
<b>Total</b>	<b>138 127</b>	<b>179 266</b>	<b>154 666</b>	<b>129 675</b>	<b>-16.16%</b>	<b>-27.66%</b>
<b>Percentage of finance</b>						
External loans	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Public contributions and donations	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants and subsidies	83.0%	93.6%	83.8%	87.0%	80.4%	118.4%
Internally generated funds	17.0%	6.4%	16.2%	13.0%	201.6%	-168.4%
<b>Capital expenditure</b>						
Water and sanitation	73 898	48 266	38 096	28 838	-24.30%	-40.25%
Electricity	25 658	67 500	40 500	34 548	-14.70%	-48.82%
Housing	0	0	0	0	0.00%	0.00%
Roads and storm water	0	0	35 670	34 218	-4.07%	0.00%
Other	63 456	63 500	40 400	32 071	-20.62%	-49.50%
<b>Total</b>	<b>163 012</b>	<b>179 266</b>	<b>154 666</b>	<b>129 675</b>	<b>-16.16%</b>	<b>-27.66%</b>
<b>Percentage of expenditure</b>						
Water and sanitation	45.3%	26.9%	24.6%	22.2%	150.4%	145.5%
Electricity	15.7%	37.7%	26.2%	26.6%	90.9%	176.5%
Housing	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Roads and storm water	0.0%	0.0%	23.1%	26.4%	0.0%	0.0%
Other	38.9%	35.4%	26.1%	24.7%	127.6%	178.9%

Table 203: Capital Funded by Source

## CHAPTER 5: FINANCIAL PERFORMANCE



The graph below reflects the capital funded by source for the past three financial years



Graph 38: Capital Funded by Source

### COMMENT ON SOURCES OF FINANCE

The majority of capital is funded by National Government (86%), Other transfers and grants (11%) and internally generated funds (16%). It is evident that the municipality is highly capital grant dependent and is a major contributor to the municipality's ability to fund its capital budget. Cash flow constraints is a major impediment on the municipality's ability to implement an accelerated capital investment from its own funds to ensure that new assets are created, and existing assets are upgraded and renewed as planned. Also, due to the current financial constraints, the municipality cannot supplement the capital budget with external long-term borrowing due to a lack of affordability and its liquidity to maintain the loan.

### 5.7 CAPITAL SPENDING ON FIVE LARGEST PROJECTS

Projects with the highest capital expenditure in 2021/22

Capital Projects	2021/22				
	Budget	Adjustment Budget	Actual Expenditure	Original Variance	Adjustment Variance
	R'000			%	
A. Electrification Lethabo Park	20 000 000	23 320 000	17 397 805	-13%	-25%
B. Lerato Park Sewer	22 266 000	22 266 000	8 733 604	-61%	-61%
C. Carters Glen Sewer Pump Station	25 000 000	21 000 000	13 016 584	-48%	-38%
D. Resealing of Roads	13 000 000	11 700 000	11 182 290	-14%	-4%
E. Upgrading of Gravel Roads	10 000 000	10 000 000	9 998 073	0%	0%

Projects with the highest capital expenditure in 2021/22

Table 204: Capital Spending on Five Largest Projects

## CHAPTER 5: FINANCIAL PERFORMANCE



Name of Project – A	Electrification Lethabo Park
Objective of Project	To ensure the adequate provision, upgrading and maintenance of electricity services infrastructure
Delays	Delays were encountered during implementation of the project. Appointment was late.
Future Challenges	Possible funding challenges to continue with the programme
Anticipated citizen benefits	Access to electricity

Name of Project – B	Lerato Park Sewer
Objective of Project	To ensure the adequate provision, upgrading and maintenance of link bulk services infrastructure for the greater development of Lerato Park
Delays	Challenges experienced with slow progress by the appointed Contractor
Future Challenges	The Mechanical and Electrical part of the works is behind schedule due to non-responsive tenders received
Anticipated citizen benefits	Access to the sewer infrastructure network

Name of Project – C	Carters Glen Sewer Pump Station
Objective of Project	To ensure access to municipal services and expansion for the growing city.
Delays	Water seepage hampering progress
Future Challenges	Project may not be done on the estimated timelines, because of constant pumping and halting the project.
Anticipated citizen benefits	Improved access to sanitation services and clean environment

Name of Project – D	Resealing of Roads
Objective of Project	To address the poor condition of the roads in the Sol Plaatje area through maintenance and upgrading projects
Delays	Delays experienced with encountering existing services such as water pipe leakages to be fixed and the response to that is slow
Future Challenges	Availability of funds to continue with the programme
Anticipated citizen benefits	Tarred roads and improved access to areas within the municipality

Name of Project – E	Upgrade Gravel Roads
Objective of Project	To address the poor condition of the roads in the Sol Plaatje area through maintenance and upgrading projects
Delays	Delays experienced with encountering existing services such as water pipe leakages to be fixed and the response to that is slow
Future Challenges	Availability of funds to continue with the programme

## CHAPTER 5: FINANCIAL PERFORMANCE



Name of Project – E	Upgrade Gravel Roads
Anticipated citizen benefits	Paved streets and improved access to areas within the municipality

### 5.8 CAPITAL PROGRAMME BY PROJECT: YEAR 2021/22

Capital Programme by Project: Year 2021/22					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj)	Variance (Act - OB)
	R'000			%	
Water					
Replacement of water meters	1 000	1 000	624	-38%	-38%
Sanitation/Sewerage					
Lerato Park Sewer	22 266	11 096	8 734	-21%	-61%
Carter's Glen Pump Station	25 000	21 000	16 043	-24%	-36%
Reconstruction of zinc toilets	0	5 000	3 437	-31%	0%
Electricity					
Upgrade of Hadison Park Substation	1 500	1 500	1 317	-12%	-12%
Electrification Lerato park	33 000	6 500	5 438	-16%	-84%
Electrification of Golf Course	0	5 400	4 531	-16%	0%
Electrification of Lethabo Park	20 000	19 820	17 398	-12%	-13%
Electrification of Soul City	0	1 280	536	-58%	0%
Prepaid Meter Replacement Programme	1 000	1 000	976	-2%	-2%
Electricity Lerato Park Service Network	12 000	5 000	4 352	-13%	-64%
Roads					
Upgrade Gravel Roads	10 000	10 000	9 998	0%	0%
Resealing of Roads	13 000	11 700	11 256	-4%	-13%
Distribution FB District Grant	0	3 500	3 500	0%	0%
Storm water					
Galeshewe Storm water Projects	20 000	10 470	9 464	-10%	-53%
Economic development					
Planning and surveying plots to be sold	3 000	3 000	2 457	-18%	-18%
European Union Bear Project	0	14 400	13 891	-4%	0%
Craven Street Trade Centre	8 000	5 000	4 348	-13%	-46%
Sports Arts & Culture					
No projects	0	0	0	0%	0%

## CHAPTER 5: FINANCIAL PERFORMANCE



Capital Programme by Project: Year 2021/22					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj)	Variance (Act - OB)
	R'000			%	
Environment					
No Capital projects	0	0	0	0%	0%
Health					
No Capital projects	0	0	0	0%	0%
Safety and Security					
No Capital projects	0	0	0	0%	0%
ICT					
Replacement Program: IT Hardware	3 500	3 500	3 857	10%	10%
Parks and Recreation					
No Capital projects	0	0	0	0%	0%
Corporate Services					
Other					
Fleet Replacement Programme	4 000	9 500	2 445	-74%	-39%
Replacement Furniture and Office Equipment	2 000	2 000	184	-91%	-91%
Satellite Fire station	0	3 000	2 295	-23%	0%
Total	179 266	154 666	127 081	-18%	-29%

Table 205: Capital Programme by Project: Year 2021/22

### 5.9 CAPITAL PROGRAMME BY PROJECT BY WARD 2021/22

Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj)	Variance (Act - OB)	% Physical Progress	Wards
	R'000			%			
Water							
Distribution - Acq - Wat Meter Replace	1 000	1 000	624	-38%	-38%		All
Sanitation/Sewerage							
Lerato Park Sewer Upgrade Downstream Infra	22 266	11 096	8 734	-21%	-61%	79%	1 &30
Carter's Glen Pump Station	25 000	21 000	16 043	-24%	-36%	76%	24
Reconstruction of sink toilets Phase 1	0	5 000	3 437	-31%	0%	69%	All
Electricity							

## CHAPTER 5: FINANCIAL PERFORMANCE

Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj)	Variance (Act - OB)	% Physical Progress	Wards
	R'000			%			
Upgrade Hadison Park 66/11KV Substation	1 500	1 500	1 317	-12%	-12%	88%	24
Electrification Lerato park	33 000	6 500	5 438	-16%	-84%	84%	30
Electrification Lerato park Link Service Network	12 000	5 000	4 352	-13%	-64%	87%	30
Electrification Golf Course	0	5 400	4 531	-16%	0%	84%	All
Electrification Lethabo Park	20 000	19 820	17 398	-12%	-13%	88%	1
Electrification Soul City		1 280	536	-58%	#VALUE!	42%	12
Capital Spares-Acq-Prepaid Meters	1 000	1 000	976	-2%	-2%	98%	All
<b>Roads</b>							
Upgrade Gravel Roads	10 000	10 000	9 998	0%	0%	100%	All
Resealing of Roads Various Wards	13 000	11 700	11 256	-4%	-13%	96%	All
Resealing of Roads FB	0	3 500	3 500	0%	0%	100%	All
<b>Stormwater</b>							
Acq Stormwater Proj- Stormwater Channel Galesh	20 000	10 470	9 464	-10%	-53%	90%	12 & 14
<b>Economic Development</b>							
Township Establishment Various Wards	3 000	3 000	2 457	-18%	-18%	82%	All
European Union Bear Project	0	14 400	13 891	-4%	0%	96%	All
Craven Street Trade Centre	8 000	5 000	4 348	-13%	-46%	87%	
<b>Sports, Arts &amp; Culture</b>							
No Projects							
<b>Environment</b>							
No Projects							
<b>Health</b>							
No Projects							
<b>Safety and Security</b>							
No Projects							
<b>ICT</b>							
Computer Equipment Replacement	3 500	3 500	3 857	10%	10%	110%	All
<b>Corporate Services</b>							
<b>Other</b>							
Fleet Replacement Programme	4 000	9 500	2 445	-74%	-39%	26%	All
Furniture and Office Equipment	2 000	2 000	184	22%	22%	122%	All

## CHAPTER 5: FINANCIAL PERFORMANCE

Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj)	Variance (Act - OB)	% Physical Progress	Wards
	R'000			%			
Satellite Firestation	0	3 000	2 295	0%	0%	77%	All
TOTAL	179 266	154 666	127 081	-18%	-29%	82%	

Table 206: Capital Programme by Project by Ward 2021/22

### 5.10 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

#### 5.10.1 Introduction

##### BACKLOGS TO MUNICIPAL SPENDING ON SERVICE DELIVERY INFRASTRUCTURE

In the past years the main focus of the Municipality was to upgrade its bulk infrastructure capacity and provision of housing to complement basic service delivery needs. The bulk infrastructure priorities were meant to expedite human settlement programmes within the Municipality. The strategic programmes are ongoing and there has been a significant progress to realise these municipal objectives.

The increase in informal areas is still a major challenge for the municipality. And the rate at which the informal settlements grow outpaces the funding availed to eradicate service backlogs. The current municipal backlogs as presented in the IDP are as follows:

##### Services backlog

Service	Backlog Census 2011	Balance at 30 June 2017	Growth 2011 to 2014
New Houses (subsidised)	7 846	5 296	11 693
New Erven Planned and Surveyed	7 846	2 618	11 693
Houses connected to water	8 743	4 507	10 846
Houses connected to sanitation	9 343	4 076	10 415
Houses connected to electricity	9 127	4 222	12 094
Houses provided with waste removal	9 490	6 190	12 406
Roads Paved all	297km	260km	n/a
Roads resurfaced all	337km	257km	n/a

Source: Municipal IDP Document 2017 -2022

Table 213: Services Backlog

#### 5.10.2 Service Backlogs as at 30 June 2022



## CHAPTER 5: FINANCIAL PERFORMANCE

Service backlogs refer to access to services by all formalised areas without considering the development of top-structures for low-cost housing projects and subsidised houses. Formalised areas are installed with a standpipe water meter and should receive a weekly refuse collection accordingly. Where this service is not provided, these will form part of the backlogs that must be planned and eradicated.

Households (HHs)				
Description	*Service level above minimum standard		**Service level below minimum standard	
	No. HHs	% HHs	No. HHs	% HHs
Water	72 386	99.7	223	0.3
Sanitation	71 776	98.9	814	1.1
Electricity	66 896	93.0	5 042	7.0
Waste management	63 014	86.7	9 615	13.3
Housing	69 450	70.84	20 250	29.16
% HHs are the service above/below minimum standard as a proportion of total households. 'Housing' refers to * formal and ** informal settlements.				

Table 214: Service Backlogs as at 30 June 2022

### ELECTRICITY BACKLOGS

The electricity backlog stands at approximately 5 000 and is increasing each year with more informal shacks being erected within the municipal jurisdiction. However, the provision of electricity to these informal settlements depends on the area being surveyed and pegged by the Town Planning Department. During the 2021/22 financial year, a total of 1 500 households were funded by Department of Mineral Resources & Energy (DMRE) to be electrified, namely Lethabo Park – 1 166 households, Golf Course – 270 households and Soul City - 64 households. The Electrical Department is capacitated to perform its own designs and thus able to achieve more connections with the allocation it receives from DMRE.

### WATER BACKLOGS

The water backlog currently stands at 223 households. The Water department currently has JoJo tanks and standpipes within informal settlements to meet the minimum access standards. Water standpipes are placed within a 200m radius and where this is not possible JoJo tanks is placed. JoJo tanks are filled on a daily basis by means of hired water tankers. Provision of formal services is the responsibility of COGSTA once informal settlements has been formalised

### SANITATION BACKLOGS

The sanitation backlog currently stands at 814 households. The Sanitation department provides chemical toilets for all informal settlements and currently there is 375 chemical toilets placed within informal settlements. Provision of formal services is the responsibility of COGSTA once informal settlements has been formalised.

## CHAPTER 5: FINANCIAL PERFORMANCE

### ROADS AND STORMWATER BACKLOGS

The backlog for upgrading of gravel roads to paved standard, stands at 199.7km and periodic maintenance is 411.58km. Approximately 5.65km of new stormwater infrastructure is needed for Galeshewe. Upgrading of Tlhageng Dam to a concrete structure is also essential to avoid possible damages to properties. R31 Retention Dam also need to be upgraded to avoid possible flooding.

### HOUSING BACKLOG

Baseline Backlog 789 00 but broader Backlog 21 850 considering backyard dwellers and those who have given up applying for housing.

### Implementation Of BNG Housing Projects

The Municipality targeted to construct 500 households with BNG (Breaking New Grounds) houses in the 2020/21 financial year. COGHSTA through its Project Management Unit (PMU) constructed 100 of the 492 houses in Diamond Park. Therefore, the total number of houses constructed for the financial year was 100 units.

### The Municipality's Rental Stock

The Municipality has a rental stock of 936 units. The demand for these units is very high due to high demand for the GAP Housing Market. However, sustainability of CRU's maintenance is compromised due to high default in rental payment. Only 30% of the rent is collected from the CRU's. In order to address this challenge, the Municipality is looking at appointing a management company for the leasing and maintenance of the rental stock starting with Lerato Park.

### Facilitating the Implementation of the National Upgrading Support Programme

The programme was initiated by the National Department of Human Settlements, and Sol Plaatje Municipality was identified to be one of the participants in the programme. The mandate of the NUSP programme is to support municipalities with formalisation and infrastructure upgrading of informal settlements in their municipal area. Out of twenty-nine informal settlements, seventeen settlements totalling 5 416 sites are currently being formalised, and these are:

Area	Number of Sites	State of Progress
Snake Park	1 660 sites	Electrified with 99% services
Ivory Park	1 174 sites	Electrified 60% services
Diamant Park	892 sites	300+100 Houses with all services
Jacksonville Ext	339 sites	72 Houses formalized and 339 electrified with services
Kutlwanoong	48 sites	Formalised and electrified

## CHAPTER 5: FINANCIAL PERFORMANCE



Area	Number of Sites	State of Progress
Colville	130 sites	Formalised phases 1 & 3
Santa Centre	139 sites	Formalized 65 services and Construction of Top-Structures underway and ready for electrification
Phomolong Ext	269 sites	Electrified without services on all sites
Greenpoint	155 sites	None
Waterloo	365 sites, with new Township-establishment	to be located on demarcated sites No services
Riemvasmaak	260 sites (plus/minus)	Electrified without services
Soul City	112 sites (64 sites Forest View & 48 sites King Senare)	Electrified without services
Beaconsfield	28 sites	Infills connecting services outstanding
Donkerhoek	111 sites	Formalized Catalytic Project in terms of National Priority, electrification done without services
Ramorwa	98 sites	Formalized and electrified
Witdam	138 sites	100% Formalized and electrified
Lerato Park	4 600 sites	Phase I & II Build 491 & 428 respectively, 70 Military Veteran's houses build Three (3) blocks of Flats of which consists of 528 Flats Catalytic Project in terms of National Priority

Table 207: Housing Sites Progress Status

The NUSP has enabled the municipality to integrate human settlement interventions

### 5.10.3 Neighbourhood Development Partnership Grant (NDPG) on Service Backlogs

An amount of R78 298 820 was gazetted for the Municipality under the NDPG programme for the 2019/20 financial year. The bulk of the funds were spent to implement the upgrade of Storm Water Infrastructure in Galeshewe Phase 2, Priority 2a Project. The contractor was appointed for phase 2 priority 2b and the contract was terminated in 2020/21 due to poor performance, no actual construction work was done, only site establishment was done. Subsequent to the termination of the contract, National Treasury withdrew funding citing irregular procurement processes. No progress was recorded for 2021/22 due to unavailability of funds.

## COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

### 5.11 CASH FLOW OUTCOMES

The management of cash flow is one of the pivotal tasks of the Finance Department of the municipality. Adequate cash management enables effective decision making and the identification of early warning signs in terms of potential

## CHAPTER 5: FINANCIAL PERFORMANCE

cash flow constraints. It is therefore imperative that cash flow trends be closely monitored, and corrective action be taken timeously when required.

Sol Plaatje Local Municipality invests in short term call investment and notice deposits, all with maturity dates of less than twelve months.

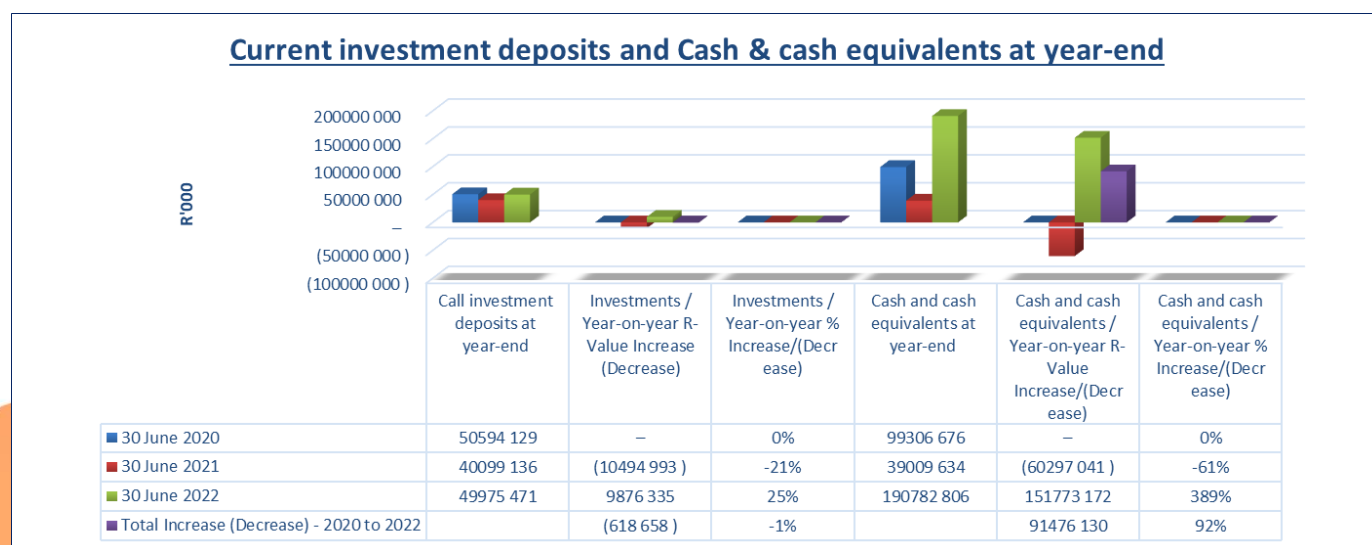
The cash flow status of the municipality is currently being monitored on a daily basis due to the constraints being experienced as depicted in the charts below.

The table below reflects the cost coverage ratio of the municipality for the last three years.

Cost Coverage Ratio	30 June 2020	30 June 2021	30 June 2022
Cost coverage ratio	0.53	0.23	1.20
Number of months cost coverage	1 Month	0 Month	1 Month
Number of days cost coverage	16 Days	7 Days	36 Days
Cash and cash equivalents (R'000)	99 307	39 010	190 783
Unspent Conditional Grants (R'000)	27 126	6 273	1 726
Total Annual Operational Expenditure (R'000)	1 634 755	1 689 715	1 894 527
((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets)			

Table 208: Cost Coverage Ratio

Bar chart depicting call investment deposits and cash & cash equivalents at year-end



Graph 39: Call Investment Deposits and Cash & Cash Equivalents

## CHAPTER 5: FINANCIAL PERFORMANCE



Collection rate	30 June 2020	30 June 2021	30 June 2022
	R'000		
<b>Collection rate</b>	<b>72%</b>	<b>74%</b>	<b>68%</b>
Gross Debtors closing balance	2 429 732	2 515 096	3 029 785
Gross Debtors opening balance	2 387 822	2 429 732	2 515 096
Bad debts written Off	403 262	330 209	35 270
Billed Revenue	1 604 202	1 624 125	1 745 688
<i>(Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance - Bad Debts Written Off)/Billed Revenue x 100</i>			

Table 209: Collection rate for the past 3 financial years

### COMMENT ON CASH FLOW OUTCOMES

As indicated in the above charts, the cash flow position of the municipality is under severe pressure. Although the net cash generated from operating activities (after interest), is still positive, there is a declining trend in the cash balance held by the municipality. For the prior period under review, Cash and cash equivalents decreased by R60 297 million from R99 307 million (2019/20) to R39 010 million (2020/21). For the year under review, Cash and cash equivalents increased by R151 773 million from R39 010 million (2020/21) to R190 783 million (2021/22).

Factors that contribute to the declining cash balance, is the weaker debt collection rate, fuelled by the economic climate and high unemployment rate within the municipal area. The municipality has been encouraging consumers who cannot afford to pay, to apply for indigent support from the municipality. Cash is monitored on a daily basis.

The cash flow outcomes at year end are presented in the table below:

Description	2020/21	2021/22		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
	R'000			
Cash flow from Operating Activities				
Receipts				
Property rates, penalties & collection charges	370 606	537 299	537 299	371 951
Service charges	836 621	901 622	901 622	925 900
Other revenue	62 566	339 839	339 839	57 160
Government - operating	260 426	230 640	230 640	235 986
Government - capital	85 390	149 809	149 809	123 667

## CHAPTER 5: FINANCIAL PERFORMANCE



Description	2020/21	2021/22		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
	R'000			
Interest	116 309	9 000	9 000	30 125
<b>Payments</b>				
Suppliers and employees	(1 579 253)	(1 880 833)	(1 880 833)	(1 414 895)
Finance charges	(36 467)	(22 261)	(22 261)	(72 909)
Transfers and Grants	(2 528)	(4 850)	(4 850)	(2 546)
<b>Net Cash from (used) Operating Activities</b>	<b>113 668</b>	<b>260 265</b>	<b>260 265</b>	<b>254 439</b>
<b>Cash flow from Investing Activities</b>				
<b>Receipts</b>				
Proceeds on disposal of PPE	41	0	0	240
Decrease (Increase) in non-current debtors	0	0	0	0
Decrease (increase) other non-current receivables	(38 091)	0	0	39 842
Decrease (increase) in non-current investments	0	0	0	0
<b>Payments</b>				
Capital assets	(132 020)	(179 266)	(179 266)	(129 675)
<b>Net Cash from (used) Investing Activities</b>	<b>(170 071)</b>	<b>(179 266)</b>	<b>(179 266)</b>	<b>(89 593)</b>
<b>Cash flow from Financing Activities</b>				
<b>Receipts</b>				
Short term loans	0	0	0	0
Borrowing long term/refinancing	5 653	0	0	(2 324)
Increase (decrease) in consumer deposits	0	(5 849)	0	0
<b>Payments</b>				
Repayment of borrowing	(9 548)	(10 734)	(10 734)	(10 750)
<b>Net Cash from (used) Financing Activities</b>	<b>(3 894)</b>	<b>(16 583)</b>	<b>(10 734)</b>	<b>(13 073)</b>
<b>Net Increase/(Decrease) in Cash Held</b>	<b>(60 297)</b>	<b>64 416</b>	<b>70 265</b>	<b>151 773</b>

## CHAPTER 5: FINANCIAL PERFORMANCE

Description	2020/21	2021/22		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
	R'000			
Cash/cash equivalents at the year begin	99 307	93 891	93 891	39 010
Cash/cash equivalents at the year end	39 010	158 307	164 156	190 783

Table 210: Cash Flow Outcomes

### 5.12 BORROWING AND INVESTMENTS

The municipality currently has long term borrowings at the Development Bank of South Africa (DBSA). The municipality applies a conservative approach to borrowing. No additional long-term debt was incurred for the year under review. The balance of these loans amount to R175 550 million as at 30 June 2022.

The table below reflects movement on the loan for the year reported on versus budget.

Description	Original Budget 2021/22	Adjustment Budget 2021/22	Actual 30 June 2022
	R'000		
External borrowings	172 829	172 829	175 550

Table 211: Movement on Loan

#### 5.12.1 Actual Borrowings: 2019/20 to 2021/22

Instrument	2019/20	2020/21	2021/22
	(R'000)		
Municipality			
Long-Term Loans (annuity/reducing balance)	192 518	188 624	175 550
<b>Municipality Total</b>	<b>192 518</b>	<b>188 624</b>	<b>175 550</b>

Table 212: Actual Borrowings

#### 5.12.2 Municipal Investments

Investment type	Actual 2019/20	Actual 2020/21	Actual 2021/22
	(R'000)		
Municipality			

## CHAPTER 5: FINANCIAL PERFORMANCE

Investment type	Actual 2019/20	Actual 2020/21	Actual 2021/22
	(R'000)		
Securities - National Government	0	0	0
Listed Corporate Bonds	0	0	0
Deposits – Current Investments	50 594	40 099	49 975
Deposits - Public Investment Commissioners	0	0	0
Deposits - Corporation for Public Deposits	0	0	0
Bankers' Acceptance Certificates	0	0	0
Negotiable Certificates of Deposit – Banks	0	0	0
Guaranteed Endowment Policies (sinking)	0	0	0
Repurchase Agreements – Banks	0	0	0
Municipal Bonds	0	0	0
Other - Bank including petty cash	48 713	(1 090)	140 807
<b>Total Cash and Cash Equivalents</b>	<b>99 307</b>	<b>39 010</b>	<b>190 783</b>

Table 213: Municipal Investments

### 5.12.3 Comment on Borrowing and Investments

The cash and investment balance have been declining year-on-year, due to several factors which are described in more detail elsewhere in this document. There is a substantial improvement from the 2020/21 to 2021/22 financial year. The external borrowing balance is gradually decreasing as interest and capital is redeemed. No additional loan agreements were entered into for the 2021/22 financial year. The repayment terms on all loans are bi-annual instalments payable in December and June of each year.

The Municipality only has long term borrowings at the Development Bank of South Africa (DBSA). The Municipality applies a conservative approach to borrowing. No additional long-term debt was incurred for the year under review, and as at year end, the balance of these loans amount to R175 550 million.

### 5.13 DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY



## CHAPTER 5: FINANCIAL PERFORMANCE

All Organisations or Persons in receipt of Loans*/Grants* provided by the municipality	Nature of project	Conditions attached to funding	Value 2020/21	Total Amount committed over previous and future years (From 2018/19 to 2022/23)
			R	
SPCA	Stray animal pound	Impounding of stray animals	2 200	15 700
Sol Plaatje Educational Trust	Upkeep of Sol Plaatje Museum	Upkeep	200	1 631
Diamantveld High Wildeklaar Tournament	Sports	Annual event	0	120
Other	On merit	Based on application	0	7 593
<b>Total</b>			<b>2 400</b>	<b>25 044</b>

*\* Loans/Grants - whether in cash or in kind*

Table 214: Declaration of Loans and Grants made by the Municipality

### COMPONENT D: OTHER FINANCIAL MATTERS

#### 5.14 SUPPLY CHAIN MANAGEMENT

The table below reflects the remedial action taken by SCM in response to the finding of the Auditor-General's Report.

Findings	Remedial actions
In the audit, was found that the calculation of PPPFA scoring was not correctly calculated and this led to the wrong bidder being awarded the contract	<ul style="list-style-type: none"> <li>The following segregation of duties mechanism will be implemented:</li> <li>The Evaluation Officer will perform a pre-evaluation and sign as a compiler.</li> <li>The Risk Officer will verify the calculation and sign as proof of verification.</li> <li>The Contract Supervisor will review the scoring and sign as a reviewer.</li> <li>The Bid Evaluation Committee will verify to confirm that the calculations were performed correctly as required, and the chairperson will sign as proof that the committee has reviewed and verified mathematical accuracy.</li> <li>The segregation of duties will be implemented and if not, consequence management will be implemented</li> </ul>
During the audit it was noted that long-term contracts were not advertised for thirty days as is required by the SCM regulations 22(i)(b)(i)	<p>The Contract Custodian must determine the dates and calculate the number of advertisement dates as required.</p> <p>The Manager/supervisor of the Contract Custodian will review and recalculate the advertisement days as required.</p>
Instances where three quotations were not obtained	<p>The acquisition supervisor must ensure that three quotations are attached to all requisitions.</p> <p>In the case of one quotation, a memo explaining why three quotations were not obtained must be attached. Eg. Accredited agencies and sole provider</p>
The requirements of SCM regulations 32 were not fully understood and implemented	<p>The process will be performed in consultation with the Provincial Treasury for advice in order to close all gaps and avoid irregular expenditure</p>

Table 215: Remedial Action Implemented



## CHAPTER 5: FINANCIAL PERFORMANCE

---

### 5.15 GRAP COMPLIANCE

The Municipality has adopted the Generally Recognised Accounting Practices (GRAP) as the accounting reporting framework. As such, the annual financial statements are prepared in accordance with the approved GRAP standards. Where there are no approved GRAP standards, principles of accounting in terms of International Accounting Standards (IASs) and International Public Sector Accounting Standards (IPSASs).

In preparing the financial statements for 2021/22 the Municipality complied with all the issued and approved accounting standards. The accrual basis of accounting informed the preparation of the financial statements, and all amounts are disclosed in the South African Currency, the ZAR. The municipality is a going concern business, and it is expected to continue to exist in the foreseeable future.

The Municipality also limits its exposure to foreign currency by ensuring that all contracts are expressed in ZAR. However, there is a single three-year contractual obligation in USD which the Municipality has entered into with Microsoft.

Assets are disclosed at cost less accumulated depreciation, whilst inventory is carried at the lower of cost or net realisable value.

All financial instruments are recognised at amortised cost. There were interpretation GRAPs issued by ASB to give clarity and further information with regards to disclosure requirements such as i-GRAP1 and i-GRAP17. These are also considered in formulating policy and procedures for recognition and measurement.

The background of the page is composed of several overlapping geometric shapes in shades of orange and yellow. A large, light orange shape with rounded corners occupies the left and bottom portions of the page. Above it, a darker orange shape is partially visible. To the right, a bright yellow shape is partially visible. The overall design is modern and minimalist.

# CHAPTER 6



## CHAPTER 6: AUDITOR-GENERAL AUDIT FINDINGS

### COMPONENT A: AUDITOR-GENERAL OPINION 2020/21

The following tables provide the details on the audit outcomes for the past two financial years with the corrective steps implemented:

#### 6.1 AUDITOR-GENERAL OPINION 2020/21

##### 6.1.1 Financial performance 2020/21

Auditor-General Report on Financial Performance 2020/21	
<b>Audit Report Status:</b>	<b>Qualified Audit Opinion</b>
Audit Findings	118
<b>Non-Compliance Issues</b>	
<b>Basis for qualified opinion</b>	
Property, Plant and Equipment	
Service charges	
Trade Receivables from exchange transactions	
Trade Receivables from non-exchange transactions	
Employee Benefits Liabilities	
Non-Current Provisions	
Irregular Expenditure	
<b>Emphasis of matter paragraphs</b>	
Restatement of corresponding figures	
Material losses	
Underspending of the budget	

Table 216: AG Report on Financial Performance 2020/21

### COMPONENT B: AUDITOR-GENERAL OPINION 2021/22

#### 6.2 AUDITOR-GENERAL OPINION 2021/22

##### 6.2.1 Financial performance 2021/22

Auditor-General Report on Financial Performance 2021/22	
<b>Audit Report Status:</b>	<b>Qualified Audit Opinion</b>
Audit Findings	145
<b>Non-Compliance Issues</b>	
<b>Basis for qualified opinion</b>	

## CHAPTER 6: AUDITOR-GENERAL AUDIT FINDINGS

Auditor-General Report on Financial Performance 2021/22
Property, Plant and Equipment
Investment Property
Inventory
Service charges
Trade Receivables from exchange transactions
Statutory receivables from non-exchange transactions
Revenue from exchange transactions
Emphasis of matter paragraphs
Restatement of corresponding figures
Material losses - Water
Material losses - Electricity

Table 217: AG Report on Financial Performance 2021/22

### 6.2.2 Report of the Auditor-General to the Northern Cape Provincial Legislature and the council on Sol Plaatje Local Municipality

#### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

##### QUALIFIED OPINION

- I have audited the financial statements of the Sol Plaatje Local Municipality set out on pages XX to XX, which comprise the statement of financial position as at 30 June 2022, the statement of financial performance, the statement of changes in net assets, the cash flow statement and the 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.
- In my opinion, except for the effects and possible effects of the matters described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of the Sol Plaatje Local 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 Practise (Standards of GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 9 of 2021 (Dora).

##### BASIS FOR QUALIFIED OPINION

##### Property, plant and equipment

- The municipality did not review the useful lives and indicators of impairment of property, plant and equipment at each reporting date in accordance with GRAP 17, Property, plant and equipment and GRAP 21, Impairment of Non-cash-generating Assets. I was unable to determine the full extent of the

## CHAPTER 6: AUDITOR-GENERAL AUDIT FINDINGS

---

overstatement of property plant and equipment and understatement of impairment, depreciation and amortisation for the current and prior year as it was impracticable to do so. Additionally, there was an impact on the surplus for the period.

4. The municipality did not account for infrastructure assets in accordance with GRAP 17, Property, plant and equipment. Completed infrastructure assets were incorrectly included as under construction. Consequently, infrastructure assets under construction were overstated by R209 060 167 (2021: R401 888 515) and completed assets included in infrastructure assets were understated by R209 060 167 (2021: R401 888 515). I was unable to quantify the misstatement of the depreciation amount as the municipality did not determine useful lives for these completed assets.
5. I was unable to obtain sufficient appropriate audit evidence that infrastructure under construction had been properly accounted for, due to the status of the accounting records. I was unable to confirm the infrastructure under construction by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to service infrastructure under construction stated at R682 534 670 in note 9 to the financial statements. Since infrastructure under construction is included in the determination of net cash flows from operating activities reported in the cash flow statements, I was unable to determine whether any adjustments were necessary to the cash flows from investment activities disclosed at (R89 592 819) in the financial statements.
6. The municipality did not account for infrastructure assets in accordance with GRAP 17, Property, plant and equipment. As the municipality did not maintain adequate and complete records of infrastructure assets, I was unable to determine the full extent of the understatement of completed assets included in infrastructure assets for the current and the prior year, as it was impracticable to do so. There was a resultant impact on the surplus for the period and on the accumulated surplus.

### **Service charges**

7. The municipality did not recognise all sales of water and electricity, as required by GRAP 9, Revenue from exchange transactions. Properties were identified for which the sale of water and electricity was not billed and recorded. I was unable to determine the full extent of the understatement of the sale of water and electricity included in service charges and service debtors for water and electricity included in trade receivables from exchange transactions and VAT payable, as it was impracticable to do so. There was a resultant impact on the surplus for the period and on the accumulated surplus.
8. The municipality did not recognise all sales of water and electricity, as required by GRAP 9, Revenue from exchange transactions. As the municipality did not use accurate consumption data when calculating interim billing, I was unable to determine the full extent of the understatement of the sale of water and electricity included in service charges and service debtors for water and electricity included in trade receivables from exchange transactions and VAT payable, as it was impracticable to do so. There was a resultant impact on the surplus for the period and on the accumulated surplus.

## CHAPTER 6: AUDITOR-GENERAL AUDIT FINDINGS

9. I was unable to obtain sufficient appropriate audit evidence that indigent subsidies provided (free basic services) relating to the sale of water, sale of electricity, refuse removal and sewerage and sanitation included in service charges for the current year had been properly accounted for, due to the status of the accounting records. I was unable to confirm the indigent subsidies provided by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to service charges stated at R1 139 930 202 in note 24 to the financial statements. Since service charges is included in the determination of net cash flows from operating activities reported in the cash flow statements, I was unable to determine whether any adjustments were necessary to the cash flows from operating activities stated at R254 439 388 as disclosed in the financial statements.

### Trade receivables from exchange transactions

10. I was unable to obtain sufficient appropriate audit evidence for the allowance for impairment for trade receivables from exchange transactions, as the debt was written off without the approval of the council. I was unable to confirm the debt write-off by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to the amounts written off as uncollectable stated at R35 269 966 (2021: R330 208 614) in note 4.3 to the financial statements.
11. During 2021, I was unable to obtain sufficient appropriate audit evidence for the allowance for impairment of trade receivables from exchange transactions due to the status of the accounting records. I could not confirm the provision for impairment for exchange receivables by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to the impairment provision, stated at R559 206 109 in note 4.2 to the financial statements. My audit opinion on the financial statements for the period ended 30 June 2021 was modified accordingly. My opinion in the current year is also modified due to the possible effect of this matter on the comparability of allowance for impairment for trade receivables from exchange transactions.

### Statutory receivables from non-exchange transactions

12. During 2021, I was unable to obtain sufficient appropriate audit evidence for the allowance for impairment for statutory receivables due to the status of the accounting records. I could not confirm the provision for impairment for exchange receivables by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to the impairment provision, stated as R201 779 734 in note 5 to the financial statement. My audit opinion on the financial statements for the period ended 30 June 2022 was modified accordingly. My opinion in the current year is also modified due to the possible effect of this matter on the comparability of the allowance for impairment for statutory receivables.

### Investment property

13. The municipality did not review the useful lives and indicators of impairment of investment property at each reporting date in accordance with GRAP 16, Investment property and GRAP 26, Impairment of cash-generating assets. I was unable to determine the full extent of the overstatement of investment

## CHAPTER 6: AUDITOR-GENERAL AUDIT FINDINGS

---

property and depreciation and amortisation for the current and prior year, as it was impracticable to do so. Additionally, there was an impact on the surplus for the period.

14. The municipality did not recognise items that met the definition of investment property in accordance with GRAP 16, Investment property. Investment property was incorrectly classified as community land and inventory. Consequently, investment property was understated by R38 867 114 and community land, and inventory was overstated by R33 652 592 and R5 209 622, respectively.
15. The municipality did not recognise items that met the definition of investment property in accordance with GRAP 16, Investment Property. Rental properties were incorrectly classified as community land and inventory. In addition, rental properties were not included in the accounting records. I was unable to determine the full extent of the understatement, as it was impracticable to do so.

### **Inventory**

16. The municipality did not recognise items that met the definition of inventory in accordance with GRAP 12, Inventories, as these inventory land were incorrectly classified as investment property. I was unable to determine the full extent of the understatement of inventory land and overstatement of investment property, as it was impracticable to do so.

### **Revenue from exchange transactions**

17. I was unable to obtain sufficient appropriate audit evidence regarding the following items as included in the disclosed balance of R1 250 168 344, which had a cumulative effect on revenue from exchange transactions:

- Other income of R14 516 909
- Rental of facilities and equipment of R16 755 155

I was unable to confirm revenue from exchange transactions by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to the total revenue.

### **CONTEXT FOR THE OPINION**

18. 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.
19. 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





## CHAPTER 6: AUDITOR-GENERAL AUDIT FINDINGS

---

audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

20. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

### EMPHASIS OF MATTERS

21. I draw attention to the matters below. My opinion is not modified in respect of these matters.

### Restatement of corresponding figures

22. As disclosed in note 39 to the financial statements, the corresponding figures for 30 June 2021 were restated as a result of errors in the financial statements of the municipality at, and for the year ended, 30 June 2022.

### Material losses

23. As disclosed in note 46.9 to the financial statements, material water losses of R75 476 261 (2021: R69 576 202) were incurred, which represent 64,63% (2021: 61,69%) of total water purchased.
24. As disclosed in note 46.9 to the financial statements, material electricity losses of R189 936 321 (2021: R142 893 865) was incurred, which represent 29,69% (2021: 26,42%) of total electricity purchased.

### OTHER MATTERS

25. I draw attention to the matters below. My opinion is not modified in respect of these matters.

### Unaudited disclosure notes

26. 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. This 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

27. The supplementary information set out on pages XX to XX does not form part of the financial statements and is presented as additional information. I have not audited these schedules and accordingly, I do not express an opinion on them.

### Responsibilities of the accounting for the financial statements

## CHAPTER 6: AUDITOR-GENERAL AUDIT FINDINGS

28. 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 Dora, 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.
29. 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

30. 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.
31. 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

32. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected objectives presented in the annual performance report. I was engaged to perform procedures to identify findings, but not to gather evidence to express assurance.
33. I was engaged to evaluate 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 objective presented in the annual performance report of the municipality for the year ended 30 June 2022:

Objective	Pages in the annual performance report
Key performance area 2 – basic and sustainable service delivery and infrastructure development	x – x

## CHAPTER 6: AUDITOR-GENERAL AUDIT FINDINGS

34. 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.
35. The material findings on the usefulness and reliability of the performance information of the selected objective are as follows:

### Key Performance Area 2 – Basic and Sustainable Service Delivery and Infrastructure Development

#### Various indicators

36. The source information, evidence and method of calculation for measuring the planned indicator were not clearly defined and related systems and processes were not adequate to enable consistent measurement and reliable reporting of performance against the predetermined indicator definitions. As a result, limitations were placed on the scope of my work and I was unable to audit the reliability of the following reported achievements in the annual performance report.

No	Indicator	Planned target	Reported achievement
TL42	To upgrade at least 3 km of access roads to a paved surface in Sol Plaatje area by 30 June 2022	0.75	3
TL43	Patching and resealing of 86 000 square metres of roads in Sol Plaatje area by 30 June 2022	86 000	93 000
TL47	Completion of 35% of the construction work for Lerato Park Link Services by 30 June 2022	35%	0%
TL51	To complete 100% work for the installation of electrical and mechanical components in Lerato Park Sewer pump by 30 June 2022	100%	16%
TL48	To complete the electrification of 1 166 households by 30 June 2022 (Lethabo Park, Phase 1)	1 166	0
TL57	To complete the electrification of 150 over the 411 households in Lerato Park by 30 June 2022	150	0
TL58	To complete the electrification of 64 by 30 June 2022 (Soul City – King Sinare)	64	64

## CHAPTER 6: AUDITOR-GENERAL AUDIT FINDINGS

No	Indicator	Planned target	Reported achievement
TL59	To complete the electrification of 270 households by 30 June 2022 (Golf Course – Riemvasmaak)	270	0
TL61	To complete 100% of the reconstruction work of 320 aged sink toilets in Kagisho, Kutlwanong and Phomolong by 30 June 2022	100%	95%
TL54	To ensure through effective monitoring that a 98% Blue Drop Status on quality compliance is achieved by 30 June 2022	98%	98.8%
TL55	To ensure through effective monitoring that a 60% Green Drop Status on effluent quality compliance is achieved by 30 June 2022	60%	43%
TL60	To complete 100% of the construction of the Homevale Fire Station by 30 June 2022	100%	97%
N/A	Complete 100% rehabilitation of the Thlageng attenuation dam in Galeshewe by 30 June 2022	100%	None
N/A	Completion of 75% of the construction work for the Carters Ridge sewer pump station building with all electrical and mechanical equipment by 30 June 2022	75%	None

### Various indicators

37. A comparison between the performance of the year under review and previous year was not included in the annual performance report for the listed indicators.

No	Indicator	Planned target	Reported achievement
TL42	To upgrade at least 3 km access roads to a paved surface in Sol Plaatje area by 30 June 2022	0.75	3
TL43	Patching and resealing of 86 000 square metres of roads in Sol Plaatje area by 30 June 2022	86 000	93 000
TL51	To complete 100% work for the installation of electrical and mechanical components in Lerato Park Sewer pump Station by 30 June 2022	100%	16%
TL11	15 000 Indigent households to receive free basic services (water, electricity, sanitation and waste removal according to national guidelines) by 30 June 2022	15 000	12 264

## CHAPTER 6: AUDITOR-GENERAL AUDIT FINDINGS

No	Indicator	Planned target	Reported achievement
TL48	To complete the electrification of 1 166 households by 30 June 2022 (Lethabo Park, Phase 1)	1 166	0
TL57	To complete the electrification of 150 over the 411 households in Lerato Park by 30 June 2022	150	0
TL61	To complete 100% of the reconstruction work of 320 aged sink toilets in Kagisho, Kutlwanong and Phomolong by 30 June 2022	100%	95%
TL53	Decrease water losses to 50% by 30 June 2022	50%	64,63%
TL50	Decrease electricity losses to 16% by 30 June 2022	16%	29,69%
TL54	To ensure through effective monitoring that a 98% Blue Drop Status on quality compliance is achieved by 30 June 2022	98%	98,80%
TL55	To ensure through effective monitoring that a 60% Green Drop Status on effluent quality compliance is achieved by 30 June 2022	60%	43%
TL60	To complete 100% of the construction of the Homevale Fire Station by 30 June 2022	100%	97%

### Various indicators

38. I was unable to obtain sufficient appropriate audit evidence to support the measures taken to improve performance in the annual performance report. This was due to limitations placed on the scope of my work. I was unable to confirm the reported measures taken by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported measures taken to improve performance for the indicators listed below.

No	Indicator	Planned target	Reported achievement
TL47	Completion of 35% of the construction work for Lerato Park Link Services by 30 June 2022	35%	0%
TL51	To complete 100% of the work for the installation of electrical and mechanical components in Lerato Park Sewer sewer pump Station by 30 June 2022	100%	16%

## CHAPTER 6: AUDITOR-GENERAL AUDIT FINDINGS

No	Indicator	Planned target	Reported achievement
TL11	15 000 Indigent households to receive free basic services (water, electricity, sanitation and waste removal according to national guidelines) by 30 June 2022	15 000	12 264
TL48	To complete the electrification of 1 166 households by 30 June 2022 (Lethabo Park, Phase 1)	1 166	-
TL57	To complete the electrification of 150 over the 411 households in Lerato Park by 30 June 2022	150	0
TL59	To complete the electrification of 270 households by 30 June 2022 (Golf Course – Riemvasmaak)	270	0
TL61	To complete 100% of the reconstruction work of 320 aged sink toilets in Kagisho, Kutlwanong and Phomolong by 30 June 2022	100%	95%
TL53	Decrease water losses to 50% by 30 June 2022	50%	64,63%
TL50	Decrease electricity losses to 16% by 30 June 2022	16%	29,69%
TL55	To ensure through effective monitoring that a 60% Green Drop Status on effluent quality compliance is achieved by 30 June 2022	60%	43%
TL60	To complete 100% of the construction of the Homevale Fire Station by 30 June 2022	100%	97%

### Various indicators

39. The planned indicators and targets as per the approved initial service delivery and budget implementation plan and the performance against the planned targets were not reported in the annual performance report for the below performance indicators.

Indicator	Target
Complete 100% rehabilitation of the Thlageng attenuation dam in Galeshewe by 30 June 2022	100%
Completion of 75% of the construction work for the Carters Ridge sewer pump station building with all electrical and mechanical equipment by 30 June 2022	75%

## CHAPTER 6: AUDITOR-GENERAL AUDIT FINDINGS

---

### **Decrease water losses to 50% by 30 June 2021**

40. I was unable to obtain sufficient appropriate audit evidence for the achievement of 64,63% reported against the targeted 50% in the annual performance report, due to the lack of accurate and complete records. I was unable to confirm the reported achievement by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported achievement.

### **Other matter**

41. I draw attention to the matter below.

### **Achievement of planned targets**

42. Refer to the annual performance report on pages x to x for information on the achievement of planned targets for the year of targets. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraphs x to x of this report.

## **REPORT ON THE AUDIT OF COMPLIANCE WITH LEGISLATION**

### **Introduction and scope**

43. 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.

### **Annual financial statements and annual report**

44. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of current assets and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected, but the uncorrected material misstatements and supporting records that could not be provided resulted in the financial statements receiving a qualified audit opinion.
45. The 2020-21 annual report was not tabled in the municipal council after the end of the financial year, as required by section 127(2) of the MFMA.

### **Expenditure management**

46. Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA.
47. Reasonable steps were not taken to prevent irregular expenditure amounting to R154 574 785 as disclosed in note 45.3 to the annual financial statements, as required by section



## CHAPTER 6: AUDITOR-GENERAL AUDIT FINDINGS

---

62(1)(d) of the MFMA. The majority of the disclosed irregular expenditure was caused by non-compliance with SCM regulations.

48. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R50 432 943, as disclosed in note 45.2 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 interest paid on overdue accounts.

### **Revenue management**

49. Revenue due to the municipality was not calculated on a monthly basis, as required by section 64(2)(b) of the MFMA.
50. An effective system of internal control for revenue was not in place, as required by section 64(2)(f) of the MFMA.

### **Asset management**

51. An effective system of internal control for assets was not in place, as required by section 63(2)(c) of the MFMA.
52. Capital assets were disposed of without the municipal council having decided, in a meeting open to the public, on whether the assets were still needed to provide the minimum level of basic municipal services as required by section 14(2)(a) of the MFMA.

### **Strategic planning and performance management**

53. The performance management system and related controls were inadequate as they did not describe how the performance planning, monitoring, measurement, review, reporting and improvement processes should be conducted, organised and managed, as required by municipal planning and performance management regulation 7(1).

### **Procurement and contract management**

54. Some of the goods and services with a transaction value of below R200 000 were procured without obtaining the required price quotations, in contravention of SCM regulations 17(1)(a) and (c).
55. Some of the goods and services of a transaction value above R200 000 were procured without inviting competitive bids, as required by SCM regulation 19(a). Deviations were approved by the accounting officer even though it was not impractical to invite competitive bids, in contravention of SCM regulation 36(1).





## CHAPTER 6: AUDITOR-GENERAL AUDIT FINDINGS

---

56. Sufficient appropriate audit evidence could not be obtained that the performance of contractors or providers was monitored on a monthly basis as required by section 116(2) of the MFMA. A similar limitation was also reported in the prior year.

### Consequence management

57. Irregular expenditure and fruitless and wasteful expenditure incurred by the municipality were not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.

### OTHER INFORMATION

58. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected objectives presented in the annual performance report that have been specifically reported in this auditor's report.
59. 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.
60. 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 objectives presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
61. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, and 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 this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

### INTERNAL CONTROL DEFICIENCIES

62. 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 basis for the qualified opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report.
63. Leadership was not able to prevent the misstatements and non-compliance identified from occurring as the financial statements and the support to it was not sufficiently reviewed. There were instances of material non-compliance that were caused by the leadership, which added to the negative audit outcomes.



## CHAPTER 6: AUDITOR-GENERAL AUDIT FINDINGS

---

64. Measures put in place to stabilise the key positions of the accounting officer and the chief financial officer did not have the desired effect on the overall outcomes of the municipality.
65. Management did not maintain an effective records management system between the different directorates to support performance reporting.
66. The municipality's internal audit function was not adequately capacitated and the position of head of internal audit was only filled after year-end. This had an impact on the responsibilities of the internal audit and resulted in the financial statements and performance information not being timeously reviewed.

## CHAPTER 6: AUDITOR-GENERAL AUDIT FINDINGS

---

### MATERIAL IRREGULARITIES

67. In accordance with the PAA and the material irregularity regulations, we have a responsibility to report on material irregularities identified during the audit and on the status of material irregularities reported in the previous year.

#### Material irregularities in progress

68. I identified a material irregularity during the audit and notified the accounting officer of this, as required by material irregularity regulation 3(2). By the date of this auditor's report, I had not yet completed the process of evaluating the responses from the accounting officer; as a result of the instability in leadership, the notification relating to the material irregularity was issued more than once. This material irregularity will be included in the next year's auditor's report.

#### Other reports

69. In addition to the investigations relating to material irregularities, I draw attention to the following engagements conducted by various parties which had, or could have, an impact on the matters reported in the municipality's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.
70. The Directorate for Priority Crime Investigation (Hawks) is investigating allegations of fraud corruption and money laundering relating to the municipality. These proceedings were in progress at the date of this report.

Kimberley

30 November 2022



AUDITOR - GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*



## CHAPTER 6: AUDITOR-GENERAL AUDIT FINDINGS

### 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 objectives 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 Sol Plaatje Local 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



## CHAPTER 6: AUDITOR-GENERAL AUDIT FINDINGS

matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

### 6.3 MFMA SECTION 71 RESPONSIBILITIES

The municipality is non-delegated and as such submits the monthly data strings to National Treasury in terms of Municipal Finance Management Act 56 of 2003, Section 71. The monthly budget statement is at the same time submitted to the Executive Mayor. The Municipal Public Accounts Committee are also provided with the monthly budget statement in terms of the Guidelines for the Establishment of MPACs.

The Section 71 monthly budget statement is signed off by the Municipal Manager and submitted within ten working days after the end of each month to the relevant authorities as explained herein. The monthly budget statement with the signed municipal quality certificate and the monthly C-schedules is also uploaded onto the National Treasury Local Government portal.

Signed: .....

Chief Financial Officer

Dated: .....

## CHAPTER 6: AUDITOR-GENERAL AUDIT FINDINGS

### 6.4 AUDIT COMMITTEE REPORT FOR THE YEAR ENDED 30 JUNE 2022

#### 6.4.1 Overview

The Audit Committee (AC) is a formal committee of the Council, and its functions are as per section 166 of the Municipal Finance Management Act (Act No 56 of 2003).

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

#### 6.4.2 Audit Committee Members and Attendance

The Audit Committee consists of the members listed hereunder and meets as often as it deems necessary as per the approved terms of reference.

During the year, the serving chairperson Mr. Abdul Kimmie resigned from the audit committee during August 2021. Mr. Letlhogonolo Berends was appointed acting chairperson until the appointment of Ms. Letlhogonolo Rapodile in March of 2022. The members of the audit committee were therefore as follows:

- Mr. Abdul Kimmie (Accounting and auditing field) (*Resigned August 2021*)
- Mr. Letlhogonolo Berends (Law field)
- Mr. Bongani Mathae (Performance Management and Governance Processes field)
- Mr. Giveous Ndou (Accounting and auditing field)
- Ms. Lungelwa Sonqishe (Accounting field)
- Ms. Letlhogonolo Rapodile (Accounting and auditing field) (*Appointed March 2022*)

During the period under review, there were four normal meetings and two special meetings held on the following dates:

- 30 August 2021
- 17 September 2021 (Special AC Meeting)
- 30 November 2021
- 28 February 2022
- 10 March 2022 (Special AC meeting)
- 27 June 2022

The attendance of meetings by audit committee members is reflected in the table below:

Name of the Member	Position	Date of Appointment/renewal	Number of meetings attended
Mr. Abdul Kimmie	Chairperson	December 2017 / December 2020	1 out of 1 (Resigned August 2021)

## CHAPTER 6: AUDITOR-GENERAL AUDIT FINDINGS

Name of the Member	Position	Date of Appointment/renewal	Number of meetings attended
Mr. Letlhogonolo Berends	Acting Chairperson / AC member	December 2017 / December 2020	6 out of 6
Mr. Bongani Mathae	AC member	December 2017 / December 2020	5 out of 6
Mr. Giveous Ndou	AC member	December 2020	6 out of 6
Ms. Lungelwa Sonqishe	AC member	December 2020	6 out of 6
Ms. Letlhogonolo Rapodile	Chairperson	March 2022	1 out of 2 (Appointed March 2022)

### 6.4.3 Audit Committee Responsibility

The Audit Committee has fulfilled its responsibilities as stipulated in the Municipal Finance Management Act read in conjunction with Treasury Regulations. The Committee has adopted an appropriate formal charter, which regulates its affairs. It has also discharged its responsibilities in compliance with the approved Audit Charter.

### 6.4.4 The Effectiveness of Internal Control

Internal audit, in accordance with the MFMA and the most recent King IV Report on Corporate Governance requirements, provides assurance to the Audit Committee and Management that internal controls require improvement. This is accomplished through the risk management process, as well as the recommendation of corrective actions and suggested improvements to controls and processes.

It was noted that matters which indicated significant deficiencies/deviations in the system of internal control, were reported in the various reports of the Internal Auditors, the Audit Report on the Annual Financial Statements, and the management report of the Auditor General of South Africa. There were a significant number of instances where internal audit issues were not satisfactorily resolved.

We therefore report that the internal control system of financial reporting for the period under review requires improvement. Management was notified that closer monitoring and resolution of the audit action plan was required. The timely implementation of the audit action plan will help management achieve its strategic goals and attain an improved audit outcome.

### 6.4.5 Governance and Performance Management

The Audit Committee believes that significant improvement is needed in governance, compliance, risk monitoring, the management of predetermined objectives and the development and implementation of

## CHAPTER 6: AUDITOR-GENERAL AUDIT FINDINGS

maintenance plans. When compared to previous fiscal years, governance has remained stagnant, which has been exacerbated by instability in top leadership positions.

### 6.4.6 Risk Management

Concerns on the major risk areas were raised during engagement with Management. An updated risk register, and a comprehensive report on the most significant strategic risks, have been prepared by Management. The current financial position challenges the municipality's ability to mitigate risks. This directly impacts service delivery and sustainability. The following significant risks exist within the Municipality:

HAZARD	RISK	IMPACT
<b>DECLINING ECONOMIC CONDITIONS IMPACTING ON CUSTOMER AFFORDABILITY.</b>	Increased debtors' book and Indigent Register. Declining financial sustainability.	Reduced revenue collection and declining cashflow position.
<b>LAGGED mSCOA IMPLEMENTATION.</b>	Non-compliance of Municipal Business Process Reforms.	Non-compliance with Municipal Business Process Reforms.
<b>SUSTAINABILITY OF REVENUE GENERATION</b>	Sustainability of revenue due to reducing demand for electricity and increased tariffs.	Financial sustainability. Negative impact on service delivery.
<b>REVENUE LOSS DUE TO SIGNIFICANT WATER AND ELECTRICITY LOSSES.</b>	Sustainability/surety of water and electricity supply threatened.	Poor service delivery. Delayed service provision to new developments.
<b>RELIABILITY OF CUSTOMER INFORMATION AND DATA</b>	Incorrect customer information.	Incorrect billing resulting in increased Receivables. Poor collection due to customer disputes.
<b>INADEQUATE (FAILING) WATER AND SANITATION INFRASTRUCTURE</b>	Collapse of service delivery (failure to meet current demand of water supply and sewer conveyance).	Halting of economic and social development projects. Ruined institutional reputation.
<b>DETERIORATING RAW WATER QUALITY AND RISING TARIFFS.</b>	Tariff hikes due to high operational costs.	Decrease in affordability affects revenue collection.
<b>OLD AND INADEQUATE ELECTRICITY INFRASTRUCTURE.</b>	Limited capacity of High, Medium, Low voltage and distribution infrastructure in certain areas.	Various substations are at serious risk. Old and aged, 66KV and 11KV switchgear. Draft Master Plan has been completed, but not finalised and implemented.
<b>HUMAN RESOURCE MANAGEMENT</b>	Inadequate capacity, and lack of skilled operational and maintenance staff in Electrical, Water and Sanitation sections.	Low productivity affecting service delivery.



## CHAPTER 6: AUDITOR-GENERAL AUDIT FINDINGS

HAZARD	RISK	IMPACT
<b>INFORMATION TECHNOLOGY RISK</b>	In-efficient delivery on strategic objectives due to ineffective IT Management and implementation because of non-alignment and no oversight of IT to the IDP Strategic Objectives.	<p>Ineffective IT structure, lack of accountability and oversight.</p> <p>Limited and further declining technical resources to support strategic objectives of the Municipality.</p> <p>Limited key Human Resources. Inadequate succession and retention planning for key personnel.</p> <p>Lack of a dedicated ICT Security Function.</p>
<b>INADEQUATE AND INEFFECTIVE SECURITY MEASURES TO ENABLE ACCESS CONTROL AND PHYSICAL SECURITY.</b>	Loss of infrastructure, property, machinery and equipment due to vandalism, theft and burglary.	<p>Theft of equipment in substations and network infrastructure.</p> <p>Inadequate and Ineffective security measures to protect assets.</p> <p>Substandard security of substations, plant and equipment in general.</p>
<b>AUDIT OUTCOME</b>	<p>Inability to improve audit outcome.</p> <p>Ineffective performance reporting and general non-compliance.</p>	Stagnation of audit opinions, ineffective performance reporting, as well as general non-compliance.

The following challenges/risks remain to be addressed:

- The reliability of reported information.
- The review of performance management system and determining alignment.
- The implementation of performance management principles that will include corrective action for poor performance.
- Retentions and succession planning, as well as filling of critical positions.

### 6.4.7 Submission of in-year management and monthly/quarterly reports in terms of the Municipal Finance Management Act and the Treasury Regulations

Management has assured the Committee that the monthly/quarterly in-year management reports were compiled and submitted on time as required by legislation.

### 6.4.8 Municipality's compliance with legal and regulatory provision

## CHAPTER 6: AUDITOR-GENERAL AUDIT FINDINGS

Audit Committee notes matters of non-compliance as reported by the Auditor General of South Africa. Management action plan on matters raised will be monitored and regular reporting on progress of implementation will be submitted to the Audit Committee.

### 6.4.9 Information Technology and other corporate related policies

Delays in the review and approval of the ICT Governance Charter, ICT Governance Policy and several other ICT related policies as reported by Management is a cause for concern as they need to enforce operational direction on successful implementation of business processes.

A proposed revised ICT Organogram has been compiled by management to facilitate the implementation of effective ICT Governance; this structure has however also not been approved. The ineffective ICT organogram, dependency on key personnel, lack of oversight and misalignment of the ICT strategic plan and the IDP, are but some of the ICT risk which have been identified.

After the initial implementation of the mSCOA reforms on the general ledger, an audit was performed to test system compliance. The audit reflected a 35% compliance status, and slow progress has been noted in achieving full compliance.

### 6.4.10 Evaluation of Financial Statements

The annual financial statements reflect a picture of a significant decline in the financial position and sustainability of Sol Plaatje Municipality; unfortunately, this is an accurate picture of the status within the municipality. The long-term sustainability, cash flow management challenges, as well as increasing accounts payable specifically relating to ESKOM and DWAF, is extremely concerning. These matters, as well as the increase in receivables, poor receivables collection, and the current economic challenges need closer supervision, monitoring, and the strict enforcement of debt recovery policy to be ensured. Control measures regarding the completeness of contingent liabilities also need to be improved going forward.

### 6.4.11 Internal Audit

We are satisfied that the Internal Audit function is operating efficiently and effectively and that the internal audit plan has addressed the risks pertinent to the municipality during the year under review. An external quality assurance review (QAR) was conducted by the Institute of Internal Auditors (SA) under the banner of the Leadership Academy. This review must be performed every 5 years for Internal Audit to confirm and include in all internal audit reports issued, that their work conforms with the Standards as issued and adopted



## CHAPTER 6: AUDITOR-GENERAL AUDIT FINDINGS

by the IIASA. Internal Audit has received General Conformance (GC) which is the highest rating issued in terms of QAR.

### 6.4.12 Internal Audit Staff Complement

Name	Position	Qualification	Years of experience
Noxolo Molepo	Chief Audit Executive	Professional Accountant (SA); PIA and IAT, Post Grad IA	18 years audit experience
Farouk Feltman	Manager: Assurance Audit	B. Admin Hons (Public Administration); PIA, IAT	22 years auditing experience
Wilson Namukolo	Senior Internal Auditor	Diploma: Data Processing and Systems Analysis	22 years auditing experience
Myrtle van Staden	Internal Auditor	ND: Internal Auditing, IAT	9 years auditing experience
Setshaba Mosata	Internal Auditor	ND: Internal Auditing	6 years accounting and auditing experience
Julia Bogatsu	Intern	B. Com Accounting	3 years auditing experience
Denise Van Rooyen	Manager IT/Systems Audit	BSC: Computer Science	17 years information technology experience

## CHAPTER 6: AUDITOR-GENERAL AUDIT FINDINGS

### 6.4.13 Progress against Plan

The performance of the Internal Audit for the year ending June 2022 is as follows:

Project	Approved Hours	Adjusted hours	Actual hours	Timing	Resource	Comments
<b>DIRECTORATE: FINANCE</b>						
Contract management follow up	200	200	80	April 2022	Manager: Assurance Audit	Testing phase.
Compliance with section 30 of regulations	200	100	220	April 2022	Senior Internal Auditor	Final report issued to management and AC.
Indigent follow up	200	200	0	April 2022	Intern	Audit transferred to 2022/23 financial period.
OPCAR Assets Management (200) UIFW expenditure (160) IT findings (160)	600	520	0	May 2022	Manager: Assurance Audit Internal Auditor Manager: IT/Systems Audit	Progress made as at 30 May 2022 was poor, therefore we were unable to conduct follow-up and provide assurance on implementation of action plan.
<b>DIRECTORATE: INFRASTRUCTURE</b>						
Water losses follow-up	200	200	16	April 2022	Internal Auditor	After engagement with ED: Infrastructure, it was clear that follow-up audit must be put on hold. Management has developed a strategy to address water and electricity losses. However, the process is still at infancy stages. Progress on implementation will be provided to AC quarterly.
Electricity losses follow-up	200	200	0	March 2022	Senior Internal Auditor	After engagement with ED: Infrastructure, it was clear that follow up audit must be put on hold. Management has developed a strategy to address

## CHAPTER 6: AUDITOR-GENERAL AUDIT FINDINGS

Project	Approved Hours	Adjusted hours	Actual hours	Timing	Resource	Comments
						water and electricity losses. However, the process is still at infancy stages. Progress on implementation will be provided to AC quarterly.
Effective use of EDAMS systems	200	200	384	March 2022	Manager IT/Systems Audit	Final report issued to Management and AC
<b>DIRECTORATE: MUNICIPAL MANAGER</b>						
Performance management review 3 <sup>rd</sup> and 4 <sup>th</sup> quarter	600	200	60	June 2022	Intern Internal Auditor	3 <sup>rd</sup> quarter review completed. Final report issued
Risk management review	200	100	112	June 2022	Manager IT/Systems Audit	Final report issued to Management and AC
<b>DIRECTORATE: CORPORATE SERVICES</b>						
POPIA readiness and compliance	250	250	680	February 2022	Internal Auditor	Final report issued to Management and AC
<b>AD-HOC AUDITS</b>						
INEP inquiry	0	160	160	March 2022	Co-sourced	Final report issued to Management and AC
Tender Lost Document	0	200	200	March 2022	Co-sourced	Final report issued to Management and AC
Properties maintenance enquiry	0	160	512	March 2022	Intern	Final report issued to Management and AC



## CHAPTER 6: AUDITOR-GENERAL AUDIT FINDINGS

### 6.4.13 Auditor General of South Africa

We have met with the Auditor General of South Africa to ensure that there are no unresolved issues, and report that there is none.

### 6.4.14 Recommendations made by the Audit Committee

The Audit Committee recommends that action plans be implemented to close significant gaps in governance, risk management, internal controls, and reporting on predetermined objectives. We also recommend that to ensure the smooth operation of the municipality, quicker action be taken to close leadership gaps as they arise; considering the challenges associated with the municipality environment.

### 6.4.15 Conclusion

The Audit Committee has noted the matters and concerns raised by the Auditor General of South Africa and accept that there is still significant improvement required in the accounting and internal control environment at the Municipality. The stagnation in audit opinion by the Municipality has been noted which is attributed to the instability in leadership positions. Council is advised to ensure that vacancies in leadership and key administrative positions are funded and filled.

### 6.4.16 Appreciation

The Committee expresses its sincere appreciation to the Honourable Executive Mayor, Accounting Officer, Executive management team, Internal Audit and the Auditor General of South Africa.

---

L Rapodile

CHAIRPERSON OF THE AUDIT COMMITTEE



## CHAPTER 6: AUDITOR-GENERAL FINDINGS

---

### 6.5 MPAC

MPAC concluded its oversight of the Annual Report and at a meeting held on 28 June 2024 resolved that:

- the Oversight Report together with the Annual Report be accepted and approved by Council;
- the Oversight Report be made public by the Municipal Manager in accordance with Section 129 (3) of the Local Government: Municipal Finance Management Act, 2003;
- the Oversight Report and Annual Report be submitted to the provincial legislature by the Municipal Manager in accordance with section 132 (2) of the Local Government: Municipal Finance Management Act, 2003;
- effective Credit Control and Debt Collecting practices, be implemented;
- Issues raised by the Auditor General be attended to as a matter of urgency;
- matters relating to Supply Chain Management and Contract Management, be attended to urgently; and
- consequence management be prioritized in the municipality.



## ABBREVIATIONS

<b>AG</b>	Auditor-General
<b>CAPEX</b>	Capital Expenditure
<b>CBD</b>	Central Business District
<b>CBP</b>	Community Based Planning
<b>CDW</b>	Community Development Worker
<b>CFO</b>	Chief Financial Officer
<b>CWP</b>	Capital Works Program
<b>DCAS</b>	Department of Cultural Affairs and Sport
<b>DCF</b>	District Co-ordinating Forum
<b>DEDAT</b>	Department of Economic Development and Tourism
<b>DLG</b>	Department of Local Government
<b>DoA</b>	Department of Agriculture
<b>DoE</b>	Department of Education
<b>DoH</b>	Department of Housing
<b>DoRA</b>	Division of Revenue Act
<b>DoRD</b>	Department of Rural Development
<b>DPLG</b>	Department of Provincial and Local Government
<b>DSD</b>	Department of Social Development
<b>DSBD</b>	Department of Small Business Development
<b>DTI</b>	Department of Trade and Industry
<b>DWAF</b>	Department of Water Affairs and Forestry
<b>ECD</b>	Early Childhood Development
<b>EE</b>	Employment Equity

<b>EM</b>	Executive Manager
<b>EPWP</b>	Extended Public Works Programmes
<b>ERM</b>	Enterprise Risk Management
<b>EXECMAN</b>	Executive Management
<b>GAMAP</b>	Generally Accepted Municipal Accounting Practice
<b>GDPR</b>	Gross Domestic Product Rate
<b>GRAP</b>	Generally Recognised Accounting Practice
<b>HOD</b>	Head of Department
<b>HR</b>	Human Resources
<b>HVWUA</b>	Hex Valley Water Users Association
<b>ICT</b>	Information and Communication Technology
<b>IDP</b>	Integrated Development Plan
<b>IFRS</b>	International Financial Reporting Standards
<b>IGR</b>	Intergovernmental Relations
<b>IMFO</b>	Institute for Municipal Finance Officers
<b>KPA</b>	Key Performance Area
<b>KPI</b>	Key Performance Indicator
<b>LED</b>	Local Economic Development
<b>LG</b>	Local Government
<b>MayCo</b>	Executive Mayoral Committee
<b>MBRR</b>	Municipal Budget and Reporting Regulations
<b>MEC</b>	Member of the Executive Committee
<b>MERO</b>	Municipal Economic Review and Outlook
<b>MFMA</b>	Municipal Finance Management Act (Act No. 56 of 2003)





## ABBREVIATIONS

<b>MGRO</b>	Municipal Governance Review Outlook	<b>SAI</b>	Supreme Audit Institute
<b>MIG</b>	Municipal Infrastructure Grant	<b>SALGA</b>	South African Local Government Association
<b>MM</b>	Municipal Manager	<b>SAMDI</b>	South African Management Development Institute
<b>MMC</b>	Member of Mayoral Committee	<b>SANRAL</b>	South African National Roads Agency Limited
<b>MPAC</b>	Municipal Public Accounts Committee	<b>SAPS</b>	South African Police Services
<b>MSA</b>	Municipal Systems Act No. 32 of 2000	<b>SASRIA</b>	South African Special Risks Insurance Association
<b>mSCOA</b>	Municipal Standard Chart of Accounts	<b>SCM</b>	Supply Chain Management
<b>MTECH</b>	Medium Term Expenditure Committee	<b>SDBIP</b>	Service Delivery and Budget Implementation Plan
<b>MTOD</b>	Municipal Transformation and Organisational Development	<b>SDF</b>	Spatial Development Framework
<b>NGO</b>	Non-Governmental Organisation	<b>SEDA</b>	Small Enterprise Development Agency
<b>NT</b>	National Treasury	<b>SEFA</b>	Small Enterprise Finance Agency
<b>OPEX</b>	Operating Expenditure	<b>SLA</b>	Service Level Agreement
<b>PMS</b>	Performance Management System	<b>SMME</b>	Small, Medium and Micro Enterprise
<b>PPP</b>	Public Private Partnership	<b>TASK</b>	Tuned assessment of skills and knowledge
<b>PPPCOM</b>	Provincial Public Participation and Communication Forum	<b>WWTW</b>	Waste Water Treatment Works
<b>PT</b>	Provincial Treasury		
<b>RBAP</b>	Risk Based Audit Plan		
<b>RSEP</b>	Regional Socio-Economic Programme		



# LIST OF TABLES, FIGURES AND GRAPHS

## LIST OF TABLES

Table 1:	Municipal Wards.....	10
Table 2:	Total Population - Sol Plaatje, Frances Baard, Northern Cape and National Total, 2010-2020 .....	10
Table 3:	Population by Population Group, Gender and Age - Sol Plaatje Local Municipality, 2020 .....	12
Table 4:	Number of Households - Sol Plaatje, Frances Baard, Northern Cape and National Total, 2010-2020.....	13
Table 5:	Unemployment (Official Definition) - Sol Plaatje, Frances Baard, Northern Cape and National Total, 2010-2020 .....	15
Table 6:	Unemployment Rate (Official Definition) - Sol Plaatje, Frances Baard, Northern Cape and National Total, 2010-2020 .....	15
Table 7:	Highest Level of Education: Age 15+.....	17
Table 8:	Gross Domestic Product (GDP) - Sol Plaatje, Frances Baard, Northern Cape and National Total, 2010-2020.....	19
Table 9:	Gross Domestic Product (GDP) - Regions within Frances Baard District Municipality, 2010 to 2020, Share and Growth.....	20
Table 10:	Access to Basic Services .....	21
Table 11:	Service Backlogs per Service and Provision .....	21
Table 11:	Number of Households by Main Type of Energy Source.....	22
Table 12:	Water and Sanitation Services.....	23
Table 13:	Households by Type of Toilet Facility.....	23
Table 14:	Financial Overview.....	24
Table 15:	Operating Ratios .....	24
Table 16:	Employee Costs .....	25
Table 17:	Cash and Cash Equivalents .....	25
Table 18:	Total Capital Expenditure .....	26
Table 19:	Minimum Competencies in June 2022.....	26
Table 20:	Training Beneficiaries as a Percentage of the total per Group.....	27

Table 21:	ABET Attendance.....	27
Table 22:	Beneficiaries Trained .....	27
Table 23:	Total Number of Beneficiaries Receiving Training .....	27
Table 24:	Number of Employees Trained per Course.....	32
Table 25:	Audit Outcomes.....	33
Table 26:	Auditor-General Report.....	34
Table 27:	IDP Participation and Alignment.....	34
Table 28:	Key Activities Linked to the 2022/23 IDP & Budget Planning Cycle, and 2021/22 PMS Implementation Cycle.....	35
Table 29:	Municipal Committees and Purposes .....	59
Table 30:	Political Governance Structure .....	59
Table 31:	Council 2021/22 .....	66
Table 32:	Administrative Governance Structure .....	68
Table 33:	Public Meetings .....	72
Table 34:	Ward Committees for 2016-2021.....	81
Table 35:	Capital Projects in Wards.....	83
Table 36:	Policies .....	89
Table 37:	Municipal Website: Content and Currency of Material ....	90
Table 38:	Website Publications .....	91
Table 39:	Calls Logged per Service .....	93
Table 40:	Calls Logged per Issue.....	93
Table 41:	Top Four Service Category Calls .....	94
Table 42:	Status of Calls per Task.....	94
Table 43:	Call Status per Month.....	95
Table 44:	Task Status .....	95
Table 45:	Municipal Functions .....	99
Table 46:	Total Use of Water by Sector.....	102
Table 47:	Total per Customer Group.....	102
Table 48:	Water Service Delivery Levels.....	103
Table 49:	Water Service Delivery Levels Below the Minimum .....	103
Table 50:	Water Service Objectives included in the IDP.....	104



## LIST OF TABLES, FIGURES AND GRAPHS

Table 51:	Employees: Water Services.....	105	Table 80:	Roads and Storm Water Service Objectives included in the IDP .....	132
Table 52:	Financial Performance: Water Services .....	105	Table 81:	Employees: Roads and Stormwater.....	132
Table 53:	Capital Expenditure: Water Services.....	106	Table 82:	Financial Performance: Roads and Stormwater .....	133
Table 54:	Sanitation Service Delivery Levels.....	107	Table 83:	Capital Expenditure: Roads and Stormwater.....	133
Table 55:	Sanitation Service Delivery Levels Below the Minimum	108	Table 84:	Employees: SEDP .....	136
Table 56:	Sanitation Service Objectives included in the IDP.....	109	Table 85:	Planning Objectives included in the IDP .....	150
Table 57:	Financial Performance: Sanitation Services .....	109	Table 86:	Financial Performance: Urban Planning .....	150
Table 58:	Capital Expenditure: Sanitation Services .....	110	Table 87:	Capital Expenditure: Urban Planning.....	151
Table 59:	Electrical Restoration Times .....	113	Table 88:	Property Services Objectives included in the IDP .....	153
Table 60:	Electricity Service Objectives included in the IDP .....	114	Table 89:	Total Employment - Sol Plaatje, Frances Baard, Northern Cape and National Total, 2007-2017.....	154
Table 61:	Employees: Electricity Services .....	114	Table 90:	Total Employment per Broad Economic Sector - Sol Plaatje and the rest of Frances Baard, 2020 .....	155
Table 62:	Financial Performance: Electricity Services.....	115	Table 91:	Formal and Informal Employment by Broad Economic Sector - Sol Plaatje Local Municipality, 2020 .....	157
Table 63:	Capital Expenditure: Electricity Services .....	115	Table 92:	Job Creation through EPWP Projects.....	157
Table 64:	Refuse Removal Service Delivery Levels .....	117	Table 93:	Local Economic Development Objectives included in the IDP.....	160
Table 65:	Solid Waste Service Delivery Levels .....	118	Table 94:	Financial Performance: Local Economic Development...161	
Table 66:	Waste Management Service Objectives included in the IDP .....	118	Table 95:	Capital Expenditure: LED .....	161
Table 67:	Employees: Waste Management (Refuse Collections, Waste Disposal, Street Cleaning and Recycling) .....	119	Table 96:	GDP - Sol Plaatje, Frances Baard, Northern Cape and National Total, 2010-2020.....	163
Table 68:	Financial Performance: Waste Management.....	119	Table 97:	GVA by Broad Economic Sector - Sol Plaatje Local Municipality, 2020.....	165
Table 69:	NUSP Sites in Progress.....	122	Table 98:	Historical Economic Growth .....	166
Table 70:	Households with Access to Basic Housing .....	123	Table 99:	GVA by Broad Economic Sector - Sol Plaatje Local Municipality, 2020-2025.....	170
Table 71:	Employees: Housing .....	123	Table 100:	Fresh Produce Objectives included in the IDP .....	173
Table 72:	Financial Performance: Housing .....	124	Table 101:	Financial Performance: Fresh Produce Market.....	173
Table 73:	Number of Houses Built.....	124	Table 102:	Galeshewe Urban Renewal Programme Objectives included in the IDP .....	177
Table 74:	Free Basic Services to Low Income Households.....	127	Table 103:	Financial Performance: Urban Renewal Programme.....	177
Table 75:	Free Basic Service Policy Objectives included in the IDP .....	127			
Table 76:	Cost to Municipality of Free Basic Services Delivered....	128			
Table 77:	Gravel Road Infrastructure .....	130			
Table 78:	Tarred Road Infrastructure .....	131			
Table 79:	Cost of Construction/Maintenance .....	131			



## LIST OF TABLES, FIGURES AND GRAPHS

Table 104:	Motor Vehicle Licensing Policy Objectives included in the IDP .....	180	Table 133:	Employees: Corporate Services .....	212
Table 105:	Employees: Motor Vehicle Licensing and Registration ..	180	Table 134:	Financial Performance: Corporate Services .....	213
Table 106:	Financial Performance: Motor Vehicle Licensing and Registration .....	181	Table 135:	Human Resource Services Objectives included in the IDP .....	215
Table 107:	Service Statistics for Libraries .....	188	Table 136:	Risk Management Resource Objectives included in the IDP .....	216
Table 108:	Library Services Policy Objectives included in the IDP ...	188	Table 137:	Financial Performance: Human Resource Services .....	216
Table 109:	Employees: Library Services .....	189	Table 138:	Employee Operating Ratio .....	217
Table 110:	Financial Performance: Library Services .....	189	Table 139:	Revenue Billed .....	219
Table 111:	Social Development (HIV/Aids) Objectives included in the IDP .....	191	Table 140:	Debt Recovery .....	220
Table 112:	Employees: Social Development (HIV/Aids) .....	192	Table 141:	Financial Services Objectives included in the IDP .....	221
Table 113:	Financial Performance: Social Development (HIV/Aids)	192	Table 142:	Employees: Financial Services .....	221
Table 114:	Service Data for Clinics .....	195	Table 143:	Financial Performance: Financial Services .....	222
Table 115:	Employees: Clinics .....	196	Table 144:	Capital Expenditure: Other .....	222
Table 116:	Financial Performance: Clinics .....	196	Table 145:	Current Ratio .....	223
Table 117:	Service Statistics for Environmental Health .....	198	Table 146:	Liquidity Ratio .....	223
Table 118:	Environmental Health Objectives included in the IDP ...	199	Table 147:	Service Statistics for ICT .....	225
Table 119:	Employees: Environmental Health .....	199	Table 148:	ICT Objectives included in the IDP .....	225
Table 120:	Financial Performance: Environmental Health .....	200	Table 149:	Employees: ICT .....	226
Table 121:	Service Statistics for Traffic Law Enforcement .....	202	Table 150:	Financial Performance: ICT .....	226
Table 122:	Traffic Law Enforcement Objectives included in the IDP .....	203	Table 151:	Supply Chain Management Objectives included in the IDP .....	230
Table 123:	Employees: Traffic Law Enforcement .....	203	Table 152:	Employees: Supply Chain Management .....	231
Table 124:	Financial Performance: Traffic Law Enforcement .....	204	Table 153:	Financial Performance: Supply Chain Management .....	231
Table 125:	Service Statistics for Emergency Services .....	205	Table 154:	Capital Expenditure: Fleet Management .....	234
Table 126:	Emergency Services Objectives included in the IDP .....	205	Table 155:	Financial Performance: Mechanical Engineering and Workshops .....	235
Table 127:	Employees: Emergency Services .....	206	Table 156:	Basic and Sustainable Service Delivery and Infrastructure Development .....	255
Table 128:	Financial Performance: Emergency Services .....	206	Table 157:	Local Economic Development .....	259
Table 129:	Service Statistics for Parks and Recreation .....	208	Table 158:	Good Governance and Public Participation .....	260
Table 130:	Parks and Recreation Objectives included in the IDP ....	209	Table 159:	Municipal Financial Viability and Management .....	261
Table 131:	Employees: Parks and Recreation .....	209			
Table 132:	Financial Performance: Parks and Recreation .....	210			



## LIST OF TABLES, FIGURES AND GRAPHS

Table 160:	Municipal Institutional Development and Transformation.....	264	Table 188:	Allocation and Expenditure .....	348
Table 161:	Consolidated Summary: Statement of Financial Performance.....	264	Table 192:	List of Projects for 2021/22 Financial Year .....	348
Table 162:	Consolidated Summary: Statement of Financial Performance: Adjustment Budget .....	265	Table 193:	Projects Deliverables Achieved .....	348
Table 163:	Financial Performance Summary: Revenue .....	267	Table 189:	Five-Point Grading .....	350
Table 164:	C4 Financial Performance Summary (Expenditure) .....	270	Table 190:	Repairs and Maintenance Expenditure .....	350
Table 165:	Summary of YTD Bulk Electricity Expenditure.....	274	Table 191:	Repairs and Maintenance over the past Three Financial Years.....	351
Table 166:	Summary of YTD Bulk Water Expenditure .....	274	Table 192:	Liquidity Ratio.....	352
Table 167:	High level summary: Capital Expenditure .....	275	Table 193:	Cost Coverage Ratio .....	353
Table 168:	Approved Posts, Employees and Vacancies .....	318	Table 194:	Total Outstanding Service Debtors .....	354
Table 169:	Vacancy Rate .....	318	Table 195:	Debt Coverage.....	355
Table 170:	Staff Turnover Rate.....	319	Table 196:	Creditors System Efficiency .....	356
Table 171:	Human Resource Policies and Plans .....	321	Table 197:	Creditors System Efficiency .....	356
Table 172:	Number and Cost of Injuries on Duty .....	322	Table 198:	Employee Costs .....	357
Table 173:	Number of Days and Cost of Sick Leave.....	323	Table 199:	Repairs and Maintenance.....	358
Table 174:	Skills Development and Training.....	324	Table 200:	Total Capital Expenditure on renewal of existing assets.....	360
Table 175:	Skills Development Expenditure .....	325	Table 201:	Capital Expenditure - New Assets Programme .....	361
Table 176:	Financial Competency Development .....	326	Table 202:	Capital Expenditure – Renewal of Existing Assets .....	362
Table 177:	Employee Costs .....	327	Table 203:	Capital Funded by Source .....	363
Table 178:	Employee Expenditure Trends.....	327	Table 204:	Capital Spending on Five Largest Projects .....	364
Table 179:	Salary Levels Exceed the Grade Determined .....	330	Table 205:	Capital Programme by Project: Year 2021/22 .....	367
Table 180:	Financial Performance of Operational Services .....	333	Table 206:	Capital Programme by Project by Ward 2021/22 .....	369
Table 181:	Consultancy Work Procured .....	333	Table 213:	Services Backlog .....	369
Table 182:	Revenue Collection Performance by Vote .....	334	Table 214:	Service Backlogs as at 30 June 2022.....	370
Table 183:	Revenue Collection Performance by Source .....	335	Table 207:	Housing Sites Progress Status.....	372
Table 184:	Reconciliation of Budget Summary.....	339	Table 208:	Cost Coverage Ratio .....	373
Table 185:	Grant Performance .....	341	Table 209:	Collection rate for the past 3 financial years .....	374
Table 186:	Conditional Grants Received.....	342	Table 210:	Cash Flow Outcomes .....	376
Table 189:	List of EPWP Projects.....	346	Table 211:	Movement on Loan .....	376
Table 187:	Grant Expenditure from Sources other than DoRA.....	347	Table 212:	Actual Borrowings .....	376
			Table 213:	Municipal Investments .....	377



## LIST OF TABLES, FIGURES AND GRAPHS

---

Table 214:	Declaration of Loans and Grants made by the Municipality .....	378
Table 215:	Remedial Action Implemented .....	378
Table 216:	AG Report on Financial Performance 2020/21 .....	381
Table 217:	AG Report on Financial Performance 2021/22 .....	382

## LIST OF FIGURES

Figure 1:	Sol Plaatje Municipal Area .....	8
Figure 2:	Source: Sol Plaatje Municipality, 2019.....	245
Figure 3:	Capital Expenditure Framework .....	250



# LIST OF TABLES, FIGURES AND GRAPHS

## LIST OF GRAPHS

Graph 1:	Total Population - Sol Plaatje and the rest of Frances Baard, 2020 .....	11
Graph 2:	Number of Households by Population Group - Sol Plaatje Local Municipality, 2020 .....	13
Graph 3:	Annual Household Income, 2011.....	14
Graph 4:	Unemployment and Unemployment Rate.....	16
Graph 5:	Highest Level of Education: Age 15.....	17
Graph 6:	Highest Level of Education: Age 15, Sol Plaatje, Dikgatlong, Magareng and Phokwane 2020 .....	18
Graph 7:	Gross Domestic Product (GDP) Frances Baard District Municipality, 2020.....	19
Graph 8:	Five Leading Problems or Challenges Facing Municipalities in the Northern Cape.....	92
Graph 9:	Access to Sanitation Services .....	108
Graph 10:	Access to Electricity .....	112
Graph 11:	Number of Households with Access to Basic Services ...	126
Graph 12:	Total Employment Composition .....	155
Graph 13:	Formal and Informal Employment by Broad Economic Sector .....	156
Graph 14:	GDP - Sol Plaatje Local Municipality and the rest of Frances Baard, 2020 .....	163
Graph 15:	GDP - Sol Plaatje, Frances Baard, Northern Cape and National Total, 2007-2022 [Average annual growth rate, constant 2010 prices] .....	164
Graph 16:	GVA by Aggregate Economic Sector - Sol Plaatje Local Municipality, 2017 .....	166
Graph 17:	GVA by Primary Sector - Sol Plaatje, 2010-2020 .....	167
Graph 18:	GVA by Secondary Sector - Sol Plaatje, 2010-2020 [Annual percentage change].....	168
Graph 19:	GVA by Tertiary Sector - Sol Plaatje, 2007-2017 .....	169
Graph 20:	GVA by Aggregate Economic Sector - Sol Plaatje Local Municipality, 2017-2022 [Annual Growth Rate, Constant 2010 Prices] .....	170

Graph 21:	Unscheduled and Scheduled Maintenance on Fleet and Pumps.....	236
Graph 22:	Revenue by Source: YTD Actual as a percentage of Total Revenue.....	269
Graph 23:	Expenditure by Type: YTD Actual as a percentage of Total Expenditure .....	273
Graph 24:	Total Capital Expenditure .....	275
Graph 25:	Expenditure Trends .....	328
Graph 26:	Growth in Total Employee Costs Year on Year .....	328
Graph 27:	Operational grants 2021/22 .....	341
Graph 28:	Equitable Share .....	342
Graph 29:	Repairs and Maintenance as a Percentage of Operating Expenditure .....	351
Graph 30:	Liquidity Ratios .....	352
Graph 31:	Cost Coverage Ratio .....	353
Graph 32:	Debtors as a Percentage of Billed Revenue .....	354
Graph 33:	Debt Coverage.....	355
Graph 34:	Creditors System Efficiency .....	356
Graph 35:	Capital Charges to Operating Revenue.....	357
Graph 36:	Employee Costs as a Percentage of Gross Revenue and Expenditure .....	358
Graph 37:	Repairs and Maintenance as a Percentage of Operating Expenditure .....	359
Graph 38:	Capital Funded by Source .....	364
Graph 39:	Call Investment Deposits and Cash & Cash Equivalents .....	373

The background of the page is composed of several overlapping, semi-transparent orange shapes. These shapes are primarily triangles and polygons with rounded corners, creating a dynamic, layered effect. The colors range from a light, pale orange to a more saturated, vibrant orange. The shapes are arranged in a way that they seem to flow from the top left towards the bottom right, with some shapes partially obscured by others, adding depth to the design.

# **ANNEXURE A**