

ANNUAL REPORT

DR. KENNETH KAUNDA

DISTRICT MUNICIPALITY



VISION:

Exploring Prosperity Through
Sustainable Service Delivery For All

MISSION:

To Provide An Integrated District
Management Framework In
Support of Quality Service Delivery



2021/2022

EXPLORING PROSPERITY

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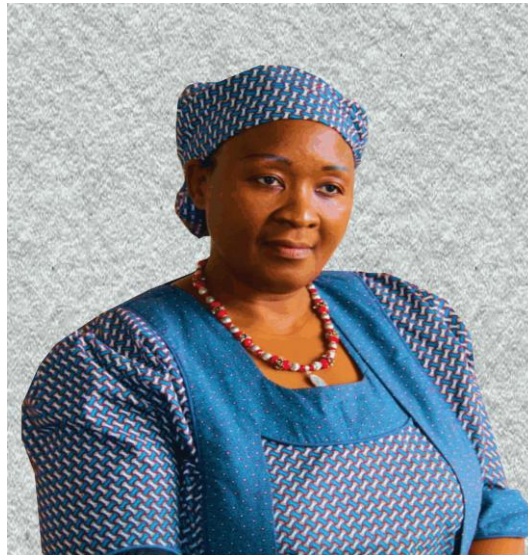
LIST OF ABBREVIATIONS

ABP	Area Based Approach
ACLA	Advisory Commission Land Allocation
AIDS	Acquired Immune Deficiency Syndrome
ASGISA	Accelerated Shared Growth Initiative of South Africa
BEE	Black Economic Empowerment
BFHI	Baby Friendly Hospital Initiative
CASP	Comprehensive Agricultural Support Programme
CFO	Chief Financial Officer
CHC	Community Health Centre
CHS	Community Health Service
CHW	Community Health Worker
COGTA	(Department of) Cooperative Governance and Traditional Affairs
COHASA(COHSASA)	Council for Health Service Accreditation of South Africa
CSOs	Civil Society Organizations
DACE	Department of Agriculture Conservation and Environment
DBSA	Development Bank of Southern Africa
DDM	District Development Model
DLGHS	Department of Local Government and Human Settlements
DEAT	Department of Environmental Affairs and Tourism
DHP	District Health Plan
DLA	Department of Land Affairs
DMP	Disaster Management Programme
DOA	Department of Agriculture/Dead on Arrival
DOTS	Directly Observed Treats
DPW	Department of Public Works
DTI	Department of Trade and Industry
DWAF	Department of Water Affairs and Forestry
EAP	Employee Assistance Programme
ECD	Early Childhood Development
EDL	Essential Drug List
EDSC	Environmental Data Standard System
EPWP	Extended Public Works Program
GAMAP	Generally Accepted Municipal Accounting Practice
GDP	Gross Domestic Product
GGP	Gross Geographic Product
GIS	Geographic Information System
GITO	Government Information and Technology Office
GNP	Gross National Product
GRAP	General Recognized Accounting Practice
GVA	Gross Value Added
GVA-R	Gross Value Added by Region
HIV	Human Immune Virus
HOD	Head Of Department
IDP	Integrated Development Plan
IDT	Independent Development Trust
IGR	Inter-Governmental Relations
IMCI	Integrated Management of Childhood Illnesses
INP	Integrated Nutrition Programme
ISRDP	Integrated Sustainable Rural Development Programme
IT	Information Technology
JDF	Joint Development Forum
JIPSA	Joint Initiative on Priority Skills Acquisition
KEDEP	KOSH Early Development Programme
KOSH	Klerksdorp-Orkney-Stilfontein-Hartebeesfontein
KPA	Key Performance Area
KPI	Key Performance Indicator
LA	Local Authority
LDO	Land Development Objectives
LED	Local Economic Development
LG	Local Government

LTS	Land Tenure System
LUMS	Land Use Management System
MFMA	Municipal Finance Management Act
MHS	Municipal Health Services
MIG	Municipal Infrastructure Grant
MMC	Member of Mayoral Committee
MSDF	Municipal Spatial Development Framework
MSIG	Municipal Systems Improvement Grant
MTEF	Medium Term Expenditure Framework
MTREF	Medium Term Revenue and Expenditure Framework
MTSF	Medium Term Strategic Framework
NDA	National Development Agency
NGO	Non-Governmental Organization
NQF	National Qualification Framework
NSA	National Skills Authority
NSDP	National Spatial Development Perspective
OHSA	Occupational Health and Safety Act
PGDS	Provincial Growth and Development Strategy
PHC	Primary Health Care
PIMSS	Planning Implementation Management Support System
PMS	Performance Management System
PMTCT	Prevention from Mother to Child Transmission
PSC	Public Service Commission
PSDF	Provincial Spatial Development Framework
RLCC	Regional Land Claims Commission
RPL	Recognition of Prior Learning
SAPS	South African Police Services
SAQA	South African Qualification Authority
SASSA	South African Social Services Agency
SDF	Spatial Development Framework
SDL	Skills Development Levy
SDM	Southern District Municipality
SEA	Strategic Environment Assessment
SMME	Small Medium and Micro Enterprise
SOE	State of the Environment
SOP	Standard Operating Procedure
STI	Sexually Transmitted Infection
TADSA	Technical Aid To The Disabled in South Africa
TB	Tuberculosis
UNESCO	United Nations Education, Science and Cultural Organization
URP	Urban Renewal Programme
VIP	Ventilated Improved Pit-latrines
WSA	Water Services Authority
WSDP	Water Services Development Programme

1. CHAPTER 1: EXECUTIVE MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

1.1. COMPONENT A: EXECUTIVE MAYOR'S FOREWORD



I am pleased to present the Dr Kenneth Kaunda District Annual Report 2021/22. In the pages that follow, we update you on the progress we have made in implementing the mandate given to us by the Communities of Dr Kenneth Kaunda District. We also outline the steps we took to expand our regional community consultations during the past year, despite the enormous challenges faced by all of us in the local government arena in recent months.

As I share our milestones and challenges, I am reminded of the adverse impact the spread of coronavirus has had on the local sphere of government. The pandemic has packaged three shocks in one: a public health crisis, a severe blow to the economy and increased unemployment. We recognize and appreciate the interventions brought about by the National, Provincial and local spheres of government. Government has had to intervene on an unprecedented scale to keep financial markets liquid and to preserve the stability of the financial system. Monetary and fiscal policies had to cushion the economic blow. To lay the foundations for a balanced economic recovery, our government has had to build on these efforts by carrying out effective fiscal consolidation and growth-oriented structural reforms.

Whilst ensuring that we deepen the understanding and functionality of the District Development Model, Council ensured that we never veer off the legislative mandate set by Chapter seven of our Constitution. Through innovative means of communications and engagements, we have strengthened our public consultation and participation programmes. In the year under review, we have ensured that the communities of Dr Kenneth Kaunda District take full advantage of platforms that enable participatory democracy in matters of the District. Communities of the District were fully consulted during the IDP and budget review processes. The functionality of our Ward Committees has assisted to ensure that we improve participation of communities in council and that council also has platforms to continuously report back to the communities.

During this financial year we have endeavored to entrench and maintain a positive financial standing, through prudent financial management and accountability. The adequate re-configuration of section

56 and section 79 committees has delivered on it's intended objectives of enhance accountability and oversight in our municipality. The Municipality has made significant strides on the implementation of MSCOA. As a result, this year we received an unqualified audit opinion from the Auditor General. The attainment of such a positive opinion could not have been possible if we did not focus and implement our post-audit action plans.

In order to realise the goals and vision of our District, council adopted the following strategic objectives in 2021/22 financial year:

- To provide environmental health services
- To promote physical infrastructure development services
- To promote socio-economic development
- To ensure disaster risk management
- To promote integrated transport services
- To promote community safety
- To ensure internal municipal excellence

Key Policy Developments

In September 2021 the minister for Cooperative Governance and Traditional Affairs approved the Municipal Staff Regulations, which are applicable to municipalities across the country. Following the 2021 local government elections, the municipality engaged in a strategic planning session and a policy workshop where a number of policies will be adopted in the 2022/23 financial year.

Key Service Delivery Improvements

The municipality through the Community Services Department has during the 2021/22 financial year executed its Constitutional Mandate to promote a safe, clean and healthy environment through environmental awareness campaigns. Between July 2021 and June 2022 a total of 32 municipal health services awareness campaigns were conducted across the district and 13 environmental awareness campaigns were also conducted. The district municipality also carried out water testing and air quality management inspections.

Local Economic Development, (LED) is about location marketing; attraction of investors; real estate development; entrepreneurship development and business start-ups; skills development; improvement of infrastructure; strengthening of local businesses by providing access to business and financial services; cluster, value chain or sector development; creating a businessfriendly environment and efficient public sector; fostering business linkages; or improving aspects of the quality of life and therefore attracting businesses and skilled workers and professionals.

Due to the Covid-19 restrictions, not all Local Economic Development programs could be realised. Herewith below is a summary of some programmes and projects that were supported:

- Supported 34 SMMEs/ Cooperatives business were supported
- 2 tourism/ trade marketing exhibitions were hosted/ participated
- 4 arts and culture initiatives were supported
- 4 economic development initiatives were supported

With the high number of youth being unemployed within the country, the youth within the district has also suffered in terms of unemployment. The district has managed to create 215 opportunities during

the 2020/21 financial year using the EPWP grant and internal funding through LED Initiatives, EPWP, and Capital project, Disaster Risk Volunteers, CBPs and Coordinators.

The district spent an amount of R1 976679 to assist students with bursaries to study in higher learning, eight students were also assisted with educational needs based on requests received where a total of R 169 453 was also spent. This program continues to open doors to many and increases the number of graduates who have potential to contribute in the corporate world.

Future Actions (2022/23)

- Provision of 3 Rural Settlements and the Maquassi Hills Fire Station with portable drinking water through drilling and equipping of boreholes in Maquassi Hills
- Installation of 100 Dry Sanitation Units in Boskuil and Oersonskraal Villages in Maquassi Hills
- Supporting tourism/ marketing trade initiatives
- Supporting sports, arts and culture initiatives
- Supporting economic development initiatives
- Supporting agricultural initiatives
- Supporting SMMEs/ Cooperatives Businesses

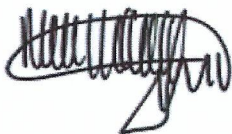
Agreements/ Partnerships

The district continue to audit Maquassi-Hills LM, through the shared Internal Audit and the Audit Committee. The district has partnered with sector departments, local municipalities and SALGA (through the District Development Model program), in an effort to ensure the efficient provision of services to our communities.

Conclusion

We must concede that some adjustments are inevitable in the face of this mutating pandemic. Most of our previously planned projects and programmes will have to be vigorously reviewed in order to respond to the contemporary environments our communities find themselves. Contributions and inputs into the District economic recovery plan have been received and recorded from politicians, communities, private sector, and officials who are committed to seeing our District rising to take its rightful place amongst the community of Prosperous Districts!

I therefore want to acknowledge the extraordinary efforts made by all our staff members districtwide. Our services and support for our beneficiaries, and for the broader community of Dr Kenneth Kaunda District, have depended in full measure on their resourcefulness, flexibility, and engagement over the past financial year.



Cllr Nikiwe J. Num
Executive Mayor

Date: 26/01/2023

1.2. COMPONENT B: EXECUTIVE SUMMARY

1.2.1. MUNICIPAL MANAGER'S OVERVIEW



The Office of the Municipal Manager is honoured to submit the Draft Annual Report 2021/22 on behalf of the Dr Kenneth Kaunda District Municipality (DrKKDM). This draft annual report provides an account of all the activities that occurred during the 2021/22 financial year, that came to an end on Thursday, 30th June 2022. The report incorporates the targets that were achieved and the challenges encountered in the roll out of services to the community within the area of jurisdiction of the Dr Kenneth Kaunda District Municipality.

The Office recognises and declare that this Annual Report (AR) 2021/2022 was developed in accordance with guidelines of National Treasury MFMA Circular No. 63 of September 2012, as defined by the Local Government: Municipal Finance Management Act (MFMA), No. 56 of 2003.

MFMA, Section 121(2) prescribes that Municipalities and their Entities (Dr Kenneth Kaunda District Economic Agency), prepare Annual Reports and put forth the required contents thereof. It further states that the purpose of the Annual Report is:

- a) to provide a record of the activities of the municipality or entity during the financial year to which the report relates;
- b) to provide a report on performance in service delivery and budget implementation for the financial year; and
- c) to promote accountability to the local community for the decisions made throughout the year by the municipality or municipal entity.

The Annual Report for 2021/2022 has endeavoured to incorporate MFMA Section 121(3) following information:

- a) the Annual Financial Statements (AFS) of the municipality, and in addition, if Section 122(2) applies, consolidate AFS, as submitted to the Auditor-General for audit in terms of Section 126(1);
- b) the Auditor-General's audit report in terms of Section 126(3) on those financial statements;
- c) the annual performance report of the municipality prepared by the municipality in terms of Section 46 of the Local Government: Municipal Systems Act;
- d) the Auditor-General's audit report in terms of Section 45(b) of the Municipal Systems Act;
- e) an assessment by the municipality's Accounting Officer of any arrears on the municipal taxes and service charges
- f) an assessment by the municipality's Accounting Officer of the municipality's performance against the measurable performance objectives referred to in Section 17(3)(b) for revenue

collection from each revenue source and for each vote in the municipality's approved budget for the relevant financial year;

- g) particulars of any corrective action taken or to be taken in response to issues raised in the audit reports referred to in paragraphs (b) and (d);
- h) any explanations that may be necessary to clarify issues in connection with the financial statements;
- i) any information as determined by the municipality;
- j) any recommendations of the municipality's audit committee; and
- k) any other information as may be prescribed.

This report presents financial matters affecting the affairs of the DrKKDM, as well as the performance review against predetermined objectives outlined in the Integrated Development Plan (IDP) as well as the Service Delivery and Budget Implementation Plan (SDBIP) documents.

Although progress has been made in certain areas, we remain fully aware of the gaps and challenges that remain, hence the municipality will be implementing the 2022/23 Service Delivery and Budget Implementation Plan (SDBIP), including the District Development Model (DDM) one plan timely, to address these shortcomings.

The leadership of the DrKKDM intends improving and ensuring that necessary controls are designed, implemented and monitored throughout the year to address all root causes of the prior year audit findings, as well as implementing the recommendations by both internal and the audit committees. In our endeavors to explore prosperity for the people of the District, the Dr KKDM intends to design long-term strategies to deal with growth and spatial development, within the context of growth, rapid urbanization, unemployment, poverty, inequality, aging infrastructure within the area of the local municipalities through the intergovernmental relations engagements, harnessing and taking advantage of opportunities presented by the 4th Industrial Revolution.

Progress on The District Development Model (DDM)

Between March and June 2021, the Dr Kenneth Kaunda District Municipality conducted a series of meetings with the National Department of Cooperative Governance and Traditional Affairs (DCOGTA), the North West Office of the Premier, the North West Department of Cooperative Governance, Human Settlements and Traditional Affairs (COGHSTA), SALGA NW, Local Municipalities in the District and other stakeholders. The purpose was to consolidate and finalize the projects that would form part of the Dr Kenneth Kaunda District Municipality DDM One Plan.

The consultation process was successfully completed with the presentation of the Draft One Plan to the different stakeholders on 05 July 2021. The first Draft One Plan was tabled in Council on 03 August 2021. The draft was submitted to Local Municipalities in the District, DCOGTA, the National DDM Champion for the District (Minister of State Security, Hon. Ayanda Dlodlo), Office of the Premier, NW COGHSTA, the Provincial DDM Champions and SALGA NW. Engagements with some stakeholders was embarked upon and as part of the process the national Champion, Hon. Minister A. Dlodlo and provincial champions, MECs Desbo Mohono and Gaoage Molapisi visited the local municipalities in the district between October and November 2021.

The draft One Plan was assessed by national COGTA and the DDM Quality Assurance Report/Outcomes was presented to the district technical team in March 2022. Between March 2022 and September 2022 engagements were held with different DDM Committees to accomplish the following functions with the purpose of improving on the identified shortcomings in the findings of the assessment:

- Establishment of the DDM Workstreams (29 March 2022)
- Orientation and Induction workshop for Municipal Political Leadership in Dr KK DM (01 June 2022)
- Working Sessions of Workstreams, the Technical Team and the Core Team to update information in DDM One Plan/Profile (Review of the Draft One Plan). There were ten (10) one-day and one (1) two-day session between 06 July and 26 October 2022. These exclude the engagements of the Workstreams in their own programmes
- Preparations for briefing the Dr KKDM National Champion, Hon. Minister Thulas Nxesi,

The second Draft One Plan was tabled in Council on 27 October 2022 and on 31 October 2022 placed in public institutions and the website for twenty one (21) days for public comments. The document was then presented to the Acting National Champion, Minister Thulas Nxesi, the provincial champions, the district and local municipalities' political leadership on 09 December 2022.

Alignment of Municipal Services to the Integrated Development Plan (IDP) and Municipal Council Strategic Objectives

The District Municipality has through the Municipal Council, adopted and approved a five (5) year IDP with the main focus on Powers and Functions in terms of the Local Government: Municipal Systems Act, No. 32 of 2000 (MSA), Section 25. The Division of Functions and Powers in terms of the Local Government: Municipal Structures Act, No. 117 of 1998, (MSSA), Sections 84(4)(a) and 85(1) allows the Minister responsible for the Department of Cooperative Governance and Traditional Leaders and Member of the Executive Council (MEC) responsible for Cooperative Governance, Human Settlements and Traditional Leaders revoke or adjust performance of functions and exercise of powers respectively. It is based on this background that the Dr Kenneth Kaunda District Municipality will engage the Minister DCoGTA and MEC DCoGHSTA.

The IDP Sector Departments Engagements, the IDP Representative Forum, Technical IGR Fora, Disaster Advisory Forum, and the PMS District Forum, are some of the formal functional structures in the district.

Service Delivery Performance

The 2021/22 financial year created an environment that reduced significant achievement of the Integrated Development Plan (IDP) Strategic Objectives, especially on service delivery performance. The Covid-19 environment that started in March 2020 saw the municipality failing to achieve all the planned targets.

Several planned targets were to a large extent not achieved due to challenges posed by the Covid-19 pandemic, and had to be pushed forward for implementation in the new financial year. The Municipality will continue to develop ways and means of working and ensuring that the said targets will be achieved in the 2022/23 financial year.

The Constitutional Court decision on the Preferential Procurement Policy Framework Act, No. 5 of 2000 (PPPFA) and Preferential Procurement Policy Regulations, 2017 in February 2022, created additional uncertainties for the municipalities. The National Treasury issued a Directive that municipalities must stop the Supply Chain Management Processes until the PPPFA and PPP Regulations have been reviewed and corrected.

However, National Treasury interpretation of the Constitutional Court decision was corrected on 30th May 2022, but it was already late for the organisation to make significant strides, as adherence to the

Constitution Section 217, Local Government: Municipal Finance Management Act, No. 56 of 2003, Section 112, Local Government: Municipal Supply Chain Management Regulations and the approved Municipal Supply Chain Management Policy.

The Department of Community Services, through the Unit: Municipal Health and Environmental Services, has from time to time taken water samples to ensure compliance with the applicable standards. Food safety and environmental awareness campaigns received priority attention. Pollution control also received attention with mining houses having submitted their dust reduction plans.

The municipality is not facing any management constraints, as all senior management positions have been filled.

Impact of Covid-19 On Service Delivery

Covid-19 pandemic continued to pose challenges in the way the municipality provide services and interact with our communities. This resulted in key performance indicators (KPIs) that involve gatherings not being achieved, especially in the Department of Local Economic Development (LED). The Disaster Management Act that empowers the Minister DCoGTA to gazette regulations, has allowed the improved interaction with the stakeholders from month of April 2022.

Financial Sustainability

The Dr Kenneth Kaunda District Municipality (DrKKDM) is wholly grant dependent due to the RSC Levy that was abolished the former Minister responsible for National Treasury on Friday, 30th June 2006 and it was replaced by the RSC Levy Replacement to cater for lost revenue. Good financial management and collaboration with other spheres in implementing some projects and programmes in an integrated manner, has contributed to prudence in managing finances.

Policies

During the year under review, several policies were workshopped and reviewed by the Municipal Council, and these included amongst others, the Communication and Marketing Strategy and the Risk Management Policy, which incorporate the Fraud and Anti-Corruption Strategy.

The Budget-Related Policies were approved with the Medium-Term Revenue and Expenditure Framework (MTREF) 2021/2022 in May 2021. These Budget-Related Policies were applicable during the 2021/2022 budget implementation.

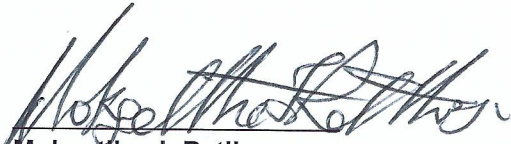
Shared Services

The DrKKDM has shared Internal Audit Unit with a signed services level agreement (SLA) with the Maquassi Hills Local Municipality (MHLM). The Audit Committee is also a shared service with MHLM. The purpose is to assist this local municipality in improving their audit outcome through auditing of their financial and performance reports.

Conclusion

The Office of the Municipal Manager recognises and appreciates the support and cooperation from the Offices of the Political Office Bearers, Members of the Municipal Council, Senior Managers, Managers and entire personnel in ensuring that the organisational are met.

The District Development Model implementation to be fast tracked, including engagements with the Offices of the Minister DCoGTA and MEC DCoGHSTA on the revocation and adjustment of Functions and Powers.



Mokgathe J. Ratlhogo

Municipal Manager

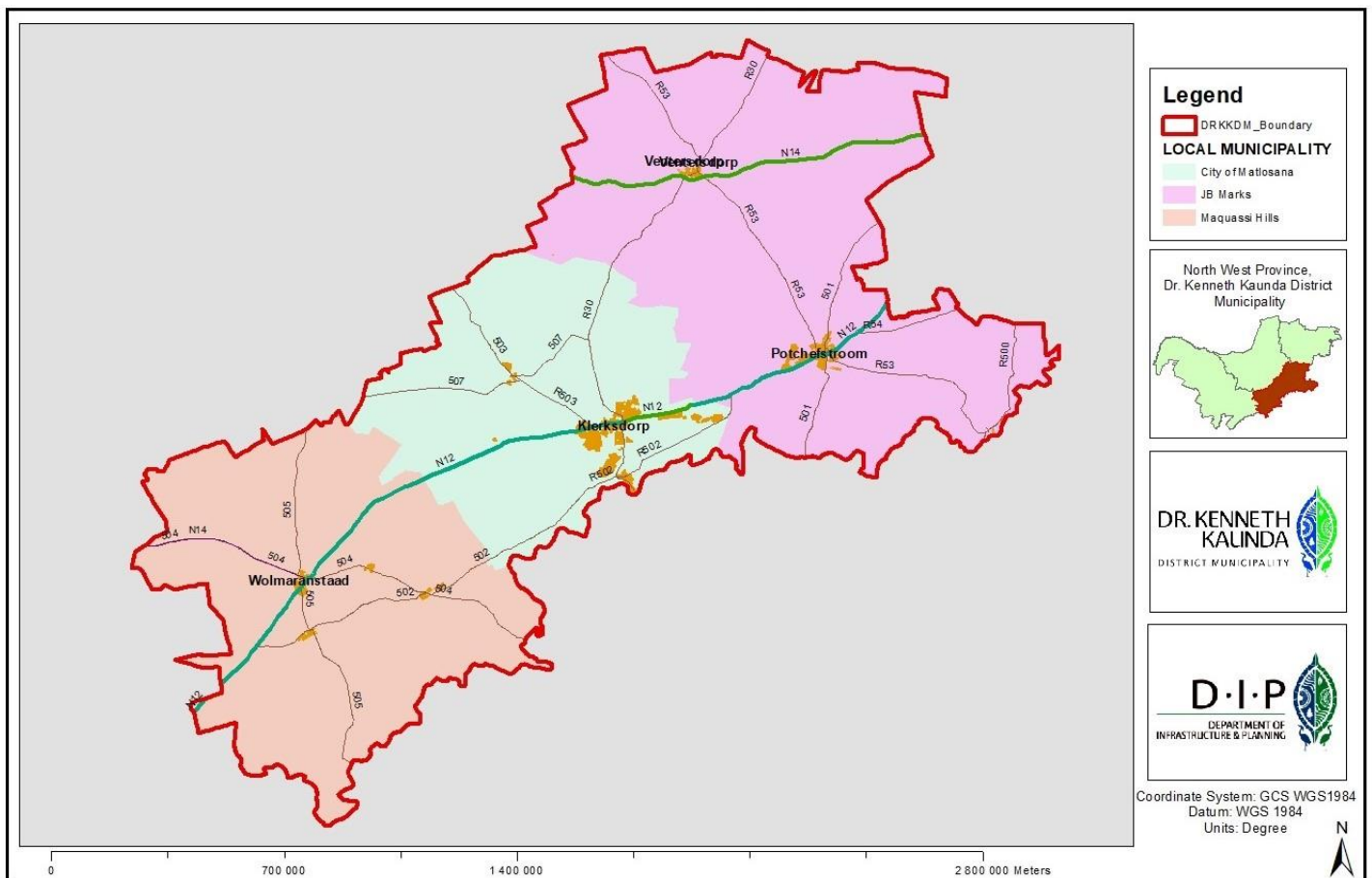
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1.2.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

- **INTRODUCTION TO BACKGROUND DATA**

The Dr Kenneth Kaunda DM consists of three local municipalities i.e. Matlosana, JB Marks and Maquassi Hills. The area covered by the District Municipality appears on the map below (**Figure 1**) and this is followed by the demographics. The statistical information is the combination of the Census 2011, the 2016 Community Survey by StatsSA and the *IHS Markit Regional eXplorer*, the Dr Kenneth Kaunda DM Spatial Development Framework of 2011 and other analyses described hereunder. The analyses are based upon the demarcation boundaries as at 2016 provided by the Municipal Demarcation Board (MDB) of the Republic of South Africa.

Figure 1 Map of Dr Kenneth Kaunda District Municipality



Total Population

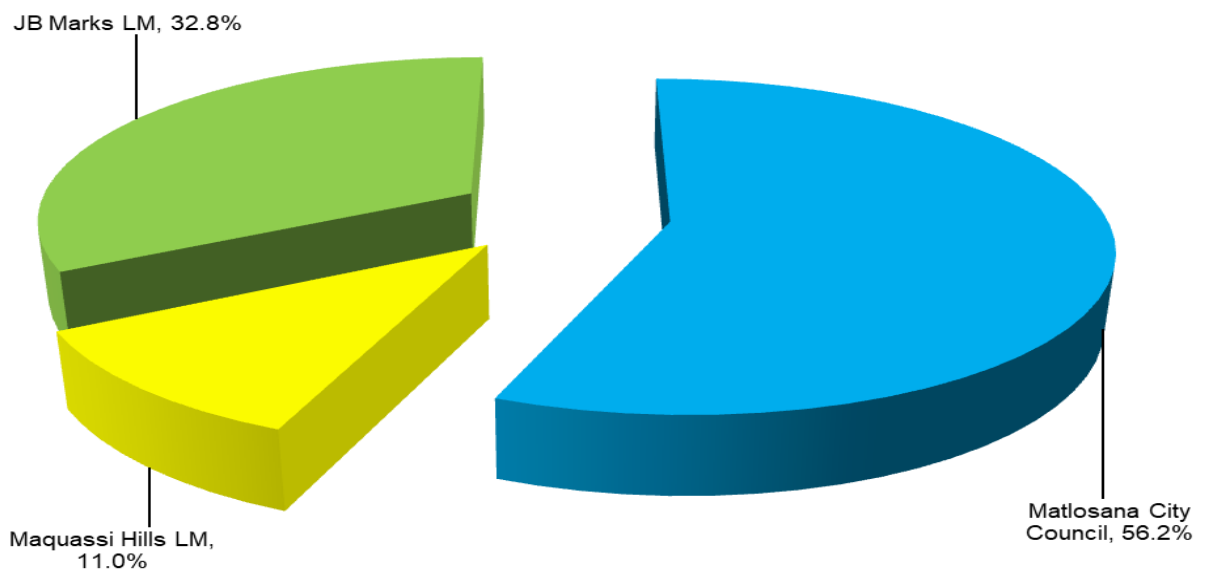
According to Statistics South Africa (*Community Survey 2016*), the **population** of the Dr. Kenneth Kaunda District (based on 2016 municipal boundaries) is **742 822**, increased from 695 934 in 2011 (Consider **Table 1**). The population is unevenly distributed among the three (3) Local Municipalities and the average annual growth rate of the district is 1.07% which dropped from 1.16% between 2001 and 2011.

Table 1: Population Figures

Municipality	Total Population			Population (%)			Annual Growth (%)	
	2001	2011	2016	2001	2011	2016	2001-11	2011-16
JB Marks (NW405)	171431	219464	243528	28.59	31.54	32.78	1.28	1.11
City of Matlosana (NW 403)	359202	398676	417281	59.90	57.29	56.18	1.11	1.05
Maquassi Hills (NW 404)	69037	77794	82013	11.51	11.18	11.04	1.13	1.05
Dr Kenneth Kaunda (DC40)	599670	695934	742822	100	100	100	1.16	1.07

The majority of the Dr. Kenneth Kaunda District population reside within the City of Matlosana LM (56.18, down from 57.29% in 2011), followed by NW405 JB Marks (32.78, up from 31.54% in 2011). The Local Municipality with the lowest population in the Dr. Kenneth Kaunda District is Maquassi Hills (11.04, down from 11.18%). The number of wards per local municipality is Matlosana (39), JB Marks (34) and Maquassi Hills (11) for a total of 84 in the DM, as on September 2016 (*Statistics SA, Census 2011, Community Survey 2016*). The number of households within the Dr. Kenneth Kaunda District was estimated at about 221 400 in 2016, from 203 331 in 2011 (*IHS Markit Regional eXplorer Version 1160*).

Figure 2 Population of Dr Kenneth Kaunda DM (Percentage Distribution)



Population by Gender

The gender structure of the North West Province, Dr Kenneth Kaunda DM and its constituent local municipalities is depicted in **Figure 2**. This information indicates a fairly equal distribution between male and female population in all constituent municipalities. The proportion of the female population is

for JB Marks, 49.6%, Matlosana, 50%, Maquassi Hills, 49.8%, and Dr Kenneth Kaunda DM averages at 49.8%, while the NW Province sits at 51%.

There are no apparent significant changes that have occurred between 2011 and 2016 in terms of gender population. It would normally be expected that the gender structure of the population in an area dominated by the mining sector (such as Matlosana) is dominated by males due to the presence of migrant workers. The continuous closure of mines has seen the male:female population percentage ratio in Matlosana at almost 50:50 (percentage points). This is consistent with the Census of 2011 and the Community Survey of 2007 estimates.

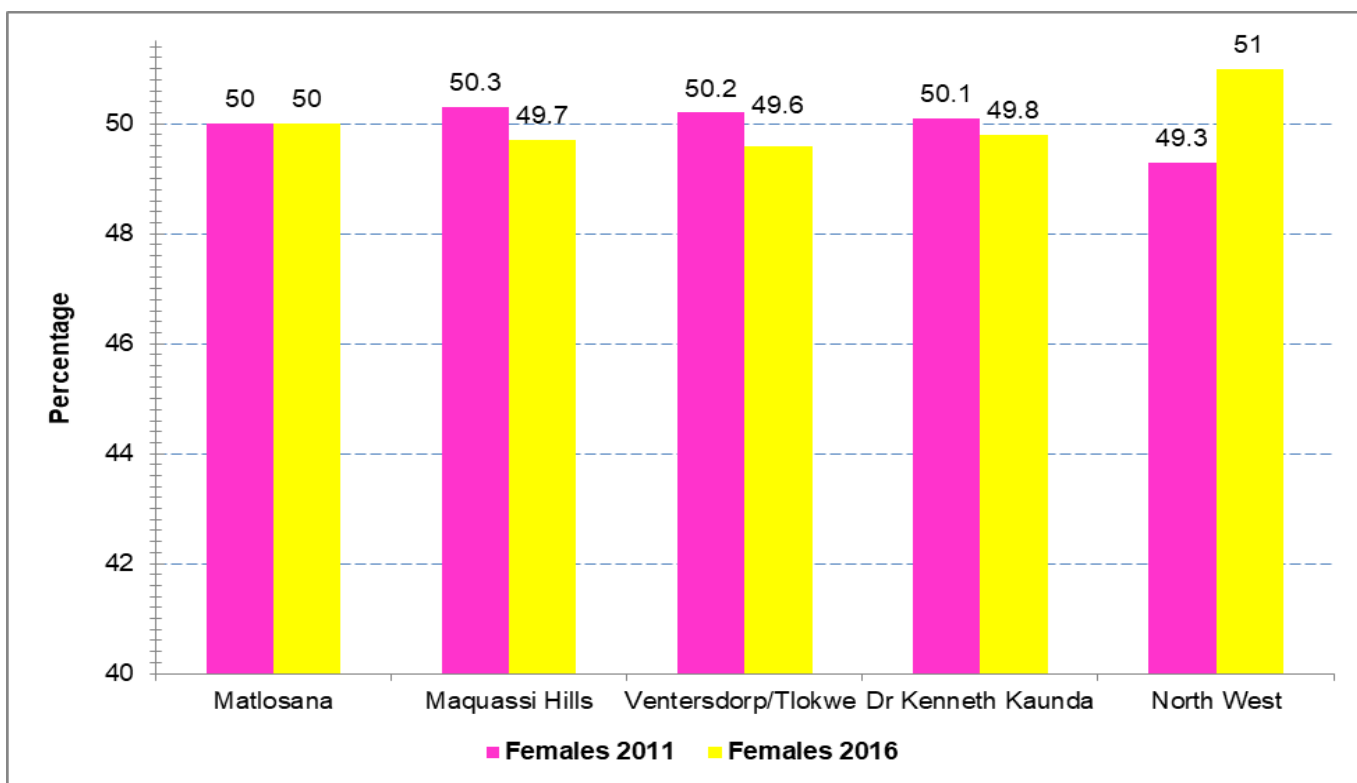


Figure 3: Percentage Female Population

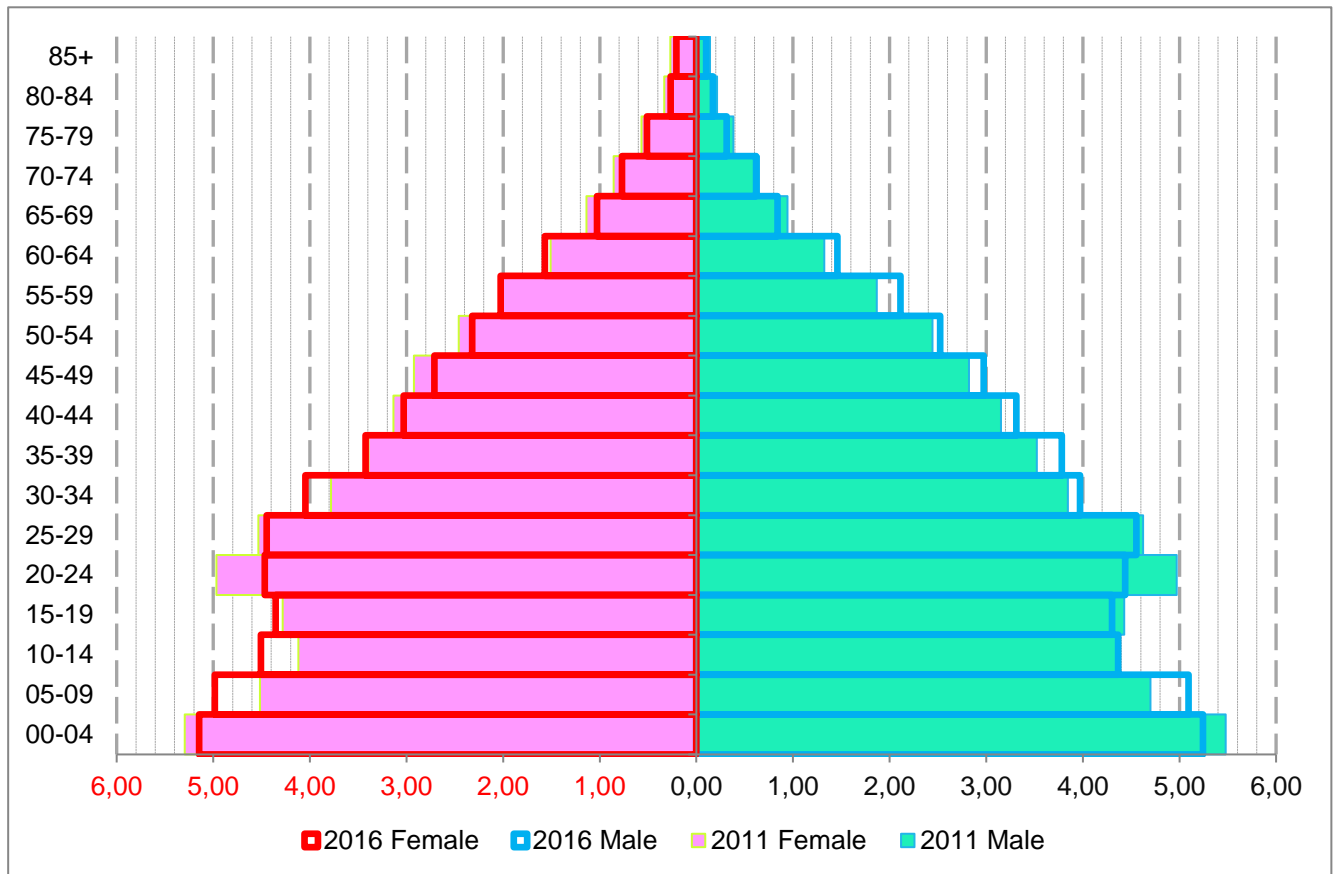
Source: 1. Statistics SA, Census 2001
2. Statistics SA, Census 2011

Population by Age

The population pyramid (Figure B.3) indicates that there were more people in younger ages, particularly in age groups 0–4 and 5–9, and less people in older ages, particularly from the ages 65 and older. A new cycle of the pyramid is being developed from the lower ages, barring some significant changes in the mortality rates. The graph explicitly indicate that between about ten (10) to twenty (20) years ago, infant mortality was high, hence the indentation in the pyramid. This is attributed to the high death rate experienced in the early 2000 due to the prevalence of HIV/AIDS. The death rate affected the mainly young children and teens. The ages of 20 and upwards followed a normal pyramid, and is still following the same trend.

The population distribution has, however, followed a normal distribution for the past ten years. This may be attributed to the increasing quality of health care which contained the epidemic successfully. The specific interventions in to mitigate the HIV/AIDS epidemic has borne positive spinoffs.

Figure 4: Population Pyramid



Source: Statistics SA, Census 2011

Population by Province of Previous Residence

According to **Table 2** the highest number of immigrants from outside the province come from the Gauteng Province, followed by the Free State, then those outside the Republic of South Africa, and then the Eastern Cape Province.

Table 2: Population numbers by Province of Previous Province

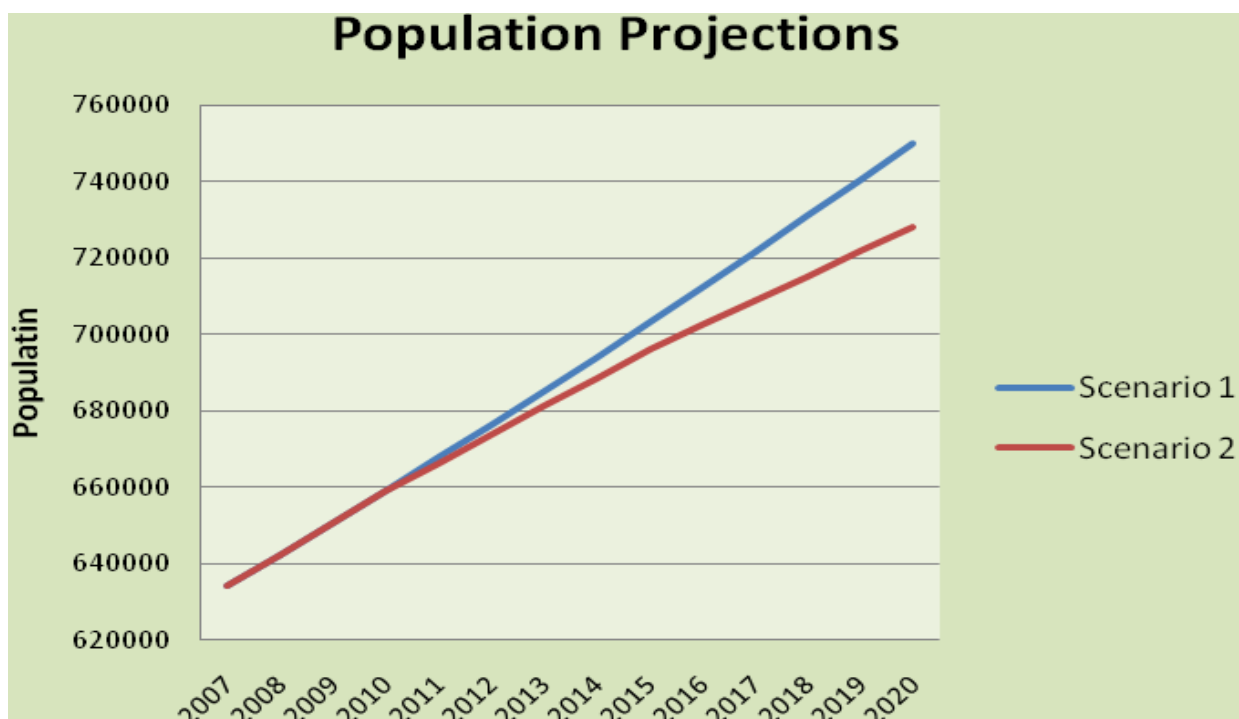
	Wester n Cape	Easter n Cape	Norther n Cape	Free State	Kwazulu -Natal	North West	Gaute ng	Mpum alanga	Limpo po	Outsid e SA	Do not know	Not Applicabl e	Unspe cified	Total
City of Matlosana	310	1070	498	2589	446	30984	3477	361	750	1618	99	375013	69	417282
Maquassi Hills	20	19	49	350	-	6599	333	-	458	239	-	73944	-	82012
JB Marks	630	459	484	2017	425	15025	5081	474	834	617	75	217388	17	243527
Dr Kenneth Kaunda DM	960	1548	1031	4956	871	52608	8891	835	2042	2474	17 4	666345	86	742821

Population Growth Rate

The **population growth** figures for the district between 2011 and 2016 are summarized in **Table 2** and **Figure 4**. According to the official Statistics SA data, the total population have increased from 695 933 in 2011 to 742822 in 2016. The average annual growth rate has declined from 1.18% between 2001 to 2011, to 1.07% between 2011 and 2016. This growth rate is significantly lower than 2.1% which is necessary to maintain the current population levels constant.

Various **population growth rates** are being utilized for the purpose of population projections in various existing policy documents and plans. Two alternative population projections, utilizing the base year figure in 2007 was provided by Statistic SA and is restated for the purpose of the SDF. The first scenario assumes a constant annual growth rate remaining at 1.3% per annum from 2007 to 2020. The second scenario assumes a decreasing growth rate estimating a figure of 1.3% per annum up to 2010, a figure of 1.1% per annum from 2011 to 2015, and 0.9% from 2016 to 2020. The projected 2020 population figures based on these alternative scenarios will be 750 000 and 728 000 respectively by 2020.

Figure 5: Population Projections, 2007-2020



Population Education Levels

The status and changes in the education profile of the district population between 2001 and 2016 is given in Table 3 and depicted on Figures 6 (a) to (b). There has been a significant improvement in overall skills levels, most notably the decrease of adult illiteracy by 0.67 as a percentage of the population. In addition, the percentage of people without matric have decreased by 0.91%, with a corresponding increase in the proportion of population with matric (0.05%), matric and bachelor's degrees (or equivalent qualification(0.52%)) and matric plus postgraduate degrees (or equivalent qualification(0.08%)).

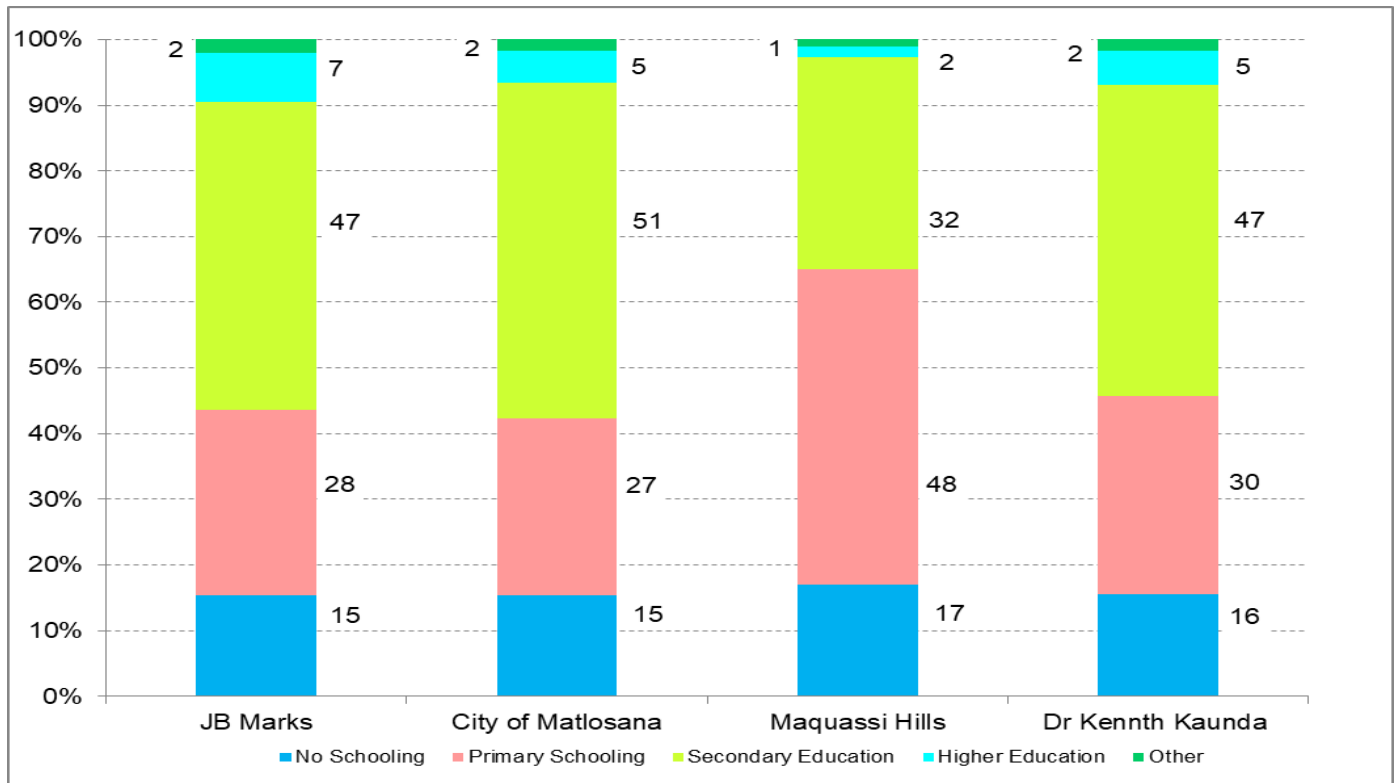
Matlosana has the highest proportion of the population with matric (51%), with the lowest proportion in Maquassi Hills (32%). Maquassi Hills has also a corresponding higher percentage of the population with a qualification of less than matric 48% (district average is 30%) and slightly higher percentage of the population without any schooling at 17% (just higher than the district average of 16%). The newly established (through a merger of Ventersdorp and Tlokwe) municipality has a higher percentage of the population with qualifications higher than matric at 9% to the district average of 7%.

Table 3: Education Profile of Population older than 20 Years (2001-2016)

	Dr Kenneth Kaunda			City of Matlosana			Maquassi Hills			JB Marks		
	2001	2011	2016	2001	2011	2016	2001	2011	2016	2001	2011	2016
No schooling	59968	41333	39545	30996	18836	18177	13084	10026	8143	15888	12471	13225
Certificate / Diploma without Matric	219753	237853	249438	138467	139604	142587	19814	24596	27906	61472	73653	78945
Matric only	74003	116527	125902	46846	70972	75369	4842	8566	9631	22315	36989	40902
Matric & Bachelors Degree	22563	34301	40855	12780	19731	22812	1268	1903	2182	8515	12667	15861
Matric & Postgrad Degree	3279	8259	9477	1147	3344	4044	94	290	332	2038	4625	5101

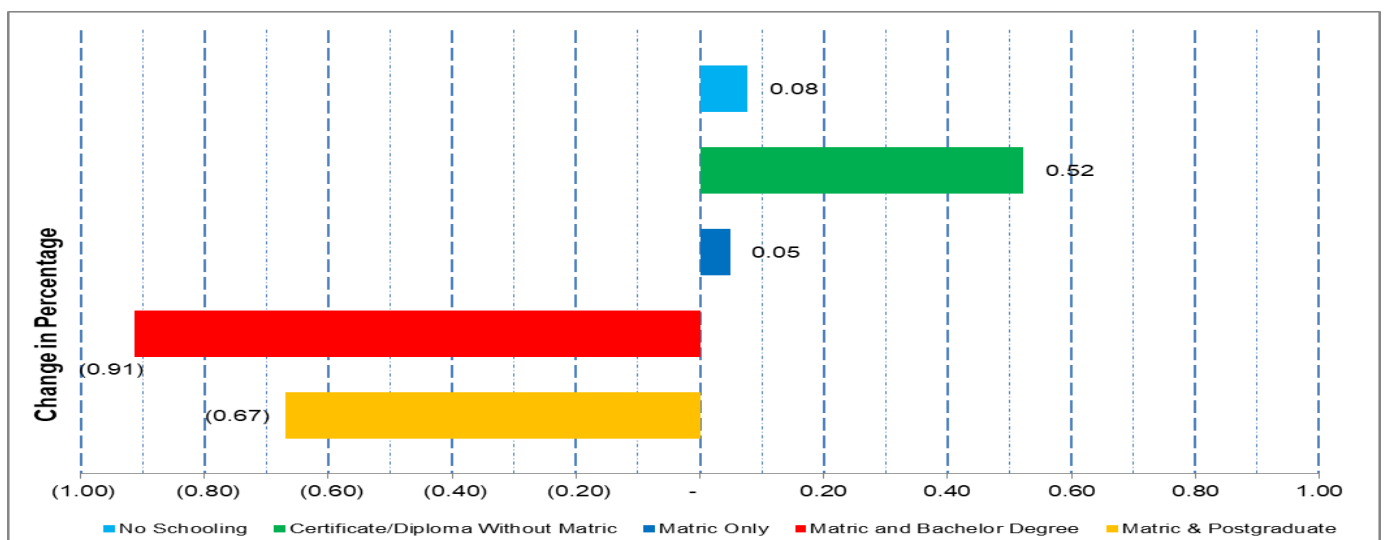
Source: Statistics SA, Community Survey 2016

Figure 6 (a): Education Profile of Population Older than 20 Years (2016)



Source: Statistics SA, Community Survey 2016

Figure 6(b): Change in the Education Profile of Population across Dr KKDM (2016)



Source: Statistics SA, Community Survey 2016

Spatial Analysis

The spatial analysis of the Dr Kenneth Kaunda DM is given in the Spatial Development Framework (SDF) review document adopted in March 2011. The review, which started in 2009, was of the original 2004 document which had become outdated due to the many developments that had occurred since it was completed-including Merafong City Local Municipality being incorporated into and out of the District Municipality.

Analysis and additional information, including the Strategic proposals based on both the 2004 and the 2011 adopted documents, is given under **Chapter D** of the Dr Kenneth Kaunda DM 2020/21 IDP. The 2011 SDF is currently under review, with significant progress having been registered.

Social and Economic Analysis of Patterns, Trends and Risks

The analysis of patterns, trends and risks in the Dr Kenneth Kaunda DM are given in the Southern District Growth and Development Strategy (GDS) which was developed in 2005 and reviewed in February 2007.

During the 2008/09 Financial Year, the DTI collaborated with the Dr Kenneth Kaunda DM to develop the latter's Local Economic Development (LED) Strategy. The analysis that follow are mainly derived from statistical information provided by Statistics SA, 2016 Community Survey and IHS Markit Regional eXplorer:

Access to Basic Services

The following table indicate the access to basic services for households within the DM, according to the Statistics SA, 2016 Community Survey.

Table 4 (a): Access to Basic Services

Municipality	Percentage Access to Basic Services								
	Electricity: Cooking	Electricity: Lighting	Electricity: Space Heating	Electricity: Water Heating	Electricity: General	Formal Refuse Removal	Access to Safe Drinking Water	Sanitation (Connected to a public sewerage system)	Formal Dwelling
City of Matlosana	90.9	95.7	69.6	91.5	96.0	95	85.4	95.4	91.6
Maquassi Hills	90.4	96.6	53.1	87.9	94.5	76.8	92.2	87.9	87.3
JB Marks	82.9	91.4	52.1	85.2	92.9	79.6	89.9	77	85.5
Dr Kenneth Kaunda	88.2	83.3	62	89	94.8	87.9	87.6	88.6	89.1

Source: Statistics SA, Community Survey 2016

The majority of households in the DM (87.6%) have access to piped water either inside the dwelling, inside the yard or from an access point outside the yard. About 87.9% have access to refuse removal

for at least once a week, while almost 88.6% have sanitation that is connected to a formal sewage system. Almost 89.1% of the population stay in formal dwellings and about 95% have access to one or another form of access to electricity access.

Table 4 (b): Main Type of Dwelling in the DM

	Formal dwelling/house or brick/concrete block structure on a	Traditional dwelling/hut/structure made of traditional mater	Flat or apartment in a block of flats	Cluster house in complex	Townhouse (semi-detached house in a complex)	Semi-detached house	Formal dwelling/house/flat/room in backyard	Informal dwelling/shack in backyard	Informal dwelling/shack not in backyard (e.g. in an informal	Room/flatlet on a property or larger dwelling/servants quart	Caravan/tent	Other	Unspecified	Total
City of Matlosana	345725	4024	8579	1483	5144	4244	11602	15220	16131	1313	-	3817	-	417282
Maquassi Hills	70783	169	199	20	54	64	239	2721	2486	94	-	5182	-	82012
JB Marks	175410	765	8463	1984	854	2673	16603	12439	20502	1463	54	2319	0	243527
Dr Kenneth Kaunda DM	591918	4958	17241	3487	6052	6981	28444	30380	39119	2870	54	11318	0	742821

Source: Statistics SA, Community Survey 2016

Major Causes and Number of Deaths by Age Group

According to the Mortality and Causes of Death in SA, 2015, (a publication of Statistics SA) the major causes of death in the Dr Kenneth Kaunda district measured in 2015 were led by non-natural causes at 9.5%, followed by tuberculosis at 8.9%. The HIV infection rate was measured at 7.6% in the same period and the number of AIDS related deaths, as a percentage of the DM population is standing at 7.6% (Fig 7(a)).

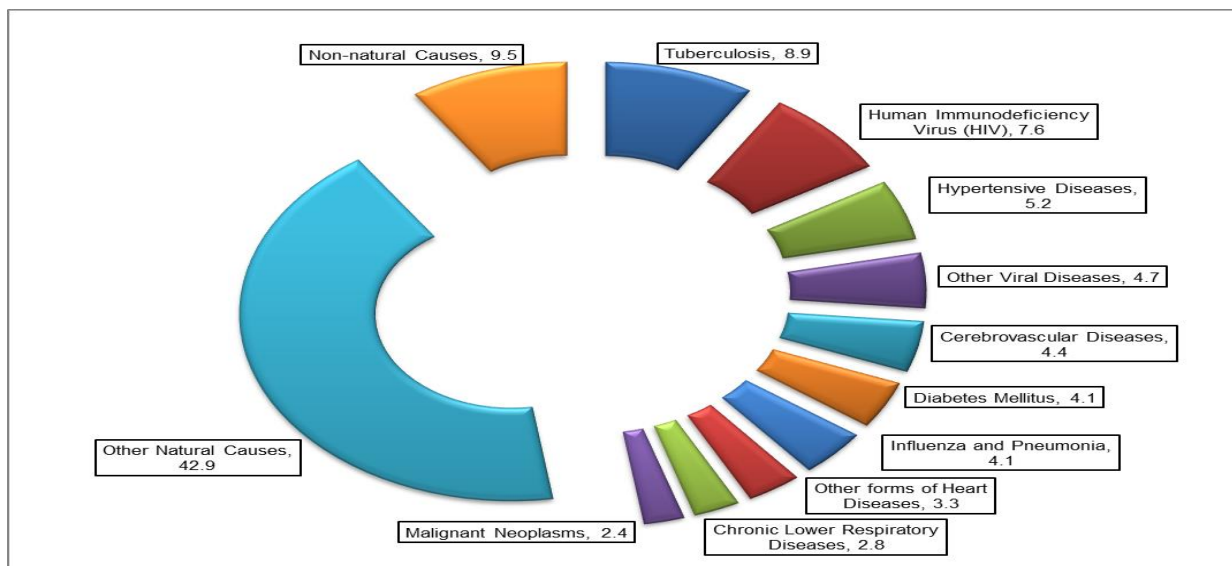


Figure7 (a):Percentage of Major Causes of Death

Source: Statistics SA, Mortality and Causes of Death in SA, 2015

In the same period, according to the same publication, the number of deaths per age group were almost similar across the district municipalities in the NorthWest Province (consider **Figure B.4.2 (b)**). In the age group 45-64, the district municipality with more deaths as a percentage is Dr Kenneth Kaunda DM (at 30%), while Bojanala Platinum DM has the highest percentage of deaths per population in the age group above 65 years (close to 34%). Across the province, infant mortality rate is at 7%, while the lowest percentage of deaths per population in the province is in the age group of 1-14 years (about 3.3%)

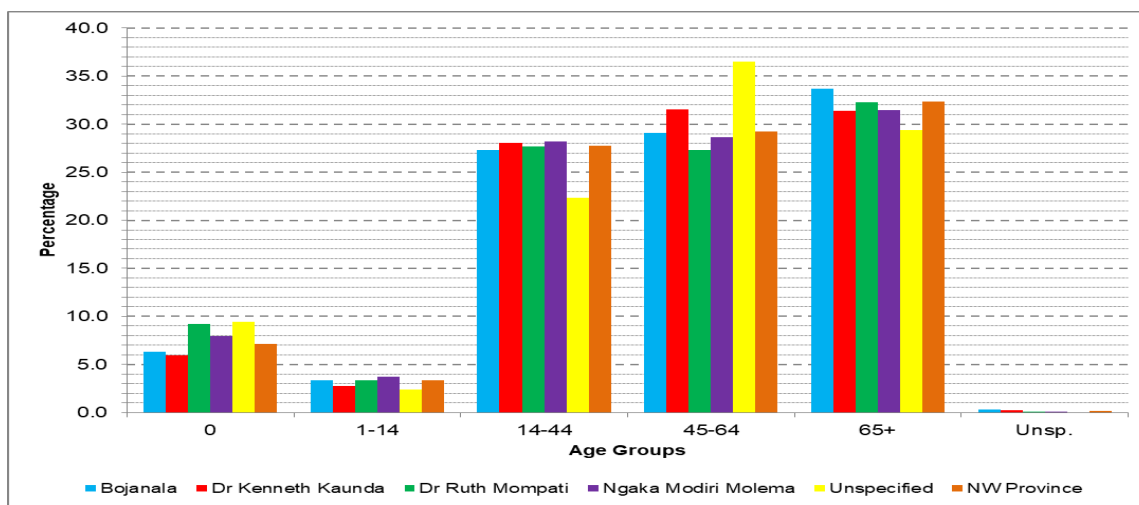


Figure 7(b): Percentage of Deaths by Age Groups

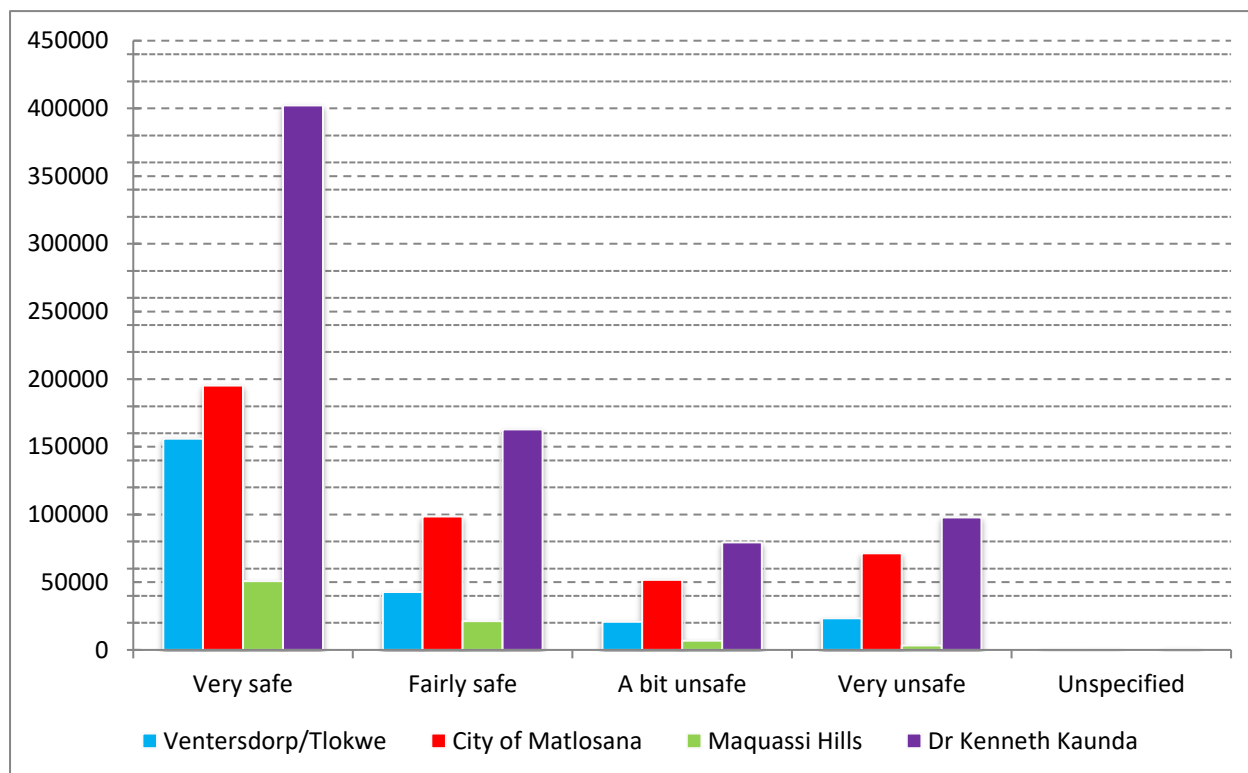
Source: Statistics SA, Mortality and Causes of Death in SA, 2015

Crime and Perception of Safety

The largest number of people who feel safe during the day the district (with 54%), is highest in JB Marks at about 64%, with less than 50% of people who feel safe are located in Matlosana (lowest at 47%). (Consider Fig B.4.3 (a)). The converse is also replicated where the highest number of people (17%) in Matlosana feel very unsafe during the day, followed by JB Marks at 10% and the least at Maquassi Hills (4%).

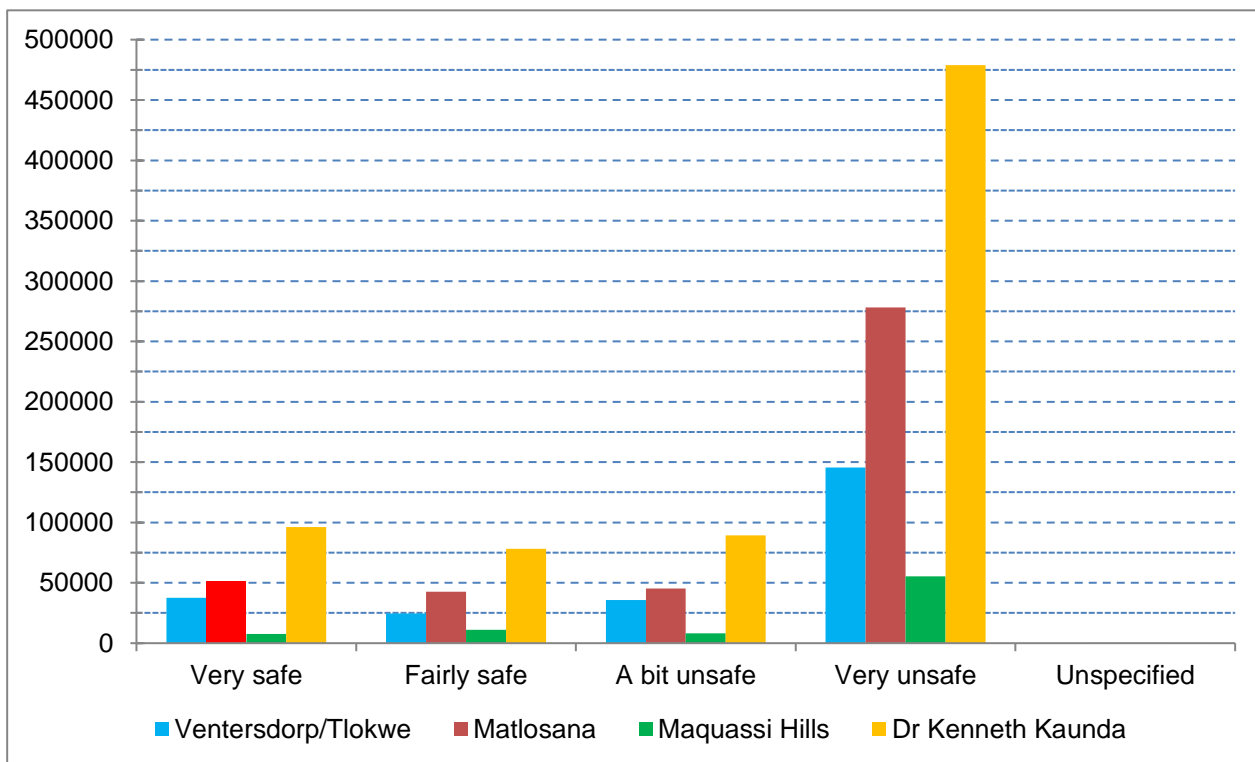
At least 60% of people feel very unsafe in the dark, with an average of 64% across the district. Maquassi Hills and Matlosana share the highest percentage, per population number of people who feel very unsafe in the dark at 67% and JB Marks at 60%. An average of people who feel very safe in the dark is 13% across the district, with 15% in JB Marks and the lowest number being found in Maquassi Hills at 9% per total municipality population. **(Consider Fig B.8(b))**

Figure 8(a): Perception of Safety during the Day



Source: Statistics SA, Community Survey, 2016

Figure 8(b) Perception of Safety in the Dark



Economic Performance and Trends

Growth Domestic Product

Annual GDP growth in the DM broadly follows the national trend. DM GDP growth is generally lower than both the national and provincial averages. The next tables (5 (a)-(c)) and graphs(9) indicates annual GDP growth rates for the local municipalities within the DM over the period 2006-2016.

Table 5(a): Average Growth Rate for Dr Kenneth Kaunda Municipalities, 2006-2016

	Dr Kenneth Kaunda	City of Matlosana	Maquassi Hills	JB Marks	
Gross Domestic Product by Region (GDP-R)					
Average annual growth (Constant 2010 Prices)					
	2006-2011	-0.8%	-2.5%	2.7%	2.1%
	2011-2016	-1.2%	-2.4%	-0.1%	0.7%

Source: IHS Markit Regional eXplorer version 1181

The average growth rate of the entire DM declined by 0,8% between 2006 and 2011. The decline continued to increase to 1.2% in the following five years. The main contributor to the decline in the economic growth was City of Matlosana, going down by 2.5 and 2.4 percentage points in the respective periods. The JB Marks Municipality grew by 2.1 and 0.7 percent in the same timeframes, indicating a steady decline across the board (Table 5(a)). Between 1997 and 2016 (Fig 9), the growth increased mostly in the years 1999-2001 and in 2006 at almost 6% to 8%. The DM economy declined mainly in 2009 (above 6%), followed by figures of between 2 and 3% in 2012 and 2014. The decline has been seemingly arrested because of smaller declines in 2015 and 2016, with the prospects of complete turnaround, albeit marginal, in 2017 and going forward.

Table 5(b): Gross Domestic Product (GDP) for Dr KK Municipalities, Share and Change, 2006-16

	2016 (Current prices)	Share of district municipality	2006 (Constant prices)	2016 (Constant prices)	Average Annual growth
City of Matlosana	35.40	58.88%	26.15	20.40	-2.45%
Maquassi Hills	3.25	5.40%	1.78	2.02	1.29%
JB Marks	21.48	35.72%	12.08	13.84	1.37%
Dr Kenneth Kaunda	60.13		40.01	36.26	

Source: IHS Markit Regional eXplorer version 1160

The JB Marks Local Municipality had the highest average annual economic growth, averaging 1.37% between 2006 and 2016, when compared to the rest of the regions within the Dr Kenneth Kaunda District Municipality. The Maquassi Hills Local Municipality had the second highest average annual growth rate of 1.29%. City of Matlosana local municipality had the lowest average annual growth rate of -2.45% between 2006 and 2016.

The greatest contributor to the Dr Kenneth Kaunda District Municipality economy is the City of Matlosana local municipality with a share of 58.88% or R 35.4 billion, increasing from R 17.1 billion in 2006. The economy with the lowest contribution is the Maquassi Hills local municipality with R 3.25 billion growing from R 1.3 billion in 2006.

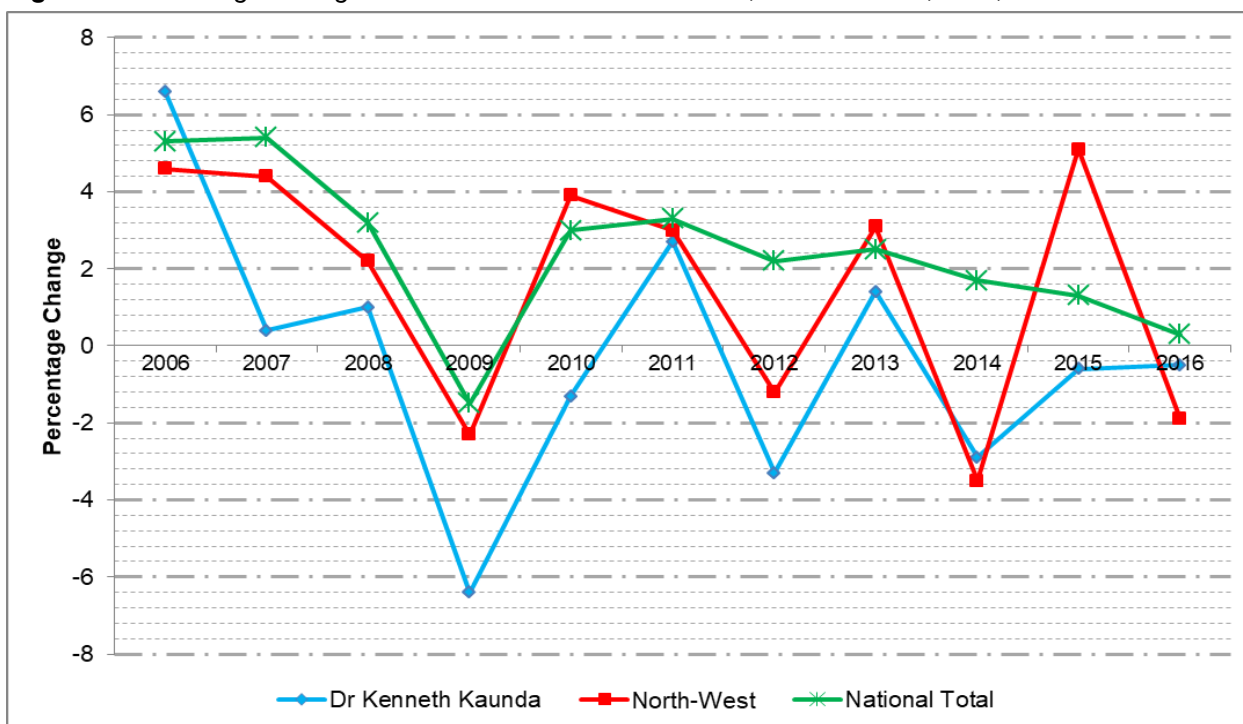
Table 5(c): Gross Domestic Product (GDP)-Dr KK DM, NW Province, RSA-2006-2016 (Billions)

	Dr Kenneth Kaunda	North-West	National Total	Dr Kenneth Kaunda as % of province	Dr Kenneth Kaunda as % of national
2006	27.1	105.0	1,839.4	25.8%	1.47%
2007	29.9	120.7	2,109.5	24.8%	1.42%
2008	33.0	138.9	2,369.1	23.8%	1.39%
2009	34.5	147.9	2,507.7	23.3%	1.38%
2010	37.5	164.5	2,748.0	22.8%	1.37%
2011	43.0	185.8	3,023.7	23.2%	1.42%
2012	45.5	191.0	3,253.9	23.8%	1.40%
2013	50.4	222.1	3,539.8	22.7%	1.42%
2014	51.3	227.2	3,807.7	22.6%	1.35%
2015	54.7	243.2	4,049.8	22.5%	1.35%
2016	60.1	263.8	4,338.9	22.8%	1.39%

Source: IHS Markit Regional eXplorer version 1160

With a GDP of R 60.1 billion in 2016 (up from R 27.1 billion in 2006), the Dr Kenneth Kaunda District Municipality contributed 22.79% to the North-West Province GDP of R 264 billion in 2016: decreasing in the share of the Kaunda from 25.79% in 2006. The Dr Kenneth Kaunda DM contributes 1.39% to the GDP of South Africa which had a total GDP of R 4.34 trillion in 2016 (as measured in nominal or current prices). It's contribution to the national economy stayed similar in importance from 2006 when it contributed 1.47% to South Africa, but it is lower than the peak of 1.47% in 2016.

Figure 9: Percentage Change in GDP-Dr Kenneth Kaunda DM, NW Province, RSA, 2006-2016



Source: IHS Markit Regional eXplorer version 1181

Sectoral Comparative Advantage

The **comparative advantage** of an area indicates a relatively more competitive production function for a product or service in that specific economy, than in the aggregate economy. The economy therefore produces the product or renders the service more efficiently. The location quotient is an indication of the comparative advantage of an economy. A location quotient of larger than one (1) indicates a relative (favourable) comparative advantage in that sector.

Table 6: Location Quotients for Dr Kenneth Kaunda Municipalities, 2016

No	Economic Sector	Dr Kenneth Kaunda	City of Matlosana	Maquassi Hills	JB Marks
1.	Agriculture	1.3	0.5	5.5	2.0
2.	Mining	2.6	3.4	1.5	1.2
3.	Manufacturing	0.4	0.3	0.4	0.5
4.	Electricity	1.0	0.8	0.5	1.3
5.	Construction	0.9	0.8	1.3	0.9
6.	Trade	1.0	1.0	1.0	1.0
7.	Transport	0.8	0.8	0.8	0.7
8.	Finance	0.8	0.8	0.7	0.8
9.	Community Services	1.1	1.0	1.1	1.4

Source: IHS Markit Regional eXplorer Version 1160

Household Income

The income profiles (in Rands) of the municipalities within the district is depicted in **Table 7** and illustrated in the accompanying graph (**Figure B.10**), showing the distribution of annual household income among the different income groups in the Dr. Kenneth Kaunda District Municipality, as measured in the 2016 StatsSA, Community Survey.

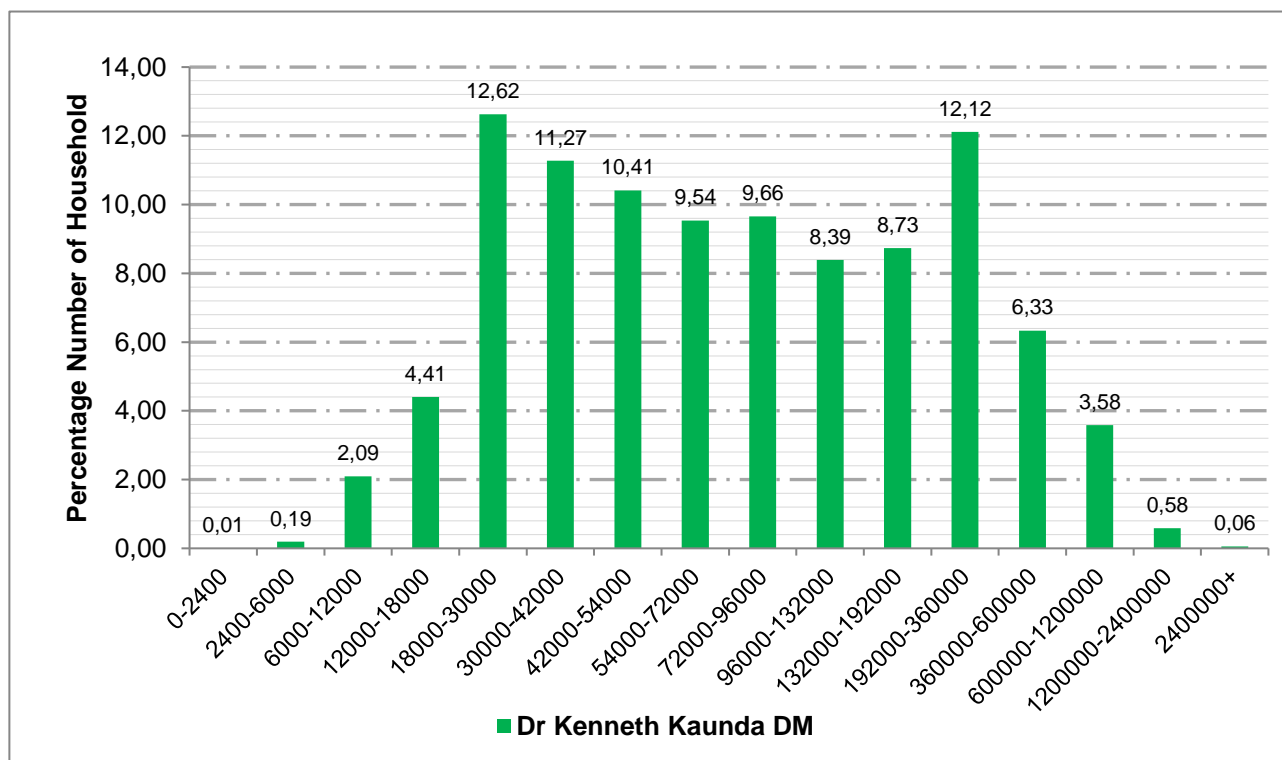
Table 7: Income Profiles for Households in Dr Kenneth Kaunda Municipalities, 2016

Total	Dr Kenneth Kaunda	City of Matlosana	Maquassi Hills	JB Marks
2016				
0-2400	18	10	2	6
2400-6000	428	250	51	126
6000-12000	4627	2839	548	1240
12000-18000	9759	5920	1110	2729
18000-30000	27947	16892	3226	7828
30000-42000	24957	14160	3035	7762
42000-54000	23041	12944	2834	7263
54000-72000	21111	11246	2481	7384
72000-96000	21388	11760	2219	7409
96000-132000	18585	10149	1591	6844
132000-192000	19336	11223	1482	6631
192000-360000	26831	15682	1839	9310
360000-600000	14016	8052	851	5114
600000-1200000	7937	4157	422	3357
1200000-2400000	1293	524	52	717
2400000+	126	40	4	82
Total Households	221400	125847	21750	73802

According to the table and graph, the highest number of households in the DM (12.62%) earn between R 18 000 - R 30 000 per annum, followed by those between R 132 000 - R 360 000 at 12.12%. The data also show that above 68.59% of households earned a monthly income of between R 96 000 and R 132 000 per annum (R8 000 – R11 000 pm) or less. Approximately 89.44% of the entire households across the district earn between R16 000 and R30 000 monthly or lower, indicating that only about 10.6% of the households earn above this income bracket.

The figures also indicate a proportionally higher income profile in JB Marks LM compared to the other two local municipalities. More than 56% of the highest income earners, above R1 200 000 per annum come from this particular municipality. The Matlosana City Council, due to its high population size, accounts for about 56.8% of the income of the households in the district.

Figure 10: Annual Households income in the Dr Kenneth Kaunda DM (as a percentage of the No of households, 2016)



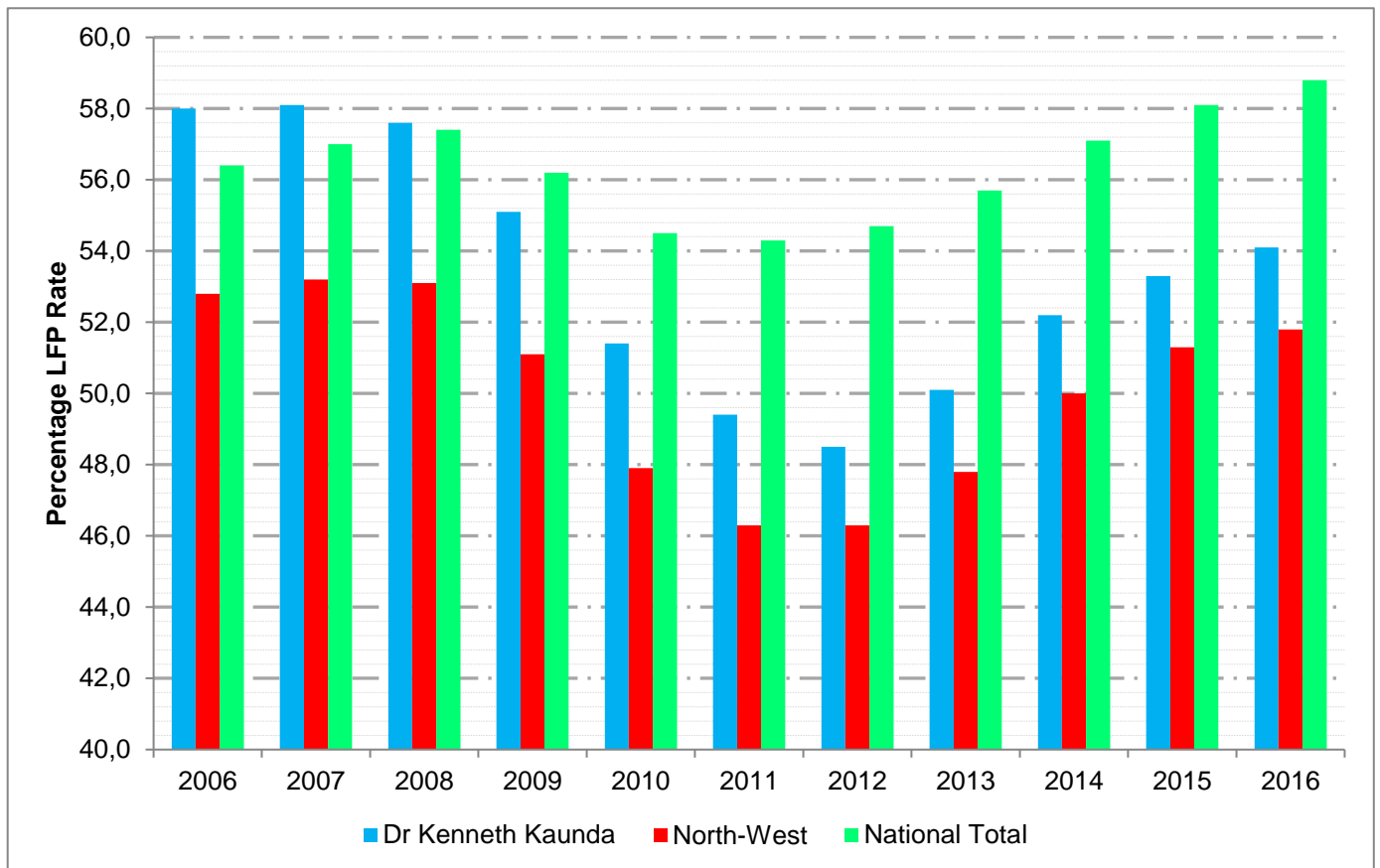
Source: IHS Markit Regional eXplorer Version 1160

Employment and Labour Profiles

Labour Force Participation Rate

The labour force participation rate (LFPR) is the Economically Active Population (EAP) expressed as a percentage of the total working age population. **Figure 11** depicts the labour participation rate of the Dr Kenneth Kaunda DM, North West Province and the National Total as a whole. The LFPR of the Dr Kenneth Kaunda DM has declined from 58% in 2006 to 54% in 2010.

Figure 11: Percentage Labour Force Participation Rate-Dr KKDM, NW Province, RSA, 2006-2016



Source: IHS Markit Regional eXplorer Version 1160

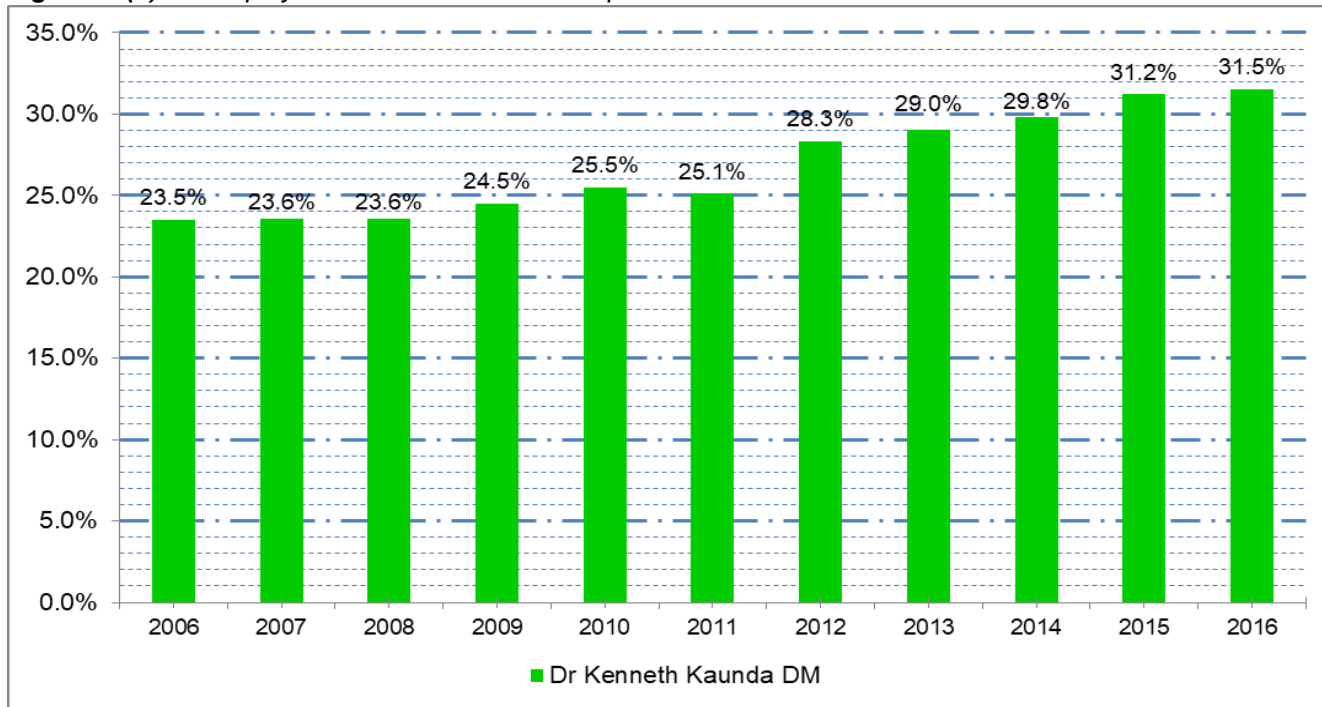
Unemployment Rate

In 2016, the unemployment rate in Dr Kenneth Kaunda District Municipality (based on the official definition of unemployment) was 31.5%, which is an increase of 8.01 percentage points from 2006. The unemployment rate in Dr Kenneth Kaunda District Municipality is higher than that of North-West and the national governments. The unemployment rate for South Africa was 26.43% in 2016, which is an increase of -0.668 percentage points from 25.8% in 2006.

As outlined in **Figure 12 (a)** the largest in the sectoral contribution to total employment in 2016 was in the Community Services (28.7%) and Trade (23.2%) sectors. The largest proportional gains in employment was achieved in the Community Services (5.3%), Finance (3.1%) and Construction (2.6%), during the period 2011 to 2016 (**Figure 12(b)**)

The biggest and only decline in total employment was experienced in mining between 2011 and 2016, with a decline of 15.9% (i.e. from 30 528 to 9174 employees), while the Electricity Services employee percentage stayed stagnant (and still contributing the lowest in 2016 at 0.5%).

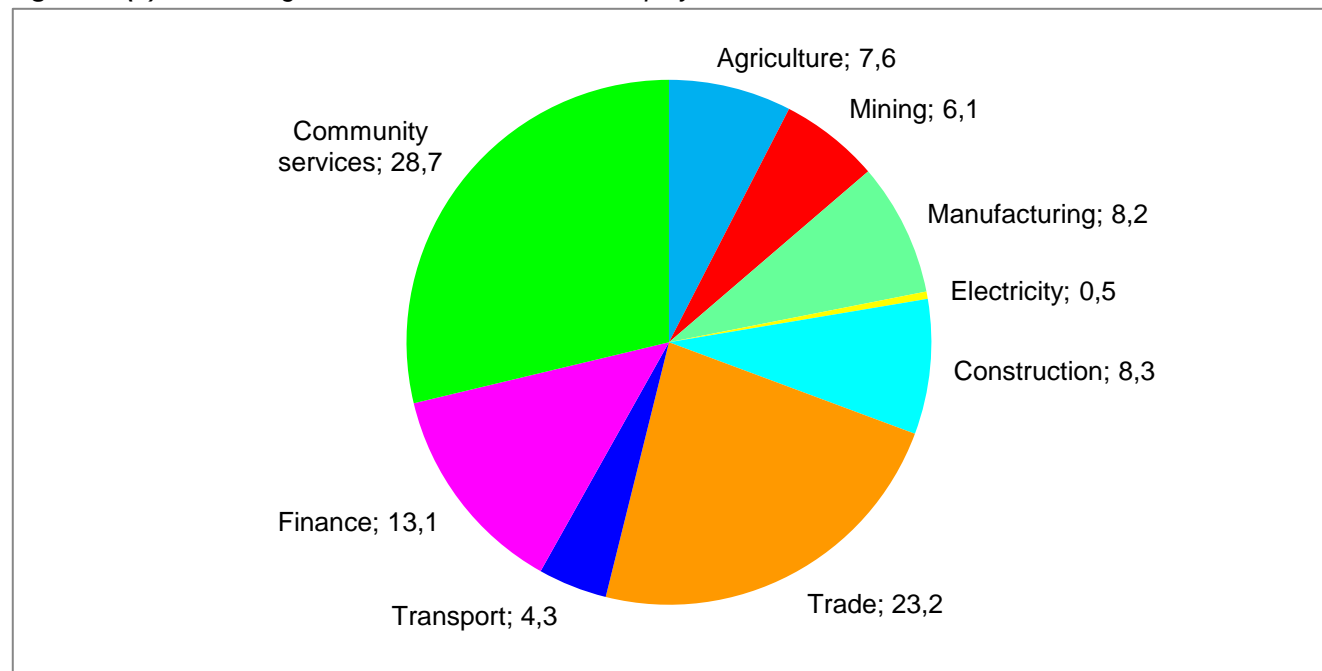
Figure 12(a): Unemployment Rate for the Total Population: Kenneth Kaunda DM



Source: IHS Markit Regional eXplorer

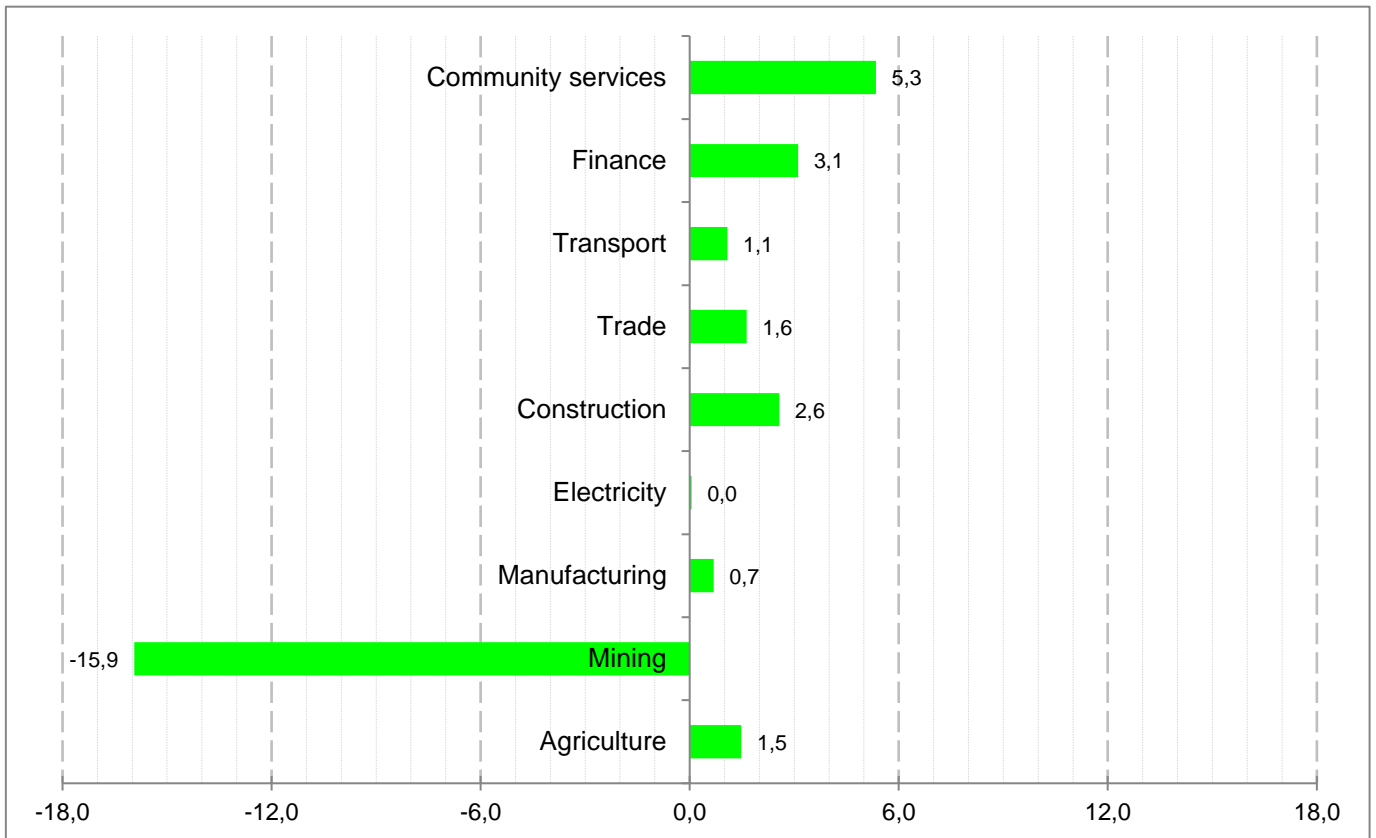
Sectoral Contribution to Employment

Figure 13(a): Percentage Sectoral Contribution to Employment, DR KKDM, 2016



Source: IHS Markit Regional eXplorer

Figure 13(b): Percentage Change in Sectoral Contribution to Employment, DR KKDM: 2011 to 2016



Source: IHS Markit Regional eXplorer

1.2.3. SERVICE DELIVERY OVERVIEW-HIGHLIGHTS

COMMUNITY SERVICES HIGHLIGHTS

1. OVERVIEW OF THE DEPARTMENT

The Department of Community Services in the Dr Kenneth Kaunda District Municipality (Dr KKDM) is legislatively mandated to provide the following Key Performance Areas (KPA):

- Municipal Health Services;
- Fire and Rescue Services;
- Environmental Management Services; and
- Disaster Risk Management Services.

2. SERVICE DELIVERY HIGHLIGHTS PER UNIT

2.1. Municipal Health Services (MHS)

Municipal Health Services (MHS) comprises of those aspects of human health, including quality of life, that are determined by chemical, physical, biological, social and psychosocial factors in the environment. It also refers to the theory and practice of assessing, correcting, controlling and preventing those factors in the environment that can potentially affect adversely the health of present and future generations as per the World Health Organisation (WHO).

2.1.1. Overview – Municipal Health Services (MHS)

The Unit: Municipal Health Services (MHS) has for the period under review executed its Constitutional mandate to promote a *safe, clean and healthy environment through environmental awareness campaigns*. As from the 01st July 2020 to 30 June 2021, excellent progress has been registered with regard to the provision of Municipal Health Services to the residents of Dr Kenneth Kaunda District Municipality.

2.1.2. Description of the activities

During the period of review the following activities were executed in terms of the functions of Municipal Health Services:

2.1.2.1. Water Quality Monitoring

Includes:

- Monitoring of water quality/safety used for domestic purposes.
- Monitoring of water quality/safety used for recreational purposes.
- Monitoring of water quality/safety used from natural sources.
- Monitoring of water quality/safety used from sewage treatment plans.
- Complaints investigations (law enforcement and issuing of compliance notices).

2.1.2.2. Food Control

Includes the:

- Inspection of all food preparation premises.
- Certification of all food premises in terms of R962.
- Monitoring/control of food quality/safety.
- Condemnation of foodstuffs not fit for human consumption.
- Food safety during special events.

- Training of food handlers.
- Complaints investigation (law enforcement and issuing of compliance notices).

2.1.2.3. Waste Management

Includes the:

- Monitoring of refuse removal, solid waste disposal and waste disposal sites.
- Monitoring of health care risk waste

2.1.2.4. Health Surveillance of Premises

Includes the:

- Monitoring and inspection on all premises.
- Complaints investigation (law enforcement and issuing of compliance notices).

2.1.2.5. Surveillance and Prevention of Communicable Diseases

Includes the:

- Detection of outbreaks.
- Control of outbreak of diseases.

2.1.2.6. Vector Control

Includes the:

- Monitoring of infestation frequency.
- Pest control on Council premises.

2.1.2.7. Environmental Pollution Control

Includes the:

- Monitoring of air/noise/water/land pollution.

2.1.2.8. Disposal of the Dead

Includes the:

- Hygienic handling of corpses.
- Pauper/Indigent burials.
- Exhumations.

2.1.2.9. Chemical Safety

Includes the:

- Monitoring of chemical hazards.

2.1.3. Municipal Health Awareness Campaigns

Municipal health awareness campaigns - Performance highlights

These are the initiatives and campaigns which were embarked upon in order to educate and capacitate communities on Environmental Health issues. These campaigns included food safety, health and hygiene, chemical safety, waste management, sanitation, World Food day, World Environment Day, water and Covid-19 awareness campaigns.

The following are some of the municipal health awareness campaigns conducted in 2021/22:

2.1.3.1. Maquassi Hills local area

- Covid-19 safety awareness campaign that was held Wolmaransstad taxi rank, Shoprite centre, Wolmaransstad on the 31st of August 2021.
- World Environmental Health Day Campaign that was held Leeudoringstad CHC and Leeudoringstad Municipal offices, on the 28th September 2021.
- Global Hand washing awareness campaign that was held at Two (2) ECDs in Tswelelang (Chris Hani), Wolmaransstad on the 11 of November 2021.
- World Food Day celebration awareness campaign that was held at Koketso Primary School planned for NSNP food handlers in Kgakala township, Leeudoringstad (Ward 07), Maquassi Hills, on the 25 November 2021.
- Hygiene awareness campaign that was held at Gatelapele Secondary School, Wolmaransstad on the 9th of March 2022..
- Health and Hygiene awareness campaign that was held at Kgakala Drop Inn centre, Kgakala, Leeudoringstad on the 29 March 2022.
- Clean –up campaign that was held at Leeudoringstad (Kgakala) Dumping site, Maquassi Hills, on the 09th June 2022.
- Clean –up campaign that was held at Tswelelang location, Ext 15, Maquassi Hills, on the 14th June 2022.

2.1.3.2. Matlosana local area

- Compliance drive to monitor compliance with COVID-19 regulations conducted on 03 & 09 July 2021 in Klerksdorp CBD, Matlosana Mall, Klerksdorp Terminus and Alabama Tuckshops.
- Health and Hygiene awareness campaign (COVID-19) conducted at Thabong creche on 24 August 2021 in Jouberton Ext 1.
- Health and Hygiene awareness campaign (COVID-19) conducted at Pelonomi Educare creche on 15 September 2021 in Jouberton Ext 14.
- Outreach programme on health and hygiene for the homeless and vulnerable community conducted on 06 October 2021 in Ellaton.
- Outreach programme on health and hygiene for a feeding scheme conducted on 11 October 2021 in Flimieda
- Health and Hygiene awareness (COVID-19) conducted on 17 November 2021 at Nkagisang Primary School in Nkagisang Farm.
- Health and Hygiene awareness conducted on 20 January 2022 at Khensani Combined Creche in Jouberton Ext 19.
- Health and Hygiene awareness conducted on 27 January 2022 at Orkney Laerskool in Orkney.
- Food Safety Awareness for informal food handlers conducted on 16 March 2022 in Ellaton, Collerville, Meiringspark and Uraniaville.
- Food Safety awareness campaign for informal food handlers conducted on 20- 22 April 2022 in Khuma.
- Outreach programme on Health and Hygiene for a feeding scheme conducted on 26 April 2022 in Tigane.

- Health and Hygiene awareness conducted on 19 May 2022 at Happy Day Creche in Jouberton Ext 12.

2.1.3.3. JB Marks local area

- Health Health Surveillance of premises conducted on 19 August 2021 at Ventersdorp at 12 shops
- Health and Hygiene and Covid Awareness campaign conducted on 20 August 2021 at Alecs Taxi Rank in Ventersdorp
- Meat Safety and Compliance conducted on 27 September 2021 at Potchefstroom Abattoir
- Workshop on Norms and Standards for ECD conducted on 18 October 2021 in Ventersdorp
- Health and Hygiene and Covid Awareness conducted at 4 clinics (Welgevonden, Goedgevonden, Gateway and Kgotso clinic) on 15-16 September and 26 October 2021 in Ventersdorp
- Health Surveillance of premises conducted on 19 November 2021 in Tlokwe
- Transportation of food conducted on 04 February 2022 at Weigh Bridge in Tlokwe
- Global Hand wash celebration conducted on 15 February 2022 in Ventersdorp at Sixteen steps and Tsholofelo Home base Care center
- Food safety at Potchefstroom Hospital conducted on 23 and 25 February 2022 in Tlokwe
- NSNP Awareness campaign conducted at 7 schools in Ikageng, Promosa and Mohadin on 20-22 April 2022 in Tlokwe
- Food safety awareness conducted at Beef Boys restaurant on 12 May 2022 in Tlokwe
- Health and Hygiene of Street vendors conducted on 18 May 2022 in Ventersdorp

2.2. Environmental Management Services (EMS)

Environmental management functions which include: Air Quality, Waste Management, Climate Change, Environmental Planning, Biodiversity, Conservation, Enforcement and Compliance and are mandated by the following legislative framework:

- Constitution of the Republic of South Africa (Act 108 of 1996).
- National Environmental Management Act (Act 107 of 1998).
- NEMA: Biodiversity Act (Act 10 of 2004).
- NEMA: Air Quality Act (Act 39 of 2004).
- NEMA: Protected Areas Act (Act 57 of 2003).
- NEMA: Waste Act (59 of 2008).
- NEMA: EIA Regulations.
- Mineral and Petroleum Development Act (Act 28 of 2002).

(NEMA - National Environmental Management Act)

2.2.1. Environmental Awareness Campaigns conducted

These are the initiatives and campaigns which were embarked upon in order to educate communities on environmental management issues. The campaigns included, National Water Week Awareness Campaign and Air Quality Awareness campaign.

The following campaigns were conducted:

CAMPAIGN	AREA	DATE
Clean Up Campaign	Dawkinsville, Klerksdorp	30 August 2021
Clean Up & Door To Door Campaign	Ext 11, Ikageng, Potchefstroom	14 October 2021
Clean Up Campaign	Ext 2, Jouberton	28 October 2021
Waste Management Education & Awareness	Nkagisang Primary School, Merinspark	17 November 2021
	Kgololosego Primary School, Ventersdorp	24 November 2021
	Dominoville	26 November 2021
Waste Management Education & Awareness	Gontse Primary School, Tswelelang, Wolmaransstad	1 December 2021
Farm Areas Waste Management Services Campaign: (Waste Management Education & Awareness)	Matlwang Village	23 February 2022
	Baitshoki Plot 21	1 March 2022
	Brakspruit	3 March 2022
	Dominoville	9 March 2022
	Nkagisang	15 March 2022
Clean Up Campaign	Luckhoff, Orkney	16 March 2022
Clean Up Campaign	Ext 10, Tswelelang, Wolmaransstad	23 March 2022
Clean Up Campaign	Ext 5 Makweteng, Ventersdorp	29 March 2022
Public Participation Information Sharing Session	Alabama, Skierlik	8 April 2022
Waste Management Education & Awareness	Jane Letsapa Intermediate School, Matlwang Village	12 April 2022
	Kabelano Intermediate School, Tigane	23 April 2022
World Environmental Day (WED) Celebration Campaign	Diphetogo Primary School, Ext 1, Jouberton	10 June 2022
Litter Picking Campaign	Ext 1, Kanana	22 June 2022

2.2.2. The following are Air Pollution Control Activities performed

- *Monitoring stations*
Department of Economic Development Environment Conservation and Tourism (DEDECT) has three (3) Ambient air quality monitoring stations that are monitored in the District (Kanana, Khuma, Jouberton).
- *Dust Pollution (Mining Operations)*
Regular inspections.
- *Listed Activities (Industries)*
Regular inspections
- *Non-Listed Activities (Small Industries)*
Regular inspections

2.2.3. The following are Water Pollution Control inspections were conducted

- *Water pollution sources monitoring*
Regular inspections at various rivers, streams and other sources and issuing of non-compliance notices to relevant authorities where necessary, for example, spillage of effluent from waste water treatment plants.

2.2.4. The following Waste Management inspections were conducted

- *Waste disposal facilities*
Regular inspections at landfill sites, and recycling centers or buy-back centers.
- *Environmental Impact Assessment (EIA)*
Providing regular comments on draft scoping reports on EIAs, where necessary.
- *Complaints reported*
Recording, inspecting, reporting and responding on relevant environmental management complaints received.

2.3. Fire and Rescue Services

2.3.1. Overview of the Fire and Rescue Services

From the unprecedented veld fires season, motor vehicles accidents, to the global COVID-19 pandemic, this past financial year 2021/22 has challenged our ability to consistently deliver fire suppression and fire prevention to the community at large.

The Dr Kenneth Kaunda District Municipality (Dr KKDM) took over Fire and Rescue Services from the Maquassi Hills Local Municipality on the 01st July 2016. The transfer was informed by *Notice 195 of 2009*, published in the *Provincial Extraordinary Gazette, No 6648-date 16 June 2009*. The transfer process included, fire personnel, equipment and assets, liabilities, administration, and other records to efficiently provide a 24/7 fire and rescue services in the jurisdiction of the Maquassi Hills local municipal area, that include Wolmaransstad (Tswelalang), Makwassie (Lebaleng), Leeudoringsstad (Kgakala, Witpoort, Rulakganyang, Boskuil and Ossenskraal), and other neighbouring towns (i.e Ottosdal and Bloemhof).

The DrKKDM Maquassi Hills Fire and Rescue Services is based in WOLMARANSSTAD, operational 24/7 on a four (4) shift system.

The department has made progress with the appointment of six (6) new members (x2 firefighters & x4 Platoon Commanders). The total number of firefighters is at twenty nine (29), and one (1) Chief Fire Officer. In all, fire services members is at thirty (30)

The fire service is experiencing following challenges which are not limited to:

- Lack or shortage of water supply for firefighting (Municipal jurisdictions)
- Lack of support staff (i.e. Admin, General workers, Control room attendants and Fire safety and Prevention specialist)
- Capacity to meet the national development plan objectives in ensuring a safe and secure environment, alignment to IDP
- Noncompliance with National Standards and National Fire Protection regulations / codes (i.e. SANS 10090: Community protection against fire)
- Travel distance – response time between Wolmaransstad and Leeudoringstad
- Rapid increasing risk (change in risk profile)
- Climate change and socio economic related matters; and
- Inadequate budget, human and physical & operational resources

It is worth noting that, future development can increase an area susceptibility to disasters or any risks (i.e., more urban development attracts rural dwellers – thus informs informal settlements growth).

Fire and Rescue Services need a continuous increasing ability and capacity to provide for protection against fire hazards and related risk....*"We are faced with new and different challenges annually – risk changes"*.

Our status has improved to 60% compared to previous years, whereby fire services did not reach certain areas. This was further compounded by the fact that the department is overall understaffed and the reality that specialized fleet and units required to mitigate for Maquassi Hills *Fire and Rescue Services jurisdictional risk profile was yet, unattained. "The support and efforts from Municipal Council, Management, National Disaster Management Centre, NW Provincial Disaster Management Centre, together with Matlosana and JB Marks Fire & Rescue Services have not gone unnoticed"*

2.3.2. Strategic future improvements to the service

The Department envisaged strategic plan recognises the need to focus resources on the following key areas over the next five years, which are:

- Enhancing community safety.
- Personnel capacity building / skills and resource development.

- Building and strengthening partnerships with public and private sectors.
- Building emergency management capability.
- Expansion of fire services to other area of jurisdiction (i.e. establishment of sub and satellite stations)
- Alignment of IDP and planning for the future
- Sound revenue enhancement
- To support local fire services through district development model strategy (DDM); and
- Enforcement of Fire Brigade Services Act (Act 99 of 1987), and relevant National Standards

2.3.3. Legislative framework

The following legislation informs the services:

The Unit: Fire and Rescue Services is a basic unit of service delivery, legislated under the Fire Brigade Services Act, (Act, 99 of 1987) which provides for - the establishment, maintenance, employment, coordination, and standardization of fire brigade services and for matters connected therewith.

As cited in the Act, the primary tasks of the emergency services are, or service intended to be employed for:

- Preventing the outbreak or spread of fire.
- Fighting or extinguishing a fire.
- The protection of life or property against a fire or other threatening danger.
- The rescue of life or property from a fire or other danger.
- The performance of any other function connected to the above.

Furthermore, under the Code of Practice referred to in SANS 10090: Community protection against fire, provides guidance and performance criteria for:

- a. Call receipt and processing.
- b. Vehicle / Equipment availability and maintenance.
- c. Incident management procedure.
- d. Pre- planning and risk visits.
- e. Training of personnel.
- f. Water supplies.
- g. Fire safety functions.

Fire and Rescue Services is also informed and mandated by the following legislations:

- *The Constitution of the Republic of South Africa, 1996 - Schedule 4, Part B* clarifies that, firefighting service is a local government function of which there should be a concurrency between province and national for purpose of legislative competencies and support.
- *National Veld and Forest Fire Act (Act 101 of 1998)* - This piece of legislation is crucial for improvement relations with private landowners and Fire Protection Associations (FPAs) to function optimally to manage the risk of veldfire and other related matter (i.e., formation and registration of FPAs, veld fire prevention fire breaks and enforcement).

Other key legislation and regulations that impact on provision of fire and rescue services, not limited to:

- Disaster Management Act (Act 57 of 2002).
- SANS 10400 – The application of National Building Regulation.
- National Building Regulations and Building Standards Act, 1977 (Act No 103 of 1977).
- Occupational Health and Safety Act, 1993 (Act No. 181 of 1993).
- National Environmental Management Act, 1998 (Act No. 107 of 1998).
- National Water Act, 1998 (Act No. 36 of 1998).
- National Health Act, 2003 (Act No. 61 of 2003).
- Municipal Finance Management Act, 2003 (Act No. 56 of 2003).
- Safety at Sports and Recreation Act, 2010 (Act No. 2 of 2010).
- Criminal Procedure Act, 1977 (Act No. 51 of 1977).

2.3.4. Operational performance

From July 2021 to June 2022, the Dr KKDM MAQUASSI Hills responded to the following incidents:

2.3.4.1. Fire calls

Fire calls	Overall achievement
Number of dispatched calls <ul style="list-style-type: none"> • veld fires = 60 • shack fire = 25 • house fire = 15 • light vehicle fire = 2 • heavy duty vehicle fire = 1 	Total dispatched fire calls: 103 Fatalities: 01

2.3.4.2. Motor vehicle and pedestrian accidents

Motor vehicle and pedestrian accidents	Overall achievement
Number of dispatched calls <ul style="list-style-type: none"> • MVA's = 97 • PVA's = 4 	Total dispatched MVAs & PVAs calls: 101 Fatalities: x4 PVAs & x21 Total: 25

2.3.4.3. Fire safety and prevention performance

The goal of this sub-unit is to prevent fires from occurring, awareness, education, and law enforcement. The Sub-unit, Fire Safety and Prevention is currently responding to the Key Performance Indicators (KPIs) as per SDBIPs namely, *KPI 59 Spatial Rational Fire Safety Inspections*:

INSPECTION RECORD – 2021/22		
Number of inspections conducted	Overall non-compliant	Overall compliant
60	50	10

2.3.4.4. Public participation

Draft district fire services by-laws were adopted by council and went for public participation in September 2019. These by-laws will cater for all fire services within the Dr Kenneth Kaunda District Municipality and will assist with proper enforcement of fire service legislations and other regulations.

2.3.4.5. Capacity building

Specialised training was presented on COVID-19 Decontamination in 2020 for all firefighter and after that, the COVID-19 Task Team was established to render services within the Dr KKDM jurisdiction (i.e., MHLM and the HQ in Orkney).

2.3.4.6. The future of the fire and rescue services

Our objective as the unit of Public Safety – Fire and Rescue under the leadership and umbrella of the Directorate Community Services is to support, standardise, coordinate, and systematically improve the fire service within the Dr Kenneth Kaunda District Municipality.

The past financial year presented us with numerous challenges and risks. Based on that, the department Public Safety – Fire and Rescue Services will soon focus on a plus plan capabilities (positive organisational change) such as:

- Prevention and Education.
- Attract skilled and adaptable workforce.
- Acquire more emergency response resources.
- Support the government initiative on District Development Model, and
- Continue to improve service delivery (meeting community fire service needs).

2.4. Disaster Risk Management Services

2.4.1. About the Disaster Risk Management Centre

The Dr Kenneth Kaunda District Disaster Risk Management Centre is located at 2 Chris Hani Rd Irene Park Klerksdorp. The Centre is responsible for Disaster Risk Management throughout the District. The services are further subdivided into the following sub sections:

- Disaster Risk Management; and
- Public Information Education and Relations PIER).

2.4.2. Legislative framework

The following legislation guides the service:

- Constitution of the Republic of South Africa, (1996).
- Disaster Risk Management Act, (Act 57 of 2002).
- Fire Brigade Act, (Act 99 of 1987).
- National Road Traffic Act, (Act 93 of 1996).
- South African Police Service Act, (Act 68 of 1995).
- Safety and Sport Recreation Act, (Act 2 of 2010).
- National Land Transport Act, (Act 5 of 2009).
- Batho Pele Principles.
- Criminal Procedure Act, (Act 51 of 1977).
- Regulation of Gatherings Act (Act 205 of 1993)

2.4.3. Highlights of the service – period under review

Below are some of the highlights of the activities conducted throughout the year.

2.4.3.1. Disaster Risk Management

The JB Marks and Matlosana local municipalities are under laid by large dolomite deposits that are affecting the planning and implementation of development. The District Municipality has embarked on a District-wide Dolomite Risk Management Strategy to mitigate and address the impact that dolomite is having on the community. A Dolomite Steering Committee has been established to disseminate and implement the Dolomite Risk Management Strategy and By-Laws.

Community Based Disaster Risk Assessment (CBDRA) promotes the involvement of potentially affected communities in disaster risk management at the local level. This includes community assessments of hazards, vulnerabilities and capacities, and their involvement in planning, implementation, monitoring and evaluation of local action for disaster risk reduction. In addition, indigenous and local knowledge and practices complement scientific knowledge in disaster risk assessments and aid in the planning and implementation of local disaster risk management. The Disaster Risk Management Section conducted three Community Based Disaster Risk Assessments during the year. During this process the community is actively involved in the risk assessment and are encouraged to make inputs and comment on the relevance of the assessment. The assessments were conducted in:

- MHLM - Maquassi Hills Fire Department from the 24th – 25th August 2021
- Matlosana - Umzimhule, Ward 21 from the 23rd – 25th November 2021
- Matlosana - Khuma, Ward 35 from the 9 - 11 February 2022
- Matlosana - Blinkwater, Ward 18 on 22 June 2022

2.4.3.2. COVID-19 support systems

The Dr Kenneth Kaunda District Disaster Centre coordinated the COVID-19 response during period under review. The Joint Operation Centre (JOC) and Command Centre meetings of the District, were held and coordinated by the Centre. In order to ensure stringent compliance with the Covid-19 regulations, these meetings were held on ZOOM platform. Awareness and information sessions were conducted through various media platforms including local community radio stations, local newspapers and information-sharing pamphlets.

2.4.3.3. Public Information Education and Relations (PIER)

“We estimate that for each dollar spent on disaster preparedness, an average of four dollars is saved on disaster response and recovery” says Alberto Monguzzi, Disaster Management Coordinator in the IFRC Europe.

As the above quote state, vast amounts of resources can be saved by being prepared for disasters also the impact on human lives is incalculable as no price can be placed on a life. Therefore, the Centre places much emphasis on educating the community. The following are highlights of the numerous interventions that were conducted:

- Launch of the United Nations International Day for Disaster Reduction (UN/IDDR) held at the DKKDM Disaster Centre on 22 October 2021. The (UN/IDDR) entailed paving a way forward on the risk reduction strategies that need to be applied by the District including its locals when it comes to Disaster Risk Management aspects.
- Basic Emergency Safety and Fire Education (BESAFE) activity conducted in Maquassi Hills Local Municipality at the Pelontle Preschool in Boskuil Village on 16 March 2022. The (BE SAFE) are customized risk reduction activities aimed at educating and empowering communities or institutions about their hazards in order to create resilience.

The Winter Awareness Campaigns were conducted throughout the District at communities and through the use media that is local radio stations to be specific. These programmes were conducted through the stewardship of political principals during the months of May and June 2021. Winter Awareness Campaigns has significant impact in our communities in terms of reducing high rate of wild, house and shack fires.

TRANSPORT, ROADS & INFRASTRUCTURE DEVELOPMENT SERVICES HIGHLIGHTS

1. Introduction

1. 1 Rural Roads Asset Management Systems (RRAMS)

The National Department of Transport (NDoT) has identified forty-four (44) rural district municipalities (among them being Dr Kenneth Kaunda DM) in the country as beneficiaries of their rural roads asset management systems grant in order to assist and support the management of rural roads through the development of RRAMS. Municipalities will thereafter be expected to make budget provisions to sustain this project by:

- Updating RRAMS information every two years; and
- Ensuring human capacity development for the operation of the RRAMS

The scope and purpose of this grant is to assist rural municipalities to setup RRAMS and collect rural data in line with the Road Infrastructure Strategic Framework for South Africa (RIFSA) with the following measurable outputs:

- Collection of road inventory data including condition assessment and traffic data
- Setting up pavement and bridge management system compatible with national standards

The Dr Kenneth Kaunda District Municipality had been successfully implementing this RRAMS programme from the 2014/2015 financial year to date. In terms of the planned activities for 2021/22 the following activities were executed, namely:

- 609 kilometres of paved municipal road network within its jurisdiction was done covering roads in JB Marks Local Municipality.

1.2 Expanded Public Works Programme (EPWP)

The Cabinet Committee for the Economic Sectors, Employment and Infrastructure Development (ESEID) in its meeting of 28 November 2018 approved the Expanded Public -March 2024. The

proposal subsequently served at the Cabinet Meeting of 05 December 2018 that provided additional comments. These comments have been subsequently included in the reworked proposal. The objective of the EPWP Phase IV is: "To provide work opportunities and income support to poor and unemployed people through the labour-intensive delivery of public and community assets and services, thereby creating community development."

The Dr Kenneth Kaunda District Municipality has been given a five (5) year target of creating work opportunities using the EPWP framework as follows:

- Infrastructure Sector: 298 job opportunities (Year 1: 54, Year 2: 57, Year 3: 60, Year 4: 63, Year 5: 66)
- Environment & Culture Sector: 427 job opportunities (Year 1: 84, Year 2: 85, Year 3: 85, Year 4: 86, Year 5: 87)
- Social Sector: 46 job opportunities (Year 1: 9; Year 2: 9; Year 3:9; Year 4:9; Year 5:10)

2. Overview

The LED & Planning Department has for the period under review executed these two programmes successfully in line with the condition of the grants as published on the Division of Revenue Act.

3. Description of the Activities

During the period under review the following activities were executed in terms of the functions of the LED and Planning Department;

- Assessment of 609 kilometres of paved municipal road network under the RRAMS programme;
- Completed the installation of 210 bottom structures of dry sanitation units (Boskuil (160 units) & Oersonskraal (50 units) with only top structures outstanding;
- The tabling of the JB Marks SDF to the Portfolio Committee of Technical Services of that local municipality as part of the last phase before the District SDF is adopted by its Council (JB Marks SDF still to be tabled to MAYCO and Council in the first quarter of 2022/23);
- Managed to create employment opportunities for 269 through the EPWP programme

4. Performance Highlights

Rural Roads Asset Management Systems (RRAMS)

(i) Paved Roads assessed

The assessment of paved municipal road network covered the JB MarksLocal Municipality only as follows:

- Total distance assessed: 609 kilometres

For the year under review, the JB Mark'sPaved Road Management System (PMS) report was produced. The PMS report provide the local municipality with clear guidelines on which maintenance technology to be used to address the state of unpaved road network in their areas as well as the total costs to be incurred.

PICTURES OF SOME OF THE ASSESSED ROADS IN JB MARKS



Asphalt paved road in jb marks

Asphalt paved road in jb marks



Block paved road in jb marks



Double seal paved road in jb marks

(b)BOSKUIL & OERSONSKRAAL DRY SANITATION PROJECT

The Dr Kenneth Kaunda District Municipality had been implementing the sanitation projects in the rural areas using different technologies since the early 2000's. The VIP toilets built in most Northern Villages of Ventersdorp and Matlwang Village were made of bricks with lined pits. During the latter stages of rolling out of these toilet structures the top structures were then modified to be concrete panel type. All these projects were rolled out using the labour-intensive method i.e. the district municipality procured materials and hired both skilled and unskilled local community members in the areas where they were being installed to undertake these projects under the supervision of the internal staff of the Infrastructure department of the district municipality. Once completed, these structures would be handed over to both the local community and the affected local municipality so as to enable them to plan accordingly for their maintenances.

Over the years it became very clear that local municipalities were struggling to maintain these sanitation facilities and based on this the district researched and came out with a suitable sanitation technology that is easier to maintain. During the 2015/16 financial year, a report was presented to Council that recommended that VIP toilets be replaced with dry sanitation type facilities due to numerous advantages in terms of maintenance thereof. To date, the district municipality has successfully installed dry sanitation facilities at Mpho Trust Farm and Oblate Farm (all within Matlosana area) and they are still being used and the Dr Kenneth Kaunda District Municipality is assisting to maintain these facilities using very simple method i.e. hiring at least one or two members

from these communities who gets paid through the EPWP guidelines to assist with the maintainance of these toilets. The district also procures maintenance products like enzymes and lime to be used during the maintenance programme.

During the 2021/22 financial year, the Dr Kenneth Kaunda District Municipality had embarked on the installation of 210 dry sanitation units at Boskuil (160 units) & Oersonskraal (50 units) in the Maquassi Hills area. Due to factors beyond our control, only the bottom structures of these units were completed at the end of the financial year with top structures being planned to be installed during the first quarter of 2022/23 financial year.

PICTURES OF SOME OF THE COMPLETED DRY SANITATION STRUCTURES AT BOSKUIL AND OERSONSKRAAL VILLAGES



5. CONCLUSION

Rural Roads Asset Management System (RRAMS) is a programme intended to assist local municipalities in updating their asset registers with regards to their road infrastructure to to have a clear picture on their road network and plan accordingly with regards to maintenance programme thereof.

The continued support of the National Government in funding the Expanded Public Works Programme enables the local government sphere to address the challenges of poverty & unemployment using programme that will enable the creation of labour-intensive activities within our communities.

The roll out of dry sanitation toilet facilities in the rural areas is aimed at providing these communities with sustainable technology which is very simple to maintain using the same community members in the areas where they are installed. The average lifespan of this technology is up to twenty years if well maintained.

LOCAL ECONOMIC DEVELOPMENT

INTRODUCTION

The Local Economic Development explained as a process which brings together different partners in the local area to work together to harness resources for sustainable economic growth. As one of the objects of local government the LED is legislated in Chapter 7, Section 157 (1)(c) of the Systems Act of

The Role and Objective of the Local Economic Development Office are to create wealth, create conducive environment for job stimulation, increase incomes and ultimately, reduce poverty and improve the quality of life of both the women and men in the locality.

OVERVIEW OF THE DEPARTMENT

The Local Economic Development Unit Dr Kenneth Kaunda District Municipality is situated at the Orkney Town. The current LED & T structure is comprising of twelve 12 positions and four (4) vacancies. Currently a total number of five (5) positions are vacant and the LED is delivered by a total number of 5 five officials who are responsible for the different key areas as follows which are contributing to the Local Economic.

- Agriculture and Fresh Produce Market
- Abattoir and Mining
- Local Economic Development (SMME & Enterprise Development)
- Sports, Arts and Culture
- Tourism and Airports

Constitutional Mandate

As legislated in the Constitution of the Republic of South Africa of 1996 in chapter 7, the objects of Local Government include the Promotion of Social and Economic Development, which brings about the role of the LED Departments within the Municipalities.

Policies and Strategies

- Provincial LED Strategy
- LED Strategy
- The Manifesto of the Governing Party
- National Outcomes: No 7: Rural Development
- NDP Priorities: Growing an inclusive community
- SOPA & SONA

Legislative Framework

The following legislation are guiding how the LED should be regulated in the functional areas of Agriculture & Rural Development, Sport, Art and Culture, Mining and Tourism.

Sport Art & Culture	Tourism
<ul style="list-style-type: none"> ▪ The Public Service Act 1994 ▪ The Public Service Regulations 2001 as amended ▪ The White Paper on Transformation of the Public Service Delivery 1997 ▪ Varied Labour Legislation ▪ DPSA Handbook on Managing HIV/AIDS in the Workplace ▪ Public Finance Management Act (PFMA), Act 1 of 1999 as amended. ▪ Cultural Institution Act 1998 ▪ The Constitution Act no. 108 of 1996 	<ul style="list-style-type: none"> ▪ The Constitution of the Republic of South Africa of 1996 ▪ The Tourism Act of 1993 and its 1st Amendment of 1996 and Second Amendment of 2000. ▪ The White Paper on the Development and Promotion of Tourism in South Africa ▪ Tourism Bill
Agriculture & Rural Development	Mining
Agricultural Laws Rationalisation Act 72 of 1998 Animal Protection Act 71 of 1962 Fencing Act 31 OF 1963 Meat Safety Act 40 of 2000 Conservation of Natural Resources Act 43 of 1983	Mining Laws and Regulations South Africa 2022

THE STAKEHOLDERS OF THE LED & T

The Local Economic Development is driven by a spectrum of stakeholders who will include the following:

- The Local Municipalities
- Department of Arts and Culture
- The Department of Economic Development, Environment, Conservation and Tourism (NW)
- Department of Agriculture and Rural Development (NW)
- Northwest Parks and Tourism Board
- South African Local Government Association
- Small Enterprise Development Agency and National Youth Development Agency
- Sector Associations
- Parks & Tourism Boards
- Product Owners

PERFORMANCE OVERVIEW

The department led and supervised the by the Senior Management and the LED Manager had a total of five (5) Key Performance indicators with a total number of 12 Quarterly Targets for the 2021/22 Financial Year. Following is a summary of the key performance targets for the period under review.

Local Economic Development (SMME Development)

- The department has distributed to a total number of thirty (30) qualifying beneficiaries the goods and machinery as per their respective requests. The first batch was distributed on the 8th of April 2022 with a brief programme which was led by the Honorable Executive Mayor Cllr Nikiwe Num accompanied the Executive Mayor the Matlosana Local Municipality Cllr J Ntsoela and the MMC of the District LED Cllr TR Mampe and personnel and was published in the Local Newspaper “Lentswe”.
- The Minister of Small Business Development, your worship Me S Ndabeni embarked on a Ministerial Road in the Northwest Province. The road show took place on the 12th of April at the Dr Ruth Segomotsi Mompati and on the 13th at the Dr Kenneth Kaunda District Municipality. The Local Organising Committee included the National Tourism Office, the Department Economic Development, Environment, Conservation and Tourism, Small Enterprise Development Agency, the Dr Kenneth Kaunda District Municipality and its local municipalities. The event took place at the Recreation Centre on the 13th of April 2022. Over five hundred (500) SMMEs attended the Event of which the day programme ended at 16:30.
- The LED department hosted a workshop on the 24th of May 2022 at the Matlosana Ballroom Hall attended by 50 SSMEs. The objective of the workshop was to stimulate the small business industry and resuscitate the spirit of a business owners, especially after the challenging period resulted by the lockdown period.

Agricultural and Produce Market

- The Unit embarked on a travel with a total number of emerging farmers, to visit the NAMPO Agricultural Trade Show. The objective of the excursion was to expose on a

Emerging Farmers to a one stop shop show, which allowed them to experience best agricultural practices, had a view on different farming equipment, different types of seedlings and mostly the suppliers and manufacturers.

Sports, Arts and Culture

- The Sport AC Unit had a total of four (4) activities for the financial year 2021/22 and has delivered on all the activities as follows:
 - The Soccer Development Workshop
 - The Teachers Dance Workshop
 - The Music Workshop
 - The Theatre Workshop
- The activities were well attended and demonstrated how much Covid 19 has deprived the industry of its activities. The Dr Kenneth Kaunda DM demonstrated a lot of passion with regards to participation and attendance.

Tourism and Airports

- The Tourism Unit prides itself with the Tourism Arts and Culture Festival which is the department's flagship programme. The TAC was held at the Maquassi Hills Local Municipality at Wolmaransstad. The Dr KK with the Maquassi Hills LM successfully delivered the TAC which comprised of a day's programme and SMME Exhibitions.
- The department has as well participated at the Durban Tourism Indaba Trade Show, exhibiting under the umbrella stall of the Park Board alongside other Municipalities and Businesses from the Northwest Province.
- In partnership with the National Tourism Office and the Department of Economic Development, Environment, Conservation and Tourism the Dr KKDM LED hosted the National Quality Assurance Workshop on the 1st June 2022 at the Ngwenya Hotel. A total number of fifty (50) establishment owners within the DrKKDM were invited. The objective of the workshop was to create awareness on the importance of the accreditation of establishments. Amongst others the attendees were workshopped on Illegal Advertising, Centralised Tourism Data, Digital Marketing, etc.

CONCLUSION

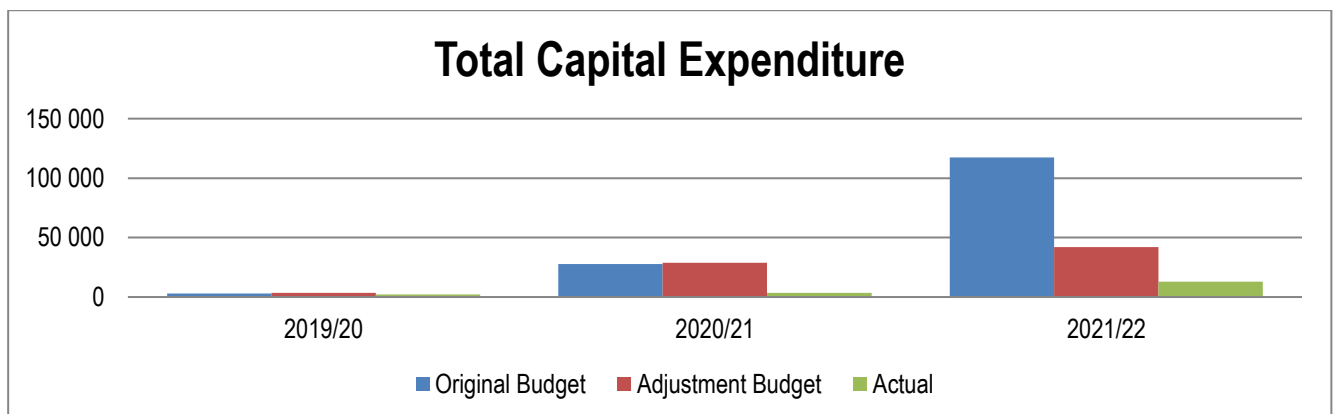
The Local Economic Development has delivered a good performance for the 2020/21 financial year and has achieved in resuscitating the industry after the Covid 19 pandemic. Out of 12 Performance Targets the LED Unit has managed to achieve 10. The department is looking forward to continue to render a good service and improving its performance in the 2022/23 Financial Year.

1.2.4. FINANCIAL HEALTH OVERVIEW

Financial Overview: 2021/22			
			R' 000
Details	Original budget	Adjustment Budget	Actual
Income:			
Grants	205 766	206 374	206 374
Taxes, Levies and tariffs	-	-	
Other	5 840	5 858	5 508
Sub Total	211 606	212 232	211 822
Less: Expenditure	211 603	212 227	200 054
Net Total*	3 290	5 537	11 828
* Note: surplus/(deficit)			

Operating Ratios: 2021/22	
Detail	%
Employee Cost	54,7
Repairs & Maintenance	1,1
Finance Charges & Impairment	0,0

Total Capital Expenditure: 2019/20 to 2021/22			
			R'000
Detail	2019/20	2020/21	2021/22
Original Budget	3 010	27 760	117 305
Adjustment Budget	3 390	28 750	42 050
Actual	2 259	3 598	12 818



1.3. AUDITOR GENERAL'S REPORT SUMMARY

The Dr Kenneth Kaunda District Municipality received an Unqualified Audit opinion (with material findings) on the consolidated and separate Annual Financial Statements for the 2021/22 financial year.

1.4. ANNUAL REPORT PROCESSES

No	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period	July 2021
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalize the 4th quarter Report for 2019/20 (previous financial year)	
4	Submit draft 2019/20 Annual Report to Internal Audit and Auditor-General	
5	Municipal entities submit draft annual reports to MM	
6	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	August 2021
8	Mayor tables the unaudited Annual Report	
9	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General	
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
11	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	September–October 2021
12	Municipalities receive and start to address the Auditor General's comments	November to December 2021
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	January to April 2022
14	Audited Annual Report is made public and representation is invited	
15	Oversight Committee assesses Annual Report	
16	Council adopts Oversight report	
17	Oversight report is made public	
18	Oversight report is submitted to relevant provincial councils	
19	Commencement of draft Budget/ IDP finalization for next financial year. Annual Report and Oversight Reports to be used as input	March 2022

2. CHAPTER 2: GOVERNANCE

2.1. COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

The Constitution section 151 (3) states that the council of a municipality has the right to govern on its own initiative, the local government affairs of the local community.

2.1.1. Political Governance

MFMA section 52 (a): The Mayor must provide general political guidance over the fiscal and financial affairs of the municipality.

Political Leadership

The following is the political leadership of the Dr Kenneth Kaunda DM:

PORTFOLIO	LEADER
Executive Mayor	Cllr N.J Num
Speaker	Cllr. X.C Nxozana
Single Whip	Cllr. S.J Lesie
MMC Corporate Services & ICT Department	Cllr. L.G Molapisi
MMC Community Services Department	Cllr. M.W Makgate
MMC Technical Services	Cllr. Z.E Mphafudi
MMC Budget and Treasury Office	Cllr. R.O Thabanchu
MMC Local Economic Development and Tourism	Cllr. T.R Mampe
MMC Special Programs	Cllr. D.M Matsapola

2.1.2. Administrative Governance

Introduction to Administrative Governance

MFMA section 60 (b): The Municipal Manager of a municipality is the accounting officer of the municipality for the purposes of this Act and must provide guidance on compliance with this Act to political structures; political office bearers, and officials of the municipality and any entity under the sole or shared control of the municipality.

Administrative Leadership

The following senior management positions are on the basis of fixed-term performance-based contracts and presently the status is as indicated: **(Status as at end June 2022)**

POSITION	NAME
Municipal Manager (Started 21 July 2022)	M.J Ratlhogo
Municipal Manager (Acting till July 2022)	S.C Abrams
Senior Manager: Corporate Support Services & ICT(Acting)	M.A Metswamere
Chief Financial Officer	L.P Steenkamp
Senior Manager: Community Services	M.A Metswamere
Senior Manager: LED and Planning	T.M Rampedi
Chief Audit Executive	S.G Mtemekwana

The following managers' report administratively to the Municipal Manager;

POSITION	NAME
Manager: Office of the Executive Mayor (Acting)	X. Mndaweni
Manager: Office of the Speaker	F. Canga
Manager: Single Whip	M. Matsose
Manager: MPAC	BJ. Roberts-Tebejane
Manager: Strategic and Integrated Development Planning	T. Mokatsane
Manager: Performance Management Systems	O. Baloyi
Chief Risk Officer	L. Motepe
Manager: Municipal Information Security Standards (Acting)	L. Motepe
Manager: Communications	X. Mndaweni

2.2. COMPONENT B: INTERGOVERNMENTAL RELATIONS

2.2.1. Intergovernmental Relations

MSA section 3 requires that municipalities exercise their executive and legislative authority within the constitutional system of co-operative governance envisaged in the Constitution section 41. The District participates in Provincial Government Information and Technology Office Council (PGITO) as full members every month. The Office of the Premier and the Department of Local Government and Human Settlement also participates in the Dr Kenneth Kaunda District ICT Forum as members.

The District also participates at the Provincial and District Back to Basics reporting forums. The Provincial and District Back to Basics reporting forums are coordinated by the Provincial Department of Cooperative Governance and Traditional Affairs (COGTA). The forum is constituted by COGTA, District Municipality, Local Municipalities, SALGA and other sector departments.

2.2.2. National Intergovernmental Structures

The Dr Kenneth Kaunda District Municipality participates in the Consultative National Forums that are initiated by the following Department and Associations: Department of Telecommunications and Postal Forum, Department of Communications, SALGA and SITA GovTech.

The benefit is to make inputs into National Policies and Frameworks. Assist in the implementation of the National Programmes at the District level using vehicles such as the District Steering Committee for Broadband and Digital Migration.

The benefit is to ensure the implementation of local economic development projects that benefits local SMMEs.

However, there are still many challenges regarding the proper execution of National Policies at the District and Local levels by the National Entities because of their lack of understanding of how the third sphere of government functions. This problem undermines service delivery but also creates tension between citizens and the District in terms of its social compact.

2.2.3. Provincial Intergovernmental Structures

The District represents the three (3) Local Municipalities on the following committees:

- NW Provincial PGITO Council
- The NW Broadband Steering Committee

- The NW Security Sub Committee
- The NW System and Development Sub Committee

The Value of the Provincial Intergovernmental Structures assists in resolutions of potential areas of strategic interest between the Province and the District.

The structure identifies potential operational risks and mitigates these on time. The Province has been able to develop a Broadband Strategy that is now been implemented with the participation of the District Municipality. The District has rolled out Free Wi-Fi Programme and a District Integrated Community Call Centre that the Province is using as part of its service delivery infrastructure to avoid duplications of scarce resources. The Province has also made some Policy interventions relating to SA Connect Implementation issues.

2.2.4. District Intergovernmental Structures

The Dr Kenneth Kaunda District through the DDM and IDP processes, held the below meetings;

Date	Activity
IDP	
09 November	IDP Coordinating Committee Meeting
10 February 2022	Combined Extended Technical IGR and DDM
10 March 2022	Extended Technical IGR Forum Meeting
26 April 2022	Extended Technical IGR Forum Meeting
DDM	
05 July 2021	DDM Meeting
02 September 2021	DDM Meeting – Preparation for DDM National Champion Visit
09 September 2021	DDM Meeting – Preparation for DDM National Champion Visit
22 September 2021	DDM Meeting – Preparation for DDM National Champion Visit
29 September 2021	DDM Meeting – Preparation for DDM National Champion Visit
1 October 2021	DDM National Champion visit at JB Marks LM (Ventersdorp)
13 October 2021	DDM Meeting
03 November 2021	DDM Meeting – Preparation for DDM National Champion Visit
08 November 2021	DDM Meeting – Preparation for DDM National Champion Visit
17 November 2021	DDM Meeting – Preparation for DDM National Champion Visit
24 November 2021	DDM Meeting – Preparation for DDM National Champion Visit
26 November 2021	DDM National Champion Visit – City of Matlosana LM
10 February 2022	Combined Extended Technical IGR and DDM Meeting
16 February 2022	Inner Core Meeting
29 March 2022	DDM Workstreams Meeting
01 June 2022	DDM Working Session
30 June 2022	DDM Inner Core Meeting

2.3. COMPONENT C: PUBLIC ACCOUNTABILITY AND GOVERNANCE

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

MSA section 17 (2): requires a municipality to establish and organise its administration to facilitate a culture of accountability amongst its staff. Section 16 (1): states that a municipality must develop a system of municipal governance that compliments formal representative governance with a system of participatory governance. Section 18 (a) - (d): requires a municipality to supply its community with information concerning municipal governance, management and development.

COMMUNICATION, PARTICIPATION AND FORUMS

2.3.1. Office of the Speaker

The Local Government Municipal Systems Act, 2000 has participation as a central concept of Integrated Development Planning. Chapter 4 of the MSA outlines processes, mechanisms and procedures for community participation. For example, section 16(1) states that a municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance' including report-back to the local community. Therefore, the District Municipality introduced the Community Based Planning System since 2007 to create a culture of participatory democracy. Community Based Planners were recruited in Local Municipalities within the District.

2.3.2. Municipal Public Accounts Committee (MPAC)

The Municipal Public Accounts Committee of the Municipality fulfils their oversight role envisaged in Section 129 of the MFMA and Circular number 32 of the MFMA by advising Council. The mandate of the Municipal Public Accounts Committee includes an analysis of the institution's Annual Report and the development of appropriate recommendations to Council.

The Municipal Public Accounts Committee values the interdependence and interrelatedness on other external and internal committees of council and community participation in the oversight process. In this regard initiatives were made to advertisement of Local Newspapers and Public Notice at Government buildings to alert the community of the Oversight process to be undertaken on the Annual Report.

2.3.3. MPAC Preparation of the Oversight Report

Activities	DATE	VENUE	TIME
Adoption of the Annual work plan	15 July 2021	Virtual meeting	10h00
Finalization and adoption of investigatory report	05 August 2021	Committee room	10h00
Unauthorised expenditure report MFMA financial reports MPAC district forum	10 August 2021	Virtual meeting	10h00
District forum	09 September 2021	Virtual meeting/Chamber Matlosana	10h00
MPAC meeting to adopt the close out report	21 October 2021	Committee room	10h00
MPAC internal training and hand over of the close out report	24/25 January 2022	Single whip boardroom	09h00

MPAC meeting (preparing the oversight process concept document and MPAC strategic document)	03 February 2022	Single whip boardroom	10h00
AG briefing MPAC on the audit outcomes	15 February 2022	Council Chamber	10h00
MPAC meeting to go through the AR and draft OR	17 February 2022	Committee room	08h00
MPAC meeting drafting of the executive and management questions	22 February	Committee room	10h00
MPAC meeting (selection of site inspection)	25 February 2022	Committee room	08h30
Interviews with the executive and management	08 March 2022	Council chamber	10h00
Public participation	10 March 2022	Matlosana civic centre	15h00
Interviews with management (continuation)	11 March 2022	Council chamber	08h30
MPAC meeting investigatory report UIF&W	17 March 2022	Single whip boardroom	08h30
MPAC meeting investigatory report UIF&W	18 March 2022	Council chamber	08h30
MPAC meeting to finalize and adopt the report	23 March 2022	Committee room	08h30
MPAC meeting to compile the unauthorised report and draft a report for council	07 April 2022	Committee room	10h00
District forum	28 April 2022	Council chamber	10h00
MPAC meeting (UIF&W)	12 May 2022	Committee room	09h00
MPAC meeting (UIF&W)	19 May 2022	Committee room	08h30
MPAC meeting (UIF&W)	20 May 2022	Committee room	08h30
MPAC meeting (investigatory report)	24 May 2022	Committee room	09h00
Site inspection of projects found in the unauthorised report	14 June 2022	Site inspection	08h00
MPAC meeting (investigatory report); drafting the unauthorised report	21 June 2022	Single whip boardroom	08h00
MPAC meeting (investigatory report) Adopting the unauthorised report and sending it for council consideration	23 June 2022	Single whip boardroom	09h00

2.3.4. Public Meetings

Dr Kenneth Kaunda District Speaker's Office invited the public to the Integrated Public Participation, ID Campaign and Anti-Corruption Ethical Leadership Initiative events.

The main aim of this events was to bring services to the people and to improve participation of communities in local government affairs, and to also remind community members of various channels to be followed in order to fight crime and corruption.

The events were held as per the below dates:

Name of municipality	Date of visit	Venue	Time
City of Matlosana	12 January 2022	Tshebedisano High School	08:00
City of Matlosana	13 January 2022	Vaal Reefs High School	08:00
JB Marks	18 January 2022	Dan Tloome Primary School	08:00
JB Marks	18 January 2022	Vuselela FET College	10:00
City of Matlosana	09 February 2022	STAR FM	17:00
JB Marks	10 February 2022	AGANANG FM	16:00
City of Matlosana	12 February 2022	Home Affairs, Klerksdorp. ID Campaign for High School Students	07:00
KKDM District	03, 04, 07, 11 March 2022	Workshops on the Gas Amendment Bill, throughout the District.	10:00
City of Matlosana	12 March 2022	Klerksdorp Auditorium, Public Hearing on Gas Amendment Bill	10:00
KKDM District	15, 16, 17, 18 March 2022	Workshops on the Electoral Amendment Bill, throughout the District.	10:00
JB Marks	19 March 2022	Madiba Banquet Hall, Public Hearing on Electoral Amendment Bill	10:00
City of Matlosana	06 April 2022	STAR FM	17:00
JB Marks	12 April 2022	AGANANG FM	12:00
City of Matlosana	08 April 2022	Skierlik Ward 04, Alabama – Public Participation Information Sharing Event	10:00
JB Marks	13 April 2022	Tshing Ward 29, Ventersdorp - Public Participation Information Sharing Event	10:00
City of Matlosana	23 May 2022	Klerksdorp Auditorium - Public Participation Budget Consultative Meeting	10:00
City of Matlosana	15 June 2022	Alabama Secondary School – Youth Day Celebration	09:00

2.3.5. IDP Processes, Public Participation and Alignment

Section 28 of the Local Government: Municipal Systems Act states that “Each Municipal Council within a prescribed period after the start of its elected term must adopt a process set out in writing to guide the planning, drafting, adoption and review of its integrated development plan.

IDP Participation and Alignment Criteria*
Does the municipality have impact, outcome, input, output indicators?
Does the IDP have priorities, objectives, KPIs, development strategies?
Does the IDP have multi-year targets?
Are the above aligned and can they calculate into a score?
Does the budget align directly to the KPIs in the strategic plan?
Do the IDP KPIs align to the section 57 Managers
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?

Were the indicators communicated to the public?
Were the four quarter aligned reports submitted within stipulated time frames?

2.4. COMPONENT D: CORPORATE GOVERNANCE

2.4.1. Risk Management

Risk management remains an ongoing process and an important factor in change management in Dr Kenneth Kaunda District Municipality. Also, best practices are being formulated and evaluated within the field of risk management on a provincial level on a continuous basis. Strategic risk register for 2020/2021 was finalized and submitted to Audit Committee on the 1st Quarter, Risk Management policy and risk management strategy was also reviewed and adopted by Council, on the third quarter. The newly amended Public Audit Act will ensure that Risk Management takes on a bigger role in the municipality, especially with regards to consequence management and the overall performance of the municipality.

The newly amended Public Audit Act will ensure that Risk Management takes on a bigger role in the municipality, especially with regards to consequence management and the overall performance of the municipality.

2.4.2. Anti-Corruption and Fraud

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

Adopted risk management policy incorporate Fraud and Anti-Corruption strategy, however management is of the view to separate the strategy from risk management policy to be stand-alone strategy, processes are at advanced stage to separate the two and develop Whistleblowing policy that will incorporate fraud and Anti-Corruption strategy.

2.4.3. Supply Chain Management

The municipality has a fully functional Supply Chain Management Unit. The Supply Chain Management Policy of Dr Kenneth Kaunda District Municipality is deemed to be fair, transparent, and competitive as required and complies with Section 112 of the MFMA as well as the Supply Chain Management Regulation. The Bid committees were appointed, and efforts were made to capacitate, the Bid Committee and the personnel in the Supply Chain Management Unit. Capacity building was funded and coordinated by the Provincial Treasury, a gesture that added much value and is appreciated.

2.4.4. By-Laws

BY-LAWS					
Newly Developed	Revised	Public Participation conducted prior to adoption of By-laws (YES/NO)	Dates of public participation	By-Law Gazetted (YES/NO)	Date of publication
Existing bylaw: Municipal Health By-	None	Yes (for existing bylaws)	16-19 August 2011	Yes	29/06/2012

law, Noise Control By-law and Air Quality Management By-law. No new by-laws were developed in 2016/17 financial year.					
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2.4.5. Websites

Municipal Website: Content and Currency of Material	
Documents published on the Municipality's / Entity's Website	Yes / No
Current annual and adjustments budgets and all budget-related documents	Yes
All current budget-related policies	No
The previous annual report (2020/21)	Yes
The annual report (2020/21) published/to be published	Yes
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (2022/23) and resulting scorecards	Yes
All service delivery agreements (2022/23)	No
All long-term borrowing contracts (2022/23)	N/A
All supply chain management contracts above a prescribed value (give value) for 2020/21	Yes
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 2018/19 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	N/A
All quarterly reports tabled in the council in terms of section 52 (d) during 2021/22	Yes

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

Dr Kenneth Kaunda District Municipality Annual Performance Report is compiled in terms of Section 46 of Municipal Systems Act No. 32 of 2000 which states that:

- (1) A municipality must prepare for each financial year a performance report reflecting:
 - a. The performance of the municipality and of each external service provider during that financial year;
 - b. A comparison of the performances referred to in paragraph (a) with targets set for and performances in the previous financial year; and
 - c. Measure taken to improve performance

- (2) An annual performance report must form part of the municipality's annual report in terms of chapter 12 of the Municipal Finance Management Act.

The following are the Key Performance Areas (KPA) for the year under review:

KPA 1: Basic Service Delivery and Infrastructure Development

KPA 2: Municipal Transformation and Organizational Development

KPA 3: District Economic Development

KPA 4: Municipal Financial Viability and Management

KPA 5: Good Governance & Public Participation

KPA 6: Spatial Rationale

KPA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

3.1. QUARTERLY PROJECTIONS OF SERVICE DELIVERY TARGETS AND PERFORMANCE INDICATORS FOR EACH VOTE

3.1.1 KPA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

THEMATI C AREAS	BASIC SERVICES DELIVERY																
KPA	BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT																
OUTCOM E 9	OUTPUT 2		IMPROVING ACCESS TO BASIC SERVICES														
	OUTPUT 4		ACTIONS SUPPORTIVE OF THE HUMAN SETTLEMENT OUTCOME														
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTION	BASELINE 2020/2021			REVISED KEY PERFORMANCE INDICATOR	KPI TYPE	2020/21 COMPARISON		ANNUAL TARGET	REVISED BUDGET	MSCOA DESCRIPTION	ACTUAL EXPENDITURE	2021/22 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2020/21 TARGET	2020/21 ACTUAL PERFORMANCE								
Community Services	To provide environmental health services	Municipal Health Service	32 environmental campaigns	32 environmental campaigns	Nil	KPI 1 Number of municipal health services awareness campaigns conducted within Dr. Kenneth Kaunda District by 30 June 2021 MH&EMS	Activity	32 environmental awareness campaigns conducted within Dr. Kenneth Kaunda District by 30 June 2021	ACHIEVED 32 environmental awareness campaigns conducted within Dr. Kenneth Kaunda District by 30 June 2021	32 municipal health services awareness campaigns conducted within Dr. Kenneth Kaunda District by 30 June 2022	R 1 090 000 000 (Shared Vote)		R 1 066 553	ACHIEVED	None	None	Municipal Health awareness campaign reports with pictures
											R 190 000	39052300120FLP43ZZWD	R 187 795				
											R 650 000	39052300140FLP43ZZWD	R 631 790				
											R 250 000	39052301870FLP43ZZWD	R 246 968				
Community Services	To provide environmental health services	Environmental Management Services	Nil	8 environmental management campaigns	Nil	KPI 2 Number of environmental management campaigns conducted MH&EMS	Outcome	-	-	8 environmental management campaigns conducted within Dr Kenneth Kaunda District Municipality by 30 June 2022	R 1 090 000 (Shared Vote)			ACHIEVED	As and when illegal dumping's are reported, environmental management campaigns are also	None	Environmental awareness management reports
											R 190 000	39052300120FLP43ZZWD	R 187 795				
											R 650 000	39052300140FLP43ZZWD	R 631 790				
											R 250 000	39052301870FLP43ZZWD	R 246 968				

THEMATI C AREAS	BASIC SERVICES DELIVERY																
KPA	BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT																
OUTCOM E 9	OUTPUT 2		IMPROVING ACCESS TO BASIC SERVICES														
	OUTPUT 4		ACTIONS SUPPORTIVE OF THE HUMAN SETTLEMENT OUTCOME														
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTION	BASELINE 2020/2021			REVISED KEY PERFORMANCE INDICATOR	KPI TYPE	2020/21 COMPARISON		ANNUAL TARGET	REVISED BUDGET	MSCOA DESCRIPTION	ACTUAL EXPENDITURE	2021/22 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2020/21 TARGET	2020/21 ACTUAL PERFORMANCE								
Community Services	To provide environmental health services	Municipal Health Service	12 compliance reports on drinking water samples taken tested	12 compliance reports on drinking water samples taken and tested	Nil	KPI 3 Number of compliance reports on drinking water samples taken and tested from JB Marks, Matlosana, and Maquassi Hills Local Municipalities submitted MH&EMS	Output	12 compliance reports on drinking water samples taken and tested from JB Marks, Matlosana and Maquassi Hills Local Municipalities submitted by 30 June 2021	ACHIEVED 12 compliance reports on drinking water samples taken and tested from JB Marks, Matlosana and Maquassi Hills Local Municipalities submitted by 30 June 2021	12 compliance reports on drinking water samples taken and tested from JB Marks, Matlosana and Maquassi Hills Local Municipalities submitted by 30 June 2022	R 760 000 Shared Vote	3905227333 0FLP94ZZWD	R 651 865	ACHIEVED 12 compliance reports on drinking water samples taken and tested from JB Marks, Matlosana and Maquassi Hills Local Municipalities submitted by 30 June 2022	None . As a result, 5 environmental management campaigns conducted	None	Compliance reports, Sampling points list, Sample analysis results



THEMATI C AREAS	BASIC SERVICES DELIVERY																
KPA	BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT																
OUTCOM E 9	OUTPUT 2		IMPROVING ACCESS TO BASIC SERVICES														
	OUTPUT 4		ACTIONS SUPPORTIVE OF THE HUMAN SETTLEMENT OUTCOME														
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTION	BASELINE 2020/2021			REVISED KEY PERFORMANCE INDICATOR	KPI TYPE	2020/21 COMPARISON		ANNUAL TARGET	REVISED BUDGET	MSCOA DESCRIPTION	ACTUAL EXPENDITURE	2021/22 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2020/21 TARGET	2020/21 ACTUAL PERFORMANCE								
Community Services	To provide environmental health services	Municipal Health Service	48 water samples taken tested at the reservoirs in Tlokwe, Ventersdorp, Matlosana and Maquassi Hills Local Municipality	48 water samples taken tested at the reservoirs	Nil	KPI 4 Number of water samples taken and tested at the reservoirs in JB Marks, Matlosana and Maquassi Hills Municipality MH&EMS	Output	48 water samples taken tested at the reservoirs in JB Marks, Matlosana and Maquassi Hills Local Municipality by 30 June 2021	NOT ACHIEVED 45 water samples taken tested at the reservoirs in JB Marks, Matlosana and Maquassi Hills Local Municipality by 30 June 2021	48 water samples taken tested at the reservoirs in JB Marks, Matlosana and Maquassi Hills Local Municipality by 30 June 2022	R 760 000 Shared Vote	3905227333 0FLP94ZZWD	R 651 865	ACHIEVED 56 water samples taken tested at the reservoirs in JB Marks, Matlosana and Maquassi Hills Local Municipality by 30 June 2022	8 more samples were conducted . There was a need to conduct more samples due to the heavy rains	None	Sampling point list, sample analysis results
Community Services	To provide environmental health services	Environmental Management Services	5 activities on Air Quality Management	4 activities on Air Quality Management	Nil	KPI 5 Number of Air Quality Management inspections conducted within Dr. Kenneth Kaunda District MH&EMS	Activity	3 activities conducted on Air Quality Management within Dr. Kenneth Kaunda District by 31 March 2021	ACHIEVED 5 activities conducted on Air Quality Management within Dr. Kenneth Kaunda District by 31 March 2021	42 Air Quality Management inspections conducted within Dr. Kenneth Kaunda District by 30 June 2022	OPEX	-	OPEX	ACHIEVED 49 Air Quality Management inspections conducted within Dr. Kenneth Kaunda District by 30 June 2022	The department was able to conduct 7 more inspections	None	Air Quality Inspection Reports

THEMATI C AREAS	BASIC SERVICES DELIVERY																
KPA	BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT																
OUTCOM E 9	OUTPUT 2		IMPROVING ACCESS TO BASIC SERVICES														
	OUTPUT 4		ACTIONS SUPPORTIVE OF THE HUMAN SETTLEMENT OUTCOME														
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTION	BASELINE 2020/2021			REVISED KEY PERFORMANCE INDICATOR	KPI TYPE	2020/21 COMPARISON		ANNUAL TARGET	REVISED BUDGET	MSCOA DESCRIPTION	ACTUAL EXPENDITURE	2021/22 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2020/21 TARGET	2020/21 ACTUAL PERFORMANCE								
Planning	To promote physical infrastructure development services	Municipal Planning	250km of unpaved Roads Assessed within Matlosana	609km of Paved Roads Assessed within JB Marks	Nil	KPI 6 Total kilometres of Paved Roads Assessed within JB Marks PLN	Output	250km of unpaved Roads Assessed within Matlosana by 30 June 2021	ACHIEVED 250km of unpaved Roads Assessed within Matlosana by 30 June 2021	609km of Paved Roads Assessed within JB Marks by 31 March 2022	R 2 514 000	3605227256 0RUP34ZZW D	R 2 514 000	ACHIEVED 609km of Paved Roads Assessed within JB Marks by 31 March 2022	None	None	1 Report on the 609km of assessed paved roads
Planning	To promote physical infrastructure	Municipal Planning	Draft District SDFs	DrKKDM SDF	DrKKDM SDF	KPI 7 Number of District Spatial Development Framework adopted by Council PLN	Output	1 Draft District Spatial Development Framework tabled before Council by 30 June 2021	NOT ACHIEVED Matlosana SDF approved by Council Draft JB Marks SDF Tabled in Council	1 District Spatial Development Framework adopted by Council by 31 March 2022	R 200 000	3605227256 0FLP96Z ZWD	R 193 905	NOT ACHIEVED 1 District Spatial Development Framework not adopted by Council by 31 March 2022	Item on JB Marks served at the Portfolio of Technical Services and not MAYCO and Council before end of June 2022 causing the delay in the adoption of the Dr KKM SDF	JB Marks confirmed that their SDF will be tabled for adoption before the end of the first quarter of 2022/23	Adopted District Spatial Development Framework

THEMATI C AREAS	BASIC SERVICES DELIVERY																
KPA	BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT																
OUTCOM E 9	OUTPUT 2		IMPROVING ACCESS TO BASIC SERVICES														
	OUTPUT 4		ACTIONS SUPPORTIVE OF THE HUMAN SETTLEMENT OUTCOME														
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTION	BASELINE 2020/2021			REVISED KEY PERFORMANCE INDICATOR	KPI TYPE	2020/21 COMPARISON		ANNUAL TARGET	REVISED BUDGET	MSCOA DESCRIPTION	ACTUAL EXPENDITURE	2021/22 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2020/21 TARGET	2020/21 ACTUAL PERFORMANCE								
Planning	To promote physical infrastructure	Municipal Planning	1 Draft District Housing Master Plan	1 District Housing Master Plan adopted by Council by June 2021	Nil	KPI 8 Number of District Housing Master Plan adopted by Council PLAN	Output	1 District Housing Master Plan adopted by Council by 30 June 2021	NOT ACHIEVED The service provider has been appointed. 1 progress report has been submitted by end June 2021	1 District Housing Master Plan adopted by Council by 31 December 2021	R 195 000	36052300120FLQ49ZZW D	R 156 522	NOT ACHIEVED 1 Draft District Housing Master Plan finalized but it has not been adopted	None sitting of MAYCO to consider normal Service Delivery items by the end of December 2021 including consideration of submitted MAYCO items during the 4 th Quarter of 2021/22 led to the non-adoption of the District Housing Master Plan by the end of June 2022	To be submitted for adoption by end September 2022	Council Resolution Master Plan

THEMATI C AREAS	BASIC SERVICES DELIVERY																
KPA	BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT																
OUTCOM E 9	OUTPUT 2		IMPROVING ACCESS TO BASIC SERVICES														
	OUTPUT 4		ACTIONS SUPPORTIVE OF THE HUMAN SETTLEMENT OUTCOME														
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTION	BASELINE 2020/2021			REVISED KEY PERFORMANCE INDICATOR	KPI TYPE	2020/21 COMPARISON		ANNUAL TARGET	REVISED BUDGET	MSCOA DESCRIPTION	ACTUAL EXPENDITURE	2021/22 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2020/21 TARGET	2020/21 ACTUAL PERFORMANCE								
Planning	To promote physical infrastructure	Municipal Planning	Nil	100 Dry Sanitation Units installed for Boskuil & Oersonskraal Villages in Maquassi Hills	Nil	KPI 9 Number of Dry Sanitation Units installed in Boskuil and Oersonskraal Villages in Maquassi Hills PLN	Outcome	-	-	210 Dry Sanitation Units installed in Boskuil and Oersonskraal Villages in Maquassi Hills by 30 June 2022 (160Boskuil & 50 Oersonskraal)	R 5 200 000	360564494 20ORC92Z ZR4	R 3 732 226	NOTACHIEVED 210 Dry Sanitation Units bottom structures only installed in Maquassi Hills by 30 June 2022	Delays in finalizing the adjudication of the tender for top structures resulted in only bottom structures being completed for the 210 units	Installation of 210 dry sanitation units to be completed in the 1 st quarter of the 2022/23 financial year.	Appointment letter Progress reports Completion certificate

THEMATI C AREAS	BASIC SERVICES DELIVERY																
KPA	BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT																
OUTCOM E 9	OUTPUT 2		IMPROVING ACCESS TO BASIC SERVICES														
	OUTPUT 4		ACTIONS SUPPORTIVE OF THE HUMAN SETTLEMENT OUTCOME														
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTION	BASELINE 2020/2021			REVISED KEY PERFORMANCE INDICATOR	KPI TYPE	2020/21 COMPARISON		ANNUAL TARGET	REVISED BUDGET	MSCOA DESCRIPTION	ACTUAL EXPENDITURE	2021/22 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2020/21 TARGET	2020/21 ACTUAL PERFORMANCE								
Planning	To promote physical infrastructure	Municipal Planning	Nil	10 Rural Settlements provided with portable drinking water through drilling and equipping of boreholes	Nil	KPI 10 Number of Rural Settlements provided with portable drinking water through drilling and equipping of boreholes within Dr Kenneth Kaunda District Municipality PLAN	Outcome	-	-	8 Rural Settlements provided with portable drinking water through drilling and equipping of boreholes within Dr Kenneth Kaunda District Municipality by 30 June 2022	R 3 000 000	360564470 20ORC99Z ZR4	R 0	NOT ACHIEVED 8 Rural Settlements not provided with portable drinking water through drilling and equipping of boreholes within Dr Kenneth Kaunda District Municipality by 30 June 2022	Tender to be re-advertised as no bidder was responsive and moratorium of National Treasury contributed in the delay to procure again	Appointment of Service Provider to be done by the 1 st Quarter of 2022/23	Appointment letter Progress reports Completion certificate

KPA 1	
Number of Targets Achieved	Number of Targets Not Achieved
	
6 out of 10	4 out of 10
The following departments contributed towards Basic Service Delivery and Infrastructure Development KPA	
Community Services	4
Planning	6

KPA 2: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

3.1.2. KPA 2: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT



NATIONAL LG PRIORITIES		LABOUR MATTERS, FINANCIAL AND ADMINISTRATIVE CAPACITY, SERVICE DELIVERY, FINANCIAL VIABILITY, GOOD GOVERNANCE, INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT, ECONOMIC DEVELOPMENT															
KPA		MUNICIPAL TRANSFORMATIONS AND ORGANISATIONAL DEVELOPMENT															
OUTCOME 9		IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT															
		ADMINISTRATIVE AND FINANCIAL CAPABILITY															
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTION	BASELINE 2020/2021			REVISED KEY PERFORMANCE INDICATOR	KPI TYPE	2020/21 COMPARISON		ANNUAL TARGET	REVISED BUDGET	MSCOA DESCRIPTION	ACTUAL EXPENDITURE	2021/22 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2020/21 TARGET	2020/21 ACTUAL PERFORMANCE								
Human Resources	To ensure municipal excellence	Municipal Planning	7 people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan	4 people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan	Nil	KPI 11 Number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan CS	Output	03 people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan by 30 June 2021	NOT ACHIEVED The posts were advertised and short listing's were done	04 people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan by 30 June 2022	OPEX	-	OPEX	NOT ACHIEVED Only 3 women were appointed in level 3 and 5 positions. Other advertised positions are awaiting Shortlisting and interviews to be done	Flexible moratorium imposed by the Executive at the Strat Plan	Process to continue from 1 st July 2022	-Adverts Interview Panel Attendance Registers - Appointment letters

NATIONAL LG PRIORITIES	LABOUR MATTERS, FINANCIAL AND ADMINISTRATIVE CAPACITY, SERVICE DELIVERY, FINANCIAL VIABILITY, GOOD GOVERNANCE, INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT, ECONOMIC DEVELOPMENT																
KPA	MUNICIPAL TRANSFORMATIONS AND ORGANISATIONAL DEVELOPMENT																
OUTCOME 9	OUTPUT 1	IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT															
	OUTPUT 6	ADMINISTRATIVE AND FINANCIAL CAPABILITY															
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTION	BASELINE 2020/2021			REVISED KEY PERFORMANCE INDICATOR	KPI TYPE	2020/21 COMPARISON		ANNUAL TARGET	REVISED BUDGET	MSCOA DESCRIPTION	ACTUAL EXPENDITURE	2021/22 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2020/21 TARGET	2020/21 ACTUAL PERFORMANCE								
Human Resources	To ensure municipal excellence	Municipal Planning	Workplace skills plan submitted to LGSETA	Timeous submission report on the workplace skills plan submitted to LGSETA	Nil	KPI 12 Number of workplace skills plan submitted to LGSETA CS	Output	1 Report on the workplace skills plan submitted to LGSETA by 30 April 2021	ACHIEVED 1 Report on the workplace skills plan submitted to LGSETA by 30 April 2021	(1) Report on the workplace skills plan submitted to LGSETA by 30 April 2022	OPEX	-	OPEX	ACHIEVED (1) Report on the workplace skills plan submitted to LGSETA by 30 April 2022	None	None	Proof of submission to LGSETA Workplace Skills Plan
Human Resources	To ensure municipal excellence	Municipal Planning	4 training committee meetings held	4 training committee meeting to be held by 30 June 2021	Nil	KPI 13 Number of training committee meetings held CS	Output	4 training committee meeting to be held by 30 June 2021	ACHIEVED 4 training committee meeting to be held by 30 June 2021	4 training committee meeting to be held by 30 June 2022	OPEX	-	OPEX	ACHIEVED 4 training committee meeting to be held by 30 June 2022	None	None	Invitation, Minutes, attendance registers
Human Resources	To ensure municipal excellence	Municipal Planning	Firefighters debriefings held	4 Firefighters debriefings held	Nil	KPI 14 Number Firefighters debriefings held CS	Outcome	2 Firefighters debriefings held by 31 December 2020	ACHIEVED 2 Firefighters debriefings held, in May & June as per the 2 nd quarter remedial actions	4 Firefighters debriefings held by 31 June 2022	OPEX	-	OPEX	ACHIEVED 4 Firefighters debriefings held by 31 June 2022	None	None	Invitations Attendance Registers Report

NATIONAL LG PRIORITIES	LABOUR MATTERS, FINANCIAL AND ADMINISTRATIVE CAPACITY, SERVICE DELIVERY, FINANCIAL VIABILITY, GOOD GOVERNANCE, INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT, ECONOMIC DEVELOPMENT																
KPA	MUNICIPAL TRANSFORMATIONS AND ORGANISATIONAL DEVELOPMENT																
OUTCOME 9	OUTPUT 1	IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT															
	OUTPUT 6	ADMINISTRATIVE AND FINANCIAL CAPABILITY															
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTION	BASELINE 2020/2021			REVISED KEY PERFORMANCE INDICATOR	KPI TYPE	2020/21 COMPARISON		ANNUAL TARGET	REVISED BUDGET	MSCOA DESCRIPTION	ACTUAL EXPENDITURE	2021/22 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2020/21 TARGET	2020/21 ACTUAL PERFORMANCE								
Human Resources	To ensure municipal excellence	Municipal Planning	4 Workshops on developing labour relations or dispute	2 Workshops on developing labour relations or dispute resolution by 30 June 2020	Nil	KPI 15 Number of labour relations and HR related trainings CS	output	2 Trainings on labour relations or dispute resolution by 30 June 2021	ACHIEVED 2 Trainings on labour relations or dispute resolution by 30 June 2021	4 labour relations and HR related trainings by 30 June 2022	OPEX	-	OPEX	ACHIEVED 4 labour relations and HR related trainings by 30 June 2022	None	None	Invitations Attendance Register Assessment
Human resources	To ensure municipal excellence	Municipal Planning	4 OHS comprehensive inspections	4 OHS comprehensive inspections	Nil	KPI 16 Number of comprehensive inspections on OHS conducted CS	Activity	4 comprehensive inspections on OHS conducted by 30 June 2021	ACHIEVED 4 comprehensive inspections on OHS conducted by 30 June 2021	4 comprehensive inspections on OHS conducted by 30 June 2022	OPEX	-	OPEX	ACHIEVED 4 comprehensive inspections on OHS conducted by 30 June 2022	None	None	Inspection reports
Human resources	To ensure municipal excellence	Municipal Planning	Nil	Covid-19 Isolation Modular Unit procured	Nil	KPI 17 Number Covid-19 Isolation Modular Unit procured CS	Output	-	-	1 Covid-19 Modular Unit procured by 30 June 2022	R 500 000	330564560 20ORC68Z ZWD	R 0	NOT ACHIEVED 1 Covid-19 Modular Unit not procured by 30 June 2022	Moratorium on procurement from National Treasury	The Covid-19 Isolation Modular Unit will not be procured anymore as the Covid-19 protocols have been relaxed	Delivery Note Pictures

NATIONAL LG PRIORITIES	LABOUR MATTERS, FINANCIAL AND ADMINISTRATIVE CAPACITY, SERVICE DELIVERY, FINANCIAL VIABILITY, GOOD GOVERNANCE, INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT, ECONOMIC DEVELOPMENT																
KPA	MUNICIPAL TRANSFORMATIONS AND ORGANISATIONAL DEVELOPMENT																
OUTCOME 9	OUTPUT 1	IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT															
	OUTPUT 6	ADMINISTRATIVE AND FINANCIAL CAPABILITY															
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTION	BASELINE 2020/2021			REVISED KEY PERFORMANCE INDICATOR	KPI TYPE	2020/21 COMPARISON		ANNUAL TARGET	REVISED BUDGET	MSCOA DESCRIPTION	ACTUAL EXPENDITURE	2021/22 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2020/21 TARGET	2020/21 ACTUAL PERFORMANCE								
Human Resources	To ensure municipal excellence	Municipal Planning	Nil	1 Employment Equity Plan submitted to Department of Labour by June 2021	Nil	KPI 18 Number of Employment Equity Plan submitted to Department of Labour CS	Output	1 Employment Equity Plan submitted to Dep of Labour by 15 January 2021	NOT ACHIEVED	1 Employment Equity Plan submitted to Department of Labour by 15 January 2022	OPEX	-	OPEX	ACHIEVED Employment Equity Plan submitted to Department of Labour by 15 January 2022	None	None	1 Employment Equity Plan
Corporate Services	To ensure internal municipal excellence	Municipal planning	98,75% of municipality's budget actually spent on implementing its workplace skills plan	100% of municipality's budget actually spent on implementing its workplace skills	Nil	KPI 19 Percentage of municipality's budget actually spent on implementing its workplace skills plan CS	Outcome	99% of municipality's budget actually spent on implementing its workplace skills plan by 30 June 2021	NOT ACHIEVED 99% of municipality's budget actually spent on implementing its workplace skills plan by 30 June 2021	100% of municipality's budget actually spent on implementing its workplace skills plan by 30 June 2022	R 1 600 000	33052303300FLP78Z ZHO	R 1 305 185	NOT ACHIEVED 81,6% of municipality's budget actually spent on implementing its workplace skills plan by 30 June 2022	Late disbursement of LGSETA discretionary grant	To paid in the 1 st quarter of 2020/23	Workplace skills plan detailed Report Training expenditure report
											R 300 000	33052305110FLP59Z ZWD	R 203 537				
											R 300 000	33052300490FLP07Z ZWD	R 112 000				
											R 300 00	33052300490FLP07Z ZWD	R 297 209				
											R 700 00	33052305110FLP78Z ZHO	R 692 439				

NATIONAL LG PRIORITIES	LABOUR MATTERS, FINANCIAL AND ADMINISTRATIVE CAPACITY, SERVICE DELIVERY, FINANCIAL VIABILITY, GOOD GOVERNANCE, INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT, ECONOMIC DEVELOPMENT																
KPA	MUNICIPAL TRANSFORMATIONS AND ORGANISATIONAL DEVELOPMENT																
OUTCOME 9	OUTPUT 1	IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT															
	OUTPUT 6	ADMINISTRATIVE AND FINANCIAL CAPABILITY															
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTION	BASELINE 2020/2021			REVISED KEY PERFORMANCE INDICATOR	KPI TYPE	2020/21 COMPARISON		ANNUAL TARGET	REVISED BUDGET	MSCOA DESCRIPTION	ACTUAL EXPENDITURE	2021/22 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2020/21 TARGET	2020/21 ACTUAL PERFORMANCE								
Information, Communications and Technology	To ensure IT governance environment is established at Dr KKDM and Dr KKDM	Municipal Planning	IT policies developed and approved	ICT charter to be submitted to Council by June 2021	Nil	KPI 20 Number of ICT charter to be submitted and workshopped to Council ICT	Output	1 ICT charter to be submitted and workshopped to Council by 31 December 2020	NOT ACHIEVED	1 ICT charter to be submitted and workshopped to Council by 31 December 2021	OPEX	-	OPEX	NOT ACHIEVED 1 ICT charter not submitted and workshopped to Council by 31 December 2021	Both the elections and the change from old Council to new Council The Draft ICT Charter is ready to be workshopped	When ICT Steering committee sits, the draft will be approved and then submitted to Council workshop for approval by end of March 2022	ICT charter
Information, Communications and Technology	To ensure IT governance environment is established at Dr KKDM	Municipal Planning	Nil	ICT Policies developed (Acceptable use and Incident Policy & Remote Access and bring your own device policy)	Nil	KPI 21 Number of ICT Policies developed (Acceptable use and Incident Policy & Remote Access and bring your own device policy) ICT		-	-	2 ICT Policies developed (Acceptable use and Incident Policy & Remote Access and bring your own device policy) by 30 June 2022	OPEX	-	OPEX	NOT ACHIEVED 2 ICT Policies not developed (Acceptable use and Incident Policy & Remote Access and bring your own device policy) by 30 June 2022	Draft Charter available	Waiting Council to set a date for workshop	Acceptable use and Incident Policy & Remote Access and bring your own device policy

KPA 2	
Number of Targets Achieved	Number of Targets Not Achieved
	
6	5
The following department contributed towards Municipal Transformation and Institutional Development	
Corporate Services	11

KPA 3: LOCAL ECONOMIC DEVELOPMENT



3.1.3. KPA 3: LOCAL ECONOMIC DEVELOPMENT

NATIONAL LG PRIORITIES	LABOUR MATTERS, FINANCIAL AND ADMINISTRATIVE CAPACITY, SERVICE DELIVERY, FINANCIAL VIABILITY, GOOD GOVERNANCE, INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT, ECONOMIC DEVELOPMENT																
KPA	MUNICIPAL TRANSFORMATIONS AND ORGANISATIONAL DEVELOPMENT																
OUTCOME 9	OUTPUT 1	IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT															
	OUTPUT 6	ADMINISTRATIVE AND FINANCIAL CAPABILITY															
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTION	BASELINE 2020/2021			REVISED KEY PERFORMANCE INDICATOR	KPI TYPE	2020/21 COMPARISON		ANNUAL TARGET	REVISED BUDGET	MSCOA DESCRIPTION	ACTUAL EXPENDITURE	2021/22 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2020/21 TARGET	2020/21 ACTUAL PERFORMANCE								
Local Economic Development and Tourism	To promote socio-economic development	Regional Tourism Municipal Planning Municipal Health Services Disaster Management	215 Jobs created through LED Initiatives, EPWP, CBP and Capital projects	249 Jobs created through LED Initiatives	Nil	KPI 22 Number of Jobs created through LED initiatives, EPWP & CBPs within the Dr Kenneth Kaunda District PLNLED	Output	215 Jobs created through LED, EPWP & CBPs within the Dr Kenneth Kaunda District by 31 December 2020	ACHIEVED 215 Jobs created through LED, EPWP & CBPs within the Dr Kenneth Kaunda District by 31 December 2020	369 Jobs created through LED initiatives, EPWP & CBPs within the Dr Kenneth Kaunda District by 31 March 2022	R 10 052 000		R 9 930 967	ACHIEVED 372 Jobs created through LED initiatives, EPWP & CBPs within the Dr Kenneth Kaunda District by 31 March 2022	3 more jobs were created	None	Signed employment contracts and appointment letters.
											R 6 760 000	36052264500 FLMRCZZWD	R 6 754 968				
											R 2 122 000 (EPWP)		R 2 122 000				
											R 1 822 000	36052264500 EPP47ZZWD	R 1 822 000				
											R 300 000	36052323600 EPP47ZZWD	R 300 000				
											R 1 170 000		R 1 053 999				
											R 30 000	31102260600 FLP13ZZWD	R 27 950				
											R 960 000	31102264500 FLP13ZZWD	R 955 214				
											R 80 000	31102305110 FLP13ZZWD	R 0				
											R 50 000	31102306100 FLP13ZZWD	R 22 500				
			R 50 000	31102320600 FLP13ZZWD	R 48 425												
Local Economic Development Tourism	To promote socio-economic development	Regional Tourism	1 tourism / trade marketing exhibitions	To host/participate in 3 tourism /	Nil	KPI 23 Number of tourism / trade marketing	Activity	2 tourism / trade marketing exhibitions	NOT ACHIEVED	2 tourism / trade marketing exhibitions	R 570 000		R 84 475	ACHIEVED 2 tourism / trade	None	None	Report on the exhibition
											R 100 000	36052260600 FLP71ZZWD	R 33 686				
											R 100 000	36052300140					

NATIONAL LG PRIORITIES	LABOUR MATTERS, FINANCIAL AND ADMINISTRATIVE CAPACITY, SERVICE DELIVERY, FINANCIAL VIABILITY, GOOD GOVERNANCE, INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT, ECONOMIC DEVELOPMENT																
KPA	MUNICIPAL TRANSFORMATIONS AND ORGANISATIONAL DEVELOPMENT																
OUTCOME 9	OUTPUT 1	IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT													OUTPUT 6		
		ADMINISTRATIVE AND FINANCIAL CAPABILITY															
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTION	BASELINE 2020/2021			REVISED KEY PERFORMANCE INDICATOR	KPI TYPE	2020/21 COMPARISON		ANNUAL TARGET	REVISED BUDGET	MSCOA DESCRIPTION	ACTUAL EXPENDITURE	2021/22 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2020/21 TARGET	2020/21 ACTUAL PERFORMANCE								
	To grow an inclusive and sustainable tourism economy, as well as promote inward and outward trade investment and participation.		hosted / participated	trade marketing exhibitions		exhibitions hosted/participated LED		hosted/participated by 30 June 2021		hosted/participated by 30 June 2022	R 70 000	FLP71ZZWD 36052280030 FLP71ZZWD	R 67 350	marketing exhibitions hosted/participated by 30 June 2022			
										R 70 000	36052300120 FLP71ZZWD	R 8 987					
										R 100 000	36052301870 FLP71ZZWD	R 29 200					
										R 30 000	36052305980 FLP71ZZWD	R 0					
Local Economic Development: sports, arts, culture and heritage.	To transform the delivery of sports & recreation by ensuring equitable access and development at all levels, as well as develop, preserve, protect, and promote arts, culture & heritage.	Regional Tourism	3 sports, arts and culture initiatives supported	4 sports, arts and culture initiatives supported	Nil	KPI 24 Number of sports, arts and culture initiatives within Dr. Kenneth Kaunda District supported LED	Activity	4 sports, arts and culture initiatives within Dr. Kenneth Kaunda District supported by 30 June 2021	NOT ACHIEVED 1 soccer tournament within Dr. Kenneth Kaunda District supported by 30 June 2021, as per the 3 rd quarter remedial action	4 sports, arts and culture initiatives within Dr. Kenneth Kaunda District supported by 30 June 2022	R 505 000		R 360 196	ACHIEVED	None	None	Report on sports and recreation initiatives supported
											R 130 000	36052260600 FLP82ZZWD	R 114 490	4 sports, arts and culture initiatives within Dr. Kenneth Kaunda District supported by 30 June 2022			
											R 100 000	36052301870 FLP82ZZWD	R 58 700				
											R 20 000	36052265720 FLQ43ZZWD	R 8 800				
											R 20 000	36052280030 FLP82ZZWD	R 15 106				
											R 50 000	36052300140 FLP82ZZWD	R 50 000				
											R 100 000	36052305370 FLP82ZZWD	R 28 100				
											R 85 000	36052599450 FLP82ZZWD	R 85 000				

NATIONAL LG PRIORITIES	LABOUR MATTERS, FINANCIAL AND ADMINISTRATIVE CAPACITY, SERVICE DELIVERY, FINANCIAL VIABILITY, GOOD GOVERNANCE, INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT, ECONOMIC DEVELOPMENT																
KPA	MUNICIPAL TRANSFORMATIONS AND ORGANISATIONAL DEVELOPMENT																
OUTCOME 9	OUTPUT 1	IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT															
	OUTPUT 6	ADMINISTRATIVE AND FINANCIAL CAPABILITY															
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTION	BASELINE 2020/2021			REVISED KEY PERFORMANCE INDICATOR	KPI TYPE	2020/21 COMPARISON		ANNUAL TARGET	REVISED BUDGET	MSCOA DESCRIPTION	ACTUAL EXPENDITURE	2021/22 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2020/21 TARGET	2020/21 ACTUAL PERFORMANCE								
Local Economic Development	To promote socio-economic development To develop, support and aid SMMEs and Cooperatives with Start-up and Business Expansion Grants.	Regional economic development	Approved 100 SMMEs / Cooperatives Businesses to be supported	60 SMMEs / Cooperatives supported	30 SMMEs / Cooperatives supported	KPI 25 Number of SMMEs/Cooperatives Businesses supported through conditional grants within Dr. Kenneth Kaunda District LED	Output	Support 30 SMMEs / Cooperatives Business initiatives through Community Conditional Grants within Dr. Kenneth Kaunda District by 30 June 2021	ACHIEVED Support 30 SMMEs / Cooperatives Business initiatives through Community Conditional Grants within Dr. Kenneth Kaunda District by 30 June 2021	60 SMMEs/Cooperatives Businesses supported through conditional grants within Dr. Kenneth Kaunda District by 31 December 2021	R 1 850 000	36052699410 FLP77ZZWD	R 1 844 072	NOT ACHIEVED 34 SMMEs/Cooperatives Businesses supported through conditional grants within Dr. Kenneth Kaunda District by 31 March 2022	Only 1 service provider was appointed to disburse, re-advert had to done	The target will be achieved in the 1 st quarter of the 2022/23 financial year	Report on SMMEs / Cooperatives Business development initiatives supported List of beneficiaries
Local Economic Development	To promote socio-economic development To design innovative initiatives focusing on macro-economic growth	Regional economic development	1 economic development initiatives implemented	5 Economic development initiatives programs	Nil	KPI 26 Number of Economic Development Initiatives supported / implemented within Dr. Kenneth Kaunda District LED	Activity	4 District economic development initiatives supported / implemented within Dr. Kenneth Kaunda	NOT ACHIEVED 2 District economic development initiatives supported / implemented within Dr. Kenneth Kaunda District	5 District economic development initiatives supported / implemented within Dr. Kenneth Kaunda District	R 1 090 000		R 311 630	NOT ACHIEVED 2 District economic development initiatives supported / implemented within Dr. Kenneth Kaunda	Delays in SCM processes in respect to achieve the last 5 th target	The target was removed from the SDBIP during the revision of the SDBIP	Report on Economic Development initiatives supported / implemented
											R 200 000	36052300120 FLP28ZZR3	R 73 950				
											R 100 000	3605230187F LP28ZZWD	R 73 200				
											R 140 000	36052305730 FLP28ZZWD	R 116 480				
											R 500 000	36056473520 ORD03ZZWD	R 0				
											R 50 000	36052305780 FLP28ZZWD	R 48 000				

NATIONAL LG PRIORITIES	LABOUR MATTERS, FINANCIAL AND ADMINISTRATIVE CAPACITY, SERVICE DELIVERY, FINANCIAL VIABILITY, GOOD GOVERNANCE, INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT, ECONOMIC DEVELOPMENT																
KPA	MUNICIPAL TRANSFORMATIONS AND ORGANISATIONAL DEVELOPMENT																
OUTCOME 9	OUTPUT 1	IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT															
	OUTPUT 6	ADMINISTRATIVE AND FINANCIAL CAPABILITY															
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTION	BASELINE 2020/2021			REVISED KEY PERFORMANCE INDICATOR	KPI TYPE	2020/21 COMPARISON		ANNUAL TARGET	REVISED BUDGET	MSCOA DESCRIPTION	ACTUAL EXPENDITURE	2021/22 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2020/21 TARGET	2020/21 ACTUAL PERFORMANCE								
	through increased employment creation and developmental initiatives that has a potential for catalytic effect and sustainability .							District implemented 30 June 2021	mented 30 June 2021 #Automotive Sector Skills Training took place through AICD/DEDE CT collaboration where 34 leaners were placed at the AICD Training Centre #LED Strategy		R 100 000	36052599450F LP28ZZWD	R 43 812	District implemented 30 June 2022			

KPA 3	
Number of Targets Achieved	Number of Targets Not Achieved
	
3 out of 5	2 out of 5
The following department contributed towards Local Economic Development KPA	
Local Economic Development	5

KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

3.1.4. KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT



NATIONAL LG PRIORITIES	ENSURE SUSTAINABLE RESOURCE MANAGEMENT AND USE.																
KPA	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT																
OUTCOME 9	OUTPUT 1		A POLICY FRAMEWORK THAT PROVIDES FOR A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT IS IMPLEMENTED														
	OUTPUT 6		ADMINISTRATIVE AND FINANCIAL CAPABILITIES OF MUNICIPALITIES ARE ENHANCED														
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTIONS	BASELINE 2020/2021			REVISED KEY PERFORMANCE INDICATOR	KPI TYPE	2020/21 COMPARISON		ANNUAL TARGET	REVISED BUDGET	MSCOA DESCRIPTION	ACTUAL EXPENDITURE	2021/22 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2020/21 TARGET	2020/21 ACTUAL PERFORMANCE								
Budget and Treasury	To ensure internal municipal excellence	Municipal Planning	8 MFMA section 71 reports submitted	8 MFMA section 71 reports submitted within legislative timeframe	Nil	KPI 27 Number of MFMA section 71 reports submitted within legislative timeframe BTG	Output	8 MFMA section 71 reports submitted by 30 June 2021	ACHIEVED 8 MFMA section 71 reports submitted by 30 June 2021	8 MFMA section 71 reports submitted by 30 June 2022	OPEX	-	OPEX	ACHIEVED 8 MFMA section 71 reports submitted by 30 June 2022	None	None	8 Monthly budget statements (section 71 reports) signed off by the CFO
Budget and Treasury PMS	To ensure internal municipal excellence	Municipal Planning	3 MFMA section 52 reports submitted	4 MFMA section 52 reports	Nil	KPI 28 Number of MFMA section 52 reports submitted BTG	Output	4 MFMA section 52 reports submitted by 30 June 2021	ACHIEVED 4 MFMA section 52 reports submitted by 30 June 2021	4 MFMA section 52 reports submitted by 30 June 2022	OPEX 4 quarterly reports (section 52 reports) signed off by the CFO	-	OPEX	ACHIEVED 4 MFMA section 52 reports submitted by 30 June 2022	None	None	4 quarterly reports (section 52 reports) signed off by the CFO

NATIONAL LG PRIORITIES	ENSURE SUSTAINABLE RESOURCE MANAGEMENT AND USE.																
KPA	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT																
OUTCOME 9	OUTPUT 1		A POLICY FRAMEWORK THAT PROVIDES FOR A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT IS IMPLEMENTED														
	OUTPUT 6		ADMINISTRATIVE AND FINANCIAL CAPABILITIES OF MUNICIPALITIES ARE ENHANCED														
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTIONS	BASELINE 2020/2021			REVISED KEY PERFORMANCE INDICATOR	KPI TYPE	2020/21 COMPARISON		ANNUAL TARGET	REVISED BUDGET	MSCOA DESCRIPTION	ACTUAL EXPENDITURE	2021/22 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2020/21 TARGET	2020/21 ACTUAL PERFORMANCE								
Budget and Treasury	To ensure internal municipal excellence	Municipal Planning	2020/21 adjustment budget tabled	2021/22 adjustment budget tabled	Nil	KPI 29 2021/22 adjustment budget developed approved BTC	Output	2020/21 adjustment budget developed approved by 28 February 2021	ACHIEVED 2020/21 adjustment budget developed approved by 28 February 2021	2021/22 adjustment budget developed approved by 28 February 2022	OPEX	-	OPEX	ACHIEVED 2021/22 adjustment budget developed approved by 28 February 2022	None	None	Council resolution and 2021/22 Adjustment Budget
Budget and Treasury	To ensure internal municipal excellence	Municipal Planning	2021/22 budget compiled approved (MFMA, Sec 25)	2022/23 budget compiled approved	Nil	KPI 30 2022/23 budget compiled approved BTC	Output	Compiled 2021/22 budget approved by 30 May 2021	ACHIEVED Compiled 2021/22 budget compiled approved within the financial year	Compiled 2022/23 budget compiled approved by 30 May 2022	OPEX	-	OPEX	ACHIEVED Compiled 2022/23 budget compiled approved by 30 May 2022	None	None	Council Resolution and Approved 2022/23 budget

NATIONAL LG PRIORITIES	ENSURE SUSTAINABLE RESOURCE MANAGEMENT AND USE.																
KPA	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT																
OUTCOME 9	OUTPUT 1		A POLICY FRAMEWORK THAT PROVIDES FOR A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT IS IMPLEMENTED														
	OUTPUT 6		ADMINISTRATIVE AND FINANCIAL CAPABILITIES OF MUNICIPALITIES ARE ENHANCED														
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTIONS	BASELINE 2020/2021			REVISED KEY PERFORMANCE INDICATOR	KPI TYPE	2020/21 COMPARISON		ANNUAL TARGET	REVISED BUDGET	MSCOA DESCRIPTION	ACTUAL EXPENDITURE	2021/22 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2020/21 TARGET	2020/21 ACTUAL PERFORMANCE								
Budget and Treasury	To ensure internal municipal excellence	Municipal Planning	Acceptable norm of financial viability as expressed by the ratios June 2020	Acceptable norm of financial viability as expressed by the ratios June 2021	Nil	KPI 31 Financial viability as expressed by the ratios (debt coverage ratio, outstanding service debtors to revenue, Cost coverage age) BTC	Output	Acceptable norm of financial viability as expressed by the ratios (debt coverage ratio, outstanding service debtors to revenue, Cost coverage age) by 30 June 2021	ACHIEVED Debt Coverage Ratio – Not applicable as the District Municipality has no consumer debts. Outstanding Service Debtors to Revenue – achieved, above acceptable norm. Cost coverage age – achieved, within acceptable norm	Acceptable norm of financial viability as expressed by the ratios (debt coverage ratio, outstanding service debtors to revenue, Cost coverage age) by 30 June 2022	OPEX	-	OPEX	ACHIEVED Acceptable norm of financial viability as expressed by the ratios (debt coverage ratio, outstanding service debtors to revenue, Cost coverage age) by 30 June 2022	None	None	financial viability ratios report
Budget and treasury	To ensure internal municipal excellence	Municipal Planning	4 assets verification report submitted	2 assets verification report submitted	Nil	KPI 32 Number of assets verification report submitted BTC	Output	4 assets verification report submitted by 30 June 2021	ACHIEVED 4 assets verification report submitted by 30 June 2021	2 assets verification report submitted by 30 June 2022	OPEX	-	OPEX	ACHIEVED 2 assets verification report submitted by 30 June	None	None	Assets verification reports

NATIONAL LG PRIORITIES	ENSURE SUSTAINABLE RESOURCE MANAGEMENT AND USE.																
KPA	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT																
OUTCOME 9	OUTPUT 1		A POLICY FRAMEWORK THAT PROVIDES FOR A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT IS IMPLEMENTED														
	OUTPUT 6		ADMINISTRATIVE AND FINANCIAL CAPABILITIES OF MUNICIPALITIES ARE ENHANCED														
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTIONS	BASELINE 2020/2021			REVISED KEY PERFORMANCE INDICATOR	KPI TYPE	2020/21 COMPARISON		ANNUAL TARGET	REVISED BUDGET	MSCOA DESCRIPTION	ACTUAL EXPENDITURE	2021/22 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2020/21 TARGET	2020/21 ACTUAL PERFORMANCE								
													2022				
Budget and Treasury	To ensure municipal excellence	Municipal Planning	2018/19 Contract registers updated	2019/20 Contract registers updated	Nil	KPI 33 Number of updated Contract registers submitted to Council BTG	Output	4 updated Contract registers submitted to Council by 30 June 2021	ACHIEVED 4 updated Contract registers submitted to Council by 30 June 2021	4 updated Contract registers submitted to Council by 30 June 2022	OPEX	-	OPEX	ACHIEVED 4 updated Contract registers submitted to Council by 30 June 2022	None	None	Updated Contract registers
Budget and Treasury	To ensure municipal excellence	Municipal Planning	2020/21 capital projects expenditure report	Capital projects expenditure monitoring	Nil	KPI 34 Percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan	Outcome	-	-	100 % Percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of	R 42 050 000	-	R 11 765 323	NOT ACHIEVED 28 % Percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial	The delay emanates from the correspondence issued by National Treasury advising government institutions to put SCM processes in	The target will be achieved in the 2022/23 financial year. The constitutional court has communicated to National Treasury	Capital Projects Expenditure report

NATIONAL LG PRIORITIES	ENSURE SUSTAINABLE RESOURCE MANAGEMENT AND USE.																
KPA	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT																
OUTCOME 9	OUTPUT 1	A POLICY FRAMEWORK THAT PROVIDES FOR A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT IS IMPLEMENTED															
	OUTPUT 6	ADMINISTRATIVE AND FINANCIAL CAPABILITIES OF MUNICIPALITIES ARE ENHANCED															
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTIONS	BASELINE 2020/2021			REVISED KEY PERFORMANCE INDICATOR	KPI TYPE	2020/21 COMPARISON		ANNUAL TARGET	REVISED BUDGET	MSCOA DESCRIPTION	ACTUAL EXPENDITURE	2021/22 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2020/21 TARGET	2020/21 ACTUAL PERFORMANCE								
									the municipality's integrated development plan by 30 June 2022				year in terms of the municipality's integrated development plan by 30 June 2022	abeyance.			

KPA 4	
Number of Targets Achieved	Number of Targets Not Achieved
	
7 out of 8	1 out of 8
The following departments contributed towards Municipal Financial Viability and Management KPA	
Finance	8

KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

3.1.5. KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Municipal Manager's Office: Internal Audit, Corporate Communications, Strategic Planning, Performance Management System, MISS- Municipal Information Security Standards, Speakers Office and Executive Mayor's Office

NATIONAL LG PRIORITIES	BUILD A DEVELOPMENTAL STATE, IMPROVE PUBLIC SERVICE AND STRENGTHEN DEMOCRATIC INSTITUTION																
KPA 2	ENSURE SUSTAINABLE RESOURCE MANAGEMENT AND USE																
KPA 2	TO PROMOTE GOOD GOVERNANCE																
OUTCOME 9	OUTPUT 5: TO STRENGTHEN PARTICIPATORY GOVERNANCE																
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTIONS	BASELINE 2020/2021			REVISED KEY PERFORMANCE INDICATOR	KPI TYPE	2020/21 COMPARISON		ANNUAL TARGET	REVISED BUDGET	MSCOA DESCRIPTION	ACTUAL EXPENDITURE	2021/22 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2020/21 TARGET	2020/21 ACTUAL PERFORMANCE								
Budget and Treasury	To ensure internal municipal excellence	Municipal Planning	Nil	2022/23 (8) budget related policies developed and reviewed	Nil	KPI35 Number of budget related policies workshopped adopted BTC	Output	(8) 2021/22 Budget related policies workshopped adopted by 30 May 2021	NOT ACHIEVED There was no need for policy reviewing	(8) 2022/23 Budget related policies workshopped adopted by 30 May 2022	OPEX	-	OPEX	ACHIEVED 8) 2022/23 Budget related policies workshopped adopted by 30 May 2022	None	None	Council Resolutions and budget related policies
Internal Audit	To ensure internal municipal excellence	Municipal Planning	2 approved strategic risk based Audit Plans (DRKKDM – 2020/21)	2 approved risk based strategic audit plans for the shared IA service	Nil	KPI 36 Number of approved risk-based audit plans for the shared IA service developed IA	Output	3 approved risk-based audit plans for the shared IA service developed by 30 September 2020 (District Agency & MHLM)	ACHIEVED 3 approved risk-based audit plans for the shared IA service developed within the financial year (District Agency & MHLM)	2 approved risk-based audit plans for the shared IA service developed by 31 July 2021 (District & MHLM)	OPEX	-	OPEX	ACHIEVED 2 approved risk-based audit plans for the shared IA service developed by 31 July 2021 (District & MHLM)	None	None	2 Approved Risk Based Audit Plans (District & MHLM) Minutes of the Audit Committee Management Minutes/ Email Correspondence

NATIONAL LG PRIORITIES																	
BUILD A DEVELOPMENTAL STATE, IMPROVE PUBLIC SERVICE AND STRENGTHEN DEMOCRATIC INSTITUTION																	
ENSURE SUSTAINABLE RESOURCE MANAGEMENT AND USE																	
KPA 2																	
TO PROMOTE GOOD GOVERNANCE																	
OUTCOME 9																	
OUTPUT 5: TO STRENGTHEN PARTICIPATORY GOVERNANCE																	
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTIONS	BASELINE 2020/2021			REVISED KEY PERFORMANCE INDICATOR	KPI TYPE	2020/21 COMPARISON		ANNUAL TARGET	REVISED BUDGET	MSCOA DESCRIPTION	ACTUAL EXPENDITURE	2021/22 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2020/21 TARGET	2020/21 ACTUAL PERFORMANCE								
Internal Audit	To ensure internal municipal excellence	Municipal Planning	Nil	Combined assurance plan	Nil	KPI 37 Combined assurance plan developed and approved IA	Output	-	-	Combined assurance plan developed and approved by 31 December 2021	OPEX	-	OPEX	ACHIEVED Combined assurance plan developed and approved by 31 December 2021	None	None	-Combined Assurance Framework -Combined Assurance Plan
Strategic Planning	To ensure internal municipal excellence	Municipal Planning	2019/20 Risk Assessment	2020/21 Risk Assessment	Nil	KPI 38 Number of Strategic Risk Assessment conducted for DRKKDM RISK	Output	1 Strategic Risk Assessment conducted for DRKKDM by 30 September 2020	ACHIEVED 1 Strategic Risk Assessment conducted for DRKKDM by 30 September 2020	1 Strategic Risk Assessment conducted for DRKKDM by 30 June 2022	OPEX	-	OPEX	ACHIEVED 1 Strategic Risk Assessment conducted for DRKKDM by 30 June 2022	None	None	Risk Registers
Communications	To ensure internal municipal excellence	Municipal Planning	Approved of reviewed Communications Strategy	Approval of reviewed Communications Strategy	Approved reviewed Communications Strategy	KPI 39 Number of reviewed Communication Strategy adopted COMM	Output	1 reviewed Communications Strategy adopted by 31 December 2020	ACHIEVED 1 reviewed Communications Strategy adopted within the financial year, in accordance with the remedial actions	1 reviewed Communications Strategy adopted by 30 June 2022	OPEX	-	OPEX	NOT ACHIEVED 1 reviewed Communications Strategy not adopted by 30 June 2022	The National Communication Strategy was not yet available for proper alignment and synchronization	Ensure that in the 1 st quarter of the new FY the Communication Strategy is finalized and adopted by council	Council resolution and approved Communications Strategy

NATIONAL LG PRIORITIES																	
BUILD A DEVELOPMENTAL STATE, IMPROVE PUBLIC SERVICE AND STRENGTHEN DEMOCRATIC INSTITUTION																	
ENSURE SUSTAINABLE RESOURCE MANAGEMENT AND USE																	
KPA 2																	
TO PROMOTE GOOD GOVERNANCE																	
OUTCOME 9																	
OUTPUT 5: TO STRENGTHEN PARTICIPATORY GOVERNANCE																	
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTIONS	BASELINE 2020/2021			REVISED KEY PERFORMANCE INDICATOR	KPI TYPE	2020/21 COMPARISON		ANNUAL TARGET	REVISED BUDGET	MSCOA DESCRIPTION	ACTUAL EXPENDITURE	2021/22 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2020/21 TARGET	2020/21 ACTUAL PERFORMANCE								
Communications	To ensure internal municipal excellence	Municipal Planning	3 of Newsletters produced in 2020/21	4 of Newsletters produced	Nil	KPI40 Number of District Newsletters produced COMM	Output	4 of Newsletters produced by end 30 June 2021	NOT ACHIEVED 3 of Newsletters produced by end 30 June 2021	4 of Newsletters produced by end 30 June 2022	R 77 000	32052300 150FLMR CZZWD	R 27 800	ACHIEVED 4 Newsletters produced by end 30 June 2022	None	None	4 Newsletters
Strategic Planning	To ensure internal municipal excellence	Municipal Planning	Nil	1 IDP Representative Forum Meeting	Nil	KPI 41 Number of IDP Representative Forum Meetings conducted STRP	Activity	1 IDP Representative Forum Meeting conducted by 30 June 2021	ACHIEVED IDP Representative Forum conducted through radio interviews by 30 June 2021	1 IDP Representative Forum Meeting conducted by 30 June 2022	OPEX	-	OPEX	ACHIEVED 1 IDP Representative Forum Meeting conducted by 30 June 2022	None	None	Report on IDP Representative Forum Advertisements
Strategic Planning	To ensure internal municipal excellence	Municipal Planning	5-year plan IDP Document for approved	2022/23 IDP reviewed and amended	Nil	KPI 42 Number of 2022-2027 IDP adopted by Council STRP	Output	2021/22 IDP Amendments adopted by Council by 30 June 2021	ACHIEVED 2021/22 IDP Amendments adopted by Council by 30 June 2021	(1) 2022-2027 IDP adopted by Council by 30 June 2022	OPEX	-	OPEX	ACHIEVED (1) 2022-2027 IDP adopted by Council by 30 June 2022	None	None	Council Resolution and 2022-2027 IDP
Performance Management Systems	To ensure internal municipal excellence	Municipal Planning	2021/2022 Top layer SDBIP approved	2022/2023 Top layer SDBIP	Nil	KPI 43 Number of Top layer SDBIP approved by Executive Mayor PMS	Output	(1) 2021/22 Top layer SDBIP approved by Executive Mayor by 30 June 2021	ACHIEVED (1) 2021/22 Top layer SDBIP approved by Executive Mayor by 30 June 2021	2022/23 Top layer SDBIP approved by Executive Mayor by 30 June 2022	OPEX	-	OPEX	ACHIEVED 2022/23 Top layer SDBIP approved by Executive Mayor by 30 June 2022	None	None	Approved 2022/23 Top layer SDBIP

NATIONAL LG PRIORITIES																	
BUILD A DEVELOPMENTAL STATE, IMPROVE PUBLIC SERVICE AND STRENGTHEN DEMOCRATIC INSTITUTION																	
ENSURE SUSTAINABLE RESOURCE MANAGEMENT AND USE																	
KPA 2																	
TO PROMOTE GOOD GOVERNANCE																	
OUTCOME 9																	
OUTPUT 5: TO STRENGTHEN PARTICIPATORY GOVERNANCE																	
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTIONS	BASELINE 2020/2021			REVISED KEY PERFORMANCE INDICATOR	KPI TYPE	2020/21 COMPARISON		ANNUAL TARGET	REVISED BUDGET	MSCOA DESCRIPTION	ACTUAL EXPENDITURE	2021/22 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2020/21 TARGET	2020/21 ACTUAL PERFORMANCE								
Performance Management System	To ensure internal municipal excellence	Municipal planning	2020/2021 Mid-Year Performance Reports compiled	2021/22 Mid-Year Performance Assessment Report	Nil	KPI 44 Number of Mid-Year Performance Assessment Report compiled BTO PMS	Output	(1) 2020/21 Mid-Year Performance Assessment Report compiled approved by 31 January 2021	ACHIEVED (1) 2020/21 Mid-Year Performance Assessment Report compiled approved by 31 January 2021	2021/22 Mid-Year Performance Assessment Report compiled by 31 January 2022	OPEX	-	OPEX	ACHIEVED 2021/22 Mid-Year Performance Assessment Report compiled by 31 January 2022	None	None	Council Resolution and 2021/22 Mid-Year Performance Assessment Report compiled
Performance Management Systems	To ensure internal municipal excellence	Municipal Planning	2019/20 annual performance report and AFS submitted to AGSA compiled	2020/21 annual performance report and AFS submitted to AGSA compiled	Nil	KPI 45 Timeous submission of 2020/21 Annual Performance Report and AFS submitted to Auditor General PMS BTO	Output	2019/20 Annual performance report and AFS submitted to Auditor General by 31 August 2020	ACHIEVED 2019/20 Annual performance report and AFS submitted to Auditor General by 31 October 2020	2020/21 annual performance report and AFS submitted to Auditor General by 31 August 2021	OPEX	-	OPEX	ACHIEVED 2020/21 annual performance report and AFS submitted to Auditor General by 31 August 2021	None	None	-AFS -Annual performance report
Speaker	To ensure internal municipal excellence	Municipal Planning	9 council meetings coordinated	6 council meetings	Nil	KPI 46 Number of council meetings SP	Activity	6 council meetings coordinated by 30 June 2021	ACHIEVED 10 council meetings coordinated by 30 June 2021	6 council meetings coordinate by 30 June 2022	OPEX	-	OPEX	ACHIEVED 17 council meetings coordinated by 30 June 2022	Due to special council meetings held	None	-Meeting Notices - Attendance Registers

NATIONAL LG PRIORITIES																	
BUILD A DEVELOPMENTAL STATE, IMPROVE PUBLIC SERVICE AND STRENGTHEN DEMOCRATIC INSTITUTION																	
ENSURE SUSTAINABLE RESOURCE MANAGEMENT AND USE																	
KPA 2																	
TO PROMOTE GOOD GOVERNANCE																	
OUTCOME 9																	
OUTPUT 5: TO STRENGTHEN PARTICIPATORY GOVERNANCE																	
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTIONS	BASELINE 2020/2021			REVISED KEY PERFORMANCE INDICATOR	KPI TYPE	2020/21 COMPARISON		ANNUAL TARGET	REVISED BUDGET	MSCOA DESCRIPTION	ACTUAL EXPENDITURE	2021/22 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2020/21 TARGET	2020/21 ACTUAL PERFORMANCE								
Speaker	To ensure internal municipal excellence	Municipal Planning	2019/20 Municipal oversight report submitted to Council	2020/21 Municipal oversight report submitted to Council	Nil	KPI 47 Number of Municipal oversight reports submitted to Council SP	Output	1 Municipal oversight report submitted to Council by end 30 June 2021	ACHIEVED 1 Municipal oversight report submitted to Council by end 30 June 2021	1 Municipal oversight report submitted to Council by end 31 March 2022	OPEX	-	OPEX	ACHIEVED 1 Municipal oversight report submitted to Council by end 31 March 2022	None	None	Oversight Report
Executive Mayor	To promote socio-economic development	None	Celebrated with elderly during Mandela Day in Matlosana recreational Hall	1 Mandela Day celebrations held in Maquassi Hills by 30 September 2021	Nil	KPI 48 Number of Mandela Day celebrations held in Maquassi Hills EM	Activity	1 Mandela Day celebrations held by 30 September 2020	ACHIEVED 1 Mandela Day celebrations held in the 2 nd Quarter as per the 1 st Quarter remedial actions	1 Mandela Day celebrations held in Maquassi Hills by 30 September 2021	R 33 560		R 33 550	ACHIEVED 1 Mandela Day celebrations held in Maquassi Hills by 30 September 2021	None	None	Report on Mandela Activity Pictures
											R 30 000	31052300140FLP61ZZWD	R 29 990				
											R3 560	31052260600FLP61ZZWD	R 3 560				



NATIONAL LG PRIORITIES																	
BUILD A DEVELOPMENTAL STATE, IMPROVE PUBLIC SERVICE AND STRENGTHEN DEMOCRATIC INSTITUTION																	
ENSURE SUSTAINABLE RESOURCE MANAGEMENT AND USE																	
KPA 2																	
TO PROMOTE GOOD GOVERNANCE																	
OUTCOME 9																	
OUTPUT 5: TO STRENGTHEN PARTICIPATORY GOVERNANCE																	
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTIONS	BASELINE 2020/2021			REVISED KEY PERFORMANCE INDICATOR	KPI TYPE	2020/21 COMPARISON		ANNUAL TARGET	REVISED BUDGET	MSCOA DESCRIPTION	ACTUAL EXPENDITURE	2021/22 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2020/21 TARGET	2020/21 ACTUAL PERFORMANCE								
Executive Mayor	To promote socio-economic development	None	95% of students validated for assistance awarded with financial assistance in Higher learning institutions by 30 June 2020	100% of students validated for assistance awarded with financial assistance in Higher learning institutions by 30 June 2021	Nil	KPI 49 % of students within Dr. Kenneth Kaunda District validated for assistance awarded with financial assistance in Higher learning institutions EM	Output	100% of students within Dr. Kenneth Kaunda District validated for assistance awarded with financial assistance in Higher learning institutions by 30 June 2021	ACHIEVED 100% of students within Dr. Kenneth Kaunda District validated for assistance awarded with financial assistance in Higher learning institutions by 30 June 2021	100% of students within Dr. Kenneth Kaunda District validated for assistance awarded with financial assistance in Higher learning institutions by 30 June 2022	R 2 000 000	31052599 400FLP63 ZZWD	R 1 967 679	ACHIEVED 100% of students within Dr. Kenneth Kaunda District validated for assistance awarded with financial assistance in Higher learning institutions by 30 June 2022	None	None	Reports on students awarded financial
Executive Mayor	To promote socio-economic development	None	7 Supported students that applied for financial assistance	Support of 6 educational request	Nil	KPI 50 Number of educational request supported EM	Output	6 educational request supported by 31 March 2021	ACHIEVED 7 educational request supported by 30 June 2021	14 educational request supported by 30 June 2022	R 200 000	31052549 400FLP36 ZZWD	R 169 453	NOT ACHIEVED 13 educational request supported by 30 June 2022	On the received requests some students had applied twice, and were processed on the merit bursary	The KPI has been put on hold, until the impact research report is finalized	Report on students /institutions offered financial assistance/ support

NATIONAL LG PRIORITIES	BUILD A DEVELOPMENTAL STATE, IMPROVE PUBLIC SERVICE AND STRENGTHEN DEMOCRATIC INSTITUTION																
KPA 2	ENSURE SUSTAINABLE RESOURCE MANAGEMENT AND USE																
OUTCOME 9	TO PROMOTE GOOD GOVERNANCE																
OUTCOME 9	OUTPUT 5: TO STRENGTHEN PARTICIPATORY GOVERNANCE																
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTIONS	BASELINE 2020/2021			REVISED KEY PERFORMANCE INDICATOR	KPI TYPE	2020/21 COMPARISON		ANNUAL TARGET	REVISED BUDGET	MSCOA DESCRIPTION	ACTUAL EXPENDITURE	2021/22 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2020/21 TARGET	2020/21 ACTUAL PERFORMANCE								
Executive Mayor	To promote socio-economic development	None	200 food parcels supplied to distressed families identified	Supply of 200 food parcels to distressed families identified	Nil	KPI 51 Number of food parcels supplied to distressed families within Dr. Kenneth Kaunda District identified EM	Output	200 food parcels supplied to distressed families within Dr. Kenneth Kaunda District identified by 30 June 2021	NOT ACHIEVED 50 food parcels supplied to distressed families within Ventersdorp We sourced the list of needy beneficiaries from Social Development and the ITEM was submitted to BTO for procurement	200 food parcels supplied to distressed families within Dr. Kenneth Kaunda District identified by 30 June 2022	R 150 000	31052300 140FLP69 ZZWD	R 125 332	ACHIEVED 216 food parcels supplied to distressed families within Dr. Kenneth Kaunda District identified by 30 June 2022	16 more food parcels were provided	None	List of Beneficiaries
Executive Mayor	To promote socio-economic development	None	3 gender workshops held	Hold 3 Gender workshops	Nil	KPI 52 Number of Gender activity programs held within Dr. Kenneth Kaunda District EM	Activity	3 Gender activity programs held within Dr. Kenneth Kaunda District by 30 June 2021	NOT ACHIEVED 2 Gender activity programs held within Dr. Kenneth Kaunda District by 30 June 2021	3 Gender activity programs held within Dr. Kenneth Kaunda District by 30 June 2022	R 105 800	R 61 340	ACHIEVED 3 Gender activity programs held within Dr. Kenneth Kaunda District by 30 June 2022	None	None	Report on Gender workshops held	
											R 20 000	3105230 0140FLP 53ZZWD	R 13 475				
											R 35800	31052260 600FLP53 ZZWD	R 2 420				
											R 30 000	31052301 870FLP53 ZZWD	R 29 200				
											R20 000	31052305 730FLP53 ZZWD	R 16 245				
Executive Mayor	To promote socio-	None	Women's day celebration	Women's empowemen	Nil	KPI 53 Number of	A	1 women's month	ACHIEVED 1 women's	1 women's empowemen	R 144200	R 117 323	ACHIEVED	None	None	Report on women's	

NATIONAL LG PRIORITIES	BUILD A DEVELOPMENTAL STATE, IMPROVE PUBLIC SERVICE AND STRENGTHEN DEMOCRATIC INSTITUTION																
KPA 2	ENSURE SUSTAINABLE RESOURCE MANAGEMENT AND USE																
OUTCOME 9	TO PROMOTE GOOD GOVERNANCE																
OUTCOME 9	OUTPUT 5: TO STRENGTHEN PARTICIPATORY GOVERNANCE																
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTIONS	BASELINE 2020/2021			REVISED KEY PERFORMANCE INDICATOR	KPI TYPE	2020/21 COMPARISON		ANNUAL TARGET	REVISED BUDGET	MSCOA DESCRIPTION	ACTUAL EXPENDITURE	2021/22 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2020/21 TARGET	2020/21 ACTUAL PERFORMANCE								
	economic development		held	t campaigns held		women's empowerment campaigns held EM		activity hosted by 31 August 2020	month activity hosted as per the remedial actions (Celebrated women by supporting women involved in Community Gardens)	t campaigns held by September 2021	R 24 200	31052260 600FLQ05 ZZWD	R 24 200	1 women's empowerment campaigns held by September 2021			empowerment campaign hosted
										R100 000	31052300 140FLQZZ WD	R 83 463					
										R20 000	31052305 730FLQ05 ZZWD	R 9 660					
Executive Mayor	To promote socio-economic development	None	Nil	20 boys and 20 girls exposed to a working environment	Nil	KPI 54 Number of girls and Boys within Dr. Kenneth Kaunda District exposed to a working environment EM	Outcome	20 Boys and 20 Girls within Dr Kenneth Kaunda District exposed to a working environment by 30 June 2021	NOT ACHIEVED The list of beneficiary learners have been received from the schools. We have procured necessary gifts for the learners. The related Certificates have been printed and framed.	20 boys and 20 girls within Dr.Kenneth Kaunda District exposed to a working environment by 30 June 2022	R 45 000		R 0	ACHIEVED	None	None	Report on boys and girls exposed to a working environment
											R15 000	31052260 600FLP11 ZZWD	R 0	20 boys and 20 girls within Dr.Kenneth Kaunda District exposed to a working environment by 30 June 2022			
										R10 000	31052305 730FLP11 ZZWD	R 0					
										R 20 000	31052300 140FLP11 ZZWD	R 0					

NATIONAL LG PRIORITIES																	
BUILD A DEVELOPMENTAL STATE, IMPROVE PUBLIC SERVICE AND STRENGTHEN DEMOCRATIC INSTITUTION																	
ENSURE SUSTAINABLE RESOURCE MANAGEMENT AND USE																	
KPA 2																	
TO PROMOTE GOOD GOVERNANCE																	
OUTCOME 9																	
OUTPUT 5: TO STRENGTHEN PARTICIPATORY GOVERNANCE																	
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTIONS	BASELINE 2020/2021			REVISED KEY PERFORMANCE INDICATOR	KPI TYPE	2020/21 COMPARISON		ANNUAL TARGET	REVISED BUDGET	MSCOA DESCRIPTION	ACTUAL EXPENDITURE	2021/22 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2020/21 TARGET	2020/21 ACTUAL PERFORMANCE								
Executive Mayor	To promote socio-economic development	None	Provided 26 Schools with Sanitary Towels	Provide 15 Schools with Sanitary Towels	Nil	KPI 55 Number of Schools provided with Sanitary towels EM	Output	15 Schools provided with Sanitary Towels by 30 June 2021	ACHIEVED 18 Schools provided with Sanitary Towels by 30 June 2021	15 Schools provided with Sanitary Towels by 30 June 2022	R 70 000	31052300 140FLMR CZZWD	R 40 309	NOT ACHIEVED Only 4 Schools provided with Sanitary Towels by 30 June 2022	Moratorium on procurement from National Treasury	To be done in the 1 st quarter of the 2022/23 financial year	Report on sanitary towels provided
Executive Mayor	To promote socio-economic development	None	20 assistive devices provided or fixed to identified disabled individuals	Provide 15 assistive devices provided or fixed to identified disabled individuals	Nil	KPI 56 Number of assistive devices provided or fixed to identified disabled individual within Dr. Kenneth Kaunda District EM	Output	15 assistive devices provided to identified disabled individual within Dr. Kenneth Kaunda District by 30 June 2021	NOT ACHIEVED 5 assistive devices provided to identified disabled individual within Dr. Kenneth Kaunda District by 30 June 2021	15 assistive devices provided to identified disabled individual within Dr. Kenneth Kaunda District by 30 June 2022	R 75 000	31052300 140FLP21 ZZWD	R 24 000	NOT ACHIEVED Only 13 assistive devices provided to identified disabled individual within Dr. Kenneth Kaunda District by 30 June 2022	Requests received from the disability sector were not relevant to the target	Visiting Community Centers to identify relevant beneficiaries	Report on proof of assistive devices provided to identified disabled individuals
Executive Mayor	To promote socio-economic development	None	15 Elderly Sports Teams provided with spots equipment	5 Elderly Sports Teams provided with spots equipment	Nil	KPI 57 Number of Elderly Sports Teams provided with sports equipment EM	Activity	5 of Elderly Sports Teams provided with sports equipment by 31 December 2020	ACHIEVED 15 of Elderly Sports Teams provided with sports equipment as per the 2 nd Quarter	5 of Elderly Sports Teams provided with sports equipment by 31 December 2020	R 230 000	31052300 140FLP37 ZZWD	R 170 154	ACHIEVED 7 of Elderly Sports Teams provided with sports equipment by 30 June	2 more elderly sports teams were provided with sports	None	Report on Sports equipment provided to the elderly
											R 150 000	31052260 600FLP21 ZZWD	R 0				
											R 30 000	31052260 600FLP21 ZZWD	R 24 000				
											R 60 000	31052260 600FLP37 ZZWD	R 45 280				

NATIONAL LG PRIORITIES	BUILD A DEVELOPMENTAL STATE, IMPROVE PUBLIC SERVICE AND STRENGTHEN DEMOCRATIC INSTITUTION																
KPA 2	ENSURE SUSTAINABLE RESOURCE MANAGEMENT AND USE																
OUTCOME 9	TO PROMOTE GOOD GOVERNANCE																
OUTCOME 9	OUTPUT 5: TO STRENGTHEN PARTICIPATORY GOVERNANCE																
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTIONS	BASELINE 2020/2021			REVISED KEY PERFORMANCE INDICATOR	KPI TYPE	2020/21 COMPARISON		ANNUAL TARGET	REVISED BUDGET	MSCOA DESCRIPTION	ACTUAL EXPENDITURE	2021/22 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2020/21 TARGET	2020/21 ACTUAL PERFORMANCE								
								remedial action	21	R20 000	31052305730FLP37ZZWD	R 16 500	2022	equipment			
Executive Mayor	To promote socio-economic development	None	4 RHR programs conducted	Conduct 2 RHR programs	Nil	KPI 58 Number of moral regeneration program conducted within Dr. Kenneth Kaunda District EM	Activity	2 moral regeneration program conducted within Dr. Kenneth Kaunda District by 30 June 2021	ACHIEVED 4 moral regeneration program conducted within Dr. Kenneth Kaunda District by 30 June 2021	2 moral regeneration program conducted within Dr. Kenneth Kaunda District by 30 June 2022	R 255 000		R 252 426	ACHIEVED 3 moral regeneration program conducted within Dr. Kenneth Kaunda District by 30 June 2022	1 more moral regeneration program was conducted	None	Report on moral regeneration programs conducted
											R 225 000	31052260600FLP66ZZWD	R 223 551				
											R 30 000	31052301870FLP66ZZWD	R 28 875				
Executive Mayor	To promote socio-economic development	None	2 youth programs or projects supported	4 youth programs or projects	Nil	KPI 59 Number of youth projects within Dr. Kenneth Kaunda District supported EM	Activity	4 youth projects within Dr. Kenneth Kaunda District supported by 30 June 2021	NOT ACHIEVED 3 youth projects within Dr. Kenneth Kaunda District supported by 30 June 2021 #Support youth movie making in Kanana #Provide dignity packs for young people with albinism #Young People in Business	4 youth projects within Dr. Kenneth Kaunda District supported by 30 June 2022	R 326440		R 155 650	ACHIEVED 4 youth projects within Dr. Kenneth Kaunda District supported by 30 June 2022	None	None	Report on Youth program or project
											R 86 440	31052260600FLQ06ZZWD	R 46 500				
											R 30 000	31052301870FLQ06ZZWD	R 0				
											R 60 000	31052305730FLQ06ZZWD	R 30 000				
											R 150 000	31052300140FLQ06ZZWD	R 79 150				

KPA 5	
Number of Targets Achieved	Number of Targets Not Achieved
	
21 out of 25	4 out of 25
The following departments/ Units contribute towards Good Governance and Public Participation	
Finance	1
Office of the Executive Mayor	12
Office of the Speaker	2
Internal Audit	2
Strategic Planning	2
Performance Management System	3
Risk	1
Communications	2

KPA 6: SPATIAL RATIONALE



3.1.6. KPA 6: SPATIAL RATIONALE

DISASTER RISK MANAGEMENT

NATIONAL LG PRIORITIES		BUILD A DEVELOPMENTAL STATE, IMPROVE PUBLIC SERVICE AND STRENGTHEN DEMOCRATIC INSTITUTION															
		ENSURE SUSTAINABLE RESOURCE MANAGEMENT AND USE															
KPA 2		TO PROMOTE GOOD GOVERNANCE															
OUTCOME 9		OUTPUT 5: TO STRENGTHEN PARTICIPATORY GOVERNANCE															
Functional Area	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTION	BASELINE 2019/2020			REVISED KEY PERFORMANCE INDICATOR	KPI TYPE	2020/21 COMPARISON		REVISED ANNUAL TARGET	REVISED BUDGET	MSCOA DESCRIPTION	ACTUAL EXPENDITURE	2021/22 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2020/21 TARGET	2020/21 ACTUAL PERFORMANCE								
Fire Services	To ensure fire services	Fire Services	60 Fire Safety Inspections within Dr.Kenneth Kaunda District	60 Fire Safety inspections conducted	Nil	KPI 60 Number of Fire Safety Inspections within Dr. Kenneth Kaunda District conducted FIRE	Activity	60 Fire Safety Inspections within Dr.Kenneth Kaunda District conducted by 30 June 2021	ACHIEVED 60 Fire Safety Inspections within Dr.Kenneth Kaunda District conducted by 30 June 2021	60 Fire Safety Inspections within Dr.Kenneth Kaunda District conducted by 30 June 2022	OPEX	-	OPEX	ACHIEVED 60 Fire Safety Inspections within Dr.Kenneth Kaunda District conducted by 30 June 2022	None	None	Fire Inspection Reports
Disaster Risk Management	To ensure disaster risk management	Disaster Risk Management	International Disaster Risk Reduction event conducted	International Disaster Risk Reduction event conducted	Nil	KPI 61 Number of International Disaster Risk Reduction events held within Dr.Kenneth Kaunda District conducted DRM	Output	1 International; Disaster Risk Reduction event conducted by 31 December 2020	ACHIEVED 1 International; Disaster Risk Reduction event conducted by 31 December 2020	1 International; Disaster Risk Reduction event conducted by 31 December 2021	R 563 000		R 527 279	ACHIEVED 1 International; Disaster Risk Reduction event conducted by 31 December 2021	None	None	Reports and Attendance Registers
											R 313 ,000	R 292 084					
										R 150, 000	390522800 30FLP23ZZ WD	R 149 940					
										R 100, 000	390523001 40FLP23ZZ WD	R 93 939					
										R50, 000	390522606 00FLP23ZZ WD	R 48 208					
										R13, 000	390523018 70FLP23ZZ WD	R 0					
										R 250 000		R 235 195					

NATIONAL LG PRIORITIES	BUILD A DEVELOPMENTAL STATE, IMPROVE PUBLIC SERVICE AND STRENGTHEN DEMOCRATIC INSTITUTION																
	ENSURE SUSTAINABLE RESOURCE MANAGEMENT AND USE																
KPA 2	TO PROMOTE GOOD GOVERNANCE																
OUTCOME 9	OUTPUT 5: TO STRENGTHEN PARTICIPATORY GOVERNANCE																
Functional Area	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTION	BASELINE 2019/2020			REVISED KEY PERFORMANCE INDICATOR	KPI TYPE	2020/21 COMPARISON		REVISED ANNUAL TARGET	REVISED BUDGET	MSCOA DESCRIPTION	ACTUAL EXPENDITURE	2021/22 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2020/21 TARGET	2020/21 ACTUAL PERFORMANCE								
										R 45, 000	39052260600FLP76ZZ WD	R 37 400					
										R 180 000	39052280030FLP76ZZ WD	R 179 800					
										R25, 000	39052300120FLP76ZZ WD	R 17 995					
Fire services	To ensure disaster risk management	Disaster Risk Management	6 BESAFE Centre Activities conducted within Dr. Kenneth Kaunda District	6 BESAFE Centre Activities conducted	Nil	KPI 62 Number of BESAFE Centre Activities within Dr. Kenneth Kaunda District conducted DRM	Activity	6 BESAFE Centre Activities conducted within Dr. Kenneth Kaunda District by 31 March 2021	ACHIEVED 6 BESAFE Centre Activities conducted within Dr. Kenneth Kaunda District by 31 March 2021	6 BESAFE Centre Activities conducted within Dr. Kenneth Kaunda District by 31 March 2022	OPEX	-	OPEX	ACHIEVED 9 BESAFE Centre Activities conducted within Dr. Kenneth Kaunda District by 31 March 2022	Increased activity to address increasing risk	None	Reports and Attendance Registers
Disaster Risk Management	To ensure disaster risk management	Disaster Risk Management	1 Winter Awareness Campaign conducted within Dr. Kenneth Kaunda District	1 Winter Awareness Campaign conducted	Nil	KPI 63 Number of Winter Awareness campaigns within Dr. Kenneth Kaunda District conducted	Activity	1 Winter Awareness Campaign conducted within Dr. Kenneth Kaunda District by 30 June 2021	ACHIEVED 1 Winter Awareness Campaign conducted within Dr. Kenneth Kaunda District by 30 June 2021	1 Winter Awareness Campaign conducted within Dr. Kenneth Kaunda District by 30 June 2022	R 563 000	R 527 279	ACHIEVED 1 Winter Awareness Campaign conducted within Dr. Kenneth Kaunda District by 30 June	None	None	1 Report and Attendance Registers	
										R 313 000		R 292 084					
										R150, 000	39052280030FLP23ZZ WD	R 149 140					
										R100, 000	39052300140FLP23ZZ WD	R 93 939					

NATIONAL LG PRIORITIES	BUILD A DEVELOPMENTAL STATE, IMPROVE PUBLIC SERVICE AND STRENGTHEN DEMOCRATIC INSTITUTION																
	ENSURE SUSTAINABLE RESOURCE MANAGEMENT AND USE																
KPA 2	TO PROMOTE GOOD GOVERNANCE																
OUTCOME 9	OUTPUT 5: TO STRENGTHEN PARTICIPATORY GOVERNANCE																
Functional Area	STRATE GIC OBJECTIVE	MUNICIPAL POWERS & FUNCTION	BASELINE 2019/2020			REVISED KEY PERFORMANCE INDICATOR	KPI TYPE	2020/21 COMPARISON		REVISED ANNUAL TARGET	REVISED BUDGET	MSCOA DESCRIPTION	ACTUAL EXPENDITURE	2021/22 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2020/21 TARGET	2020/21 ACTUAL PERFORMANCE								
						DRM				R50, 000	39052260600FLP23ZZ WD	R 48 205	2022				
										R13, 000	39052301870FLP23ZZ WD	R 0					
										R 250 000		R 235 195					
										R 45, 000	39052260600FLP76ZZ WD	R 37 400					
										R 180 000	39052280030FLP76ZZ WD	R 179 800					
										R 25, 000	39052300120FLP76ZZ WD	R 17 995					
Disaster Risk Management	Good Governance	Disaster Risk Management	3 Disaster Advisory Forums conducted	4 Disaster Advisory Forums conducted	Nil	KPI 64 Number of Disaster Advisory Forums Conducted DRM	Activity	4 Disaster Advisory Forums Conducted by 30 June 2021	ACHIEVED 4 Disaster Advisory Forums Conducted by 30 June 2021	4 Disaster Advisory Forums Conducted by 30 June 2022	OPEX	-	OPEX	ACHIEVED 5 Disaster Advisory Forums Conducted by 30 June 2022	Extra meeting held due to Covid-19	None	Attendance Register

KPA 6	
Number of Targets Achieved	Number of Targets Not Achieved
	
5 out of 5	0 out of 5
Spatial Rationale KPA	
Disaster Risk Management	4
Fire Services	1

3.1. SERVICE PROVIDER ASSESSMENT FOR THE 2021/22 FINANCIAL YEAR

POLITICAL OFFICE: OFFICE OF THE SPEAKER

OFFICE OF THE SPEAKER ANNUAL PERFORMANCE ASSESMENT OF SERVICE PROVIDERS 2021/22 FINANCIAL YEAR												
Project name	Name of Service provider	Source of funding	Start date	Completion date	Progress to date	Challenges and interventions	Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 -Average 4 - Good 5 – Excellent					Assessment Comments
							2021/22	Q 1	Q 2	Q 3	Q4	
Filling in of 4 Gas Bottles	Philly Solutions (Pty) LTD	OPEX R 1 900	14/07/2021	14/07/2021	Once Off	First Time Provider	No	Good				Satisfactory
Council Meeting: Catering	Bononthotho Trading & Projects	OPEX R4 350	03/08/2021	03/08/2021	Once Off	First Time Provider	No	Good				Perfect
Accommodation for Single Whip (Whip's Forum)	Africa&Beyond Travel	OPEX R1 600	08/12/2021	09/12/2021	Usual Agent	None	Performing		Good			
Ward Committee Establishment Workshop	Galekile Qhena Trading (PTY) LTD	OPEX R1 950	06/01/2022	06/01/2022	Once off	None/First time provider	No			Good		
5 Delegates for Salga Accom	Baffalo Park Lodge	OPEX R10 900	19-21/01/22	19-21/-1/22	Once off	First time provider	No			Good		
Cllrs Workshop - Catering	Great Happiness Trading	OPEX R 12 600	24/01/2022	24/01/2022	Once off	First time provider	No			Average		Interacted with the Service provider and apologised as it was not her, but per specification.
Single Whips Officer: Toner	Agah Marketing & Projects	OPEX R26 400	12/01/2022	12/01/2022	Once off	First time provider	No			Good		
Council Meeting Catering	Legacy Properties (Pty) LTD	OPEX R 8 890	27/01/2022	27/01/2022	Once off	First time provider	No			Good		
Council Meeting Catering	Gomolemo Construction & Projects	OPEX R 10 200	31/03/2022	31/04/2022	Once Off	First Time Provider	No			Good		
Councillors Workshop: Catering		OPEX	06-07/04/2022	06-07/04/2022	Once Off	First Time Provider	New				Poor	Not prepared well for catering
Information Sharing Transport	Moloko NL Distributors & Trading	OPEX R3 600	08/04/2022	08/04/2022	Once Off	First Time Provider	New				Good	

**OFFICE OF THE SPEAKER
ANNUAL PERFORMANCE ASSESMENT OF SERVICE PROVIDERS
2021/22 FINANCIAL YEAR**

Project name	Name of Service provider	Source of funding	Start date	Completion date	Progress to date	Challenges and interventions	Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 -Average 4 - Good 5 – Excellent					Assessment Comments
							2021/22	Q 1	Q 2	Q 3	Q4	
Information Sharing PA System	Kettledas Holdings	OPEX R9 750	08/04/2022	08/04/2022	Once Off	First Time Provider	New				Good	
Information Sharing Catering	Banoah Events & Projects	OPEX R 22 500	08/04/2022	08/04/2022	Once Off	Once serviced	Yes				Good	
Information Sharing Fruit Pack	Mash Unlimited Solution	OPEX R 2 850	08/04/2022	08/04/2022	Once Off	First Time Provider	No				Excellent	Initiative
Information Sharing Tent, Chairs & Tables	Ebokwenkosi (Pty) LTD	OPEX R 11 000	08/04/2022	08/04/2022	Once Off	First Time Provider	No				Very Poor	Not according to specification (rusted materials – Tent & tables)
Information Sharing Flushing Toilets	Okanyang (PTY) LTD	OPEX R11 000	08/04/2022	08/04/2022	Once Off	First Time Provider	No				Good	
Cllrs Workshop Catering	Hope for Future Generation	OPEX R29 400	06-07/04/2022	06-07/04/2022	Once Off	First Time Provider	No				Very bad & poor	The service was not perfect due to capacity, but is willing to improve the service.
Information Sharing PA System & Transport	Fragile Trading	OPEX R14 400	13/04/2022	13/04/2022	Once Off	First Time Provider	Yes				Good	
Information Sharing Catering	Xola Ngo Musa	OPEX R 22 500	13/04/2022	13/04/2022	Once Off	Once serviced	No				Good	
Information Sharing Fruit Pack	Motshwari Holdings	OPEX R 5 100	13/04/2022	13/04/2022	Once Off	First Time Provider	No				Good	
Information Sharing Tent, Chairs & Tables	Nthamane Holdings	OPEX R 8 550	13/04/2022	13/04/2022	Once Off	First Time Provider	No				Good	
Information Sharing Flushing VIP Toilets	Fanshapia	OPEX R8 000	13/04/2022	13/04/2022	Once Off	First Time Provider	No				Good	
CBP Induction Program (Data Collection)	Tlhegi Trading Enterprise (PTY) Ltd	OPEX R6 500	10/05/2022	10/05/2022	Once Off	Usual Provider	Yes				Good	

**OFFICE OF THE SPEAKER
ANNUAL PERFORMANCE ASSESMENT OF SERVICE PROVIDERS
2021/22 FINANCIAL YEAR**

Project name	Name of Service provider	Source of funding	Start date	Completion date	Progress to date	Challenges and interventions	Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 -Average 4 - Good 5 – Excellent					Assessment Comments
							2021/22	Q 1	Q 2	Q 3	Q4	
Transport - CoM												
CBP Induction Program (Data Collection) Transport - JBM	Baroke Trading & Enterprise (PTY) Ltd	OPEX R9 614	10/05/2022	10/05/2022	Once Off	First Time Provider	No				Good	
CBP Induction Program (Data Collection) Transport –MH	Locibix Closed Coporation	OPEX R6 000	10/05/2022	10/05/2022	Once Off	First Time Provider	No				Good	
CBP Induction Program (Data Collection) Catering	Joshtha Trading Enterprise	OPEX R27 950	10/05/2022	10/05/2022	Once Off	First Time Provider	No				Good	
3 Black Toner For Printing (R2 287.33)	BM Hararion Trading Enterprise	OPEX R6 862.20	18/05/2022	18/05/2022	Once Off	First Time Provider	No				Good	
Provincial Speakers Forum (Stakeholders) Accomodation	SGH (William Family Trust trading as Sikelo Guesthouse)	OPEX R 2 140	19/05/2022	19/05/2022	Once Off	First Time Provider	No				Good	
SALGA Women Caucus Venue & Catering	Protea Hotel – Klerksdorp	OPEX R44 500	20/05/2022	20/05/2022	Once Off	First Time Provider	No				Good	
Public Participation – Budget Consultative Meeting	Kgosithato Trading Enterprise (EM's Office)	OPEX R27 600	23/05/2022	23/05/2022	Once Off	First Time Provider	No				Good	
Budget Consultation Meeting – JBM Tlokwe Transport	Balebabedi Construction Supplies	OPEX R15 500	23/05/2022	23/05/2022	Once Off	First Time Provider	No				Good	
Budget Consultation Meeting – JBM Ventersdorp Transport	FA Mandla Transport Services (Pty) LTD	OPEX R6 500	23/05/2022	23/05/2022	Once Off	First Time Provider	No				Good	

**OFFICE OF THE SPEAKER
ANNUAL PERFORMANCE ASSESMENT OF SERVICE PROVIDERS
2021/22 FINANCIAL YEAR**

Project name	Name of Service provider	Source of funding	Start date	Completion date	Progress to date	Challenges and interventions	Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 -Average 4 - Good 5 – Excellent					Assessment Comments
							2021/22	Q 1	Q 2	Q 3	Q4	
Budget Consultation Meeting – MH Transport	Hashtag 149 (Pty) LTD	OPEX R11 500	23/05/2022	23/05/2022	Once Off	First Time Provider	No				Good	
Budget Consultation Meeting – CoM Transport	Dugwindiks Transport & Project	OPEX R23 700	23/05/2022	23/05/2022	Once Off	First Time Provider	No				Good	
Council Meeting Catering & Gas Bottle	Del Albert	OPEX R7 540	26/05/2022	26/05/2022	Once Off	First Time Provider	No				Good	
Catering – MAYCO Meeting	Bakoena Construction & Catering	OPEX R6 700	24/05/2022	24/05/2022	Once Off	First Time Provider	No				Good	
Bua Le Puso Community Engagement Form	Bokatshwa Holdings	OPEX R15 000	03/06/2022	03/06/2022	Once Off	First Time Provider	No				Good	
CBP Induction Program (contracts) Catering	MTBT Trading (Pty) Ltd	OPEX R24 200	09/06/2022	09/06/2022	Once Off	First Time Provider	No				Good	
Accommodation Provincial Public Account Committee	Africa and Beyond Travel	OPEX R15 340	23-25/06/2022	23-25/06/2022	Once Off	First Time Provider	No				Fair	
Name Tags for Community Based Planners	Posh Plumbing & Projects (Pty) LTD	OPEX R2 100	14/06/2022	14/06/2022	Once Off	First Time Provider	No				Good	
CBP's Protective Clothing	Hakim Trading	OPEX R29 675	30/06/2022	30/06/2022	Once Off	First Time Provider	No				Average	
CBP's Protective Clothing	KMLL Family (PTY) Ltd	OPEX R 29 500	30/06/2022	30/06/2022	Once Off	First Time Provider	No				Poor	Not according to specification

POLITICAL OFFICE: OFFICE OF THE EXECUTIVE MAYOR

**OFFICE OF THE EXECUTIVE MAYOR
ANNUAL PERFORMANCE ASSESMENT OF SERVICE PROVIDERS
2021/22 FINANCIAL YEAR**

Project name	Name of Service provider	Source of funding	Start date	Completion date	Progress to date	Challenges and interventions	Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 -Average 4 - Good 5 – Excellent					Assessment Comments
							2021/22	Q 1	Q 2	Q 3	Q 4	
Supply and delivery of equipment for identified elderly sporting teams (15) in DR KKDM 22/34- Once off	KD MODS	Own funding	24/02/2022		Delivered	None	5	-	-	5	-	
Request for quotation for procurement of 135 food parcels for the need – KKDM 22/39 - once off	Takalani Sadiki Business Enterprise	Own funding	29/06/2022		Delivered	None	4				4	
Request for quotation for procurement of 130 (1ply) mink blankets for the elderly – KKDM 2022/40- Once off	Mtshepana Trading and Projects	Own funding	29/06/2022		Delivered	None	4	-	-	-	4	
Request for quotation for procurement of 2330 packs of sanitary pads KKDM 2002/41 –	Enigmatic Trading and Projects	Own funding	29/06/2022		Delivered	None	4	-	-	-	4	

**OFFICE OF THE EXECUTIVE MAYOR
ANNUAL PERFORMANCE ASSESMENT OF SERVICE PROVIDERS
2021/22 FINANCIAL YEAR**

Project name	Name of Service provider	Source of funding	Start date	Completion date	Progress to date	Challenges and interventions	Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 - Average 4 - Good 5 - Excellent					Assessment Comments
							2021/22	Q 1	Q 2	Q 3	Q 4	
Once Off												
Request for quotation for school uniforms for various primary schools- KKDM 2022/42- Once off	Enigmatic Trading and Projects	Own finding	29/06/2022		Delivered	None	4	-	-	-	4	
Request for quotation for s 6G density foam mattresses for early childhood development centres- KKDM2022/43- Once off	Mtshepana Trading and Projects	Own funding	29/06/2022		Delivered	None	4	-	-	-	4	
Request for quotation for equipment for youth development- KKDM 2022/44- Once Off	Boitshoko Medical & Surgical Suppliers	Own funding	29/06/2022		Delivered	None	4	-	-	-	4	

POLITICAL OFFICE: OFFICE OF THE WHIP OF COUNCIL

**OFFICE OF THE WHIP OF COUNCIL
ANNUAL PERFORMANCE ASSESMENT OF SERVICE PROVIDERS
2021/2022 FINANCIAL YEAR**

Project name	Name of Service provider	Source of funding	Start date	Completion date	Progress to date	Challenges and interventions	Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 -Average 4 - Good 5 – Excellent					Assessment Comments
							2021/2022	Q 1	Q 2	Q 3	Q4	
Social cohesion: Schools Debate Competition	Tubux Trading	3110226572 0FLP72ZZ WD					4			x		
	Ndao Trading	3110226572 0FLP72ZZ WD					4			x		
	Nongetheni Betty Construction	3110226572 0FLP72ZZ WD					5			x		
	Phedo PJ Trading	3110226572 0FLP72ZZ WD					4			x		
	Baleni Contractors(pty)ltd	3115226060 0FLMRC22 WD	03/06/22	21/06/22			4			x		
	Leshafelle	3115226060 0FLMRC22 WD	03/06/22	04/06/22			3			x		
	Bangs Hire and Supply	3115226060 0FLMRC22 WD	23/04/22	23/04/22			3				x	
	MagD Cleaning Services	3115226060 0FLMRC22 WD	21/05/22	07/05/22			4				x	
	DipCo Trading Enterprise						3				x	
INDIGENT RELIEF PROGRAMME	Phakamani Trader(pty) Ltd	3115230702 0FLP6922W D	23/06/22	01/07/22			4				x	
	LeAnne Trading(pty)Ltd	3115230702 0FLP6922W D	27/06/22	01/07/22			4				x	

**OFFICE OF THE WHIP OF COUNCIL
ANNUAL PERFORMANCE ASSESMENT OF SERVICE PROVIDERS
2021/2022 FINANCIAL YEAR**

Project name	Name of Service provider	Source of funding	Start date	Completion date	Progress to date	Challenges and interventions	Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 -Average 4 - Good 5 – Excellent					Assessment Comments
							2021/2022	Q 1	Q 2	Q 3	Q 4	
	Tau Louw(pty)Ltd	3115230702 0FLP6922W D	22/06/22				3				x	
	Phahla Mphakomo(pty)Ltd	3115230702 0FLP6922W D	20/06/22				4				x	
	Ke Tiro Trading and Projects(pty)Ltd	3115230702 0FLP6922W D	20/06/22	21/06/22			4				x	

POLITICAL OFFICE: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC)

**MUNICIPAL PUBLIC ACCOUNTS COMMITTEE
ANNUAL PERFORMANCE ASSESMENT OF SERVICE PROVIDERS
2021/22FINANCIAL YEAR**

Project name	Name of Service provider	Source of funding	Start date	Completion date	Progress to date	Challenges and interventions	Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 -Average 4 - Good 5 – Excellent					Assessment Comments
							2021/22	Q 1	Q 2	Q 3	Q 4	
Source of funding is from the RSC levy replacement grant of the municipality							2021/22	Q 1	Q 2	Q 3	Q 4	
MPAC UIF&W meeting presentation by CFO	Popla trading enterprise	31102206007LP 67ZZHO	10 August 2021	10 August 2021	Complete	The goods were delivered and received	4					The goods were delivered and received
District Forum	Gifios	31102206007LP 67ZZHO	09 Sep 2021	09 Sep 2021	Complete	The goods were delivered and	4					The goods were delivered and received

**MUNICIPAL PUBLIC ACCOUNTS COMMITTEE
ANNUAL PERFORMANCE ASSESMENT OF SERVICE PROVIDERS
2021/22 FINANCIAL YEAR**

Project name	Name of Service provider	Source of funding	Start date	Completion date	Progress to date	Challenges and interventions	Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 - Average 4 - Good 5 - Excellent					Assessment Comments
							2021/22	Q 1	Q 2	Q 3	Q 4	
Source of funding is from the RSC levy replacement grant of the municipality							2021/22	Q 1	Q 2	Q 3	Q 4	
						received						
MPAC internal training and hand over of the close out report	Hope for the future	31102206007LP 67ZZHO	24 January 2022	25 January 2022	Complete	The goods were delivered and received			4			The goods were delivered and received
MPAC drafting of management and executive questions on the AR	Biko Trading	31102206007LP 67ZZHO	22 Feb 2022	22 Feb 2022	Complete	The goods were delivered and received			4			The goods were delivered and received
Site inspection visits		31102206007LP 67ZZHO	1 March 2022	2 March 2022	Complete				3			The food came late on the second day
MPAC meeting to go through management POE and responses	AMTM	31102206007LP 67ZZHO	8 March 2022	8 March 2022	Complete				4			The goods were delivered and received
Public participation meeting on the AR	Joshtha trading	31102206007LP 67ZZHO	10 March 2022	10 March 2022	Complete				1			The service delivered goods which were not in the requested number. At the point of delivery all the people who attended the public participation event meeting were far less than the requested

**MUNICIPAL PUBLIC ACCOUNTS COMMITTEE
ANNUAL PERFORMANCE ASSESMENT OF SERVICE PROVIDERS
2021/22 FINANCIAL YEAR**

Project name	Name of Service provider	Source of funding	Start date	Completion date	Progress to date	Challenges and interventions	Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 - Average 4 - Good 5 - Excellent					Assessment Comments
							2021/22	Q 1	Q 2	Q 3	Q 4	
Source of funding is from the RSC levy replacement grant of the municipality							2021/22	Q 1	Q 2	Q 3	Q 4	
												amount but not all received the food.
The executive and management interviews by MPAC	Raphoto's construction	31102206007LP 67ZZHO	11 March 2022	11 March 2022	Complete					4		The goods were delivered and received
UIF&W MPAC meeting with PT and AG	Nul optimum (PTY) LTD	31102206007LP 67ZZHO	17 March 2022	18 March 2022	Complete						4	The goods were delivered and received
MPAC District Forum	Bohlale ba Khanya	31102206007LP 67ZZHO	28 April 2022	28 April 2022	Complete						1	The food was delivered in a bib bucket not in food warmers and the meeting had to adjourn in order to accommodate the unhealthy food delivery method as the food was getting cold. The food was not well cooked and all who attended complained about their health
MPAC meeting on Unauthorised expenditure report	Trade fast 5/the key	31102206007LP 67ZZHO	10 May 2022	10 May 2022	Complete						4	The goods were delivered and received
MPAC meeting on Unauthorised expenditure report	Thoriso and Lesego projects	31102206007LP 67ZZHO	19 May 2022	20 May 2022	Complete						2	2 Meat platters and 2 sandwich platters with

**MUNICIPAL PUBLIC ACCOUNTS COMMITTEE
ANNUAL PERFORMANCE ASSESMENT OF SERVICE PROVIDERS
2021/22FINANCIAL YEAR**

Project name	Name of Service provider	Source of funding	Start date	Completion date	Progress to date	Challenges and interventions	Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 -Average 4 - Good 5 – Excellent					Assessment Comments
Source of funding is from the RSC levy replacement grant of the municipality							2021/22	Q 1	Q 2	Q 3	Q 4	
												disposable cutlery were requested. The service provider delivered only two meat platters with a number of sandwich and no cutlery for the second day. The service provider could not be reached at the time of delivery. At payment he then removed those that he did not deliver.

OFFICE OF THE MUNICIPAL MANAGER: COMMUNICATIONS

**OFFICE OF THE MUNICIPAL MANAGER
ANNUAL PERFORMANCE ASSESMENT OF SERVICE PROVIDERS
2021/22 FINANCIAL YEAR**

Project name	Name of Service provider	Source of funding	Start date	Completion date	Progress to date	Challenges and interventions	Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 -Average 4 - Good 5 – Excellent					Assessment Comments
							2021/22	Q 1	Q 2	Q 3	Q 4	
Tender for the design and placing of municipal messages within the DRKKDM street poles and billboards for a period of three years.	Go Big Media (PTY) LTD	Own funding	15-06-2021	14-06-2021	Ongoing	None	4	4	4	4	4	
Supply and delivery of a laptop for the website and graphic designer of the DRKKDM KKDM 2022/22 Once Off	Global Solution Group	Own Funding	13/01/2022	-	Delivered		5	5	5	5	5	

OFFICE OF THE MUNICIPAL MANAGER: MISS (Minimum Information Security Standards)

OFFICE OF THE MUNICIPAL MANAGER ANNUAL PERFORMANCE ASSESMENT OF SERVICE PROVIDERS 2021/22 FINANCIAL YEAR												
Project name	Name of Service provider	Source of funding	Start date	Completion date	Progress to date	Challenges and interventions	Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 -Average 4 - Good 5 – Excellent					Assessment Comments
							2021/22	Q 1	Q 2	Q 3	Q 4	
Security Services	Pono Security Services	Own funding	01/10/2019	30/09/2022	Ongoing	None	4	4	4	4	4	

LOCAL ECONOMIC DEVELOPMENT& PLANNING

LED & PLANNING DEPT ANNUAL PERFORMANCE ASSESMENT OF SERVICE PROVIDERS 2021/22 FINANCIAL YEAR												
Project name	Name of Service provider	Source of funding	Start date	Completion date	Progress to date	Challenges and interventions	Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 -Average 4 - Good 5 – Excellent					Assessment Comments
							2021/22	Q 1	Q 2	Q 3	Q 4	
Review and Alignment of DRKKDM Spatial Development Framework	Maxim Planning Solutions (PTY) LTD	Own funding	01/11/2018	31/12/2021		Delays in finalizing of JB Marks SDF and DDKM's resulted in the lapsing of the contract. A new bid to be advertised to conclude the final phases of both projects	3	3	3	3	-	
Road Asset Management	Nalko Engineering	RAMS Conditional Grant	23/03/2019	30/06/2022		None	4	4	4	4	4	

**LED & PLANNING DEPT
ANNUAL PERFORMANCE ASSESMENT OF SERVICE PROVIDERS
2021/22 FINANCIAL YEAR**

Project name	Name of Service provider	Source of funding	Start date	Completion date	Progress to date	Challenges and interventions	Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 -Average 4 - Good 5 – Excellent					Assessment Comments
							2021/22	Q 1	Q 2	Q 3	Q 4	
system												
Invitation from suitably qualified professionals to develop a proposal for a district housing sector plan and the accreditation business plan for DR KKDM	Cholaw Cconsulting (PTY) LTD	Own funding	18/03/2021	Until Completion		None	4	4	4	4	-	
Building renovations for Dr Kenneth Kaunda District municipality offices at the disaster risk management centre Klerksdorp	Bothabatsatsi Trading and Projects 71 CC	Own funding	12/11/2020			None	3	3	3	3	-	
Invitation for the supply & deliver of hot mix asphalt (colto medium type – 13.22mm) including the SS60 bitumen emulsion for the routine road maintenance programme at Maquassi Hills Local Municipality area on as and when basis for a period of 12 months	Khuwait Holdings (PTY) LTD	Own funding	13/01/2022	12/01/2023		None	4	4	4	4	4	
Appointment of a panel of service providers for the	Masethole Developers CC	Own funding	13/01/2022	12/01/2025	No work done yet			-	-	-	-	

**LED & PLANNING DEPT
ANNUAL PERFORMANCE ASSESMENT OF SERVICE PROVIDERS
2021/22 FINANCIAL YEAR**

Project name	Name of Service provider	Source of funding	Start date	Completion date	Progress to date	Challenges and interventions	Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 -Average 4 - Good 5 – Excellent					Assessment Comments
							2021/22	Q 1	Q 2	Q 3	Q 4	
supply and delivery of protective clothing for EPWP workers on and as when basis to the KKDM for a period of thirty-six (36) months												
Appointment of a panel of service providers for the supply and delivery of protective clothing for EPWP workers on and as when basis to the KKDM for a period of thirty-six (36) months	Hope Sends Trading and Projects (PTY) LTD	Own finding	13/01/2022	12/01/2025	No work done yet		-	-	-	-		
Appointment of a panel of service providers for the supply and delivery of protective clothing for EPWP workers on and as when basis to the KKDM for a period of thirty-six (36) months	Motambe Cleaning Services (PTY) LTD	Own funding	13/01/2022	12/01/2025	No work done yet		-	-	-	-		

Appointment of a panel of service providers for the supply and delivery of protective clothing for EPWP workers on and as when basis to the KKDM for a period of thirty-six (36) months	Gomolemo Trading (PTY) LTD	Own funding	13/01/2022	12/01/2025	No work done yet			-	-	-	-	
Appointment of a panel of service providers for supply and delivery of goods for the development of SMME/cooperatives/ tuckshop economy and small-scale farmers in the DR KKDM for a period of thirty-six months (36)	Modisaitu Trading & Projects (PTY) LTD	Own funding	26/11/2021	25/11/2024	No work done yet	None		-	-	-	-	
Appointment of a panel of service providers for supply and delivery of goods for the development of SMME/cooperatives/ tuckshop economy and small-scale farmers in the DR KKDM for a period of thirty-six months (36)	Kethuthula Holdings	Own funding	30/06/2022	26/06/2025	No work done yet			-	-	-	-	
Appointment of a panel of service providers for supply and delivery of goods for the development of SMME/cooperatives/ tuckshop economy and small-scale farmers in the DR KKDM for a period of thirty-six months (36)	Gwes Group	Own funding	30/06/2022	26/06/2025	No work done yet			-	-	-	-	

Appointment of a panel of service providers for supply and delivery of goods for the development of SMME/cooperatives/ tuckshop economy and small-scale farmers in the DR KKDM for a period of thirty-six months (36)	Lethabotiale Trading and Projects	Own funding	30/06/2022	26/06/2025	No work done yet			-	-	-	-	
Appointment of a panel of service providers for supply and delivery of goods for the development of SMME/cooperatives/ tuckshop economy and small-scale farmers in the DR KKDM for a period of thirty-six months (36)	Mercycon CC	Own funding	30/06/2022	26/06/2025	None			-	-	-	-	
procurement of 60 sets of building material(bricks, cement concrete mix, building sand & concrete lintels) for BoskuiL dry sanitation project (EPWP)- KKDM 2022/30- Once Off	Mophetha Trading Enterprise	Own funding	13/4/2022		None							
Request for quotation for supply and delivery of LED banners for KKDM- KKDM 2022/29 – Once Off	Sibahle Sipehelele Trading (PTY) LTD	Own funding	28/02/2022			None	4	-	-	-	4	
Appointment of a structural engineer to conduct an assessment of the structural integrity of	MKIB AND TC Associates Architectural and Engineering Services (PTY)	Own funding	15/12/2021			None	4	-	-	4	-	

the DR KKDM'S Orkney office building – KKDM 2022/23 Once Off	LTD												
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BUDGET AND TREASURY OFFICE

BUDGET AND TREASURY OFFICE ANNUAL PERFORMANCE ASSESMENT OF SERVICE PROVIDERS 2021/22 FINANCIAL YEAR												
Project name	Name of Service provider	Source of funding	Start date	Completion date	Progress to date	Challenges and interventions	Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 -Average 4 - Good 5 – Excellent					Assessment Comments
							2021/22	Q 1	Q 2	Q 3	Q 4	
Venus Solar System & Software	Business Connexion	Own Funding	1/07/2021	30/6/2022	Municipality intention is to go out on tender to procure a new financial system	System is not completely mSCOA compliant. Report is done manually	2	2	2	2	2	
Appointment of a service provider to manage and provide short term insurance cover for the assets and liabilities of Dr. Kenneth Kaunda District Municipality for a period of 3 years	Blaq. M Holdings (PTY) LTD	Own Funding	01/10/2018	30/09/2021	New service provider appointed	None	4	4	4	-	-	
Appointment of a service provider to manage and provide short term insurance cover for the assets and liabilities of Dr. Kenneth Kaunda district municipality for a period of 3 years	TNT Consulting (PTY) LTD	Own Funding	12/07/2021	11/07/2024	Review of Annual Financial Statement 2020/2021	None	4	4	-	-	-	

**BUDGET AND TREASURY OFFICE
ANNUAL PERFORMANCE ASSESMENT OF SERVICE PROVIDERS
2021/22 FINANCIAL YEAR**

Project name	Name of Service provider	Source of funding	Start date	Completion date	Progress to date	Challenges and interventions	Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 -Average 4 - Good 5 – Excellent					Assessment Comments
							2021/22	Q 1	Q 2	Q 3	Q 4	
Tender for appointment of panel of consultants of financial service provider for accounting work over a period of three (3) years	Maine Management & Chartered Accountants	Own Funding	12/07/2021	11/07/2024	Compilation of Annual Financial Statement of the DRKKDMEA 2020/2021	None	2	2	-	-	-	
Tender for appointment of panel of consultants of financial service provider for accounting work over a period of three (3) years	Minatlou Consultants & Chartered Accountants	Own Funding	12/07/2021	11/07/2024	No work done yet	-	-	-	-	-	-	
Appointment of a service provider to manage and provide short term insurance cover for the assets and liabilities of Dr. Kenneth Kaunda District Municipality for a period of 3 years	Lateral Unison Insurance Brokers	Own Funding	01/12/2021	30/11/2024	Running monthly	None	4	-	-	4	4	

CORPORATE SERVICES

CORPORATE SERVICES ANNUAL PERFORMANCE ASSESMENT OF SERVICE PROVIDERS 2021/2022 FINANCIAL YEAR												
Project name	Name of Service provider	Source of funding	Start date	Completion date	Progress to date	Challenges and interventions	Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3-Average 4 - Good 5 – Excellent					Assessment Comments
							2021/2022	Q 1	Q 2	Q 3	Q 4	
Computer hardware and software as and when required	Dash Host (PTY) LTD	Own funding	06/03/2020	05/03/2023		No Challenges experienced to date	4	4	4	4	4	
Tender are invited for the design, supply, delivery, installation, training, management and on going support of an electronic document management and workflow solution for Dr Kenneth Kaunda District Municipality for the period of three (3) years	Bubede Multi-Services T/A Lightboxnet	Own Funding	12/07/2021	11/07/2024	Slow implementation from DRKKDM side due compatibility		3	3	3	3	3	
Supply, installation and configuration dedicated internet with speed of 100MBPS FOR DR KKDM and its five offices in the district KKDM 2022/09	KP MODS Enterprises (PTY) LTD	Own funding	30/11/2021		Ongoing	None	4	-	-	4	4	
Municipal building rental	City of Matlosana	Own funding	01/02/2002	Until notice		Delayed responses from owner to attend to maintenance and repairs. The building is deteriorated	2	2	2	2	2	
Telephones & Landlines	Telkom SA SOC LTD	Own funding				Continuous problems with invoices	3	3	3	3	3	

**CORPORATE SERVICES
ANNUAL PERFORMANCE ASSESMENT OF SERVICE PROVIDERS
2021/2022 FINANCIAL YEAR**

Project name	Name of Service provider	Source of funding	Start date	Completion date	Progress to date	Challenges and interventions	Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3-Average 4 - Good 5 - Excellent					Assessment Comments
							2021/2022	Q 1	Q 2	Q 3	Q 4	
Building rental: Old Mutual	Old Mutual property/Columbia falls properties 80 (PTY) LTD	Own funding	01/07/2021	30/07/2022		Delayed responses from owner to attend to maintenance and repairs	2	2	2	2	2	
Rental of Voip lines	NW Telecoms System CC T/A SAMSUNG	Own funding	13/05/2018	Month to Month		No Challenges	4	4	4	4	4	
Rental of photo copiers	Indlela Data (PTY) LTD	Own funding	28/10/2019	27/10/2022	Ongoing	Good response on calls	4	4	4	4	4	
Tlokwe EHS, rental of office space	JB Marks Local Municipality	Own funding	01/01/2018	Until notice		Maintenance poor	2	2	2	2	2	
Request for accredited training providers to conduct accredited in-house training for twenty (20) employees on SHE rep function KKDM2022/19 – Once off	Ndwamato Training Solutions	Own funding	01/12/2021			No Challenges	4	-	4	-	-	

COMMUNITY SERVICES

MUNICIPAL HEALTH SERVICES, DISASTER RISK MANAGEMENT, FIRE RESCUE SERVICES ANNUAL PERFORMANCE ASSESSMENT OF SERVICE PROVIDERS 2021/22 FINANCIAL YEAR

Project name	Name of Service provider	Source of funding	Start date	Completion date	Progress to date	Challenges and interventions	Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 -Average 4 - Good 5 - Excellent					Assessment Comments
							2021/22	Q 1	Q 2	Q 3	Q 4	
Acquisition of a service provider for the removal of existing skit unit & supply, delivery and installation of a new fire-fighting equipment- 600l ultra high-pressure skit unit (Dr KKDM fire and rescue centre.	Mophetha Trading Enterprise		14/02/2022	25/03/2022	Delivered	None	5	-	-	5	-	
Supply and delivery of fire and rescue officials personal protective equipment (Dr KKDM).	Mophetha Trading Enterprise		20/08/21	01/03/2022	Delivered	None	5	5	-	-	-	
Supply and delivery of equipment for pest control (Dr KKDM).	Enigmatic Trading and Projects		20/08/2021	28/01/2022	Delivered	None	3	-	3	-	-	
Supply and delivery of chemicals for pest control (Dr KKDM).	KP MODS Enterprises (PTY) LTD		20/09/2021	11/10/2021	Delivered	Partial delivery: All acquired station wear uniform has been delivered. Except, the flight / jump suit that are still outstanding	5	-	5	-	-	
Re-advert request for formal written	VSL GeneralTrading		01 /12/ 2021	31 /03/ 2022	Document was sent to	None	5	-	5	-	-	

**MUNICIPAL HEALTH SERVICES, DISASTER RISK MANAGEMENT, FIRE RESCUE SERVICES
ANNUAL PERFORMANCE ASSESMENT OF SERVICE PROVIDERS
2021/22 FINANCIAL YEAR**

Project name	Name of Service provider	Source of funding	Start date	Completion date	Progress to date	Challenges and interventions	Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 -Average 4 - Good 5 – Excellent					Assessment Comments
							2021/22	Q 1	Q 2	Q 3	Q 4	
quotations from appropriate service providers to update/ finalize an integrated waste management plan (IWMP) of the Dr Kenneth Kaunda District Municipality including its three (03) local municipalities 2021					the MEC of DEDECT on the 24 June 2022, for approval.							
Hiring of TLB and tipper trucks for a cleaning campaign to eradicate illegal dumping sites in JB Marks Local Municipality	JMMOTHOPENG Trading (PTY) LTD		5/11/2021	18/11/2021	-	None	5	-	5	-	-	
Supply and delivery of 250 double bed size mink single ply blankets for disaster relief.	Sibahle Sipehele Trading (PTY) LTD		1/12/2021	10/12/2021	Delivered	Poor quality blankets provided.	3	-	3	-	-	
Supply and delivery of 250 single bed size foam mattresses for disaster relief	Mphohle Trading (PTY) LTD				Delivered	Delayed to supply the remaining balance of mattresses.	3	-	3	-	-	

**MUNICIPAL HEALTH SERVICES, DISASTER RISK MANAGEMENT, FIRE RESCUE SERVICES
ANNUAL PERFORMANCE ASSESMENT OF SERVICE PROVIDERS
2021/22 FINANCIAL YEAR**

Project name	Name of Service provider	Source of funding	Start date	Completion date	Progress to date	Challenges and interventions	Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 -Average 4 - Good 5 – Excellent					Assessment Comments
							2021/22	Q 1	Q 2	Q 3	Q 4	
Hiring of TLB and tipper trucks for a cleaning campaign to eradicate illegal dumping sites in Matlosana Local Municipality.	Sachin Holdings (PTY) LTD		5/11/2021	12/11/202	-	None	4	-	4	-	-	
Supply and delivery of station wear uniform (fire and rescue Dr KKDM).	Mophetha Trading Enterprise		Dept. request date: 26/10/21 Appointment date: 12/01/22	17/06/22	Delivered	Partial delivery: All acquired station wear uniform has been delivered. Except, the flight / jump suit that are still outstanding	3	-	3	-	-	

4. CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

4.1. COMPONENT A: INTRODUCTION TO THE MUNICIPAL WORKFORCE

INTRODUCTION

Corporate Service strategic intent is to provide outstanding administrative support services to the entire municipality by ensuring effective records management, efficient committee management in all council meetings excellent human resource function and overall good governance. There are 3 units within the department, Administration, Legal and Human Resources.

TOTAL NUMBER OF EMPLOYEES, STAFF TURNOVER AND VACANCIES

Human Resources Unit is a division that falls under the Corporate Services Department. It plays a critical role in the Organisation in respect of talent attraction, terminations, declaration of employees to UIF, leave administration, Employment Equity, HR Resources information management system, employee benefits, Long service recognition and HR policy development. It largely reinforces the white paper in HRM which requires Human resources in Public Sector (including Local Government) to be managed, utilized and maintained efficiently and effectively. This approach would allow Dr. Kenneth Kaunda District Municipality to manage within nationally defined parameters its own employee.

TOTAL NUMBER OF EMPLOYEES

Department	Total No 2020/21	Total No 2021/22	Males 2020/21	Males 2021/22	Females 2020/21	Females 2021/22
Office of the Executive Mayor	11	8	6	6	5	2
Office of the Speaker	7	6	3	4	4	2
Office of the Single Whip	5	3	2	2	3	1
MPAC Office	2	2	0			2
Office of the Municipal Manager	16	15	10	9	6	6
Corporate Support Services & ICT	25	36	10	15	15	21
Budget and Treasury Office	14	17	6	6	8	11
LED & Planning	13	13	6	7	7	6
Community	65	68	25	28	40	40

Services						
TOTAL	133	168	68	77	90	91

Total Appointments during Financial Year 2021/22 = 18

Resignations during Financial Year 2021/22 = 5

Termination during Financial Year 2021/22 = 17

STATUS OF SENIOR MANAGERS APPOINTMENTS

The below table indicates the status of Senior Managers appointments in the Dr Kenneth Kaunda DM

Designation	Status
Municipal Manager	Filled
Corporate Services	Filled
Chief Financial Officer	Filled
Senior Manager: Community Services	Filled
Senior Manager: LED and Planning	Filled
Chief Audit Executive	Filled

4.2. COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

Policies were workshopped and approved in the 2020/21 financial year

POLICIES

POLICY REGISTER

POLICY	STATUS	DATE OF ADOPTION	REVIEW
Assets Management Policy	Workshopped 28/07/2020	<u>ITEM A.33/10/2020</u>	Annually
Cash Management & Investment Policy	Workshopped 28/07/2020	<u>ITEM A.33/10/2020</u>	Annually
Funding & Reserves Policy	Workshopped 28/07/2020	<u>ITEM A.33/10/2020</u>	Annually
Municipal Budget Policy	Workshopped 28/07/2020	<u>ITEM A.33/10/2020</u>	Annually
Budget and Virements Policy	Workshopped 28/07/2020	<u>ITEM A.33/10/2020</u>	Annually
Policy on Borrowing	Workshopped 28/2020	<u>ITEM A.33/10/2020</u>	Annually
Supply Chain Policy	Workshopped 28/2020	<u>ITEM A.33/10/2020</u>	Annually
Risk Management Policy	28//07/2020	<u>ITEM A.33/10/2020</u>	Bi Annually
Subsistence and Travelling Allowance Policy	28//07/2020	<u>ITEM A.33/10/2020</u>	Bi Annually
Danger Allowance Policy	Workshopped 28 /07/2020	<u>ITEM A.33/10/2020</u>	Annually
Cell phone And Data Allowance Policy	Workshopped 28/07/2020	<u>ITEM A.33/10/2020</u>	Bi Annually

Tabling of The MPAC Annual Work Plan Of 2019/20 Financial Year and The Revised Terms of Reference to Council	25 July 2019	ITEM A.251/07/2019	Annually
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INJURIES, SICKNESS AND SUSPENSIONS

In terms of Section 8 of the Occupational Health and Safety Act, 85 of 1993 (OHS Act) the employer has a responsibility to provide and maintain, as far as reasonably practicable, a working environment that is safe and without risk to the health of employees. Regular inspections, assessments surveys and audits must also be conducted on buildings and equipment to ensure the environment stays healthy, safe and without risk for all employees within the Municipality as well as to ensure legal compliance with the Occupational Health and Safety Act.

Number and Cost of Injuries on Duty				
Type of Injury	Injury Leave Taken	Employees Using Injury Leave	Average Injury Leave per Employee	Total Estimated Costs
Required basic medical attention	5	31	6.2	0
Temporary disablement	0	0	0	0
Permanent disablement	0	0	0	0
Fatal	0	0	0	0
Total	5	31	6.2	0

Salary band	Total sick leave days	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post	Average sick leave per employees' days
Municipal Manager	0	0	0	0	
Directors	8	0	2	4	
Managers	79	1	6	15	
Mid- management/ professionals	89	3	13	24	
Skilled Tech/Juniors man	360	16	36	59	
Semi-skilled	167	0	19	32	
Unskilled	188	2	10	18	

NUMBER AND PERIODS OF SUSPENSIONS				
Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalized	Date Finalized
Senior Manager LED & Planning	Misconduct	16 th February 2022	Suspension ended on 19 th May 2022	Disciplinary hearing commenced on 29 th July 2022. Parties are dealing with preliminary issues. Hearing set down for 28 th and 29 th September 2022.
Manager Legal	Misconduct	8 April 2021	Suspension ended on 25 th February 2022 with an arbitration award to the effect that the suspension from 8 July 2021 was procedurally unfair. However, the disciplinary hearing has been postponed following Mr Molefe's ill health.	Pending due to employee ill health.

PERFORMANCE REWARDS

Performance Rewards By Gender					
Designations	Beneficiary Profile				
	Gender	Total Number of Employees in Group	Number of Beneficiaries	Expenditure on Rewards 2021/22	Proportion of Beneficiaries within Group
No performance rewards paid during the financial year under review					

**4.3. COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE
SKILLS DEVELOPMENT AND TRAINING:**

FUNDING SOURCE	PLANNED BUDGET - EMPLOYED	ACTUAL EXPENDITURE - EMPLOYED	PLANNED BUDGET - UNEMPLOYED	ACTUAL EXPENDITURE - UNEMPLOYED
Mandatory Grant Funds	R 300 000.00	R 112 000.00	0	0
Discretionary Grants funds	0	0	R1 152 000.00	R 934 682. 00
Additional funding (Municipality/entity, donor funds, other government funds etc)	R 900 000.00	R 798 184,11	R2 000 000.00	R1 967 679.00

NUMBER OF TRAINING BENEFICIARIES BY OCCUPATION CATEGORY, EQUITY AND GENDER as at 1 JULY 2021 - 30 JUNE 2022 – EMPLOYED

PERFORMANCE AREA	TITLE	OFO CODE	EQUITY	GENDER	TYPE OF INTERVENTION	FUNDING TYPE
Good governance and the linking of democracy.	Councillor	2019-111101-8	African	Male	Bursary	Municipality own funding
Good governance and the linking of democracy	Member Mayoral Committee	2019-111101-1	African	Male	Bursary	Municipality own funding
Good governance and the linking of democracy	Chief Whip	2019-111102-3	African	Male	Bursary	Municipality own funding
Good governance and the linking of democracy	Speaker	2019-111101-2	African	Male	Bursary	Municipality own funding
Good governance and the linking of democracy	Councillor	2019-111101-8	White	Male	Bursary	Municipality own funding
Good governance and the linking of democracy	Councillor	2019-111101-8	African	Male	Bursary	Municipality own funding
Good governance and the linking of democracy	Councillor	2019-111101-8	African	Male	Bursary	Municipality own funding
Good governance and the linking of democracy	Councillor	2019-111101-8	African	Male	Bursary	Municipality own funding
Good governance and the linking of democracy	Councillor	2019-111101-8	African	Male	Bursary	Municipality own funding

Good governance and the linking of democracy	MPAC Chairperson	2019-111101-8	African	Male	Bursary	Municipality own funding
Municipal financial viability and management	Chief Supply Chain	2019-333905	Coloured	Female	Bursary	Municipality own funding
Municipal financial viability and management	B.T.O Budget Assistant	2019-241107	African	Male	Bursary	Municipality own funding
Municipal financial viability and management	Deputy Dir: Financial Management	2019-121101-9	Coloured	Female	Bursary	Municipality own funding
Basic service delivery and infrastructure development	Payroll Administrator	2019-431301-3	African	Female	Bursary	Municipality own funding
Municipal financial viability and management	Payroll Clerk	2019-431301	African	Female	Bursary	Municipality own funding
Municipal financial viability and management	Senior Accountant	2019-241107	African	Male	Bursary	Municipality own funding
Municipal financial viability and management	Creditors Clerk	2019-431101-2	African	Male	Bursary	Municipality own funding
Municipal financial viability and management	Admin Officer: Assets	2019-431101-5	White	Male	Bursary	Municipality own funding
Municipal financial viability and management	Deputy CFO	2019-121101	African	Male	Bursary	Municipality own funding
Basic service delivery and infrastructure development	Artisan Building	2019-671202	African	Male	Skills programme towards a qualification	Municipality own funding
Municipal transformation and institutional development	Administration Support Clerk	2019-334302	African	Female	Bursary	Municipality own funding
Municipal transformation and institutional development	General Worker Gr 1	2019-811201-4	African	Female	Skills programme towards a qualification	Municipality own funding
Municipal transformation and institutional development	General Worker Gr 1	2019-811201-4	African	Female	Skills programme towards a qualification	Municipality own funding
Municipal transformation and institutional development	Manager Administration	2019-121902	African	Female	Bursary	Municipality own funding
Municipal transformation and institutional development	General Worker Gr 1	2019-811201-4	African	Female	Skills programme towards a qualification	Municipality own funding
Municipal transformation and institutional development	Labour Relations Officer	2019-242304-1	African	Male	Bursary	Municipality own funding

Municipal transformation and institutional development	Senior Manager Corporate Services	2019-134507	African	Female	Bursary	Municipality own funding
Municipal financial viability and management	Chief Audit Executive	2019-134507	African	Male	Bursary	Municipality own funding
Municipal transformation and institutional development	Secretary To Municipal Man	2019-334302-2	African	Female	Bursary	Municipality own funding
Municipal financial viability and management	Senior Internal Auditor	2019-242211	African	Male	Bursary	Municipality own funding
Municipal financial viability and management	Internal Auditor	2019-242211	African	Male	Bursary	Municipality own funding
Municipal financial viability and management	Senior Internal Auditor	2019-242211	African	Male	Bursary	Municipality own funding
Municipal transformation and institutional development	Manager Corporate Communications	2019-243203	African	Male	Bursary	Municipality own funding
Municipal financial viability and management	Chief Risk Officer	2019-242208	African	Male	Bursary	Municipality own funding
Basic service delivery and infrastructure development	Environmental Health Practitioner	2019-226301	African	Female	Bursary	Municipality own funding
Basic service delivery and infrastructure development	Environmental Health Practitioner	2019-226301	African	Female	Bursary	Municipality own funding
Municipal transformation and institutional development	Manager: Environmental Health	2019-134901-10	African	Male	Bursary	Municipality own funding
Basic service delivery and infrastructure development	Environmental Health Practitioner	2019-226301	African	Female	Bursary	Municipality own funding
Municipal transformation and institutional development	Senior Manager: LED and Planning	2019-134507	African	Male	Bursary	Municipality own funding

Basic service delivery and infrastructure development	Agriculture & Mining Office	2019-314201-3	African	Male	Bursary	Municipality own funding
Municipal transformation and institutional development	Community Development Office	2019-341201-3	African	Female	Bursary	Municipality own funding
Municipal transformation and institutional development	Community Development Office	2019-341201-3	African	Male	Bursary	Municipality own funding
Municipal financial viability and management	Disaster Risk Manage: Office	2019-541907	Indian	Female	Learnership	LGSETA - discretionary grant funds
Municipal financial viability and management	Assistant Pest Control Off	2019-684401	African	Male	Learnership	LGSETA - discretionary grant funds
Municipal financial viability and management	Assistant Pest Control Off	2019-684401	African	Male	Learnership	LGSETA - discretionary grant funds
Municipal financial viability and management	Committee Officer	2019-411101-9	African	Female	Learnership	LGSETA - discretionary grant funds
Municipal financial viability and management	Senior Records Officer	2019-262202-5	White	Female	Learnership	LGSETA - discretionary grant funds
Municipal financial viability and management	General Worker Gr 1	2019-811201-4	African	Female	Learnership	LGSETA - discretionary grant funds
Municipal financial viability and management	Administration Officer	2019-334102	Coloured	Female	Learnership	LGSETA - discretionary grant funds
Municipal financial viability and management	Community Development Office	2019-341201-3	African	Female	Learnership	LGSETA - discretionary grant funds

Municipal financial viability and management	Tourism Co-Ordinator	2019-243103-3	African	Female	Learnership	LGSETA - discretionary grant funds
Municipal financial viability and management	Sports Coordinator	2019-243204-10	African	Male	Learnership	LGSETA - discretionary grant funds
Municipal financial viability and management	Events Officer	2019-243204-9	African	Female	Learnership	LGSETA - discretionary grant funds
Municipal financial viability and management	It Officer	2019-251101-2	African	Male	Learnership	LGSETA - discretionary grant funds
Municipal financial viability and management	Environmental Health Practitioner	2019-226301	African	Female	Learnership	LGSETA - discretionary grant funds
Municipal financial viability and management	Environmental Health Practitioner.	2019-226301	African	Female	Learnership	LGSETA - discretionary grant funds
Municipal financial viability and management	Environmental Health Practitioner	2019-226301	African	Female	Learnership	LGSETA - discretionary grant funds
Municipal financial viability and management	Environmental Health Practitioner	2019-226301	African	Female	Learnership	LGSETA - discretionary grant funds
Municipal financial viability and management	Environmental Health Practitioner	2019-226301	African	Female	Learnership	LGSETA - discretionary grant funds
Municipal financial viability and management	Committee Officer	2019-411101-9	African	Male	Learnership	LGSETA - discretionary grant funds
Municipal financial viability and management	Agriculture & Mining Office	2019-314201-3	African	Male	Learnership	LGSETA - discretionary grant funds

Municipal financial viability and management	Senior Human Resource Development - SDF	2019-242303-11	African	Male	Learnership	LGSETA - discretionary grant funds
Municipal transformation and institutional development	Administration Support Clerk	2019-334302	African	Female	Bursary	Municipality own funding
Municipal transformation and institutional development	Human Resource Clerk	2019-441601	African	Female	Bursary	Municipality own funding
Municipal transformation and institutional development	Committee Officer	2019-411101-9	African	Female	Bursary	Municipality own funding
Municipal transformation and institutional development	Admin Clerk	2019-411101-9	African	Female	Bursary	Municipality own funding
Municipal transformation and institutional development	General Worker Gr 1	2019-811201-4	African	Female	Bursary	Municipality own funding
Municipal transformation and institutional development	Events Officer	2019-243204-9	African	Female	Bursary	Municipality own funding
Municipal transformation and institutional development	Administration Officer	2019-334102	Coloured	Female	Bursary	Municipality own funding
Municipal transformation and institutional development	Senior Records Officer	2019-262202-5	White	Female	Bursary	Municipality own funding
Municipal transformation and institutional development	Records Clerk	2019-441501-8	African	Male	Bursary	Municipality own funding
Municipal transformation and institutional development	Committee Officer	2019-411101-9	African	Male	Bursary	Municipality own funding
Municipal transformation and institutional development	Manager: Speakers Office	2019-134402	African	Male	Bursary	Municipality own funding
Municipal transformation and institutional development	Administration Officer	2019-334102	African	Female	Bursary	Municipality own funding
Municipal transformation and institutional development	General Worker Gr 1	2019-811201-4	African	Female	Bursary	Municipality own funding
Basic service delivery and infrastructure development	Assistant Pest Control Off	2019-684401	African	Male	Skills programme towards a qualification	Municipality own funding
Basic service delivery and infrastructure development	Environmental Health Practitioner	2019-226301	African	Female	Skills programme towards a qualification	Municipality own funding
Basic service delivery and infrastructure development	Artisan Building	2019-671202	African	Male	Skills programme towards a qualification	Municipality own funding
Basic service delivery and infrastructure development	Platoon Commander	2019-541101	African	Female	Skills programme towards a qualification	Municipality own funding

Basic service delivery and infrastructure development	Senior Records Officer	2019-262202-5	White	Female	Skills programme towards a qualification	Municipality own funding
Basic service delivery and infrastructure development	Assistant Pest Control Off	2019-684401	African	Male	Skills programme towards a qualification	Municipality own funding
Basic service delivery and infrastructure development	Platoon Commander	2019-541101	African	Male	Skills programme towards a qualification	Municipality own funding
Basic service delivery and infrastructure development	Platoon Commander	2019-541101	African	Male	Skills programme towards a qualification	Municipality own funding
Basic service delivery and infrastructure development	Secretary To Municipal Man	2019-334302-2	African	Female	Skills programme towards a qualification	Municipality own funding
Basic service delivery and infrastructure development	Admin Clerk	2019-334302-2	African	Female	Skills programme towards a qualification	Municipality own funding
Basic service delivery and infrastructure development	Senior Internal Auditor	2019-242211	African	Male	Skills programme towards a qualification	Municipality own funding

Financial Competency Development: Progress Report*						
Description	A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated: Total of A and B	Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials						
Accounting officer	0	1	1	1	1	1
Chief financial officer	1		1	1	1	1
Senior managers	4		4	1	1	1
Supply Chain Management Officials						
Heads of supply chain management units	1		1	1		1
Supply chain management senior managers	2		2	1		1
TOTAL	8	1	9	5	3	5

4.4. COMPONENT D: MANAGING MUNICIPAL WORKFORCE EXPENDITURE

Number Of Employees Whose Salaries Were Increased Due To Their Positions Being Upgraded		
Beneficiaries	Gender	Total
There was no employee whose salary was increased due to their position being upgraded during the year under review		

Employees appointed to posts not approved				
Department	Level	Date of appointment	No. appointed	Reason for appointment when no established post exist
There was no employee who was appointed on posts not approved during the year under review				

5. CHAPTER 5: FINANCIAL PERFORMANCE

This Chapter contains information regarding financial performance and highlights specified accomplishments. The Chapter comprises of the following components;

Component A: Budget Summary

Component B: Statement of Financial Performance

Component C: Statement of Financial Position

Component D: Cash Flow

Component E: Grants

Component F: Financial Ratios

5.1. COMPONENT A: BUDGET SUMMARY

DC40 Dr Kenneth Kaunda - Table A1 Budget Summary										
Description	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Financial Performance										
Property rates	-	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-	-
Investment revenue	3 596	5 677	4 186	5 200	5 200	5 200	4 991	5 700	5 951	6 219
Transfers recognised - operational	24 357	30 529	36 288	33 688	33 862	33 862	34 296	36 491	36 079	38 324
Other own revenue	158 933	164 971	168 138	172 718	172 729	172 729	172 595	176 874	180 766	184 777
Total Revenue (excluding capital transfers and contributions)	186 886	201 177	208 613	211 606	211 791	211 791	211 882	219 065	222 796	229 320
Employee costs	89 696	96 365	111 253	119 016	116 016	116 016	113 777	122 016	126 862	132 571
Remuneration of councillors	9 850	10 257	10 367	13 075	10 825	10 825	9 969	13 575	14 172	14 810
Depreciation & asset impairment	7 760	6 931	5 911	6 704	6 704	6 704	3 643	7 017	7 325	7 655
Finance charges	-	-	-	-	-	-	-	-	-	-
Inventory consumed and bulk purchases	-	-	-	4 178	5 218	5 218	5 207	4 023	4 163	3 984
Transfers and grants	4 333	6 919	7 704	8 122	9 900	9 900	7 512	1 200	1 709	1 718
Other expenditure	56 469	44 572	56 097	60 508	63 123	63 123	59 946	70 003	63 896	64 570
Total Expenditure	168 108	165 045	191 331	211 603	211 786	211 786	200 054	217 833	218 127	225 308
Surplus/(Deficit)	18 778	36 132	17 282	3	5	5	11 828	1 232	4 669	4 012
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	2 348	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	-	-	20	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers &	21 126	36 132		3	5	5	11 828	1 232	4 669	4 012

contributions										
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	21 126	36 132	-	3	5	5	11 828	1 232	4 669	4 012
<u>Capital expenditure & funds sources</u>										
Capital expenditure	2 517	2 356	2 550	117 305	42 050	42 050	10 609	89 156	32 060	32 414
Transfers recognised - capital	16	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	90 000	-	-	-	-	-	-
Internally generated funds	2 500	2 356	2 550	27 305	42 050	42 050	10 609	89 156	32 060	32 414
Total sources of capital funds	2 517	2 356	2 550	117 305	42 050	42 050	10 609	89 156	32 060	32 414
<u>Financial position</u>										
Total current assets	71 740	108 935	(43 210)	52 906	63 644	63 644	110 938	29 429	9 364	-
Total non current assets	25 521	20 743	17 692	142 778	59 742	59 742	25 781	106 848	49 751	50 105
Total current liabilities	55 497	55 854	63 303	26 949	25 053	25 053	26 470	21 840	21 322	21 632
Total non current liabilities	11 704	11 670	14 351	103 364	14 351	14 351	19 706	20 045	20 045	18 644
Community wealth/Equity	32 365	66 033	80 442	65 371	83 982	83 982	90 543	94 392	17 748	9 830
<u>Cash flows</u>										
Net cash from (used) operating	-	-	100 002	-	(898)	(898)	16 113	8 248	11 994	11 666
Net cash from (used) investing	0	-	205	-	75 255	75 255	(11 661)	(89 156)	(32 060)	(32 414)
Net cash from (used) financing	-	-	-	-	(90 000)	(90 000)	-	-	-	-
Cash/cash equivalents at the year end	9 762	36 031	173 711	53 074	62 827	62 827	103 437	29 429	9 364	(11 383)
<u>Cash backing/surplus reconciliation</u>										
Cash and investments available	36 031	73 504	(81 015)	52 906	63 644	63 644	103 438	29 429	9 364	0
Application of cash and investments	13 226	10 941	(11 139)	21 890	23 254	23 254	(5 761)	20 986	20 313	20 468
Balance - surplus (shortfall)	22 805	62 563	(69 876)	31 016	40 391	40 391	109 199	8 444	(10 949)	(20 468)
<u>Asset management</u>										
Asset register summary (WDV)	25 521	20 743	16 639	142 778	58 689	58 689	58 689	105 794	48 698	49 052
Depreciation	7 760	6 931	5 911	6 704	6 704	6 704	6 704	7 017	7 325	7 655
Renewal and Upgrading of Existing Assets	1 288	212	-	3 300	3 500	3 500	3 500	4 000	5 000	6 000
Repairs and Maintenance	1 198	1 535	2 501	4 152	2 052	2 052	2 052	2 402	2 455	2 364
<u>Free services</u>										
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-

Revenue cost of free services provided	-	-	-	-	-	-	-	-	-	-
<u>Households below minimum service level</u>										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-

5.2. COMPONENT B: STATEMENT OF FINANCIAL PERFORMANCE

Functional Classification Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
	R thousand Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue - Functional									
Governance and administration	188 839	200 252	204 055	206 470	206 655	206 655	213 554	219 632	226 036
Executive and council	–	5	–	–	–	–	–	–	–
Finance and administration	188 839	200 248	204 055	206 470	206 655	206 655	213 554	219 632	226 036
Internal audit	–	–	–	–	–	–	–	–	–
Community and public safety	–	447	407	500	500	500	500	522	545
Community and social services	–	447	407	500	500	500	500	522	545
Sport and recreation	–	–	–	–	–	–	–	–	–
Public safety	–	–	–	–	–	–	–	–	–
Housing	–	–	–	–	–	–	–	–	–
Health	–	–	–	–	–	–	–	–	–
Economic and environmental services	396	478	4 171	4 636	4 636	4 636	5 011	2 642	2 738
Planning and development	–	–	4 171	4 636	4 636	4 636	5 011	2 642	2 738
Road transport	–	–	–	–	–	–	–	–	–
Environmental protection	396	478	–	–	–	–	–	–	–
Trading services	–	–	–	–	–	–	–	–	–
Energy sources	–	–	–	–	–	–	–	–	–
Water management	–	–	–	–	–	–	–	–	–
Waste water management	–	–	–	–	–	–	–	–	–
Waste management	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	189 234	201 177	208 633	211 606	211 791	211 791	219 065	222 796	229 320
Expenditure - Functional									
Governance and administration	121 976	117 666	123 827	131 647	126 385	126 385	130 012	135 600	141 248
Executive and council	41 184	44 766	52 912	61 601	59 190	59 190	60 394	63 584	67 005
Finance and administration	75 841	67 858	65 355	63 166	60 688	60 688	62 732	64 828	66 731
Internal audit	4 951	5 042	5 561	6 879	6 506	6 506	6 885	7 188	7 512
Community and public safety	11 101	14 430	49 589	51 603	52 593	52 593	57 115	56 641	58 363
Community and social services	7 613	8 275	49 264	51 603	52 593	52 593	57 115	56 641	58 363

Sport and recreation	-	-	-	-	-	-	-	-	-
Public safety	3 489	6 155	324	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	37 706	36 516	21 301	28 353	32 808	32 808	30 707	25 886	25 697
Planning and development	10 212	8 503	21 084	28 353	32 808	32 808	30 707	25 886	25 697
Road transport	-	-	-	-	-	-	-	-	-
Environmental protection	27 494	28 013	217	-	-	-	-	-	-
<i>Trading services</i>	-	-	-	-	-	-	-	-	-
Energy sources	-	-	-	-	-	-	-	-	-
Water management	-	-	-	-	-	-	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-
Waste management	-	-	-	-	-	-	-	-	-
<i>Other</i>	-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	170 784	168 612	194 717	211 603	211 786	211 786	217 833	218 127	225 308
Surplus/(Deficit) for the year	18 450	32 565	13 916	3	5	5	1 232	4 669	4 012

EXPENDITURE PERFORMANCE (REVENUE & EXPENDITURE)

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework			
					R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast
Revenue By Source												
Property rates	2	–	–	–	–	–	–	–	–	–	–	–
Service charges - electricity revenue	2	–	–	–	–	–	–	–	–	–	–	–
Service charges - water revenue	2	–	–	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	2	–	–	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	2	–	–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment												
Interest earned - external investments		3 596	5 677	4 186	5 200	5 200	5 200	4 991	5 700	5 951	6 219	
Interest earned - outstanding debtors												
Dividends received		–	–	274	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		–	–	–	–	–	–	–	–	–	–	–
Licences and permits		396	478	407	500	500	500	432	500	522	545	
Agency services												
Transfers and subsidies		24 357	30 529	36 288	33 688	33 862	33 862	34 296	36 491	36 079	38 324	
Other revenue	2	158 530	164 493	167 448	172 218	172 229	172 229	172 163	176 374	180 244	184 232	
Gains		8	–	9	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		186 886	201 177	208 613	211 606	211 791	211 791	211 882	219 065	222 796	229 320	
Expenditure By Type												
Employee related costs	2	89 696	96 365	111 253	119 016	116 016	116 016	113 777	122 016	126 862	132 571	
Remuneration of councillors		9 850	10 257	10 367	13 075	10 825	10 825	9 969	13 575	14 172	14 810	
Debt impairment	3	–	–	–	–	–	–	–	–	–	–	–
Depreciation & asset impairment	2	7 760	6 931	5 911	6 704	6 704	6 704	3 643	7 017	7 325	7 655	
Finance charges		–	–	–	–	–	–	–	–	–	–	–
Bulk purchases - electricity	2	–	–	–	–	–	–	–	–	–	–	–
Inventory consumed	8	–	–	–	4 178	5 218	5 218	5 207	4 023	4 163	3 984	
Contracted services		29 657	24 246	29 693	27 698	34 153	34 153	34 776	35 493	28 835	29 591	

Transfers and subsidies		4 333	6 919	7 704	8 122	9 900	9 900	7 512	1 200	1 709	1 718
Other expenditure	4, 5	25 852	20 326	25 868	32 810	28 970	28 970	25 170	34 510	35 060	34 979
Losses		960	–	536	–	–	–	–	–	–	–
Total Expenditure		168 108	165 045	191 331	211 603	211 786	211 786	200 054	217 833	218 127	225 308
Surplus/(Deficit)		18 778	36 132	17 282	3	5	5	11 828	1 232	4 669	4 012
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		2 348	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	6										
Transfers and subsidies - capital (in-kind - all)		–	–	20	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		21 126	36 132	17 302	3	5	5	11 828	1 232	4 669	4 012
Taxation											
Surplus/(Deficit) after taxation		21 126	36 132	17 302	3	5	5	11 828	1 232	4 669	4 012
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		21 126	36 132	17 302	3	5	5	11 828	1 232	4 669	4 012
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		21 126	36 132	17 302	3	5	5	11 828	1 232	4 669	4 012

5.3. COMPONENT C: STATEMENT OF FINANCIAL POSITION

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
					Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome
ASSETS											
Current assets											
Cash		18 031	43 503	63 985	52 906	63 644	63 644	103 437	29 429	9 364	–
Call investment deposits	1	18 000	30 000	(145 000)	–	–	–	–	–	–	–
Consumer debtors	1	410	416	416	–	–	–	–	–	–	–
Other debtors		35 299	35 016	37 389	–	–	–	7 500	–	–	–
Current portion of long-term receivables											
Inventory	2	–	–	–	–	–	–	–	–	–	–
Total current assets		71 740	108 935	(43 210)	52 906	63 644	63 644	110 938	29 429	9 364	–
Non current assets											
Long-term receivables											
Investments		0	0	0	0	0	0	0	0	0	0
Investment property											
Investment in Associate											
Property, plant and equipment	3	24 872	20 204	17 237	134 739	53 112	53 112	22 650	89 917	38 183	38 446
Biological											
Intangible		649	538	455	8 039	6 630	6 630	3 130	16 931	11 568	11 659
Other non-current assets		–	–	–	–	–	–	–	–	–	–
Total non current assets		25 521	20 743	17 692	142 778	59 742	59 742	25 781	106 848	49 751	50 105
TOTAL ASSETS		97 261	129 678	(25 518)	195 684	123 386	123 386	136 719	136 277	59 115	50 105
LIABILITIES											
Current liabilities											
Bank overdraft	1	–	–	–	–	–	–	–	–	–	–
Borrowing	4	494	335	370	308	–	–	–	–	–	–
Consumer deposits											
Trade and other payables	4	40 798	38 512	42 600	22 746	24 109	24 109	25 892	20 986	20 313	20 468
Provisions		14 205	17 007	20 333	3 895	944	944	578	854	1 009	1 164

Total current liabilities		55 497	55 854	63 303	26 949	25 053	25 053	26 470	21 840	21 322	21 632
Non current liabilities											
Borrowing		154	–	–	90 000	–	–	–	–	–	–
Provisions		11 551	11 670	14 351	13 364	14 351	14 351	19 706	20 045	20 045	18 644
Total non current liabilities		11 704	11 670	14 351	103 364	14 351	14 351	19 706	20 045	20 045	18 644
TOTAL LIABILITIES		67 201	67 524	77 654	130 313	39 404	39 404	46 176	41 885	41 367	40 276
NET ASSETS	5	30 060	62 154	(103 172)	65 371	83 982	83 982	90 543	94 392	17 748	9 830
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		30 777	64 445	78 854	65 371	83 982	83 982	88 955	94 392	17 748	9 830
Reserves	4	1 588	1 588	1 588	–	–	–	1 588	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	5	32 365	66 033	80 442	65 371	83 982	83 982	90 543	94 392	17 748	9 830

5.4. COMPONENT D: CASH FLOW

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework			
					R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Property rates									-	-	-	
Service charges									-	-	-	
Other revenue		-	-	115 983	-	11	11	206 374	176 874	180 766	184 777	
Transfers and Subsidies - Operational	1	-	-	516	-	174	174	1 075	36 491	36 079	38 324	
Transfers and Subsidies - Capital	1	-	-	-	-	-	-	-	-	-	-	
Interest		-	-	2 594	-	-	-	4 763	5 700	5 951	6 219	
Dividends		-	-	274	-	-	-	-	-	-	-	
Payments												
Suppliers and employees		-	-	(19 365)	-	1 595	1 595	(196 099)	(209 617)	(209 093)	(215 935)	
Finance charges									-	-	-	
Transfers and Grants	1	-	-	-	-	(2 678)	(2 678)	-	(1 200)	(1 709)	(1 718)	
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	-	100 002	-	(898)	(898)	16 113	8 248	11 994	11 666	
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE									-	-	-	
Decrease (increase) in non-current receivables									-	-	-	
Decrease (increase) in non-current investments		0	-	-	-	-	-	-	-	-	-	
Payments												
Capital assets		-	-	205	-	75 255	75 255	(11 661)	(89 156)	(32 060)	(32 414)	
NET CASH FROM/(USED) INVESTING ACTIVITIES		0	-	205	-	75 255	75 255	(11 661)	(89 156)	(32 060)	(32 414)	
CASH FLOWS FROM FINANCING												

ACTIVITIES											
Receipts											
Short term loans									-	-	-
Borrowing long term/refinancing		-	-	-	-	(90 000)	(90 000)	-	-	-	-
Increase (decrease) in consumer deposits									-	-	-
Payments											
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	(90 000)	(90 000)	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		0	-	100 207	-	(15 643)	(15 643)	4 452	(80 908)	(20 065)	(20 747)
Cash/cash equivalents at the year begin:	2	9 761	36 031	73 503	53 074	78 470	78 470	98 985	110 337	29 429	9 364
Cash/cash equivalents at the year end:	2	9 762	36 031	173 711	53 074	62 827	62 827	103 437	29 429	9 364	(11 383)

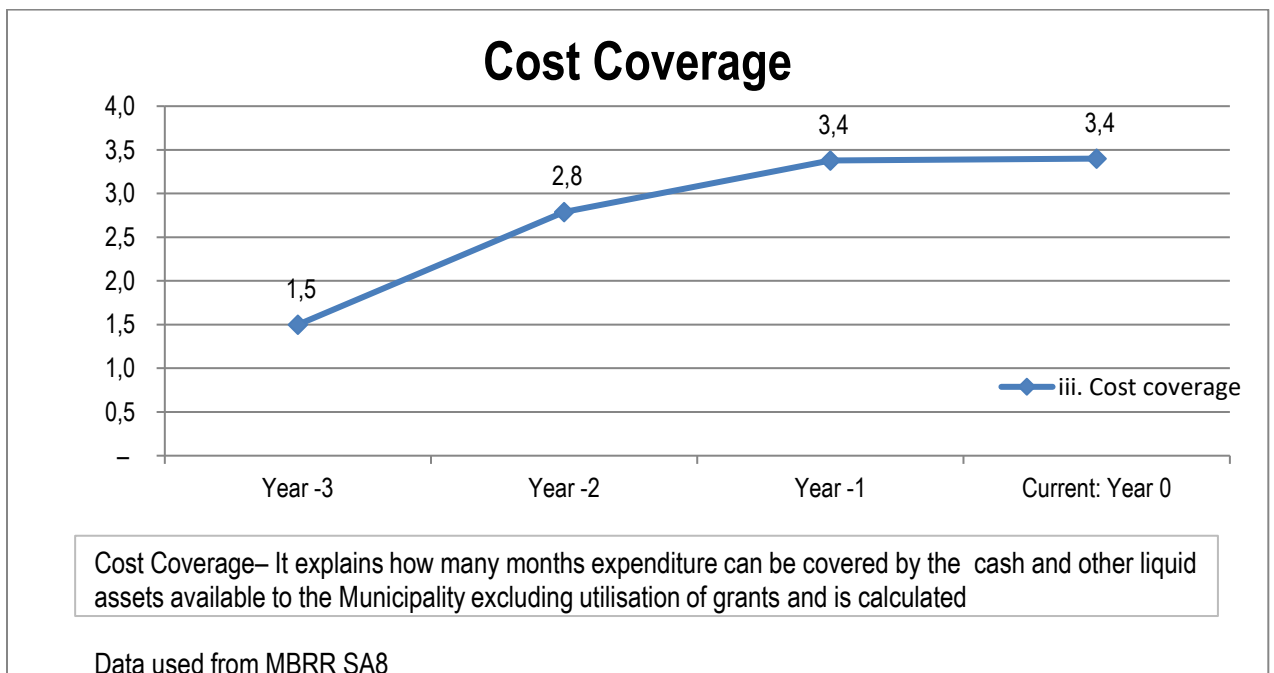
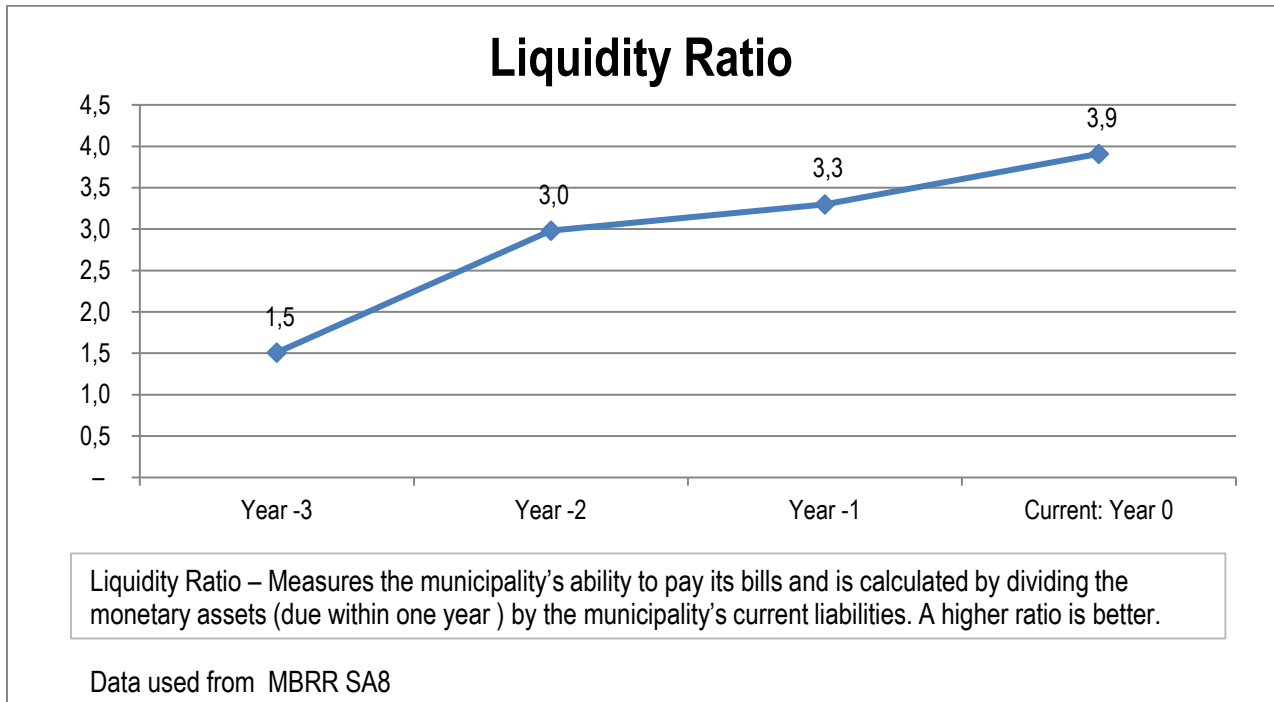
5.5. COMPONENT E: GRANTS

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast
RECEIPTS:									
<u>Operating Transfers and Grants</u>									
National Government:	182 184	193 301	203 344	205 766	205 766	205 766	212 865	216 323	222 556
Local Government Equitable Share	21 710	24 622	30 789	28 052	28 052	28 052	30 480	32 393	34 495
Expanded Public Works Programme Integrated Grant	1 151	1 649	1 691	2 122	2 122	2 122	2 379	–	–
Local Government Financial Management Grant	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 044	1 091
Municipal Disaster Relief Grant	–	447	–	–	–	–	–	–	–
Rural Road Asset Management Systems Grant	–	2 606	2 480	2 514	2 514	2 514	2 632	2 642	2 738
RSC Levy Replacement	158 323	162 977	167 384	172 078	172 078	172 078	176 374	180 244	184 232
Provincial Government:	–	–	–	–	–	–	–	–	–
District Municipality:	–	–	–	–	–	–	–	–	–
Other grant providers:	–	205	328	–	174	174	–	–	–
<i>Education Training and Development Practices SETA</i>	–	205	328	–	174	174	–	–	–
<i>Local Government Water and Related Service SETA</i>	–	–	–	–	–	–	–	–	–
<i>Parent Municipality Production</i>	–	–	–	–	–	–	–	–	–
Total Operating Transfers and Grants	182 184	193 506	203 672	205 766	205 940	205 940	212 865	216 323	222 556
<u>Capital Transfers and Grants</u>									
National Government:	2 348	–	–	–	–	–	–	–	–

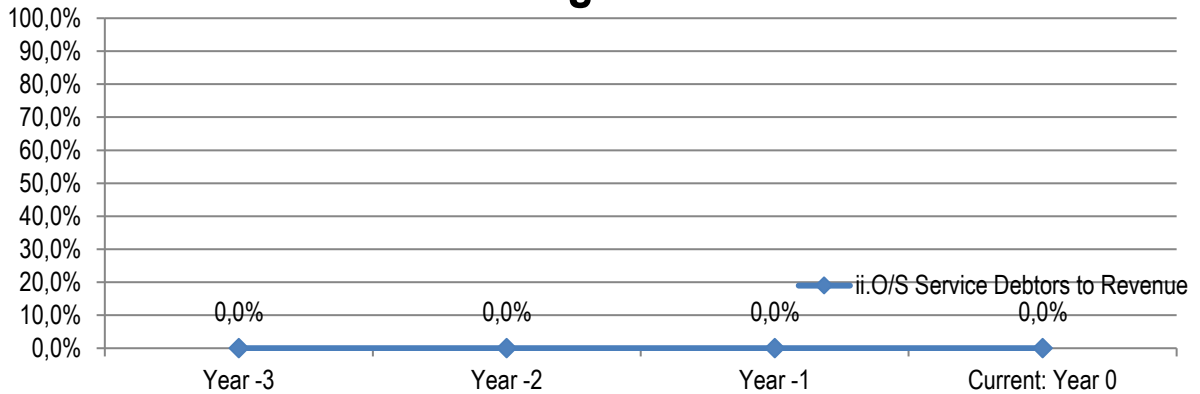
Rural Road Asset Management Systems Grant	2 348	-	-	-	-	-	-	-	-
Provincial Government:	-	-	-	-	-	-	-	-	-
District Municipality:	-	-	-	-	-	-	-	-	-
Other grant providers:	-	-	20	-	-	-	-	-	-
<i>Unspecified</i>	-	-	20	-	-	-	-	-	-
Total Capital Transfers and Grants	2 348	-	20	-	-	-	-	-	-
TOTAL RECEIPTS OF TRANSFERS & GRANTS	184 532	193 506	203 692	205 766	205 940	205 940	212 865	216 323	222 556

5.6. COMPONENT F: FINANCIAL RATIOS

To be updated before the tabling of the Annual Report in January 2023 (once the 2021/2022 audit report is received)

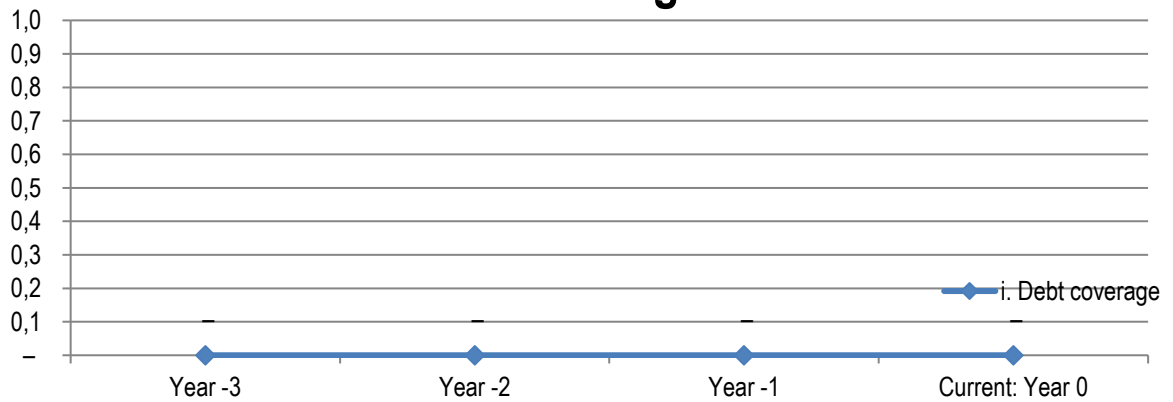


Total Outstanding Service Debtors



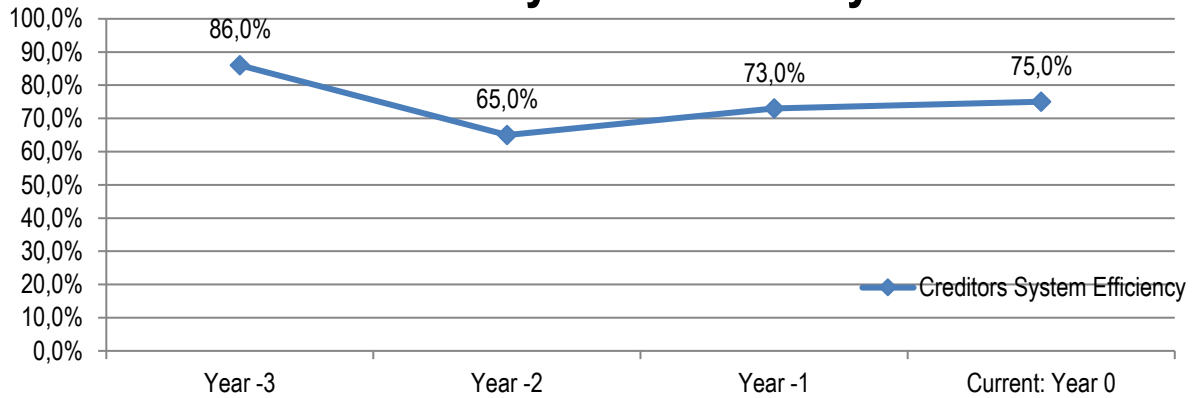
Total Outstanding Service Debtors – Measures how much money is still owed by the community for water, electricity, waste removal and sanitation compared to how much money has been paid for these services. It is calculated by dividing the total outstanding debtors by the total annual revenue. A lower score is better.

Debt Coverage



Debt Coverage– The number of times debt payments can be accommodated within Operating revenue (excluding grants) . This in turn represents the ease with which debt payments can be accommodated by the municipality

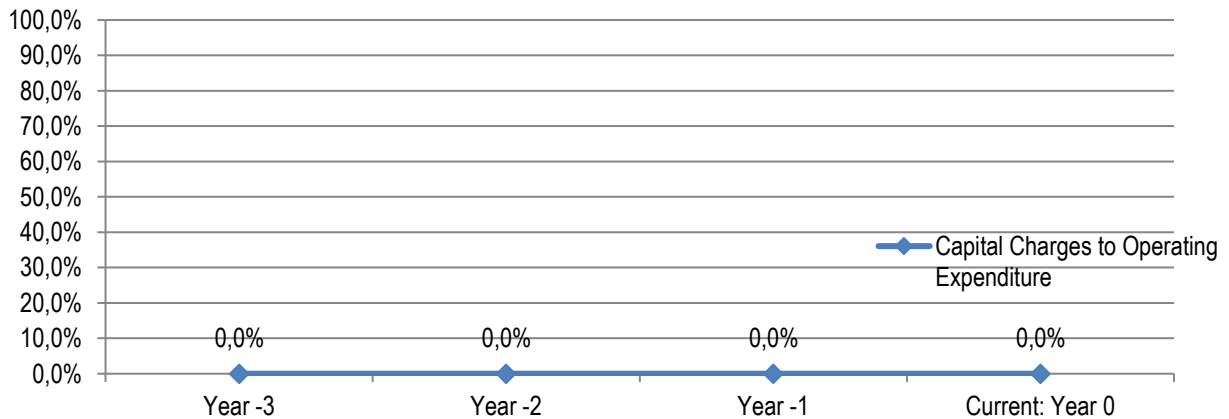
Creditors System Efficiency



Creditor System Efficiency – The proportion of creditors paid within terms (i.e. 30 days). This ratio is calculated by outstanding trade creditors divided by credit purchases

Data used from MBRR SA8

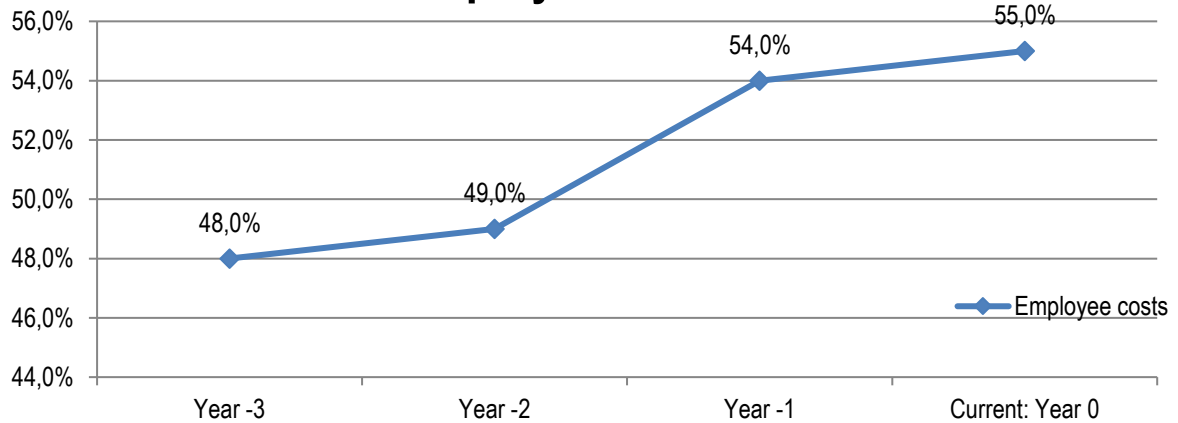
Capital Charges to Operating Expenditure



Capital Charges to Operating Expenditure ratio is calculated by dividing the sum of capital interest and principle paid by the total operating expenditure.

Data used from MBRR SA8

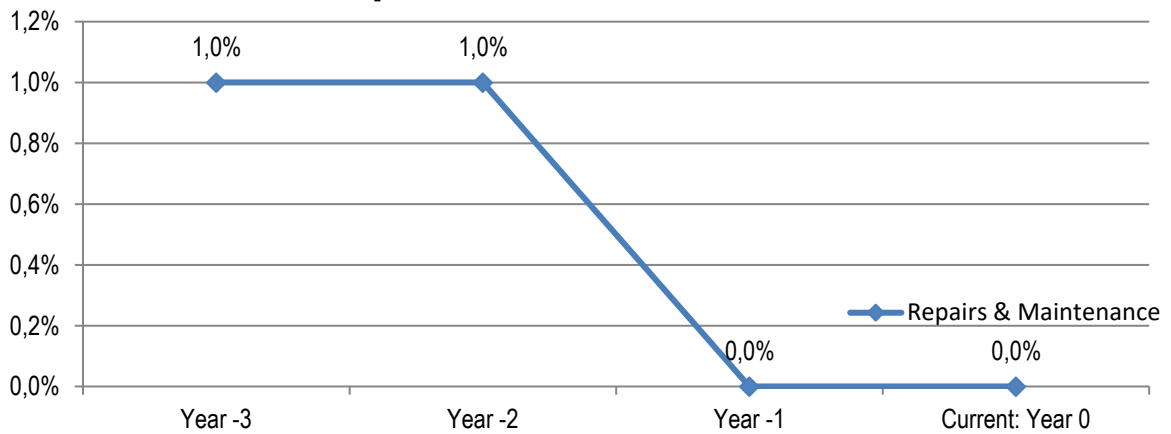
Employee Costs



Employee cost – Measures what portion of the revenue was spent on paying employee costs. It is calculated by dividing the total employee cost by the difference between total revenue and capital revenue.

Data used from MBRR SA8

Repairs & Maintenance



Repairs and Maintenance – This represents the proportion of operating expenditure spent and is calculated by dividing the total repairs and maintenance.

Data used from MBRR SA8

5.7 COMPONENT G: ASSESSMENT OF ANY ARREARS ON MUNICIPAL TAXES AND SERVICE CHARGES

ITEM	ENTITY	Amount owed to DrKKDM	Amount owed by DrKKDM
VAT Receivable	SARS	R 4 107 143.00	R 0
Compensation commissioner	Dept of labour (Office of the compensation commissioner)	R 0	R 3 954 884.00
Tax Refunds Payables	Dr KKDM Economic Agency	R0	R0

6. CHAPTER 6: AUDITOR GENERAL'S REPORT 2021/2022

6.1. COMPONENT A: 2021/2022 AUDIT REPORT



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Report of the auditor-general to the North West Provincial Legislature and the council on Dr Kenneth Kaunda District Municipality

Report on the audit of the consolidated and separate financial statements

Opinion

1. I have audited the consolidated and separate financial statements of the Dr Kenneth Kaunda District Municipality set out on pages 213 to 287, which comprise the consolidated and separate statement of financial position as at 30 June 2022, the consolidated and separate statement of financial performance, statement of changes in net assets, cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the consolidated and separate financial statements, including a summary of significant accounting policies.
2. In my opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the Dr Kenneth Kaunda District municipality as at 30 June 2022, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (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 opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the consolidated and separate financial statements section of this auditor's report.
4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

6. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Unauthorised, irregular and fruitless and wasteful expenditure

7. As disclosed in note 37 to the consolidated and separate financial statements, the unauthorised expenditure of R70 748 925 in respect of prior years have not yet been dealt with in accordance with section 32 of the MFMA.
8. As disclosed in note 38 to the consolidated and separate financial statements, fruitless and wasteful expenditure of R94 767 and R79 012 was incurred in the current year and fruitless and wasteful expenditure of R11 603 131 and R11 028 209 from prior years have not yet been dealt with in accordance with section 32 of the MFMA.
9. As disclosed in note 39 to the consolidated and separate financial statements, irregular expenditure of R33 912 389 and R33 845 697 was incurred in the current year and irregular expenditure of R230 066 851 and R225 826 455 from prior years have not yet been dealt with in accordance with section 32 of the MFMA.

Restatement of corresponding figures

10. As disclosed in note 33 to the consolidated and separate financial statements, the corresponding figures for 30 June 2021 were restated as a result of errors in the consolidated and separate financial statements of the municipality at, and for the year, ended 30 June 2022.

Other matter

11. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited disclosure notes

12. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA. This disclosure requirement did not form part of the audit of the consolidated and separate financial statements and accordingly I do not express an opinion thereon.

Responsibilities of the accounting officer for the consolidated and separate financial statements

13. The accounting officer is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with the Standards of GRAP and the requirements of the MFMA and the Dora and for such internal control as the accounting officer determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.
14. In preparing the consolidated and separate financial statements, the accounting officer is responsible for assessing the Dr Kenneth Kaunda District 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 there is no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the consolidated and separate financial statements

15. My objectives are to obtain reasonable assurance about whether the consolidated and separate 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 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.
16. A further description of my responsibilities for the audit of the consolidated and separate financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

17. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the usefulness and reliability of the reported performance information against predetermined objectives presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
18. I performed procedures to evaluate the usefulness and reliability of the reported performance information on selected performance indicators in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice.
19. I performed the procedures in accordance with the AGSA audit methodology. This engagement is not an assurance engagement. Accordingly, I do not express an opinion or an assurance conclusion.
20. My procedures address the usefulness and reliability of the reported performance information on the selected performance indicators, which must be based on the municipality's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the municipality enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

21. I performed procedures to determine whether the reported performance information was properly presented and whether the performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the selected performance 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.
22. I selected the following material performance indicators contained in key performance area (KPA) 1 – basic service delivery and infrastructure development presented in the municipality's annual performance report for the year ended 30 June 2022 set out on pages 57 to 64. I selected the indicators that measure the municipality's performance on its primary mandated functions and which are of significant national, community or public interest.

Performance indicators: KPA1 – basic service delivery and infrastructure development
KPI 3: Number of compliance reports on drinking water samples taken and tested from JB Marks, Matlosana and Maquassi Hills Local Municipalities submitted
KPI 4: Number of water samples taken and tested at the reservoirs in JB Marks, Matlosana and Maquassi Hills Local Municipality
KPI 5: Number of air quality management inspections conducted within Dr Kenneth Kaunda district
KPI 6: Total kilometers of paved roads assessed within JB Marks
KPI 9: Number of dry sanitation units installed in Boskuit and Oersonskraal villages in Maquassi Hills
KPI 10: Number of rural settlements provided with portable drinking water drilling and equipping of boreholes within Dr Kenneth Kaunda District Municipality

23. I did not identify any material findings on the usefulness and reliability of the reported performance information for the selected material performance indicators.

Other matters

24. I draw attention to the matters below.

Achievement of planned targets

25. Refer to the annual performance report on pages 57 to 101 for information on the achievement of planned targets for the year and explanations provided for the under and over achievements of targets.

Report on audit of compliance with legislation

Introduction and scope

26. 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 applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the municipality's compliance with legislation.
27. I performed procedures to test compliance with selected requirements in key legislation in accordance with the AGSA audit methodology. This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
28. I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the municipality, clear to allow consistent measurement and evaluation, while also sufficiently detailed and adequately available to report in an understandable manner. The selection is done through an established AGSA process. The selected legislative requirements are included in the annexure to this auditor's report.
29. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual financial statements, performance and annual reports

30. The consolidated and separate financial statements submitted for auditing were not fully prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of non-current assets and disclosure items identified by the auditors in the submitted financial statement were subsequently corrected, resulting in the financial statements receiving an unqualified audit opinion.

Expenditure management

31. Reasonable steps were not taken to prevent irregular expenditure of R33 912 389 and R33 845 697 as disclosed in note 39 to the consolidated and separate financial statements, as required by section 62(1)(d) of the MFMA. The majority of the irregular expenditure was caused by adjudication Committees were not properly constituted in accordance with the regulation for the appointment of service providers through the competitive bidding processes and not following the competitive bidding process where required.

Human resource management

32. Job descriptions were not established for all posts in which appointments were made, as required by section 66(1)(b) of the Municipal Systems Act 32 of 2000 (MSA).
33. Appropriate systems and procedures to monitor, measure and evaluate performance of staff were not developed and adopted, as required by section 67(1)(d) of the MSA.

34. Some of the senior managers did not sign performance agreements within the prescribed period, as required by section 57(2)(a) of the MSA.

Consequence management

35. Some irregular and fruitless and wasteful expenditure incurred by the municipality was not investigated to determine whether any person was liable for the expenditure, as required by section 32(2)(b) of the MFMA.
36. Allegations of financial misconduct laid against officials of the municipality were not investigated, as required by section 171(4)(a) of the MFMA.

Strategic planning and performance management

37. Annual performance objectives and indicators were not established for Dr Kenneth Kaunda District Municipality Economic Agency SOC Ltd, as required by section 93B(a) of the MSA.
38. The performance of Dr Kenneth Kaunda District Municipality Economic Agency SOC Ltd was not monitored and reviewed as part of the annual budgetary process, as required by section 93B(b) of the of the MSA.

Procurement and contract management

39. Some of the goods and services of a transaction value above R200 000 were procured without inviting competitive bids, as required by supply chain management (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).
40. The preference point system was not applied to some of the procurement of goods and services above R30 000 as required by section 2(1)(a) of the Preferential Procurement Policy Framework Act.
41. Some of the invitations to tender for procurement of commodities designated for local content and production did not stipulate the minimum threshold for local production and content as required by the 2017 preferential procurement regulation 8(2).

Other information

42. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report which includes the audit committee's report . The other information does not include the consolidated and separate financial statements, the auditor's report and those selected material indicators in the scoped-in key performance area presented in the annual performance report that have been specifically reported in this auditor's report.

43. My opinion on the consolidated and separate financial statements and material findings on compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
44. 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 consolidated and separate financial statements and the material indicators in the scoped-in key performance area presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
45. If, based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report that fact. I have nothing to report in this regard.

Internal control deficiencies

46. I considered internal control relevant to my audit of the consolidated and separate financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance thereon. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on compliance with legislation included in this report.
- The accounting officer did not exercise adequate oversight regarding the financial reporting. Financial statements contained material misstatements which were corrected as a result of inadequate reviews, lack of supporting registers/listings as well as reconciliations thereof.
 - The accounting officer and senior management has not implemented a process to monitor compliance with laws and regulations on a regular basis resulting in non-compliance matters reported. Non-compliance with legislation could have been prevented had compliance been properly reviewed and monitored throughout the course of the financial year. Non-compliance with laws and regulations has become normal practise and part of the culture of the municipality.
 - The weaknesses in the internal control environment can also be attributed to the lack of effective oversight by leadership. These manifest in systematic weaknesses in information technology systems and inadequate consequence management which are repeatedly reported and not addressed.

Other reports

47. I draw attention to the following engagements conducted by various parties that 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.

Investigations

48. A forensic investigation by a legal firm was conducted into fraud and corruption allegations against the former acting municipal manager. These allegations were tabled to council on the 27 January 2022, the investigation started from 16 March 2022 and was concluded on 22 May 2022. The disciplinary hearing is currently in progress.
49. An investigation into fraud allegations was conducted by Hawks, which led to two employees being charged with theft and money laundering. Internal investigation pertaining to this matter only started after year-end and is still ongoing.

Auditor General

Rustenburg

12 December 2022



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the audit report

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected compliance requirements for compliance testing

Auditor-general's responsibility for the audit

1. As part of an audit in accordance with the ISAs and the AGSA audit methodology, I exercise professional judgement and maintain professional scepticism throughout my audit of the consolidated and separate financial statements and the procedures performed on reported performance information for selected performance indicators and on the municipality's compliance with selected requirements in key legislation.

Financial statements

2. In addition to my responsibility for the audit of the consolidated and separate financial statements as described in the auditor's report, I also:
 - Identify and assess the risks of material misstatement of the consolidated and separate 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 related to events or conditions that may cast significant doubt on the Dr Kenneth Kaunda District Municipality's ability 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 the opinion on the financial statements. My conclusions are based on the information available to me at the date of the auditor's report. However, future events or conditions may cause a municipality to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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 confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and where applicable, related safeguards.

Compliance with legislation – selected legislative requirements

5. The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act 56 of 2003 (MFMA)	Section 1 (a), (b) & (d) of the definition: irregular expenditure Section 1 Definition of SDBIP Sections 11(1); 13(2); 14(1); 14(2)(a); 14(2)(b); 15 Sections 24(2)(c)(iv); 29(1); 29(2)(b); 32(2) Sections 32(2)(a); 32(2)(a)(i); 32(2)(a)(ii); 32(2)(b) Sections 32(6)(a); 32(7); 53(1)(c)(ii); 54(1)(c) Sections 62(1)(d); 62(1)(f)(i); 62(1)(f)(ii); 62(1)(f)(iii) Sections 63(2)(a); 63(2)(c); 64(2)(b); 64(2)(c); 64(2)(e) Sections 64(2)(f); 64(2)(g); 65(2)(a); 65(2)(b); 65(2)(e) Sections 72(1)(a)(ii); 95(a); 112(l)(iii); 112(1)(j) Sections 116(2)(b); 116(2)(c)(ii); 117; 122(1); 122(2) Sections 126(1)(a); 126(1)(b); 127(2); 127(5)(a)(i) Sections 127(5)(a)(ii); 129(1); 129(3); 133(1)(a) Sections 133(1)(c)(i); 133(1)(c)(ii); 170; 171(4)(a); 171(4)(b)
LG: MFMA: Municipal budget and reporting regulations, 2009	Regulations 71(1); 71(2); 72
LG: MFMA: Municipal investment regulations, 2005	Regulations 3(1)(a); 3(3); 6; 7; 12(2); 12(3)
LG: MFMA: Municipal regulations on financial misconduct procedures and criminal proceedings, 2014	Regulations 5(4); 6(8)(a); 6(8)(b); 10(1)
LG: MFMA: Municipal supply chain management (SCM) regulations, 2017	Regulations 5; 12(1)(b); 12(1)(c); 12(3); 13(b); 13(c); 13(c)(i) Regulations 16(a); 17(1)(a); 17(1)(b); 17(1)(c); 19(a) Regulations 21(b); 22(1)(b)(i); 22(2); 27(2)(a); 27(2)(e) Regulations 28(1)(a)(i); 28(1)(a)(ii); 29(1) (a) and (b) Regulations 29(5)(a)(ii); 29(5)(b)(ii); 32; 36(1) Regulations 38(1) (c); 38(1)(d)(ii); 38(1)(e); 38(1)(g)(i) Regulations 38(1)(g)(ii); 38(1)(g)(iii) Regulations 43; 44; 46(2)(e); 46(2)(f)
Municipal Systems Act 32 of 2000 (MSA)	Sections 25(1); 26(a); 26(c); 26(i); 26(h); 27(1) Sections 29(1)(b)(ii); 29(2)(a); 29(2)(c); 34(a); 34(b); Sections 38(a); 41(1)(a); 41(1)(b); 41(1)(c)(ii); 42; 43(2) Sections 56(a); 57(2)(a); 57(4B); 57(6)(a) Sections 66(1)(a); 66(1)(b); 67(1)(d); 74(1) Sections 93B(a); 93B(b); 93C(a)(iv); 93C(a)(v); 96(b)
LG: MSA: Municipal planning and performance management regulations, 2001	Regulations 2(1)(e); 2(3)(a); 3(3); 3(4)(b); 3(5)(a); 7(1); 8 Regulations 9(1)(a); 10(a); 12(1); 15(1)(a)(i); 15(1)(a)(ii)

Legislation	Sections or regulations
LG: MSA: Municipal performance regulations for municipal managers and managers directly accountable to municipal managers, 2006	Regulations 2(3)(a); 4(4)(b); 8(1); 8(2); 8(3)
LG: MSA: Regulations on appointment and conditions of employment of senior managers, 2014	Regulations 17(2); 36(1)(a)
LG: MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations 5(2); 5(3); 5(6); 8(4)
Annual Division of Revenue Act (Dora)	Sections 11(6)(b); 12(5); 16(1); 16(3)
Construction Industry Development Board Act 38 of 2000 (CIDB)	Section 18(1)
CIDB regulations	Regulations 17; 25(7A)
Municipal Property Rates Act 6 of 2004 (MPRA)	Section 3(1)
Preferential Procurement Policy Framework Act 5 of 2000 (PPPFA)	Sections 2(1)(a); 2(1)(f)
Preferential Procurement regulations (PPR), 2011	Regulations 4(1); 4(3); 4(4); 4(5) Regulations 5(1); 5(2); 5(3); 5(5) Regulations 6(1); 6(2); 6(3); 6(4); 6(5) Regulations 7(1); 10; 11(2); 11(4); 11(5); 11(8)
Preferential Procurement regulations (PPR), 2017	Regulations 5(1); 5(3); 5(6); 5(7) Regulations 6(1); 6(2); 6(3); 6(5); 6(6); 6(8) Regulations 7(1); 7(2); 7(3); 7(5); 7(6); 7(8) Regulations 8(2); 8(5); 9(1); 10(1); 10(2); 11(1)
Prevention and Combating of Corrupt Activities Act 12 of 2004 (PRECCA)	Section 34(1)

6.2. COMPONENT B: 2021/2022 AUDIT COMMITTEE REPORT

LEGISLATIVE REQUIREMENTS

The Audit & Risk Committee is pleased to present its annual report for the year ended 30 June 2022. The purpose of this report is to communicate the Audit & Risk Committee's progress to date in carrying out its oversight and advisory responsibilities in terms of Section 166 of the Local Government Municipal Finance Management Act, Act 56 of 2003 read with Regulation 14 of the Planning and Performance Management regulations, 2001.

The District Municipality appointed an Audit & Risk Committee comprising of five members and such a committee continued to be functional for the year under review.

The Committee considered fraud, risk and internal controls as an objective of internal control activities with fraud perceived to be a potential internal control failure. The Audit & Risk Committee fulfilled its mandate and provided advisory services to the Council, the Accounting Officer and Management on matters relating to the Internal Audit function, effectiveness of the systems of Internal Controls, ICT Governance, Risk Management processes and Performance Management Systems.

The functioning of the Audit & Risk Committee is governed by the Audit & Risk Committee's Charter approved by the Municipal Council during the Financial year.

AUDIT & RISK COMMITTEE MEMBERS AND ATTENDANCE

During the year under review the Committee held meetings as per their approved schedule and the attendance by each member is as follows:

Name of Member	Designation	Number of Meetings Attended.
A M Langa	Chairperson	4
Ms S Makhathini	Member	4
Ms M Ramataboe	Member	4
Adv. I Motala	Member	4
B Mathibela	Member	4

A total of THREE ordinary meetings and ONE special meeting were held and the meetings duly formed a quorum with the majority of members in attendance. The Audit & Risk Committee was able to meet as required by legislation and further none of its scheduled meetings were rescheduled due to unavailability of members. The commitment of the Audit & Risk Committee members is highly appreciated. The Audit & Risk Committee through its Chairperson managed to submit on a quarterly basis its reports to the Municipal Council. All its reports were adopted by the Council and the implementation of the resolutions is monitored through a resolution tracker.

The Audit & Risk Committee has as its standing items in its meetings a progress report on the implementation of the Post Audit Action Plan for addressing the 2020/2021 financial year audit findings. The Committee noted that although management put effort to implement the action plan not all agreed actions were undertaken due to a number of reasons. The Committee noted with appreciation the efforts made by Management to update the Unauthorised, Irregular, Fruitless and Wasteful expenditure register, and further that the Council has referred some of the matters contained therein to the Municipal Financial Misconduct Disciplinary Board for processing. The Committee is concerned that these UIFW expenditure have not yet been processed by the Municipal Council.

EVALUATION OF FINANCIAL AND PERFORMANCE REPORTS

Statutory quarterly reporting requirements per MFMA provisions to oversight committees, Council and treasury were performed by management. Quarterly reviews and Audit & Risk Committee reports, presentations to council were conducted with recommendations on remedial actions to be taken on reported internal control deficiencies identified through internal and external audit findings.

The Audit & Risk Committee continually identified and advised Management and Council on financial management and performance reports, non-compliance issues with SCM policies, budget performance trends, progress reports on risk management and fraud, ICT Governance reports, MSCOA implementation.

The Municipality successfully implemented mSCOA and is currently transacting on the new system although a few modules are yet to be implemented.

RISK MANAGEMENT

Effective Risk management forms an integral part of the institution's objectives of implementing and maintaining effective risk assessment system on risk identification and monitoring of maturing and emerging risks through progress reports drawn from risk registers by risk owners in accordance with the requirements of the MFMA. The Municipality's strategic risk register was updated based on risk assessments performed by Management with the assistance of the Internal Audit.

During the year under review the risk management committee was not fully functional and the Committee recommended to the Municipal Council that an independent Chairperson be appointed. The Municipality has since appointed a risk practitioner and such appointment is yielding positive results in the management of risk in the District Municipality. The annual Internal Audit plan as well as the three-year rolling plan is based on the strategic risk register compiled that is continually reviewed as the need arises.

Quarterly reports were considered by the Audit & Risk Committee from the Risk Management Committee chaired by the Accounting Officer and such were reviewed by the Committee.

EFFECTIVENESS OF INTERNAL CONTROLS

The Committee provided oversight on the financial reporting processes and existing internal control systems within the Municipality and concluded that the municipality maintains a system of internal controls designed to provide reasonable assurance that transactions are processed and concluded with management's authority; assets are safeguarded against unauthorised use or disposal with proper recording and authorisation of transactions.

During the year under review, reviews were conducted by oversight bodies identified instances where the effectiveness of internal controls were compromised though systems are in existence based on repeated and new audit findings on internal control system deficiencies identified. The Audit & Risk Committee takes cognisance of the fact that there are inherent limitations in the effectiveness of any system of internal controls attributed to human errors and circumvention of internal controls.

Remedial actions taken to address control deficiencies identified in the quarterly reports of internal audit and external audit findings were found inadequate and ineffective as depicted by the control dashboard.

REVIEW OF THE FINANCE FUNCTION

The Audit & Risk Committee as part of its functions reviewed the expertise and functioning of the finance function of the Municipality. In doing so the Committee assessed the experience of the Chief Financial Officer and other staff members in the Department and the Committee is satisfied that there is sufficient expertise to fulfil the responsibility. The Committee noted that additional expertise is required in the Supply Chain Management function with specific attention needed in contract management. The Committee is appreciative of the fact that the Municipality is able to compile its Annual Financial Statements internally and only use the services of consultants for review purposes.

INTERNAL AUDIT UNIT

The Municipality has an internal audit unit headed by the Chief Audit Executive and reports functionally to the Audit & Risk Committee and administratively directly to the Accounting Officer. The unit operates based on a risk based internal audit plan approved by the Audit & Risk Committee. The Committee further approved the internal audit charter for the year under review. Further the Committee approved the three - year rolling internal audit plan for the unit. The Committee can confirm that the Internal Audit Unit is independent and where necessary performs consultancy work with the prior approval of the Audit & Risk Committee.

The projects undertaken by the internal audit unit for the year under review can be summarised as follows:

- Quarterly Performance Management System Review;
- Quarterly Supply Chain Management, including Covid-19 Review;
- Strategic Planning review;
- Community Services – Municipal Health and Environmental Management Systems Review;
- Quarterly Internal Audit Findings Follow-Up Review;
- Quarterly Audit & Risk Committee Resolutions Progress Review; and

- Human Resources and Payroll Management Review.

The Committee noted the need for continued development of the internal audit staff and further to employ IT Auditor(s) to execute the Information Communication Technology Review effectively. The Committee developed a tracking tool for the implementation of internal audit recommendations by management and noted the significant implementation of such recommendations.

The Committee evaluated independence of the unit, effectiveness and performance of the internal audit function, considered internal audit reports on the municipality's systems of internal control including financial controls, business risk management and maintenance of effective internal control systems and assessed the adequacy of the performance of internal audit function and find them satisfactory and improving.

REVIEW OF ANNUAL FINANCIAL STATEMENTS AND ANNUAL PERFORMANCE REPORT

The Committee reviewed the 2021/2022 annual financial statement and the annual performance report as required by the MFMA. The Committee identified challenges which included but not limited to arithmetical errors which were pointed out to management for rectification. Due to time constraints the corrected reports could not be considered by the committee. The Committee noted that despite challenges posed by the COVID-19 pandemic the District Municipality was able to compile the Annual Financial Statements internally, however, the Committee urged Management to ensure that in future the statements are to be submitted timeously to both Internal Audit and the Committee for proper review as required by the MFMA. The reviews confirmed that no new accounting policies were introduced and further that the annual financial statements were prepared on the going concern basis.

EXTERNAL AUDIT

The Audit & Risk Committee considered the audit strategy by the Office of the Auditor General and made comments and further noted that for the year under review the amended Public Audit Act would not be implemented. The Committee accepts the external auditor's conclusions on the annual financial statements and the annual performance report for the 2021/2022 financial year.

The Audit & Risk Committee will continue to oversee the development of the Post Audit Action Plan and the implementation of project clean administration with the objective of improving the audit outcome for future years.

Except for the matters identified by the external auditors in the auditor's report, the Audit & Risk Committee has satisfied itself that the annual financial statements have been prepared in terms of GRAP and the MFMA.

Report Compiled on behalf of the Audit & Risk Committee by:

Mr A M Langa

Audit & Risk Committee Chairperson

14th December 2022.

6.3. COMPONENT C: 2021/2022 INTERNAL AUDIT REPORT

INTRODUCTION

This report highlights the outcomes of Internal Audit activities in the year (FY) 2021-2022 (July 2021 – June 2022) which demonstrate our efforts to assist management to identify and address significant risks and drive efficiencies while providing ongoing assurance to Dr Kenneth Kaunda District Municipality, its entity and Maquassi Hills Local Municipality.

THE PURPOSE OF THE INTERNAL AUDIT ACTIVITY

The purpose of Dr Kenneth Kaunda District Municipality's Internal Audit Shared Services was to provide independent, objective assurance and consulting services designed to add value and improve Dr Kenneth Kaunda District Municipality and Maquassi Hills Local Municipality's operations. The mission of internal audit was to enhance and protect organizational value by providing risk-based and objective assurance, advice, and insight.

Internal Audit Shared Service (IASS) was set up under section 165(1) of the Municipal Finance Management Act (MFMA) N0. 56 of 2003 and mandated by Council Resolution under Item **A.111/07/2007**, and **A.190/11/2009** as a shared function for the Dr Kenneth Kaunda District Municipality (DRKKDM), which includes DRKKDM and Maquassi Hills Local Municipalities.

AUTHORITY OF THE INTERNAL AUDIT ACTIVITY

The standard for the Professional Practice of Internal Auditing requires the Chief Audit Executive to report periodically to senior management and the board through the Audit Committee on the internal audit activity's purpose, authority, responsibility, and performance relative to its plan and on its conformance with the Code of Ethics and the standard. The reporting must also include significant risk and control issues, including fraud risks, governance issues, and other matters that require the attention of Senior Management and/or the board.

MFMA Section 62 requires that the accounting officer of a municipality must take all reasonable steps to ensure that the municipality has and maintains effective, efficient and transparent systems of internal audit operating in accordance with any prescribed norms and standards.

MFMA section 165 (1) requires, each municipality and each municipal entity to have an internal audit unit, subject to subsection (3).

Section 165(2) states that “The internal audit unit of a municipality or municipal entity must—

- a) prepare a risk-based audit plan and an internal audit program for each financial year;
- b) advise the accounting officer and report to the audit committee on the implementation of the internal audit plan and matters relating to—
 - (i) internal audit; (ii) internal controls; (iii) accounting procedures and practices; (iv) risk and risk management; (v) performance management; (vi) loss control; and (vii) compliance with this Act, the annual Division of Revenue Act and any other applicable legislation.

THE INTERNAL AUDIT CHARTER

The Shared Audit & Risk Committee approved two (2) Internal Audit Charters for the 2021/2022 financial year (Maquassi Hills Local Municipality and Dr Kenneth Kaunda District Municipality).

INDEPENDENCE OF THE INTERNAL AUDIT ACTIVITY

The Internal Audit Activity reported functionally to the Audit & Risk Committee and administratively to the Accounting Officer.

CONFORMANCE WITH THE CODE OF ETHICS AND THE STANDARDS

All members of the Internal Audit Activity had signed a code of ethics established by the Institute of Internal Auditors and declared their financial interest to the municipality.

The Internal Audit Activity had not carried out projects for which they do not have the expertise. Internal Audit has sourced the services of the Internal Quality Assurance Provider through the North West Provincial Treasury to review the Internal Audit Activity's conformance with the requirements of the Standards and ensure the quality of the work conducted during the previous five(5) years, i.e., 2017/2018 to 2021/2022. The purpose of the internal quality assurance review is to assist Internal Audit to identify areas that needs improvement.

THE ANNUAL INTERNAL AUDIT PLANS AND THE PROGRESS AGAINST THE PLANS

The two (2) Annual Internal Audit Plans (Dr Kenneth Kaunda District Municipality and Maquassi Hills Local Municipality) were approved by the Audit & Risk Committee and progress made was constantly reported to the Audit & Risk Committee on a quarterly basis.

FY 2021 - 22 Statistical Highlights

Delivery of Dr Kenneth Kaunda District Municipality's 2020/2021 Annual Internal Audit Plan:

- Twenty-Nine (29) projects including two (2) ad-hoc assignments were planned;
- Twenty-Four (27) planned projects were successfully completed – 93% achievement;
- Two (2) planned projects, i.e., ICT Review and DED & Planning Review, were deferred to 2022/23.

Delivery of Maquassi Hills Local Municipality's 2020/2021 Annual Internal Audit Plan:

- Thirty (30) projects including three (3) ad-hoc assignments were planned;
- Seventeen (17) planned projects were successfully completed – 56% achievement;
- Eleven (11) projects could not be executed due to the non-availability of management;
- One (1) planned project, i.e., ICT Review was deferred to 2022/23.

RESULTS OF AUDIT ACTIVITIES

DR KENNETH KAUNDA DISTRICT MUNICIPALITY

Quarterly Performance Management System Review

The review was conducted on a quarterly basis and the objective of the review was to evaluate the measures implemented by management to measure and report on performance. The scope of the review included, 1) Review of the processes followed in developing the reported performance information; 2) Analysis of the Portfolio of Evidence supporting the reported performance information for accuracy and completeness of information reported; and 3) Review of controls in place around the key processes giving rise to Quarterly reporting, to ensure reliability, accuracy and completeness.

The review results revealed that the systems of internal control with regards to recording, processing and reporting on Performance Information are generally good, minor improvements are required to ensure that business objectives are achieved throughout the period of reliance.

Quarterly Supply Chain Management Review

The review was conducted on a quarterly basis and the objective of the review was to ensure that the Municipality has processes in place to determine the adequacy and effectiveness of internal controls with regards to procurement of good and services. The scope of the review included, 1) Review of the processes followed in approving and awarding quotations and whether these were in accordance with the MFMA SCM Regulations and SCM Policy; 2) Review of the processes followed in approving and awarding of competitive bids and whether these were in accordance with the MFMA SCM Regulations and SCM Policy; and 3) Review of the processes followed in approving and awarding of deviations and whether these were in accordance with the MFMA SCM Regulations and SCM Policy.

The review results revealed that the that the Municipality does have adequate monitoring controls in place, however monitoring controls were not effectively implemented through the period of reliance, thus moderate improvements are required in order ensure that the objectives and goals will be met throughout the period of reliance.

Strategic Planning Review

The review was conducted during the IDP/SDBIP preparation process, prior to the approval by the Municipal Council. The objective of the review was to ensure that the Municipality has processes in place to ensure compliance with the applicable laws and regulations with regards to the development of the Integrated Development Plan and the Service Delivery and Budget Implementation Plan. The scope of the review included, 1) Reviewing the alignment of the 2022/23 SDBIP to the 2022/23 IDP; 2) Reviewing Key Performance Indicators in accordance with the characteristics of good KPI as prescribed by the National Treasury Framework for Managing Programme Performance; and 3) Review of set Targets in accordance with the SMART criteria.

The review results revealed that the Municipality does have adequate and effective monitoring controls in place and these were effectively implemented throughout the period of reliance.

Community Services – *Municipal Health and Environmental Management Systems Review*

The objective was to ensure that the Municipality has processes in place to determine the adequacy and effectiveness of internal controls within the Municipal Health, Environment Management Services and Disaster Risk Management.

The scope of the audit focused on 1) Compliance with Municipal Health & Environmental Management services laws, regulations, National Norms and Standards (1EHP: 10000 Household) and any applicable legislation; 2) Environmental degradation and pollution (land, water& air pollution); 3) Water sampling, testing and compliance results; 4) Municipal health & environmental services awareness campaigns; 5) Any other services provided by the department.

The review results revealed that the Municipality does not have adequate and effective monitoring controls in place and the systems of internal controls were not effectively implemented through the period of reliance, thus significant improvements are required in order to ensure that the objectives and goals will be met.

Human Resources and Payroll Management Review

The objective of the review was to evaluate the adequacy and effectiveness of measures implemented by management in response to risks within the human resources and payroll management processes and operations.

The scope of the review was focused on, 1) Recruitment, Selection and Appointments; 2) Leave Management; 3) Payroll Management; and 4) Staff Grievances Management

The review results revealed that the Municipality does not have adequate and effective monitoring controls in place and the systems of internal controls were not effectively

implemented through the period of reliance, thus significant improvements are required in order to ensure that the objectives and goals will be met.

MAQUASSI HILLS LOCAL MUNICIPALITY

Quarterly Performance Management System Review

The review was conducted on a quarterly basis and the objective of the review was to evaluate the measures implemented by management to measure and report on performance. The scope of the review included, 1) Review of the processes followed in developing the reported performance information; 2) Analysis of the Portfolio of Evidence supporting the reported performance information for accuracy and completeness of information reported; and 3) Review of controls in place around the key processes giving rise to Quarterly reporting, to ensure reliability, accuracy and completeness.

The review results revealed that the systems of internal control with regard to recording, processing and reporting on Performance Information require significant improvement as in most instances reported results are not supported by a valid and accurate portfolio of evidence, thus moderate improvements are required to ensure that business objectives are achieved throughout the period of reliance.

Quarterly Supply Chain Management Review

The review was conducted on a quarterly basis and the objective of the review was to ensure that the Municipality has processes in place to determine the adequacy and effectiveness of internal controls with regard to procurement of goods and services. The scope of the review included, 1) Review of the processes followed in approving and awarding quotations and whether these were in accordance with the MFMA SCM Regulations and SCM Policy; 2) Review of the processes followed in approving and awarding of competitive bids and whether these were in accordance with the MFMA SCM Regulations and SCM Policy; and 3) Review of the processes followed in approving and awarding of deviations and whether these were in accordance with the MFMA SCM Regulations and SCM Policy.

The review results revealed that the Municipality does have adequate systems of internal controls in place, however, the controls were not effectively implemented through the period of

reliance, thus moderate improvements are required in order to ensure that the objectives and goals will be met throughout the period of reliance.

Strategic Planning Review

The review was conducted during the IDP/SDBIP preparation process, before the Municipal Council's approval. The objective of the review was to ensure that the Municipality has processes in place to ensure compliance with the applicable laws and regulations with regard to the development of the Integrated Development Plan and the Service Delivery and Budget Implementation Plan. The scope of the review included, 1) Reviewing the alignment of the 2022/23 SDBIP to the 2022/23 IDP; 2) Reviewing Key Performance Indicators in accordance with the characteristics of good KPI as prescribed by the National Treasury Framework for Managing Programme Performance; and 3) Review of set Targets in accordance with the SMART criteria.

The review results revealed that the Strategic Planning processes require significant improvement, in order to ensure that the strategic goals and objectives of the Municipality are achieved.

INTERNAL AUDIT STAFF COMPLIMENTS

The two (2) Internal Audit Plans were delivered by staff compliments of nine (9) members, i.e., CAE, Internal Audit Manager, Three (3) Senior Internal Auditors, One (1) Internal Auditor, One (1) Internal Audit Admin and Two (2) interns.

CONTINUING PROFESSIONAL DEVELOPMENT

Members of the Internal Audit Activity continuously enhance their knowledge, skills and other competencies through continuing professional development.

On behalf of the Internal Audit Team

Chief Audit Executive

SG Mtemekwana (PIA)

6.4. MANAGEMENT'S ACTION PLAN ON THE AG'S FINDINGS: 2021/2022

MANAGEMENT'S ACTION PLAN ON THE AG'S FINDINGS: 2021/2022

No	AR Report line item/Subject line	Audit finding	Route Course	Department/Responsible Official	Corrective measures	Date
1(a)	Consequence Management	<p>COMAF 57: ISS 73.</p> <p>As disclosed in note 37 to the consolidated & separate financial statements, the unauthorised expenditure of R70 748 925 in respect of the prior years have not been dealt with in accordance with section 32 of the MFMA.</p>	<ul style="list-style-type: none"> ▪ Inadequate budget provision attributed to unauthorised expenditure over the past four financial years. Below are expenditure categories which led to unauthorised expenditure: Employees related costs, Remuneration of councillors, Grants and Subsidies, Depreciation, Debt impairment, Post Employment-Benefits ▪ The budget policy was not aligned to the MFMA hence the discrepancies of overstatement of the unauthorised expenditure reported in the previous audit report. The unauthorised expenditure for the past three financial years were disclosed in line with the Municipality's accounting policy 2.10.1, which states that: the unauthorised expenditure is the overspending of a vote and or a main division within a vote. The overspending on a main division within a vote referred to, contradicts with 	Council/Council Committee/MM/CFO	<ul style="list-style-type: none"> ▪ Management has submitted a report in line with MFMA section 32 to the municipal council detailing particulars of Unauthorised Expenditure during the 2021/22 financial year. The total unauthorised expenditure disclosed in the past three financial years amount to R67.9 Million (R67 968 774) and the correct amount as per the audited annual financial statements of the past three financial years' amount to R24.1 Million (R24 193 907). ▪ The Budget Policy has since been corrected during the review and approval of budget related policies in 182 2020. <ul style="list-style-type: none"> ▪ MPAC has recommended a write-off to the tune of R12,2 	31/03 2023
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No	AR Report line item/Subject line	Audit finding	Route Course	Department/Responsible Official	Corrective measures	Date
			section 1 of the MFMA.		Million , Recovery on the budget spent on Grants & Subsidies. MPAC still yet to finalise the investigations on the amount spent on leave provision and contracted services to the value of R2.8 Million .	
1(b)	Consequence Management	<p>COMAF 57: ISS 73.</p> <p>As disclosed in note 38 to the consolidated and separate financial statements, fruitless and wasteful expenditure of R94 767 and R79 012 was incurred in the current year and fruitless and wasteful expenditure of R11 603 131 and R11 028 209 from prior years have not yet been dealt with in accordance with section 32 of the MFMA.</p>	<ul style="list-style-type: none"> ▪ Advance payment of service providers. ▪ Invoices not properly tracked by the user departments and results in interest for late payment of suppliers. ▪ Discrepancies identified on a billing system of the financial service provider. The invoices are submitted with interest already accrued on the statement/invoices. 	Council/Municipal Manager/CFO/SM CSS	<ul style="list-style-type: none"> ▪ The municipality is continuously engaging Telkom to write-off the interest charged on the account because the error emanates from the Telkom due to the billing system. During the 2020/21 and 2021/22 Telkom dis write-off interest charges on the accounts, the current year fruitless & Wasteful Expenditure of R73 74 is still not written-off hence the engagement is still ongoing. ▪ In other instances, cases have been opened with the Law Enforcement Agencies, 	31/03/2023

No	AR Report line item/Subject line	Audit finding	Route Course	Department/Responsible Official	Corrective measures	Date
					<p>these are cases for which the municipality is hoping to recover the money. The municipality has opened a case for the R400 000 in relation to the grant given to SMME for shoe projects which didn't take place.</p> <ul style="list-style-type: none"> ▪ The NPA has taken over the matter relating to an advance payment of R10 Million to big Break Legacy. The municipality is waiting for the outcome of the investigations. ▪ The Fruitless & Wasteful Expenditure amount of R226 553 relating to late payment to SARS is yet to be finalised before the end of the third quarter in the current financial year. ▪ Fruitless & Wasteful Expenditure amount of R42 397 relates to late payment to COIDA. 	

No	AR Report line item/Subject line	Audit finding	Route Course	Department/Responsible Official	Corrective measures	Date
					<p>The commissioner did not do neither submit a valuation to the municipality over a period of 5 years. Budget & Treasury Office made followed the matter to be able to get the certificate for what is due to the department of labour and it was unfortunate that the invoice came with the interest already charged.</p>	
1(c)	<p>Consequence Management</p>	<p>COMAF 57: ISS 73.</p> <p>As disclosed in note 39 to the consolidated and separate financial statements, irregular expenditure of R33 912 389 and R33 845 697 was incurred in the current year and irregular expenditure of R230 066 851 and R225 826 455 from prior years have not yet been dealt with in accordance with section 32 of the MFMA.</p>	<ul style="list-style-type: none"> ▪ R72. Million relates instances of non-compliance to SCM Regulation 29(2)(iii). Composition of Bid Committees were not in line with the above mentioned regulations. ▪ R31.7 Million relates instances of non-compliance to SCM Regulation 17 & 18. 3 quotations not always obtained where it is necessary to do so in line with the above mentioned SCM Regulations. The major portion goes to the financial system; the other portion goes to panel of consultants wherein a system of rotating service providers was not often 	<p>Council/Municipal Manager/CFO</p>	<p>Investigations have been started with some completed by the Accounting Officer, presented to relevant Council Structure (MPAC and the Financial Misconduct Board for finalization and reporting to Council). Management will also engage the Auditor-General South Africa with regard to matters relating non-compliance with SCM Regulation 29(2).</p>	<p>31/05/2023</p>

No	AR Report line item/Subject line	Audit finding	Route Course	Department/Responsible Official	Corrective measures	Date
			<p>adhered to. But the normal SCM processes were followed for the appointment of the panel. This relates to prior 2017/18 financial year. The transactions also include appointment of lawyers to represent the municipality as and when need arises.</p> <ul style="list-style-type: none"> ▪ R25.1 Million relates to instances of non-compliance with MFMA section 116. Procurement was done on expired contracts. The Bid Committee has since been reviewed and are now in line with the SCM Regulation. The SCM staff obtains 3 quotes where is it required. The application of SCM Regulation is monitored and is recommended by the CFO and approved by the Accounting Officer where a need arises. ▪ R68.2 Million relates to instances of non-compliance with SCM Regulation 32. The supporting documents from the other organ of state are not complete and in other instances are 			

No	AR Report line item/Subject line	Audit finding	Route Course	Department/Responsible Official	Corrective measures	Date
			unavailable. The Financial Misconduct Board is still investigating the transactions and once finalised and submitted to council then the management will implement the recommendations.			
1(d)	Consequence Management	<p>COMAF 58: ISS 74</p> <p>Allegations of financial misconduct laid against officials of the municipality were not investigated, as required by section 171(4)(a) of the MFMA.</p>	<ul style="list-style-type: none"> ▪ Delays due to changes in senior management positions. ▪ Disciplinary processes not concluded. 	Council/Municipal Manager	Employee number 15100: The matter involves the former Municipal Manager who was put on suspension by municipal council for not or delaying the implementation of council resolution on the winding down of the Dr KKDM Economic Agency. The former Municipal Manager and the council came to a settlement agreement so that both parties can part-ways. The decision by council was based on the legal cost involved that could have been much higher than the settlement amount agreed upon. The former Municipal Manager was remunerated for 8 months instead of 14 Months that was left on her contract. It must also be noted that the former municipal manager in her statement indicated that there were other due processes that were supposed to be followed before winding down the Dr KKDM Agency, the likes of appointing the liquidator etc. The resolution by municipal council was irrational and could have brought potential litigations	31/05/2023

No	AR Report line item/Subject line	Audit finding	Route Course	Department/Responsible Official	Corrective measures	Date
					<p>by other stakeholders involved.</p> <p>Three other cases of consequence management were with regards to employee 10224, the Legal Manager as well as SM Corporate Services. There were consequence management processes instituted for the Manager Legal and employee 10224. The allegations of insubordination by the former Acting municipal manager towards employee 10224 couldn't be supported. The suspension took more than six months without concluding the matter and the former Acting municipal manager was afforded the opportunity to support all the allegations and the evidence couldn't be provided hence the suspension for the employee concerned was withdrawn. The disciplinary hearing of Legal Manager was concluded as follows.... Lastly, the municipality has been slow in implementing consequence management on employee no (SM Corporate Service).</p> <p>With the current case led by the HAWKS involving the 2 officials, there was a delay in handling the matter, however the current</p>	

No	AR Report line item/Subject line	Audit finding	Route Course	Department/Responsible Official	Corrective measures	Date
					<p>municipal manager has recently appointed the attorney to deal with the investigations.</p> <p>On the other hand, there has been delays in attending to the matters concerning the Maarifa Waste Recycling project, however it must be noted that there was an investigation conducted by the Internal Audit of the Dr KKDM during the 2020/21 financial year. The internal audit couldn't conclude the investigations due to lack of cooperation from former employees who were involved in the project and Board members of the Maarifa Secondary Cooperative. An item has been prepared for Council consideration in respect of possible forensic investigation, recover-ability, and/or resuscitation of the projec</p>	
2(a)	Restatement of the corresponding figures	<p>COMAF 68: ISS 75 – Disclosure</p> <p>As disclosed in note 33 to the consolidated and separate financial statements, the corresponding figures for 30 June 2021 were restated as a result of errors in the consolidated and separate financial statements of the municipality at, and for the year, ended 30 June 2022.</p>	Lack of adequate review of the Annual financial statements timeously.	CFO	The error was corrected through the adjusted financial statements. Moving forward the CFO to ensure that the AFS are reviewed adequately and by all relevant stakeholders before submission to the Auditor-General SA	18/08/2023
2(b)	Unaudited	In terms of section 125(2)(e) of the MFMA, the municipality is required to	Lack of adequate review of the Annual financial statements	CFO	The error was corrected through the adjusted financial	18/08/2023

No	AR Report line item/Subject line	Audit finding	Route Course	Department/Responsible Official	Corrective measures	Date
	disclosure notes	disclose particulars of non-compliance with the MFMA. This disclosure requirement did not form part of the audit of the consolidated and separate financial statements and accordingly I do not express an opinion thereon.	timeously.		statements. Moving forward the CFO to ensure that the AFS are reviewed adequately and by all relevant stakeholders before submission to the Auditor-General SA	
2(c)	Material Misstatements	COMAF 71:ISS 82 The consolidated and separate financial statements submitted for auditing were not fully prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of non-current assets and disclosure items identified by the auditors in the submitted financial statement were subsequently corrected, resulting in the financial statements receiving an unqualified audit opinion.	Lack of adequate review of the Annual financial statements timeously.	CFO	The error was corrected through the adjusted financial statements. Moving forward the CFO to ensure that the AFS are reviewed adequately and by all relevant stakeholders before submission to the Auditor-General SA	18/08/2023
3(a)	Non-Compliance with Expenditure Management	COMAF23,24,40,41,52 &54 Reasonable steps were not taken to prevent irregular expenditure of R33 912 389 and R33 845 697 as disclosed in note 39 to the consolidated and separate financial statements, as required by section 62(1)(d) of the MFMA. The majority of the irregular expenditure was caused by adjudication Committees were not properly constituted in accordance with the regulation for the appointment of service providers through the competitive bidding processes and not following the competitive bidding process where required.	Non-compliance with MFMA and SCM Regulations	Council/Municipal Manager/CFO	Once the Financial Misconduct Board has finalized the investigation a report will be tabled before the municipal council with the recommendations. The Financial Misconduct Board is currently investigating instances of non-compliance with regard to the irregular expenditure.	31/05/2023
3(b)	Non-Compliance with	Reasonable steps were not taken to prevent irregular expenditure of R79 012 as disclosed in note 38 to the	Management failed to review and monitor compliance with applicable	Senior Managers (CSS)/BTO	The municipality is continuously engaging Telkom to write-off the interest charged on the account	Throughout

No	AR Report line item/Subject line	Audit finding	Route Course	Department/Responsible Official	Corrective measures	Date
	Expenditure Management	consolidated and separate financial statements, as required by section 62(1)(d) of the MFMA.	<p>laws and regulations</p> <ul style="list-style-type: none"> Invoices not properly tracked by the user departments and results in interest for late payment of suppliers. Discrepancies identified on a billing system of the financial service provider. The invoices are submitted with interest already accrued on the statement/invoices. 		because the error emanates from the Telkom due to the billing system. During the 2020/21 and 2021/22 Telkom dis write-off interest charges on the accounts.	
3(c)	Non-compliance with SALGBC Disciplinary Procedures	<p>COMAF 45: ISS 51</p> <p>During audit of employee cost, it was noted that the following employees were placed on special leave in response to a court order received during the 2021/22 year with no expected date of return to work. This does not fall within one the categories listed above to be classified as special leave. The application of special leave is incorrectly applied in this circumstance and the process that should have been followed once the municipality received the court order is to follow the procedures as outlined in the SALGBC Disciplinary Procedures collective agreement.</p>	Non-compliance with SALGBC Disciplinary Procedures Section 7 and 16	Senior Manager CSS/Municipal Manager	Dr Kenneth Kaunda District Municipality will deal with instances of actual or attempted fraud and/or corruption by its employees in accordance with the South African Local Government Bargaining Council (SALGBC) Disciplinary Procedure Collective Agreement	

No	AR Report line item/Subject line	Audit finding	Route Course	Department/Responsible Official	Corrective measures	Date
4	Human Resources	COMAF#44 : ISS 33 Job descriptions were not established for all posts in which appointments were made, as required by section 66(1)(b) of the Municipal Systems Act 32 of 2000 (MSA).	Lack on implementing effective HR management and resource planning	Senior Manager CSS/HR Manager	<ul style="list-style-type: none"> ▪ Appointment of HR Manager. ▪ Development of outstanding job descriptions. 	31/03/2023
5(a)	Non-Compliance with Legislation Compliance Strategic planning and performance	COMAF 61: ISS.80_ The performance of Dr Kenneth Kaunda District Municipality Economic agency was not monitored and reviewed as part of the annual budget process, as required by section 93B(b) of the MSA.	Management failed to review and monitor compliance with applicable laws and regulations	Municipal council/Municipal Manager/CEO /Manager PMS	The management to speed-up the process to disestablish the Dr KKDM Economic Agency as per the council resolution. Meanwhile the Leadership to ensure that the performance of the Dr Kenneth Kaunda Economic Agency SOC Ltd is monitored and reviewed as part of the annual budget process, as required by section 93B(b)of the Municipal Systems Act.	28/02/2023
5(b)	Annual Performance Objectives	COMAF 61: ISS.80_ Annual performance objectives and indicators were not established for Dr Kenneth Kaunda District Municipality Economic agency or were not included in its multi-year business plan, as required by section 93B (a) of the MSA.	Management failed to review and monitor compliance with applicable laws and regulations	Municipal council/Municipal Manager/Manager PMS	The management to speed-up the process to disestablish the Dr KKDM Economic Agency as per the council resolution. Meanwhile the Leadership to ensure that the performance of the Dr Kenneth Kaunda Economic Agency SOC Ltd is monitored and reviewed as part of the annual budget process, as required by section 93B(b)of the Municipal Systems Act.	28/02/2023
5(c)	Performance Management of other staff members	Appropriate systems and procedures to monitor, measure and evaluate performance of staff were not developed and adopted, as required by section	The process of cascading the performance agreement to officials below Section 56 employees need to be done after thorough consultation or involvement of SALA and labour	MM/PMS	Meanwhile the management will develop performance agreement for middle management managers for consultation with labour unions.	31/03/2023

No	AR Report line item/Subject line	Audit finding	Route Course	Department/Responsible Official	Corrective measures	Date
		67(1)(d) of the MSA.	unions prior implementation. SALGA has not finalised the performance framework guideline that all municipalities will be expected to comply with for cascading of performance management to levels below Section 56 employees.			
5(d)	Employee Related Costs	COMAF 26 (ISS. 17) Employee related costs - No valid contract in place	Lack of adherence of the laws and regulation applicable as required by MSA.	MM	The Senor Manager concerned has since signed the employment contract during the 2022/23 Financial year.	Done
5(e)	Employee Related Costs	COMAF 70 (ISS 78) Employee related costs- Performance agreement not in place Some of the senior managers did not sign performance agreements within the prescribed period, as required by section 57(2)(a) of the MSA.	Lack of adherence of the laws and regulation applicable as required by MSA.	MM	The Senor Manager concerned has since signed the performance agreement during the 2022/23 Financial year.	Done
6(a)	Procurement and Contract Management	Some of the goods and services of a transaction value above R200 000 were procured without inviting competitive bids, as required by supply chain management (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).	Reason for the deviation found not be justifiable by the Auditor-General	BTO/CFO/Manager SCM	Management did not agree with the audit findings. The Auditor General did not look at all reasons provided for a deviation and amongst others: <ul style="list-style-type: none"> The municipality went out on advert to invite prospective bidders to respond. post-closing of the tender, during the procurement processes, BEC found all the three bidders who submitted their bids nonresponsive. The reasons of BEC were captured on the 	

No	AR Report line item/Subject line	Audit finding	Route Course	Department/Responsible Official	Corrective measures	Date
					<p>minutes. The turnaround time for the updating of the asset register requires at least four months before the end of the financial year. Due to non-responsiveness of the bidders, Management had no luxury of time to go back on the normal tender processes which normally takes more than a month to finalise.</p> <ul style="list-style-type: none"> ▪ Even though during the period 1 Aug - 30 Nov 2021 there were no stringent restricted lockdown levels, there were still cases of COVID-19 that were reported including some members of the BEC, particularly the Chair of the committee. ▪ municipality couldn't appoint the service provider through the normal open tender processes due to the reasons provided above and management followed 	

No	AR Report line item/Subject line	Audit finding	Route Course	Department/Responsible Official	Corrective measures	Date
					the SCM Regulations 36. The CFO did advise the accounting officer accordingly to avoid late or no submission of the annual financial statements.	
6(b)	Unfair disqualification of suppliers from the Bidding processes.	COMAF 24: ISS.37 The preference point system was not applied to some of the procurement of goods and services above R30 000 as required by section 2(1)(a) of the Preferential Procurement Policy Framework Act. During the testing of quotations between R30 000 - R200 000, we noted that as part of prequalification criteria, bidders are supposed to submit the municipal account/s. Contrary to the above, some bidders did submit the required documents but were disqualified from the bidding process due to their accounts being on arrears, this was however not the stipulated qualifying criteria for the bidding process:	Lack of profound interpretation and application of the SCM Regulations	CFO/MM	Management did not agree with the audit findings. SCM Regulation 38(1)(d) states that: The SCM Policy must provide measure to enable the Accounting Officer to reject any bid from a bidder if any municipal rates and taxes or municipal service charges owed by that bidder or any of its directors to the municipality or municipal entity, or to any other municipality or municipal entity, are in arrears for more than three months. Paragraph 21 of the DR KKDM's SCM policy states the same.	
6(c)	Local Content post award and reporting requirements not followed	COMAF 22:ISS.28 During the auditing of local content requirements, no evidence could be provided by management on how the post award and reporting requirements were followed for the local content bids awarded. Therefore, we could not determine if dti was: notified of all the successful bidders and the value of the contracts. Management did not seek	Internal control deficiency	CFO/Manager SCM	Management to adequately exercise oversight responsibility regarding compliance and related internal controls to ensure that post awarding and reporting requirements for local content are adhered to as per treasury's instruction	28/02/2023

No	AR Report line item/Subject line	Audit finding	Route Course	Department/Responsible Official	Corrective measures	Date
		guidance from National treasury on what is required for post awarding and reporting requirements for local content before the awards were made.				
6(d)	Local content requirements not applied for the designated sector procurement	COMAF 23: ISS.36 Some of the invitations to tender for procurement of commodities designated for local content and production did not stipulate the minimum threshold for local production and content as required by the 2017 preferential procurement regulation 8(2).	Lack of continuous review and monitoring of compliance with the 2017 Preferential Procurement Framework Act of 2017.	CFO/Manager SCM	The management will update the current standard template for quotations of transaction value between R30k and R200k to include the specifications for the local content requirements.	28/02/2023
7(a)	Internal control deficiency	COMAF The accounting officer did not exercise adequate oversight regarding the financial reporting. Financial statements contained material misstatements which were corrected as a result of inadequate reviews, lack of supporting registers/listings as well as reconciliations thereof.	Lack of adequate oversight	MM	The accounting officer to exercise adequate oversight regarding the financial reporting	11/08/2023
7(b)		COMAF The accounting officer and senior management has not implemented a process to monitor compliance with laws and regulations on a regular basis resulting in non-compliance matters reported. Non-compliance with legislation could have been prevented had compliance been properly reviewed and monitored throughout the course of the financial year. Non-compliance with laws and regulations has become normal practise and part of the culture of the municipality.	Lack of adequate oversight	MM/SM Managers	Develop a compliance checklist to be able to monitor compliance with legislations	28/02/2023

No	AR Report line item/Subject line	Audit finding	Route Course	Department/Responsible Official	Corrective measures	Date
7(c)		<p>COMAF</p> <p>The weaknesses in the internal control environment can also be attributed to the lack of effective oversight by leadership. These manifest in systematic weaknesses in information technology systems and inadequate consequence management which are repeatedly reported and not addressed.</p>	Lack of adequate oversight and internal control deficiencies	Council/MM/SM CSS	<ul style="list-style-type: none"> ▪ Develop a compliance checklist to be able to monitor compliance with legislations. ▪ Appointment of a service provider to assess the ICT environment. ▪ Fill the ICT Manager position. 	28/02/2023

APPENDICES

APPENDIX A: LEADERSHIP

No	Council Members	Directly/ Indirectly Elected	Party
1	Cllr. N.J. Num	Directly Elected	African National Congress
2	Cllr. X.C. Nxozana	Directly Elected	African National Congress
3	Cllr S.J. Lesie	Directly Elected	African National Congress
4	Alderman Cllr. C.J. Bester	Indirectly Elected	Democratic Alliance
5	Cllr. B.S. Faku	Indirectly Elected	Economic Freedom Fighters
6	Alderman Cllr. C. Hatingh	Indirectly Elected	Democratic Alliance
7	Cllr. Z.E. Mphafudi	Directly Elected	African National Congress
8	Cllr. S.L. Jonas	Indirectly Elected	African National Congress
9	Cllr. H.F.C. Jordaan	Directly Elected	Freedom Front Plus
10	Cllr. K.R. Kegontse	Indirectly Elected	Economic Freedom Fighters
11	Cllr. J.C. Landsberg	Indirectly Elected	Democratic Alliance
12	Cllr. R.K. Latha	Indirectly Elected	African National Congress
13	Cllr. T.N. Lekgari	Directly Elected	African National Congress
14	Cllr. M.W. Makgate	Directly Elected	African National Congress
15	Cllr. T.R. Mampe	Indirectly Elected	African National Congress
16	Cllr. M.I. Mangesi	Indirectly Elected	African National Congress
17	Cllr. D.M. Matsapola	Directly Elected	African National Congress
18	Cllr. I.T. Meya	Indirectly Elected	African National Congress
19	Cllr. O.M. Mogale	Directly Elected	African National Congress
20	Alderman Cllr. B.E. Mosiane-Segotso	Directly Elected	African National Congress
21	Cllr. I.M. Mokhele	Indirectly Elected	African National Congress
22	Cllr. M.P. Mokone	Indirectly Elected	African National Congress
23	Cllr. L.G. Molapisi	Directly Elected	African National Congress
24	Cllr. R.M. Mosholi	Indirectly Elected	African National Congress
25	Cllr. M.E. Mosweu	Indirectly Elected	Economic Freedom Fighters
26	Cllr. H.M. Motaung	Indirectly Elected	Economic Freedom Fighters
27	Cllr. L.S. Motlhoiwa	Indirectly Elected	Democratic Alliance
28	Cllr. W.A. Mostert	Directly Elected	Democratic Alliance
29	Cllr. P.Y. Mtshawulana	Indirectly Elected	African National Congress
30	Cllr. T.S. Ngqeniso	Directly Elected	Economic Freedom Fighters
31	Cllr. M.E. Oosthuizen-van Tonder	Directly Elected	Freedom Front Plus
32	Cllr. P.E. Rampai	Indirectly Elected	African National Congress
33	Cllr. L. Rantekane	Indirectly Elected	African National Congress
34	Cllr. M.W.C. Rossouw	Indirectly Elected	Freedom Front Plus
35	Cllr. L. Scott	Indirectly Elected	Freedom Front Plus
36	Cllr. S.P. Sesana	Indirectly Elected	Democratic Alliance
37	Cllr. L.K. Shuping	Indirectly Elected	Economic Freedom Fighters
38	Cllr. H.M. Strydom	Directly Elected	Democratic Alliance
39	Cllr. O.R. Thabanchu	Indirectly Elected	African National Congress
40	Cllr. M.S. Tloome	Indirectly Elected	African National Congress
41	Cllr. K.L. Van Zyl	Directly Elected	Democratic Alliance

APPENDIX B: COUNCILLORS, COMMITTEES AND COUNCIL ATTENDANCE

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage non-attendance
				%	%
Cllr. N.J. Num	FT	NONE	AFRICAN NATIONAL CONGRESS	100%	0%
Cllr. X.C. Nxozana	FT	NONE	AFRICAN NATIONAL CONGRESS	100%	0%
Cllr. S.J. Lesie	FT	NONE	AFRICAN NATIONAL CONGRESS	100%	0%
Alderman Cllr. C.J. Bester	PT	BURSARY COMMITTEE	DEMOCRATIC ALLIANCE	91%	9%
Cllr. B.S. Faku	PT	NONE	ECONOMIC FREEDOM FIGHTERS	83%	17%
Alderman Cllr. C. Hattingh	PT	MPAC	DEMOCRATIC ALLIANCE	91%	9%
Cllr. S.L. Jonas	PT	MPAC	AFRICAN NATIONAL CONGRESS	100%	0%
Cllr. H.F.C. Jordaan	PR	MPAC	FREEDOM FRONT PLUS	100%	0%
Cllr. K. Kegontse	PT	COMMUNITY SERVICES AND LED & TOURISM	ECONOMIC FREEDOM FIGHTERS	75%	25%
Cllr. C. Landsberg	PT	NONE	DEMOCRATIC ALLIANCE	58%	42%
Cllr. R. Latha	PT	CORPORATE SERVICES AND BUDGET & BTO	AFRICAN NATIONAL CONGRESS	100%	0%
Cllr. T.N. Lekgari	PR	COMMUNITY SERVICES AND LED & TOURISM PORTFOLIO CHAIRPERSON	AFRICAN NATIONAL CONGRESS	100%	0%
Cllr. M.W. Makgate	FT	MMC COMMUNITY SERVICES	AFRICAN NATIONAL CONGRESS	100%	0%
Cllr. T.R. Mampe	PT	MMC LOCAL ECONOMIC DEVELOPMENT AND TOURISM	AFRICAN NATIONAL CONGRESS	100%	0%
Cllr. M. Mangesi	PT	MPAC	AFRICAN	100%	0%

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage non-attendance
				%	%
		CHAIRPERSON	NATIONAL CONGRESS		
Cllr. D.M. Matsapola	FT	MMC SPECIAL PROGRAMS	AFRICAN NATIONAL CONGRESS	91%	9%
Cllr. I.T. Meya	PT	MPAC	AFRICAN NATIONAL CONGRESS	83%	17%
Cllr. O.M. Mogale	PR	TECHNICAL SERVICES AND SPECIAL PROGRAMS CHAIRPERSON	AFRICAN NATIONAL CONGRESS	46% 6 meetings before passing	54%
Cllr. I. Mokhele	PT	CORPORATE SERVICES AND BUDGET & BTO	AFRICAN NATIONAL CONGRESS	100%	0%
Cllr. M. Mokone	PT	MPAC	AFRICAN NATIONAL CONGRESS	91%	9%
Cllr. L.G. Molapisi	FT	MMC CORPORATE SERVICES AND ICT	AFRICAN NATIONAL CONGRESS	91%	9%
Alderman Cllr. B.E. Mosiane-Segotso	PR	NONE	AFRICAN NATIONAL CONGRESS	100% 2 meetings after Cllr Mogale's passing	0%
Cllr R. Mosholi	PT	MPAC	AFRICAN NATIONAL CONGRESS	91%	9%
Cllr. M.E. Mosweu	PT	TECHNICAL SERVICES AND SPECIAL PROGRAMS	ECONOMIC FREEDOM FIGHTERS	91%	0%
Cllr. M.H. Motaung.	PT	BURSARY COMMITTEE	ECONOMIC FREEDOM FIGHTERS	83%	17%
Cllr. L.S. Motlhoiwa	PT	MPAC	DEMOCRATIC ALLIANCE	91%	9%
Cllr. W.A. Mostert	PR	CORPORATE SERVICES AND BUDGET & BTO	DEMOCRATIC ALLIANCE	91%	9%
Cllr. Z.E. Mphafudi	PF	MMC TECHNICAL	AFRICAN	91%	9%

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage non-attendance
				%	%
		SERVICES	NATIONAL CONGRESS		
Cllr. P.Y. Mtshawulana	PT	CORPORATE SERVICES AND BUDGET & BTO CHAIRPERSON	AFRICAN NATIONAL CONGRESS	83%	17%
Cllr. T.S. Ngqeniso	PR	CORPORATE SERVICES AND BUDGET & BTO	ECONOMIC FREEDOM FIGHTERS	83%	17%
Cllr. M.E. Oosthuizen-Van Tonder	PR	COMMUNITY SERVICES AND LED & TOURISM	FREEDOM FRONT PLUS	91%	9%
Cllr P. Rampai	PT	CORPORATE SERVICES AND BUDGET & BTO	AFRICAN NATIONAL CONGRESS	83%	17%
Cllr. L. Rantekane	PT	MPAC	AFRICAN NATIONAL CONGRESS	91%	0%
Cllr. M. Rossouw	PT	CORPORATE SERVICES AND BUDGET & BTO	FREEDOM FRONT PLUS	91%	9%
Cllr. L. Scott	PT	TECHNICAL SERVICES AND SPECIAL PROGRAMS	FREEDOM FRONT PLUS	91%	9%
Cllr. S.P. Sesana	PT	MPAC	DEMOCRATIC ALLIANCE	100%	0%
Cllr. L.K. Shuping	PR	MPAC	ECONOMIC FREEDOM FIGHTERS	91%	9%
Cllr. H.M. Strydom	PR	CORPORATE SERVICES AND BUDGET & BTO	DEMOCRATIC ALLIANCE	91%	9%
Cllr O.R. Thabanchu	PT	MMC BUDGET AND TREASURY	AFRICAN NATIONAL CONGRESS	100%	None
Cllr. M. Tloome	PT	CORPORATE SERVICES AND BUDGET & BTO	AFRICAN NATIONAL CONGRESS	83%	17%
Cllr. K.L. Van Zyl	PR	NONE	DEMOCRATIC ALLIANCE	83%	17%

APPENDIX C: PORTFOLIO COMMITTEES

CORPORATE SERVICES AND BUDGET & BTO Portfolio Committee	COMMUNITY SERVICES AND LED & TOURISM Portfolio Committee	TECHNICAL SERVICES AND SPECIAL PROGRAMS Portfolio Committee
MMCs Cllr Molapisi Cllr Thabanchu	MMCs Cllr Makgate Cllr Mampe	MMCs Cllr Mphafudi Cllr Matsapola
CHAIRPERSON Cllr Mtsahawulana	CHAIRPERSON Cllr Lekgari	CHAIRPERSON Cllr Mogale
Cllr R.K. Latha Cllr I.M. Mokhele Cllr W.A Mostert Cllr T.S. Ngqeniso Cllr P.E. Rampai Cllr M. Rossouw Cllr M.S. Tloome	Cllr K.R. Kegontse Cllr R.K. Latha Cllr I.M. Mokhele Cllr M.E. Oosthuizen-Van Tonder Cllr P.E. Rampai Cllr L.K. Strydom Cllr M.S. Tloome	Cllr C. Bester Cllr R.K.Latha Cllr I.M. Mokhele Cllr M.E. Mosweu Cllr P.E. Rampai Cllr L. Scott Cllr M.S. Tloome

APPENDIX D: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEMBERS (MPAC)

Name	Direct/ Indirect	Party
Cllr Matome Mangesi	Indirectly elected	ANC
Cllr Chris Hattingh	Indirectly elected	DA
Cllr Matumelo Mokone	Indirectly elected	ANC
Cllr Lucas Jonas	Indirectly elected	ANC
Cllr Issac Meya	Indirectly elected	ANC
Cllr Lawrence Motlhoiwa	Indirectly elected	DA
Cllr Lesego Rantekane	Indirectly elected	ANC
Cllr Patrick Sesana	Indirectly elected	DA
Cllr Hendrik Jordaan	Directly elected	FF+
Cllr Lentikile Shuping	Directly elected	EFF
Cllr Robert Mosholi	Indirectly elected	ANC

APPENDIX E: MANAGEMENT

(Status as at end June 2022)

Management	
Directorate	Senior Manager/Manager
Office of the Municipal Manager	Municipal Manager- S.C Abrams (Acting)
	PMS Manager- O Baloyi
	IDP Manager- T Mokatsane
	Chief Risk Officer- L Motepe
	Communications Manager- X Mndaweni
Budget and Treasury Office	Chief Finance Officer- Mr L. Steenkamp
	Deputy CFO- T Nqobe
	Deputy Directy- J Brown
Corporate Services	Senior Manager Corporate Services- M.A Metswamere (Acting)
	Acting HR Manager- O Baloyi
	Acting Manager Records & Admin- L Ramorola
Community Services	Senior Manager Community Services- M.A Metswamere
	Manager Matlosana- K Tenza
	Manager JB Marks- F Matlhakola
	Manager Maquassi Hills- T Mosebi
Local Economic Development and Planning	Senior Manager Local Economic Development and Planning- T.M Rampedi
	Manager Technical Services- K.T Tshukudu
	Manager LED- L. Ramorola
Chief Audit Executive	Chief Audit Executive- S.G Mtemekwana
	Manager Internal Audit- R Seremo
Managers in Political Offices	Manager Office of the Speaker- F.Canga
	Manager Office of the Whip of Council- M. Matsose
	Manager Municipal Public Accounts Committee- BJ. Roberts-Tebejane

APPENDIX F: MUNICIPAL FUNCTIONS

- Fire Fighting
- Regional Tourism
- Municipal Airport
- Municipal Planning
- Municipal Health Services
- Municipal Public Transport
- Cemeteries, Funeral Parlours and Crematoria
- Markets
- Municipal Abattoirs
- Disaster Management

APPENDIX G: REVENUE PERFORMANCE BY VOTE

Revenue Collection Performance by Vote						R' 000
Vote Description	Year - 2020 /2021	Current: 2021/2022		Year 2021 / 2022 Variance		
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustment Budget
Revenue by Vote						
Vote 01 - Executive & Council	-	-	-	-	-	-
Vote 02 - Municipal Manager	-	-	-	-	-	-
Vote 03 - Corporate Services	328	-	608	608	0,00%	0,00%
Vote 04 - Financial Services	203 717	206 470	206 488	206 206	-0,13%	0,14%
Vote 05 - LED & Planning	4 171	4 636	4 636	4 636	0,00%	0,00%
Vote 06 - Community Services	407	500	500	432	13,60%	13,60%
Total Revenue by Vote	208 623	211 606	212 232	211 882	0,13%	-0,16%

APPENDIX H: REVENUE PERFORMANCE BY SOURCE

Revenue Collection Performance by Source						R' 000
Vote Description	Year - 2020 /2021	Current: 2021 /2022		Year 2021 / 2022 Variance		
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustment Budget
Revenue By Source						
Property rates	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-
Service charges - refuse revenue	-	-	-	-	-	-
Service charges - other	-	-	-	-	-	-
Rental of facilities and equipment	-	-	-	-	-	-
Interest earned - external investments	4 186	5 200	5 200	4 991	-4,02%	-4,02%
Interest earned - outstanding debtors	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-
Licences and permits	407	500	500	432	13,60%	13,60%
Agency services	-	-	-	-	-	-
Transfers and subsidies	203 672	205 766	206 374	206 374	0,30%	0,00%
Other revenue	358	140	158	85	-39,29%	-46,20%
Gains on disposal of PPE	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	208 623	211 606	212 232	211 882	0,13%	-0,16%

APPENDIX I: CONDITIONAL GRANTS

Conditional Grants: Excluding MIG						R' 000
Details	Current: 2021 /2022			Year 2021 / 2022 Variance		Major Conditions applied by Donor (continue below if necessary)
	Budget	Adjustments Budget	Actual	Original Budget	Adjustment Budget	
Neighbourhood Development Partnership Grant						
Public Transport Infrastructure and Systems Grant						
Other Specify						
Rural Roads Asset Management Systems Grants						Transfer of the 1st tranche is conditional on submission of an approved business plan by 31 May 2019 Transfer of the 2nd tranche is conditional on submission of evidence of engagements and sharing of data with local municipalities and compliance with monthly and quarterly signed report submission to the national department of transport and the relevant provincial road authorities Road authorities must conduct regular condition assessments for paved and unpaved roads, structure, traffic data and any other inventory data District municipalities must provide local municipalities with validated information from the condition data collected to enable municipalities to identify and prioritize road maintenance requirements within their own budgets, to improve the condition and extend the lifespan of road infrastructure District municipalities must submit the above data to the national repository by 31 May 2019
Financial Management Grant	2 514	2 514	2 514	0%	0%	Strengthen capacity and up-skilling of officials in the budget and treasury office, internal audit and audit committees At least five interns in local municipalities and three interns in metropolitan and district municipalities must be appointed over a multi-year period. Municipalities must submit a plan for the retention of skills developed through the internship programme On-going review, revision and submission of FMG support plans to the National Treasury that addresses weakness in financial management Acquisition, upgrade and maintenance of financial management systems to produce multi-year budgets, in-year reports, service delivery and budget implementation plans, annual financial statements, annual reports and automated financial management practices including the municipal standard chart of accounts (mSCOA) Support the training of municipal financial management officials working towards attaining the minimum competencies, as regulated in Government Gazette 29967 of June 2007 Support the preparation and timely submission of annual financial statements for audits. Technical support to municipalities must include the transfer of skills to municipal officials.
Expanded Public Works Programme	2 122	2 122	2 122	0%	0%	EPWP projects must comply with the project selection criteria determined in the EPWP grant manual, the EPWP guidelines set by the department of public works (DWP) and the ministerial determination update annually on 1 November each year Eligible municipalities must sign a funding agreement with the DWP before the first grant disbursement, with their signed EPWP project list attached Municipalities must report quarterly on EPWP projects via DWP's EPWP reporting system Reports must be loaded on the EPWP reporting system every month. The system closes 15 days after the end of each quarter in order for progress to be assessed Municipalities must maintain beneficiary and payroll records as specified in the audit requirements in the EPWP grant manual
Total	5 636	5 636	5 636	0%	0%	

APPENDIX J: CAPITAL EXPENDITURE

Capital Expenditure - New Assets Programme							R '000
Description	2020/21	Budget Year 2021/22			Planned Capital Expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Capital expenditure on new assets by Asset Class							
Infrastructure Total	-	6 100	8 700	-	2 500	2 610	2 727
Roads Infrastructure	-	-	-	-	-	-	-
Roads	-	-	-	-	-	-	-
Storm water Infrastructure	-	-	-	-	-	-	-
Drainage Collection	-	-	-	-	-	-	-
Electrical Infrastructure	-	-	-	-	-	-	-
HV Transmission Conductors	-	-	-	-	-	-	-
Water Supply Infrastructure	-	3 300	3 500	-	-	-	-
Dams and Weirs	-	-	-	-	-	-	-
Boreholes	-	300	500	-	-	-	-
Reservoirs	-	3 000	3 000	-	-	-	-
Sanitation Infrastructure	-	2 800	5 200	-	2 500	2 610	2 727
Waste Water Treatment Works	-	2 800	5 200	-	2 500	2 610	2 727
Community Assets	1 123	90 800	10 800	-	50 800	10 170	10 150
Community Facilities	1 123	90 800	10 800	-	50 800	10 170	10 150
Halls	-	-	-	-	-	-	-
Fire/Ambulance Stations	70	300	300	-	800	170	150
Parks	1 053	90 500	10 500	-	50 000	10 000	10 000
Sport and Recreation Facilities	-	-	-	-	-	-	-
Indoor Facilities	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-
Monuments	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-
Other assets	-	3 100	3 600	-	6 700	579	268
Operational Buildings	-	3 100	3 600	-	6 700	579	268
Municipal Offices	-	3 100	3 600	-	6 700	579	268
Yards	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-
Intangible Assets	268	7 390	6 175	-	2 800	2 044	1 591
Servitudes	-	-	-	-	-	-	-
Licences and Rights	268	7 390	6 175	-	2 800	2 044	1 591
Computer Software and Applications	268	7 390	6 175	-	2 800	2 044	1 591
Computer Equipment	1 162	3 200	5 700	-	16 476	11 113	11 205
Computer Equipment	1 162	3 200	5 700	-	16 476	11 113	11 205
Furniture and Office Equipment	88	715	1 025	-	280	416	368
Furniture and Office Equipment	88	715	1 025	-	280	416	368
Machinery and Equipment	409	2 900	2 950	-	1 900	127	105
Machinery and Equipment	409	2 900	2 950	-	1 900	127	105
Transport Assets	547	3 100	3 100	-	3 700	-	-
Transport Assets	547	3 100	3 100	-	3 700	-	-
Land	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	0	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	0	-	-	-	-	-
Total Capital Expenditure on new assets	3 598	117 305	42 050	-	85 156	27 059	26 414

APPENDIX K: FINANCIAL DISCLOSURES

Disclosures of Financial Interests		
Period 1 July 2021 to 30 June of Year 2022		
Position	Name	Description of Financial interests (Nil / Or details)
Executive Mayor	N.J. Num	Nil
Speaker of Council	X.C. Nxozana	Nil
Single Whip of Council	S.J. Lesie	Nil
MMC Finance	R.O Thabanchu	Thabanchu Trading – Director Ka Lerato Saetsho – Director Reflexuo Medical -
MMC Corporate Services	L.G Molapisi	Nil
MMC Community Services	M.W Makgate	SANLAM – 300 shares Phuthumanathi Kelephoka0110 (PTY) LTD - Shareholder
MMC LED & Tourism	T.R Mampe	Phuthumanathi Zingaro (PTY) LTD Reg: 2007013182/07
MMC Technical Services	Z.E Mphafudi	Nil
MMC Special Programs	D.M Matsapola	Nil
Councillors		
	C.J. Bester	C.J. Construction - Closed
	B.S. Faku	Nil
	C. Hattingh	Nil
	S.L. Jonas	Nil
	H.F.C. Jordaan	Nil
	K.R. Kegontse	Nil
	J.C. Landsberg	Raakvat Construction – 100% Reg: 2004/032746/07 W.Tvl Sporthandelaars (Edms) Bpk – 50% Reg: 83/0669/07
	R.K. Latha	Nil
	T.N. Lekgari	Nil
	M.I. Mangesi	Tlhamalalang Trading Enterprise -
	I.T. Meya	Nil
	O.M. Mogale	O and M Managers – 49% KOSH Enterprise – 10% Mzantsi Security – 49% WORN0 – 35%
	I.M. Mokhele	Meokgo Maleba Foundation - CEO
	M.P. Mokone	Nil
	R.M. Mosholi	Tsalegae Trading Enterprise – 100% Reg: 2013/131661/07
	M.E. Mosweu	Nil

	H.M. Motaung	Nil
	L.S. Motlhoiwa	Siamisang Property Development & Construction – 100%
	W.A. Mostert	SANLAM – 579 shares Old Mutual – 300 shares
	P.Y. Mtshawulana	Nil
	T.S. Ngqeniso	Nil
	M.E. Oosthuizen-Van Tonder	South African Air Cadet (NPO) Reg: K2018333375
	P.E. Rampai	Nil
	L. Rantekane	Nil
	M.W.C. Rossouw	ONR Accounting – 50% Reg: 2021/422892/07 Osborn Rossouw – 50% Reg: 2021/610810/07
	L. Scott	N/A
	S.P. Sesana	Sesana Phakoe & Associates – 50%
	L.K. Shuping	Nil
	H.M. Strydom	Nil
	M.S. Tloome	Mmmusa Setshaba Trading Enterprise (PTY) LTD – 100% Reg: 2019/06911/07
	K.L. Van Zyl	Nil
Municipal Manager	M.J Ratlhogo	Nil
Chief Financial Officer	L.P Steenkamp	
LED & Planning	T.M Rampedi	Nil
Community Services	M.A Metswamere	
Chief Audit Executive	S.G Mtemekwana	Nil
Corporate Services	S.C Abrams	
* Financial interests to be disclosed even if they incurred for only part of the year. See MBRR SA34A T J		

VOLUME II: ANNUAL FINANCIAL STATEMENTS



Dr Kenneth Kaunda District Municipality Group
Annual Financial Statements
for the year ended 30 June 2022

These annual financial statements were prepared by:
Pule Leonard Letshaba
Senior Accountant: Annual Financial Statements

Dr Kenneth Kaunda District Municipality Group

Annual Financial Statements for the year ended 30 June 2022

General Information

Legal form of entity	District Municipality
Mayoral committee	
Executive Mayor	Num, Nikiwe Julia
Speaker	Nxozana, Xolile Christopher
Chief Whip	Lesie, Serame Jeffrey
Chairperson MPAC	Mangesi, Matome Isaiah
Member of Mayoral Committee	Makgale, Mamosoew Wendy (Community Services)
	Mampe, Tibane Raymond (Local Economic Development and Tourism)
	Matsapola, Dinah Mpho (Special programs Portfolio)
	Molapisi, Lettie Gabanthate (Corporate Services)
	Thabanchu, Rosey Osebelwang (Budget and Treasury Office)
	Mphafudi, Zanele Ezekiel (Technical Services)
Part-time Councillors	Bester, Christiaan Johannes
	Faku, Banele Sydwell
	Hattingah, Christian
	Jonas, Seunkie Lucas
	Kegontse, Kedibone Rosina
	Landsberg, Johannes Christiaan
	Latha, Khatazile Rhoda
	Meya, Isaac Thomson
	Mokhele, Innocent Mosuwa
	Mokone, Matumelo Pauline
	Mosholi, Metholo Robert
	Mosweu, Madikgapa Elisa
	Motaung, Hellen Mapule
	Motlhoiwa, Lawrence Siamisang
	Mtshawulana, Portia Yanga
	Rampai, Pulenyane Esau
	Rantekane, Lesege
	Rossouw, Matthys Wilhelm Christiaan
	Scott, Lee-ann
	Sesana, Songanyi Patrick
	Tloome, Mafinki Stephen
Directly Elected Councillors	Jordaan, Hendrick Frans Cornelious
	Lekgari, Thabiso Nelson
	Mogale, Ohentse Moses
	Mostert, Willem Andries
	Ngqeniso, Thiwe Susanah
	Oosthuizen-Van Tonder, Mariska Elizabeth
	Shuping, Lentikile Koos
	Strydom, Hendrina Margaretha
Chief Finance Officer (CFO)	Lucky Steenkamp
Accounting Officer	MJ Rathogo (Municipal Manager)
Registered office	Civic Centre Patmore Road Orkney 2620

Dr Kenneth Kaunda District Municipality Group

Annual Financial Statements for the year ended 30 June 2022

General Information

Bankers

ABSA

Auditors

AGSA
Registered Auditors

Dr Kenneth Kaunda District Municipality Group

Annual Financial Statements for the year ended 30 June 2022

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Abbreviations used:

COID	Compensation for Occupational Injuries and Diseases
DBSA	Development Bank of South Africa
GRAP	Generally Recognised Accounting Practice
HDF	Housing Development Fund
IAS	International Accounting Standards
IPSAS	International Public Sector Accounting Standards
MFMA	Municipal Finance Management Act
mSCOA	Municipal Standard Chart of Accounts

Dr Kenneth Kaunda District Municipality Group

Annual Financial Statements for the year ended 30 June 2022

Accounting Officer's Responsibilities and Approval

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

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

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

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

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

The accounting officer has reviewed the economic entity's cash flow forecast for the year to 30 June 2022 and, in the light of this review and the current financial position, he is satisfied that the economic entity has or has access to adequate resources to continue in operational existence for the foreseeable future.

The annual financial statements set out on page 5, which have been prepared on the going concern basis, were approved by the Council on 30 September 2022 and were signed on its behalf by:



Accounting Officer
M.J. Ratlhogo (Municipal Manager)

Dr Kenneth Kaunda District Municipality Group

Annual Financial Statements for the year ended 30 June 2022

Accounting Officer's Report

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

1. Review of activities

Main business and operations

The municipality is engaged in providing the following municipal services as per the Intergrated Development Plan and operates principally in South Africa:

1. Basic service delivery and Infrastructure development
2. Municipal Institutional development transformation
3. District Economic Development
4. Financial viability and management
5. Good governance and public participation
6. Spatial rationale

2. Going concern

We draw attention to the fact that at 30 June 2022, the municipality had an accumulated surplus (deficit) of R 87 625 814 and that the municipality's total assets exceed its liabilities by R 87 625 814.

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

3. Subsequent events

The accounting officer is not aware of any matter or circumstance arising since the end of the financial year.

4. Accounting policies

The following International Financial Reporting Standards were applied prior to the commencement dates in the current year:

The impact on the results of the economic entity in adopting the above policies is reflected in note - to the annual financial statements.

The annual financial statements prepared in accordance with the South African Statements of Generally Accepted Accounting Practice (GAAP), including any interpretations of such Statements issued by the Accounting Practices Board, and in accordance with the prescribed Standards of Generally Recognised Accounting Practices (GRAP) issued by the Accounting Standards Board as the prescribed framework by National Treasury.

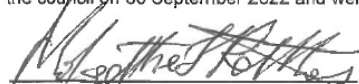
5. Interest in controlled entities

Name of controlled entity	Country of incorporation if not the RSA	Shareholding
Dr Kenneth Kaunda District Economic Development	RSA	100%

6. Auditors

AGSA will continue in office for the next financial period.

The annual financial statements set out on page 5, which have been prepared on the going concern basis, were approved by the council on 30 September 2022 and were signed on its behalf by:



Accounting Officer
MJ Rathhogo (Municipal Manager)

Dr Kenneth Kaunda District Municipality Group
Annual Financial Statements for the year ended 30 June 2022

Statement of Financial Position as at 30 June 2022

Figures in Rand	Note(s)	Economic entity		Controlling entity	
		2022	2021 Restated*	2022	2021 Restated*
Assets					
Current Assets					
Receivables from exchange transactions	9	3 694 464	3 984 805	3 393 342	3 745 677
VAT receivable	11	2 288 960	2 454 657	4 107 143	4 278 938
Non assets held for sale		67 897	91 352	-	-
Cash and cash equivalents	12	103 430 120	99 029 665	103 437 429	98 984 943
		109 481 441	105 560 479	110 937 914	107 009 558
Non-Current Assets					
Property, plant and equipment	3	19 982 332	16 627 906	19 982 332	16 627 906
Intangible assets	4	2 881 247	454 580	2 881 247	454 580
Investments in controlled entities	5	-	-	120	120
		22 863 579	17 082 486	22 863 699	17 082 606
Total Assets		132 345 020	122 642 965	133 801 613	124 092 164
Liabilities					
Current Liabilities					
Payables from exchange transactions	6	24 833 365	28 710 854	24 273 426	27 675 323
Taxes and transfers payable (non-exchange)	7	1 185 747	1 074 557	1 185 747	1 524 557
Employee benefit obligation	8	433 000	322 000	433 000	322 000
Unspent conditional grants and receipts	15	65 626	65 626	65 626	65 626
Long service award	16	512 000	377 000	512 000	377 000
		27 029 738	30 550 037	26 469 799	29 964 506
Non-Current Liabilities					
Employee benefit obligation	8	15 864 000	14 351 000	15 864 000	14 351 000
Long service award	16	3 842 000	3 510 000	3 842 000	3 510 000
		19 706 000	17 861 000	19 706 000	17 861 000
Total Liabilities		46 735 738	48 411 037	46 175 799	47 825 506
Net Assets		85 609 282	74 231 928	87 625 814	76 266 658
Accumulated surplus	14	85 609 282	74 231 929	87 625 814	76 266 658
Total Net Assets		85 609 282	74 231 929	87 625 814	76 266 658

Dr Kenneth Kaunda District Municipality Group

Annual Financial Statements for the year ended 30 June 2022

Statement of Financial Performance

Figures in Rand	Note(s)	Economic entity		Controlling entity	
		2022	2021 Restated*	2022	2021 Restated*
Revenue					
Revenue from exchange transactions					
Sale of goods		67 100	44 300	67 100	44 300
Commissions received		17 914	19 585	17 914	19 585
Licensing and permits		431 620	407 476	431 620	407 476
Interest received - investment		4 991 303	4 201 529	4 991 303	4 186 300
Dividends or similar distributions received		-	273 508	-	273 508
Total revenue from exchange transactions		5 507 937	4 946 398	5 507 937	4 931 169
Revenue from non-exchange transactions					
Transfer revenue					
Government grants & subsidies	19	206 374 334	203 672 307	206 374 334	203 672 307
Revenue in kind	20	-	20 400	-	20 400
Other income from non-exchange transactions		29 057	38 680	-	-
Total revenue from non-exchange transactions		206 403 391	203 731 387	206 374 334	203 692 707
Total revenue	17	211 911 328	208 677 785	211 882 271	208 623 876
Expenditure					
Employee related costs	21	(115 806 138)	(112 312 103)	(113 777 100)	(110 330 545)
Remuneration of councillors	22	(9 969 227)	(10 529 831)	(9 969 227)	(10 366 968)
Depreciation and amortisation	24	(3 642 819)	(5 911 003)	(3 642 819)	(5 911 003)
Impairment of property, plant and equipment	26	(2 313 749)	(684 827)	(2 290 294)	(626 970)
Contracted services	28	(34 775 534)	(29 692 604)	(34 775 534)	(29 692 604)
Transfers and Subsidies	18	(4 161 802)	(6 066 840)	(7 512 348)	(7 703 797)
General Expenses	27	(31 686 100)	(30 689 766)	(30 377 190)	(29 254 302)
Total expenditure		(202 355 369)	(195 886 974)	(202 344 512)	(193 886 189)
Operating surplus		9 555 959	12 790 811	9 537 759	14 737 687
Gain on leave/Bonus provision		1 519 984	-	1 519 984	-
Actuarial gains/losses	16&8	248 000	(922 000)	248 000	(922 000)
Gain (loss) on disposal of assets		53 412	(526 731)	53 412	(526 731)
		1 821 396	(1 448 731)	1 821 396	(1 448 731)
Surplus for the year		11 377 355	11 342 080	11 359 155	13 288 956

Dr Kenneth Kaunda District Municipality Group

Annual Financial Statements for the year ended 30 June 2022

Statement of Changes in Net Assets

Figures in Rand	Accumulated surplus / deficit	Total net assets
Economic entity		
Opening balance as previously reported	61 911 359	61 911 359
Adjustments		
Prior year adjustments 33	978 490	978 490
Balance at 01 July 2020 as restated*	62 889 849	62 889 849
Changes in net assets		
Surplus for the year	11 342 080	11 342 080
Total changes	11 342 080	11 342 080
Opening balance as previously reported	73 604 958	73 604 958
Adjustments		
Correction of errors	626 969	626 969
Restated* Balance at 01 July 2021 as restated*	74 231 927	74 231 927
Changes in net assets		
Surplus for the year	11 377 355	11 377 355
Total changes	11 377 355	11 377 355
Balance at 30 June 2022	85 609 282	85 609 282
Note(s)		
Controlling entity		
Balance at 01 July 2020	62 977 702	62 977 702
Changes in net assets		
Surplus for the year	13 288 956	13 288 956
Total changes	13 288 956	13 288 956
Opening balance as previously reported	75 639 690	75 639 690
Adjustments		
Prior year adjustments 33	626 969	626 969
Restated* Balance at 01 July 2021 as restated*	76 266 659	76 266 659
Changes in net assets		
Surplus for the year	11 359 155	11 359 155
Total changes	11 359 155	11 359 155
Balance at 30 June 2022	87 625 814	87 625 814
Note(s)		

Dr Kenneth Kaunda District Municipality Group

Annual Financial Statements for the year ended 30 June 2022

Cash Flow Statement

Figures in Rand	Note(s)	Economic entity		Controlling entity	
		2022	2021 Restated*	2022	2021 Restated*
Cash flows from operating activities					
Receipts					
Government grants and subsidies		206 374 334	203 672 307	206 374 334	203 672 307
Interest income		4 762 708	3 823 401	4 762 708	3 808 172
Dividend received		-	273 508	-	273 508
Cash receipts from charges for goods and services		1 075 333	394 710	1 075 333	394 710
Sale of goods and services		3 856 734	-	-	-
Other receipts		29 057	38 680	-	-
Other cash item		43 812	1 536 957	-	-
		216 141 978	209 739 563	212 212 375	208 148 697
Payments					
Employee costs		(113 792 365)	(107 238 219)	(111 754 679)	(105 000 223)
Suppliers		(68 806 788)	(57 182 854)	(66 862 842)	(55 998 454)
Transfer payments		(7 512 348)	(7 703 797)	(7 512 348)	(7 703 797)
Remuneration of Councillors		(9 969 227)	(10 366 968)	(9 969 227)	(10 366 968)
		(200 080 728)	(182 491 838)	(196 099 096)	(179 069 442)
Net cash flows from operating activities	29	16 061 250	27 247 725	16 113 279	29 079 255
Cash flows from investing activities					
Purchase of property, plant and equipment	3	(8 979 829)	(3 329 597)	(8 979 829)	(3 329 597)
Proceeds from sale of property, plant and equipment	3	(2 785 493)	(268 205)	(2 785 493)	(268 205)
Proceeds from disposal of assets	4	104 530	-	104 530	-
Net cash flows from investing activities		(11 660 792)	(3 597 802)	(11 660 792)	(3 597 802)
Net increase/(decrease) in cash and cash equivalents		4 400 455	23 649 923	4 452 486	25 481 453
Cash and cash equivalents at the beginning of the year		99 029 665	75 379 742	98 984 943	73 503 490
Cash and cash equivalents at the end of the year	12	103 430 120	99 029 665	103 437 429	98 984 943

The accounting policies on pages 12 to 32 and the notes on pages 33 to 74 form an integral part of the annual financial statements.

Dr Kenneth Kaunda District Municipality Group

Annual Financial Statements for the year ended 30 June 2022

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Economic entity						
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Sale of tender documents	90 000	-	90 000	67 100	(22 900)	
Other income	-	3 930	3 930	-	(3 930)	
Commissions received	-	13 983	13 983	17 914	3 931	
Sale of assets	50 000	-	50 000	-	(50 000)	
Licensing and permits	500 000	-	500 000	431 620	(68 380)	
Interest received - investment	5 200 000	-	5 200 000	4 991 303	(208 697)	
Total revenue from exchange transactions	5 840 000	17 913	5 857 913	5 507 937	(349 976)	
Revenue from non-exchange transactions						
Transfer revenue						
Government grants & subsidies	208 766 000	608 334	209 374 334	206 374 334	(3 000 000)	
Other income from non exchange	-	-	-	29 057	29 057	
Total revenue from non-exchange transactions	208 766 000	608 334	209 374 334	206 403 391	(2 970 943)	
Total revenue	214 606 000	626 247	215 232 247	211 911 328	(3 320 919)	
Expenditure						
Employee related costs	(120 638 812)	3 000 000	(117 638 812)	(115 806 138)	1 832 674	
Remuneration of councillors	(13 074 855)	2 250 000	(10 824 855)	(9 989 227)	855 628	
Depreciation and amortisation	(6 704 071)	-	(6 704 071)	(3 642 819)	3 061 252	
Impairment of property, plant and equipment	-	-	-	(2 313 749)	(2 313 749)	
Contracted Services	(27 698 300)	(9 306 000)	(37 004 300)	(34 775 534)	2 228 766	
Transfers and Subsidies	(8 122 000)	287 000	(7 835 000)	(4 161 802)	3 673 198	
General Expenses	(37 373 868)	5 154 196	(32 219 672)	(31 686 100)	533 572	
Total expenditure	(213 611 906)	1 385 196	(212 226 710)	(202 355 369)	9 871 341	
Operating surplus	994 094	2 011 443	3 005 537	9 555 959	6 550 422	
Gain on foreign exchange	-	-	-	1 519 984	1 519 984	
Actuarial gains/losses	-	-	-	248 000	248 000	
Gain on non-current assets held for sale or disposal groups	-	-	-	53 412	53 412	
	-	-	-	1 821 396	1 821 396	
Surplus before taxation	994 094	2 011 443	3 005 537	11 377 355	8 371 818	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	994 094	2 011 443	3 005 537	11 377 355	8 371 818	

Dr Kenneth Kaunda District Municipality Group

Annual Financial Statements for the year ended 30 June 2022

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis						
	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Controlling entity						
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Sale of tender documents	90 000	-	90 000	67 100	(22 900)	
Other Income	-	3 930	3 930	-	(3 930)	
Commissions received	-	13 983	13 983	17 914	3 931	
Licensing and permits	500 000	-	500 000	431 620	(68 380)	
Interest received - investment	5 200 000	-	5 200 000	4 991 303	(208 697)	
Sale of assets	50 000	-	50 000	-	(50 000)	
Total revenue from exchange transactions	5 840 000	17 913	5 857 913	5 507 937	(349 976)	
Revenue from non-exchange transactions						
Transfer revenue						
Government grants & subsidies	205 766 000	608 334	206 374 334	206 374 334	-	
Total revenue	211 606 000	626 247	212 232 247	211 882 271	(349 976)	
Expenditure						
Personnel	(119 015 734)	3 000 000	(116 015 734)	(113 777 100)	2 238 634	
Remuneration of councillors	(13 074 855)	2 250 000	(10 824 855)	(9 969 227)	855 628	
Depreciation and amortisation	(6 704 071)	-	(6 704 071)	(3 642 819)	3 061 252	
Debt Impairment	-	-	-	(2 290 294)	(2 290 294)	
Contracted Services	(27 698 300)	(9 306 000)	(37 004 300)	(34 775 534)	2 228 766	
Transfers and Subsidies	(8 122 000)	287 000	(7 835 000)	(7 512 348)	322 652	
General Expenses	(36 987 750)	3 145 000	(33 842 750)	(30 377 190)	3 465 560	
Total expenditure	(211 602 710)	(624 000)	(212 226 710)	(202 344 512)	9 882 198	
Operating surplus	3 290	2 247	5 537	9 537 759	9 532 222	
Gain on foreign exchange	-	-	-	1 519 984	1 519 984	
Actuarial gains/losses	-	-	-	248 000	248 000	
Gain on non-current assets held for sale or disposal groups	-	-	-	53 412	53 412	
	-	-	-	1 821 396	1 821 396	
Surplus before taxation	3 290	2 247	5 537	11 359 155	11 353 618	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	3 290	2 247	5 537	11 359 155	11 353 618	

Dr Kenneth Kaunda District Municipality Group

Annual Financial Statements for the year ended 30 June 2022

Accounting Policies

Figures in Rand	Note(s)	Economic entity		Controlling entity	
		2022	2021	2022	2021

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act (Act 56 of 2003).

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

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

These accounting policies are consistent with the previous period.

1.1 Going concern assumption

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

1.2 Significant judgements and sources of estimation uncertainty

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

Other significant judgements, sources of estimation uncertainty and/or relating information, have been disclosed in the relating notes.

Trade receivables / Held to maturity investments and/or loans and receivables

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

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

Dr Kenneth Kaunda District Municipality Group

Annual Financial Statements for the year ended 30 June 2022

Accounting Policies

1.2 Significant judgements and sources of estimation uncertainty (continued)

Fair value estimation

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

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

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

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

Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the [name a key assumption] assumption may change which may then impact our estimations and may then require a material adjustment to the carrying value of goodwill and tangible assets.

The economic entity reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. In addition, goodwill is tested on an annual basis for impairment. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of goodwill and tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including [list entity specific variables, i.e. production estimates, supply demand], together with economic factors such as [list economic factors such as exchange rates inflation interest].

Provisions

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

Useful lives of waste and water network and other assets

The municipality's management determines the estimated useful lives and related depreciation charges for the waste water and water networks. This estimate is based on industry norm. Management will increase the depreciation charge where useful lives are less than previously estimated useful lives.

Dr Kenneth Kaunda District Municipality Group

Annual Financial Statements for the year ended 30 June 2022

Accounting Policies

1.2 Significant judgements and sources of estimation uncertainty (continued)

Post-retirement benefits

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

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

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

Effective interest rate

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

Allowance for doubtful debts

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

1.3 Property, plant and equipment

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

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

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

Property, plant and equipment is initially measured at cost.

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

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

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

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

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

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the entity is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

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

Dr Kenneth Kaunda District Municipality Group

Annual Financial Statements for the year ended 30 June 2022

Accounting Policies

1.3 Property, plant and equipment (continued)

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

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

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

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses except for X,X and X which is carried at revalued amount being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Property, plant and equipment is carried at revalued amount, being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its revalued amount.

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Any increase in an asset's carrying amount, as a result of a revaluation, is credited directly to a revaluation surplus. The increase is recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same asset previously recognised in surplus or deficit.

Any decrease in an asset's carrying amount, as a result of a revaluation, is recognised in surplus or deficit in the current period. The decrease is debited directly to a revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

The revaluation surplus in equity related to a specific item of property, plant and equipment is transferred directly to retained earnings when the asset is derecognised.

The revaluation surplus in equity related to a specific item of property, plant and equipment is transferred directly to retained earnings as the asset is used. The amount transferred is equal to the difference between depreciation based on the revalued carrying amount and depreciation based on the original cost of the asset.

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

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

Property, plant and equipment is carried at revalued amount, being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

Any increase in an asset's carrying amount, as a result of a revaluation, is credited directly to a revaluation surplus. The increase is recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same asset previously recognised in surplus or deficit.

Any decrease in an asset's carrying amount, as a result of a revaluation, is recognised in surplus or deficit in the current period. The decrease is debited in revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

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

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1.3 Property, plant and equipment (continued)

Item	Depreciation method	Average useful life
Machinery and equipment	Straight-line	2-12 years
Furniture and office equipment	Straight-line	3-10 years
Transport Assets	Straight-line	.
-Motor vehicle	Straight-line	4 years
-Computer equipment	Straight-line	3-5 years
Infrastructure assets	Straight-line	.
-Wifi equipment	Straight-line	3 years
-Telecommunication	Straight-line	5 years
-Access control	Straight-line	3 years
Community assets	Straight-line	.
-Land	Straight-line	No depreciation
-Car parks	Straight-line	30 years
-Car ports	Straight-line	10 years
-Fencing	Straight-line	10 years
-Mobile offices	Straight-line	10 years
-Mobile storage units	Straight-line	10 years
-Buildings	Straight-line	25 years

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

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

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

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

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

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

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

Assets which the economic entity holds for rentals to others and subsequently routinely sell as part of the ordinary course of activities, are transferred to inventories when the rentals end and the assets are available-for-sale. Proceeds from sales of these assets are recognised as revenue. All cash flows on these assets are included in cash flows from operating activities in the cash flow statement.

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

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

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Accounting Policies

1.4 Intangible assets

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the economic entity or from other rights and obligations.

A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

An intangible asset is recognised when:

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

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

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

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits or service potential.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably.

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

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

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

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Internally generated goodwill is not recognised as an intangible asset.

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

Item	Depreciation method	Average useful life
Computer software, other	Straight-line	3-5 years

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

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Accounting Policies

1.5 Financial Instruments

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

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

A concessionary loan is a loan granted to or received by an entity on terms that are not market related.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

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

A derivative is a financial instrument or other contract with all three of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract (sometimes called the 'underlying').
- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.
- It is settled at a future date.

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

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

A financial asset is:

- cash;
- a residual interest of another entity; or
- a contractual right to:
 - receive cash or another financial asset from another entity; or
 - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

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

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.

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Accounting Policies

1.5 Financial instruments (continued)

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Liquidity risk is the risk encountered by an entity in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

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

Loans payable are financial liabilities, other than short-term payables on normal credit terms.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

A financial asset is past due when a counterparty has failed to make a payment when contractually due.

A residual interest is any contract that manifests an interest in the assets of an entity after deducting all of its liabilities. A residual interest includes contributions from owners, which may be shown as:

- equity instruments or similar forms of unitised capital;
- a formal designation of a transfer of resources (or a class of such transfers) by the parties to the transaction as forming part of an entity's net assets, either before the contribution occurs or at the time of the contribution; or
- a formal agreement, in relation to the contribution, establishing or increasing an existing financial interest in the net assets of an entity.

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument.

Financial instruments at amortised cost are non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that:

- the entity designates at fair value at initial recognition; or
- are held for trading.

Financial instruments at cost are investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured.

Financial instruments at fair value comprise financial assets or financial liabilities that are:

- derivatives;
- contingent consideration of an acquirer in a transfer of functions between entities not under common control to which the Standard of GRAP on Transfer of Functions Between Entities Not Under Common Control (GRAP 106) applies
- combined instruments that are designated at fair value;
- instruments held for trading. A financial instrument is held for trading if:
 - it is acquired or incurred principally for the purpose of selling or repurchasing it in the near-term; or
 - on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short term profit-taking;
 - non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; and
 - financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.

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Accounting Policies

1.5 Financial instruments (continued)

Classification

The entity has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Other financial assets	Financial asset measured at amortised cost
Cash and cash equivalents	Financial asset measured at amortised cost
Receivables from exchange transactions	Financial asset measured at amortised cost
Non Current Assets Held for sale	Financial asset measured at amortised cost

The entity has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Other financial liabilities	Financial liability measured at amortised cost
Payable from exchange transactions	Financial liability measured at amortised cost
Payables from non exchange transactions	Financial liability measured at amortised cost

The entity has the following types of residual interests (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

1.6 Leases

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

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

Finance leases - lessor

The economic entity recognises finance lease receivables as assets on the statement of financial position. Such assets are presented as a receivable at an amount equal to the net investment in the lease.

Finance revenue is recognised based on a pattern reflecting a constant periodic rate of return on the economic entity's net investment in the finance lease.

Finance leases - lessee

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

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

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

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

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Accounting Policies

1.6 Leases (continued)

Operating leases - lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

The aggregate cost of incentives is recognised as a reduction of rental revenue over the lease term on a straight-line basis.

The aggregate benefit of incentives is recognised as a reduction of rental expense over the lease term on a straight-line basis.

Income for leases is disclosed under revenue in statement of financial performance.

Operating leases - lessee

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

1.7 Cash and cash equivalents

Cash comprises cash on hand and demand deposits.

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

Cash and cash equivalents comprise bank balances, cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less which are available on demand.

Some equity investments are included in cash equivalents when they are, in substance, cash equivalents.

Bank overdrafts which are repayable on demand forms an integral part of the entity's cash management activities, and as such are included as a component of cash and cash equivalents.

1.8 Impairment of cash-generating assets

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

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

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

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

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

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

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

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

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Accounting Policies

1.8 Impairment of cash-generating assets (continued)

Useful life is either:

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

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

[Specify judgements made]

Identification

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

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

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

Value in use

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

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

Basis for estimates of future cash flows

In measuring value in use the economic entity:

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

Discount rate

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

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1.8 Impairment of cash-generating assets (continued)

Cash-generating units

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

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

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

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

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

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

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

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

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

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

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1.8 Impairment of cash-generating assets (continued)

Reversal of impairment loss

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

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

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

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

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

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

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

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

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

1.9 Impairment of non-cash-generating assets

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

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

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

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

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

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

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

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

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

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Accounting Policies

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

Useful life is either:

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

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

[Specify judgements made]

Reversal of an impairment loss

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

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

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

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

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

Redesignation

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

1.10 Employee benefits

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

A qualifying insurance policy is an insurance policy issued by an insurer that is not a related party (as defined in the Standard of GRAP on Related Party Disclosures) of the reporting entity, if the proceeds of the policy can be used only to pay or fund employee benefits under a defined benefit plan and are not available to the reporting entity's own creditors (even in liquidation) and cannot be paid to the reporting entity, unless either:

- the proceeds represent surplus assets that are not needed for the policy to meet all the related employee benefit obligations; or
- the proceeds are returned to the reporting entity to reimburse it for employee benefits already paid.

Termination benefits are employee benefits payable as a result of either:

- an entity's decision to terminate an employee's employment before the normal retirement date; or
- an employee's decision to accept voluntary redundancy in exchange for those benefits.

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

Vested employee benefits are employee benefits that are not conditional on future employment.

Composite social security programmes are established by legislation and operate as multi-employer plans to provide post-employment benefits as well as to provide benefits that are not consideration in exchange for service rendered by employees.

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1.10 Employee benefits (continued)

A constructive obligation is an obligation that derives from an entity's actions where by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities and as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

Short-term employee benefits

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

Short-term employee benefits include items such as:

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

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

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

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

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

Post-employment benefits

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

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

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

1.11 Provisions and contingencies

Provisions are recognised when:

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

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

Dr Kenneth Kaunda District Municipality Group

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Accounting Policies

1.11 Provisions and contingencies (continued)

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

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

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

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

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

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

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

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

A constructive obligation to restructure arises only when an entity:

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

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

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

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

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

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

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 31.

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

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

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

Dr Kenneth Kaunda District Municipality Group

Annual Financial Statements for the year ended 30 June 2022

Accounting Policies

1.11 Provisions and contingencies (continued)

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

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

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

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

1.12 Revenue from exchange transactions

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

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

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

Measurement

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

The amount of revenue arising on a transaction which is statutory (non-contractual) in nature is usually measured by reference to the relevant legislation, regulation or similar means. The fee structure, tariffs or calculation basis specified in legislation, regulation or similar means is used to determine the amount of revenue that should be recognised. This amount represents the fair value, on initial measurement, of the consideration received or receivable for revenue that arises from a statutory (non-contractual) arrangement (see the accounting policy on Statutory Receivables).

Interest, royalties and dividends

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

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

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

Royalties are recognised as they are earned in accordance with the substance of the relevant agreements.

Dividends or similar distributions are recognised, in surplus or deficit, when the municipality's right to receive payment has been established.

Service fees included in the price of the product are recognised as revenue over the period during which the service is performed.

Dr Kenneth Kaunda District Municipality Group

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Accounting Policies

1.13 Revenue from non-exchange transactions

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

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Control of an asset arise when the municipality can use or otherwise benefit from the asset in pursuit of its objectives and can exclude or otherwise regulate the access of others to that benefit.

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

Expenses paid through the tax system are amounts that are available to beneficiaries regardless of whether or not they pay taxes.

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

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

Restrictions on transferred assets are stipulations that limit or direct the purposes for which a transferred asset may be used, but do not specify that future economic benefits or service potential is required to be returned to the transferor if not deployed as specified.

Stipulations on transferred assets are terms in laws or regulation, or a binding arrangement, imposed upon the use of a transferred asset by entities external to the reporting municipality.

Tax expenditures are preferential provisions of the tax law that provide certain taxpayers with concessions that are not available to others.

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

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

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

Recognition

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

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

Dr Kenneth Kaunda District Municipality Group

Annual Financial Statements for the year ended 30 June 2022

Accounting Policies

1.13 Revenue from non-exchange transactions (continued)

Measurement

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

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

Receivables that arise from statutory (non-contractual) arrangements are initially measured in accordance with this accounting policy, as well as the accounting policy on Statutory Receivables. The entity applies the accounting policy on Statutory Receivables for the subsequent measurement, derecognition, presentation and disclosure of statutory receivables.

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

1.14 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

1.15 Unauthorised expenditure

Unauthorised expenditure means:

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

Unauthorised expenditure is accounted for in line with all relating requirements, including, but not limited to, ruling Legislation, Regulations, Frameworks, Circulars, Instruction Notes, Practice Notes, Guidelines etc (as applicable).

1.16 Fruitless and wasteful expenditure

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

Fruitless and wasteful expenditure is accounted for in line with all relating requirements, including, but not limited to, ruling Legislation, Regulations, Frameworks, Circulars, Instruction Notes, Practice Notes, Guidelines etc (as applicable).

1.17 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No. 56 of 2003), the Municipal Systems Act (Act No. 32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the economic entity's supply chain management policy.

Irregular expenditure is accounted for in line with all relating requirements, including, but not limited to, ruling Legislation, Regulations, Frameworks, Circulars, Instruction Notes, Practice Notes, Guidelines etc (as applicable).

1.18 Segment information

A segment is an activity of an entity:

- that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity);
- whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- for which separate financial information is available.

Dr Kenneth Kaunda District Municipality Group

Annual Financial Statements for the year ended 30 June 2022

Accounting Policies

1.18 Segment information (continued)

Reportable segments are the actual segments which are reported on in the segment report. They are the segments identified above or alternatively an aggregation of two or more of those segments where the aggregation criteria are met.

Measurement

The amount of each segment item reported is the measure reported to management for the purposes of making decisions about allocating resources to the segment and assessing its performance. Adjustments and eliminations made in preparing the entity's financial statements and allocations of revenues and expenses are included in determining reported segment surplus or deficit only if they are included in the measure of the segment's surplus or deficit that is used by management. Similarly, only those assets and liabilities that are included in the measures of the segment's assets and segment's liabilities that are used by management are reported for that segment. If amounts are allocated to reported segment surplus or deficit, assets or liabilities, those amounts are allocated on a reasonable basis.

If management uses only one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities in assessing segment performance and deciding how to allocate resources, segment surplus or deficit, assets and liabilities are reported in terms of that measure. If management uses more than one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities, the reported measures are those that management believes are determined in accordance with the measurement principles most consistent with those used in measuring the corresponding amounts in the entity's financial statements.

1.19 Budget information

Economic Entity are typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

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

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

The approved budget covers the fiscal period from 2010/04/01 to 2011/03/31.

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

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

1.20 Related parties

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

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

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

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

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

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

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

Dr Kenneth Kaunda District Municipality Group

Annual Financial Statements for the year ended 30 June 2022

Accounting Policies

1.20 Related parties (continued)

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

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

1.21 Events after reporting date

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

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

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

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

Dr Kenneth Kaunda District Municipality Group

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

	Economic entity		Controlling entity	
Figures in Rand	2022	2021	2022	2021

2. New standards and interpretations

Dr Kenneth Kaunda District Municipality Group
Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand

3. Property, plant and equipment

Economic entity

	2022			2021		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Machinery & Equipment	8 340 953	(5 307 235)	1 033 718	8 050 759	(4 726 688)	1 334 071
Furniture & Office Equipment	5 525 873	(5 169 020)	356 853	5 402 898	(4 571 550)	831 348
Transport Assets	10 748 857	(4 290 779)	6 458 078	8 506 223	(3 734 047)	4 772 176
Computer Equipment	8 608 965	(5 599 948)	3 009 017	6 231 599	(4 519 119)	1 712 480
Infrastructure Assets	21 653 375	(21 107 708)	545 667	21 656 502	(18 837 888)	2 828 614
Community Assets	8 629 597	(3 782 824)	4 846 773	7 508 627	(3 410 380)	4 098 247
Work in progress	3 732 226	-	3 732 226	1 052 970	-	1 052 970
Total	66 239 846	(45 257 514)	19 982 332	66 427 578	(39 799 672)	16 627 906

Controlling entity

	2022			2021		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Machinery & Equipment	6 340 853	(5 307 235)	1 033 718	6 060 759	(4 726 688)	1 334 071
Furniture & Office Equipment	5 525 873	(5 169 020)	356 853	5 402 898	(4 571 550)	831 348
Transport Assets	10 748 857	(4 290 779)	6 458 078	8 506 223	(3 734 047)	4 772 176
Computer Equipment	8 608 965	(5 599 948)	3 009 017	6 231 599	(4 519 119)	1 712 480
Infrastructure Assets	21 653 375	(21 107 708)	545 667	21 656 502	(18 837 888)	2 828 614
Community Assets	8 629 597	(3 782 824)	4 846 773	7 508 627	(3 410 380)	4 098 247
Work in progress	3 732 226	-	3 732 226	1 052 970	-	1 052 970
Total	66 239 846	(45 257 514)	19 982 332	66 427 578	(39 799 672)	16 627 906

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Notes to the Annual Financial Statements

Figures in Rand

3. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - Economic entity - 2022

	Opening balance	Additions	Disposals	Transfers	Depreciation	Impairment loss	Total
Machinery & Equipment	1 334 071	326 138	(3 678)	-	(491 690)	(131 155)	1 033 718
Furniture & Office Equipment	831 348	162 355	(3 150)	-	(268 699)	(365 001)	358 853
Transport Assets	4 772 178	2 242 634	-	-	(251 137)	(305 595)	6 458 078
Computer Equipment	1 712 480	2 516 476	(38 254)	-	(1 013 350)	(168 335)	3 009 017
Infrastructure Assets	2 828 614	-	(6 039)	-	(956 703)	(1 320 206)	545 667
Community Asset	4 096 247	1 052 970	-	-	(302 444)	-	4 846 773
Work in progress	1 052 970	3 732 226	-	(1 052 970)	-	-	3 732 226
	16 627 906	10 032 799	(51 118)	(1 052 970)	(3 283 993)	(2 290 292)	19 982 332

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Notes to the Annual Financial Statements

Figures in Rand

3. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - Economic entity - 2021

	Opening balance	Additions	Disposals	Depreciation	Impairment loss	Total
Machinery & Equipment	1 483 901	409 336	(1 811)	(482 071)	(75 284)	1 334 071
Furniture & Office Equipment	1 243 496	88 013	(5 018)	(402 038)	(93 105)	831 348
Transport assets	4 628 280	547 066	-	(401 170)	-	4 772 176
Computer Equipment	1 504 739	1 162 212	(17 200)	(788 886)	(148 282)	1 712 480
Infrastructure Assets	6 320 815	-	-	(3 181 901)	(310 300)	2 828 614
Community Assets	4 812 001	70 000	(507 496)	(278 256)	-	4 096 247
Work in progress	-	1 052 970	-	-	-	1 052 970
	19 991 231	3 329 597	(531 525)	(5 534 426)	(626 971)	16 627 906

Dr Kenneth Kaunda District Municipality Group
Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand

3. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - Economic entity- 2022

	Opening balance	Additions	Disposals	Transfers	Depreciation	Impairment loss	Total
Machinery & Equipment	1 334 071	326 138	(3 676)	-	(491 660)	(131 155)	1 033 718
Furniture & Office Equipment	831 348	162 355	(3 150)	-	(268 666)	(305 001)	356 853
Transport Assets	4 772 176	2 242 634	-	-	(251 137)	(305 566)	6 458 078
Computer Equipment	1 712 480	2 516 478	(38 254)	-	(1 013 360)	(166 335)	3 009 017
Infrastructure Assets	2 828 514	-	(6 038)	-	(856 703)	(1 320 206)	545 687
Community Asset	4 096 247	1 052 970	-	-	(302 444)	-	4 846 773
Work in progress	1 052 970	3 732 226	-	(1 052 970)	-	-	3 732 226
	18 627 906	10 032 799	(51 118)	(1 052 970)	(3 263 993)	(2 290 282)	19 982 332

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Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand

3. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - Controlling entity - 2021

	Opening balance	Additions	Disposals	Depreciation	Impairment loss	Total
Machinery & Equipment	1 493 801	409 336	(1 811)	(482 071)	(76 284)	1 334 071
Furniture & Office Equipment	1 243 496	88 013	(5 018)	(402 038)	(93 105)	831 348
Transport Assets	4 626 280	547 066	-	(401 170)	-	4 772 176
Computer Equipment	1 504 738	1 162 212	(17 200)	(788 888)	(148 282)	1 712 480
Infrastructure Assets	5 320 815	-	-	(3 181 901)	(310 300)	2 828 614
Community Asset	4 812 001	70 000	(507 496)	(278 258)	-	4 096 247
Work in progress	-	1 052 970	-	-	-	1 052 970
	19 991 231	3 329 597	(531 525)	(5 534 426)	(626 971)	16 627 906

Assets under investigations

Assets with a Net Book Value of R 666 255,22 could not be physically verified by management as at 30 June 2022 (2021: R R 841 324,37). These assets will be investigated by management in the 2022/2023 financial year to confirm their existence

Fully depreciated assets

Fully depreciated assets still in use are included in the Transport Assets, Computer equipment, Infrastructure Assets and the Furniture and office equipment balance. The majority are old assets purchased in 2008-2018 for which the useful lives have not been extended and management plans to dispose and replace these assets in the near future.

Net book value as a result of the residual value of these assets amounts to 2022: R4 343 392 (2021: R 5 092 277). The useful life for the assets was evaluated and no adjustment on the useful life will be made for these assets. Residual value of the fully depreciated assets was impaired and the adjustments were made as follows 2022: R2 290 294 (2021: R626 970)

Dr Kenneth Kaunda District Municipality Group

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Figures in Rand

3. Property, plant and equipment (continued)

Maintenance of property, plant and equipment

Maintenance of property, plant and equipment by Condition - Economic entity - 2022

	Preventative Maintenance		Corrective Maintenance	
	Condition Based	Total	Total	Total
Buildings	413 288	413 288	-	413 288
Other	1 894 959	1 894 959	-	1 894 959
Motor vehicles	1 125	1 125	-	1 125
	2 309 372	2 309 372	-	2 309 372

Maintenance of property, plant and equipment by Condition - Economic entity - 2021

	Preventative Maintenance		Corrective Maintenance	
	Condition Based	Total	Total	Total
Buildings	1 411 657	1 411 657	-	1 411 657
Other	802 106	802 106	-	802 106
Motor Vehicles	287 039	287 039	-	287 039
	2 500 802	2 500 802	-	2 500 802

Maintenance of property, plant and equipment by condition - Economic entity- 2022

	Preventative Maintenance		Corrective Maintenance	
	Condition Based	Total	Total	Total
Buildings	413 288	413 288	-	413 288

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3. Property, plant and equipment (continued)

Other	1 894 959	1 894 959	-	1 894 959
Motor vehicles	1 125	1 125	-	1 125
	2 309 372	2 309 372	-	2 309 372

Maintenance of property, plant and equipment by condition - Controlling entity - 2021

	Preventative Maintenance		Corrective Maintenance	
	Condition Based	Total	Total	Total
Buildings	1 411 957	1 411 957	-	1 411 957
Other	802 106	802 106	-	802 106
Motor vehicles	287 039	287 039	-	287 039
	2 500 802	2 500 802	-	2 500 802

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

Work in progress

Work in progress consists of work already carried out for infrastructure sanitation project at Boskuil and Oersonskraal. To date costs has been capitalised under work in progress are as follows:
Capitalised expenditure 2022: R3 732 226 (2021: R 1 052 970)

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Notes to the Annual Financial Statements

Figures in Rand

4. Intangible assets

Economic entity

	2022			2021		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software, other	6 205 410	(5 153 983)	1 051 427	5 249 737	(4 795 157)	454 580
Intangible assets under development	1 829 820	-	1 829 820	-	-	-
Total	8 035 230	(5 153 983)	2 881 247	5 249 737	(4 795 157)	454 580

Controlling entity

	2022			2021		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software, other	6 205 410	(5 153 983)	1 051 427	5 249 737	(4 795 157)	454 580
Intangible assets under development	1 829 820	-	1 829 820	-	-	-
Total	8 035 230	(5 153 983)	2 881 247	5 249 737	(4 795 157)	454 580

Reconciliation of intangible assets - Economic entity - 2022

	Opening balance	Additions	Amortisation	Total
Computer software, other	454 580	955 673	(358 826)	1 051 427
Intangible assets under development	-	1 829 820	-	1 829 820
	454 580	2 785 493	(358 826)	2 881 247

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4. Intangible assets (continued)

Reconciliation of intangible assets - Economic entity - 2021

	Opening balance	Additions	Disposals	Amortisation	Total
Computer software, other	538 377	268 205	(4 115)	(347 887)	454 580

Reconciliation of intangible assets - Economic entity- 2022

	Opening balance	Additions	Amortisation	Total
Computer software, other	454 580	955 673	(358 826)	1 051 427
Intangible assets under development	-	1 829 820	-	1 829 820
	454 580	2 785 493	(358 826)	2 881 247

Reconciliation of intangible assets - Controlling entity - 2021

	Opening balance	Additions	Disposals	Amortisation	Total
Computer software, other	538 377	268 205	(4 115)	(347 887)	454 580

Work in progress Intangible assets

Work in progress consists of work already carried out for the electronic document management and workflow solution system. To date costs has been capitalised under work in progress are as follows:
Capitalised expenditure 2022: R1 829 820 (2021: R0);

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5. Interests in other entities

Investments in controlled entities

Name of Company	Determination of ownership interest	Economic Entity		Controlling Entity		Economic Entity		Controlling Entity	
		% ownership interest 2022	% ownership interest 2021	% ownership interest 2022	% ownership interest 2021	Carrying amount 2022	Carrying amount 2021	Carrying amount 2022	Carrying amount 2021
Dr Kenneth Kaunda Economic Agency	Dr Kenneth Kaunda District Municipality	- %	- %	100.00 %	100.00 %	-	-	120	120
						-	-	120	120
						-	-	120	120

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Figures in Rand	Economic entity		Controlling entity	
	2022	2021	2022	2021
6. Payables from exchange transactions				
Trade payables	4 529 922	6 873 523	4 512 686	6 327 349
Retention	502 006	502 006	502 006	502 006
Compensation Commissioner	3 954 884	4 022 134	3 954 884	4 022 134
Leave and bonus provision	15 688 225	17 200 674	15 302 986	16 822 970
Salary clearing account	158 328	112 517	864	864
	24 833 365	28 710 854	24 273 426	27 675 323
7. Taxes and transfers payable (non-exchange)				
Tax refunds payables	-	-	-	450 000
Other payables from non-exchange transactions	1 185 747	1 074 557	1 185 747	1 074 557
	1 185 747	1 074 557	1 185 747	1 524 557

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	2022	2021	2022	2021

8. Employee benefit obligations

Defined benefit plan

Post retirement medical aid liability

The Municipality provides certain post retirement medical benefits by funding the medical aid contributions of certain retired members of the municipality. According to the rules of the medical aid funds, with which the municipality is associated, a member (who is on the current condition of service), on retirement, is entitled to remain a continued member of such medical aid fund, in which case the Municipality is liable for a certain portion of the medical aid membership fee. The Municipality operates an unfunded defined benefit plan for these qualifying employees

The most recent actuarial valuations of plan assets and the present value of the unfunded defined benefit obligation were carried out as at 30 June 2022 by Arch Actuarial consulting, a member of the Actuarial Society of South Africa. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method. No other post retirement benefits are provided by the municipality

The plan is a final salary pension / flat plan or a post employment medical benefit plan.

Post retirement medical aid plan

The municipality makes monthly contributions for health care arrangements to the following medical aid schemes

- Bonitas;
- Hosmed;
- LA Health;
- Key Health;
- Samwumed;
- Fedhealth

The Current-Service Cost for the year ending 30 June 2022 is estimated at R 774,000. It is estimated to be R 879,000 for the ensuing year

The Post Employment Health Care Benefit Plan is a defined benefit plan, of which the members are made up as follows:

Eligible Employees

Total number of eligible employees	149	137	149	137
Number of in-service members	137	124	137	124
Average age	43.0	43.3	43.0	43.3
Average past service	9.5	9.9	9.5	9.9
Average current value of post-employment subsidy p.m.	2,893	2,834	2,893	2,834
Number of in-service non-members	12	13	12	13
Average age	49.1	47.0	49.1	47.0
Average past service	9.7	8.7	9.7	8.7
Average current value of post-employment subsidy p.m.	2,732	2,571	2,732	2,571

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Figures in Rand	Economic entity		Controlling entity	
	2022	2021	2022	2021

8. Employee benefit obligations (continued)

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

Carrying value				
Opening balance	(14 351 000)	(11 957 000)	(14 351 000)	(11 957 000)
Actuarial gains/(losses)	333 000	(1 002 000)	333 000	(1 002 000)
Interest cost	(1 505 000)	(1 286 000)	(1 505 000)	(1 286 000)
Current service cost	(774 000)	(715 000)	(774 000)	(715 000)
Benefits paid	-	287 000	-	287 000
	(16 297 000)	(14 673 000)	(16 297 000)	(14 673 000)
Non-current liabilities	(15 864 000)	(14 351 000)	(15 864 000)	(14 351 000)
Current liabilities	(433 000)	(322 000)	(433 000)	(322 000)
	(16 297 000)	(14 673 000)	(16 297 000)	(14 673 000)

This is an estimate of subsidies (benefits) paid in respect of continuation members, based on the data at the previous valuation date. If the actual amount of subsidies paid is used instead of this estimate, then the Actuarial Loss / (Gain) must change to exactly offset the impact, such that the Closing Accrued Liability remains unchanged. For example, if the actual amount of subsidies paid is R100,000 less than the estimate, then the Actuarial Loss / (Gain) would have to reduce by R100,000 to leave the Closing Accrued Liability as is.

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	2022	2021	2022	2021

8. Employee benefit obligations (continued)

Key assumptions used

Assumptions used at the reporting date:

Discount rate	11.84 %	10.37 %	11.84 %	10.37 %
Health care cost inflation rate	8.45 %	6.96 %	8.45 %	6.96 %
Net-of-health-care-cost-inflation discount rate	3.13 %	3.19 %	3.13 %	3.19 %
Maximum subsidy inflation rate	5.96 %	4.85 %	5.96 %	4.85 %
Net-of-maximum-subsidy-inflation discount rate	5.55 %	5.27 %	5.55 %	5.27 %

The following tests of reasonability were performed on the data received (where applicable).

Eligible employees and continuation members were checked for completeness of date of birth, gender, income where necessary, and medical aid scheme, option and dependants. Employees' dates of employment were also checked

In addition, the following data checks were performed for both employees and continuation members, where applicable:

The effect of the major categories of plan assets is as follow:

- dates are valid;
- ages within reasonable ranges;
- periods of employment within reasonable ranges, and consistent with dates of birth; and
- incomes within reasonable ranges.]

The following statistics were calculated for both employees and continuation members, where applicable, and were checked for reasonability:

Salaries - Changes in an index or other variable specified in the formal or constructive terms of a plan as the basis for future benefit increases

- average age;
- average number of dependants;
- average period of employment; and
- average subsidy per month.

Where information was not clear or not provided, the valuation was conducted on the premise that the information provided was correct or appropriate assumptions were made.

It is difficult to predict future investment returns and health care cost inflation rates. The relationship between them is more stable and therefore easier to predict. GRAP 25 requires that financial assumptions be based on market expectations at the Valuation Date for the period over which the liability obligations are to be settled

Discount Rate

GRAP 25 stipulates that the choice of this rate should be derived from government bond yields consistent with the estimated term of the post-employment liabilities. However, where there is no deep market in government bonds with a sufficiently long maturity to match the estimated term of all the benefit payments, current market rates of the appropriate term should be used to discount shorter term payments, and the discount rate for longer maturities should be estimated by extrapolating current market rates along the yield curve

Consequently, a discount rate of 11.84% per annum has been used. The corresponding index-linked yield at this term is 4.11%. These rates do not reflect any adjustment for taxation. These rates were deduced from the interest rate data obtained from the Johannesburg Stock Exchange after the market close on 30 June 2022.

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Figures in Rand	Economic entity		Controlling entity	
	2022	2021	2022	2021

8. Employee benefit obligations (continued)

These yields were obtained by calculating the duration of the total liability and then taking the fixed-interest and indexlinked yields from the respective yield curves at that duration using an iterative process (because the yields depend on the duration, which in turn depends on the liability).

Health Care Cost Inflation Rate

This assumption is required to reflect estimated future changes in the cost of medical services, resulting from both inflation and specific changes in medical costs (for example, due to technological advances or changes in utilisation patterns). Any assumption regarding future medical scheme contribution increases is therefore subjective.

A health care cost inflation rate of 8.45% has been assumed. This is 1.50% in excess of expected CPI inflation over the expected term of the liability, namely 6.95%. A larger differential would be unsustainable, eventually forcing members to less expensive options. This implies a net discount rate of 3.13% which derives from $((1+11.84\%)/(1+8.45\%))-1$.

The expected inflation assumption of 6.95% was obtained from the differential between market yields on index-linked bonds consistent with the estimated term of the liabilities (4.11%) and those of fixed interest bonds (11.84%) with a risk premium adjustment for the uncertainty implicit in guaranteeing real increases (0.50%). This was therefore determined as follows: $((1+11.84\%-0.50\%)/(1+4.11\%))-1$.

Maximum Subsidy Inflation Rate

This assumption is required to reflect estimated future changes in the maximum amount to which subsidies are limited. This maximum amount is set at R 5,007.00 per family per month for the year ending 30 June 2023. The annual increases to this maximum amount are periodically specified by the local government bargaining council

Recent past annual increases balanced with sustainability needs of employees have resulted in this assumption being set at 75% of salary inflation. The future salary inflation assumption of 7.95%, was set to be 1.00% above expected CPI inflation. Thus a maximum subsidy inflation assumption of 5.96% per annum was used. The next increase to the maximum subsidy was assumed to occur with effect from 1 July 2023.

9. Receivables from exchange transactions

Prepaid expenses	1 691 819	2 250 518	1 691 819	2 250 518
Salaries and bank clearing account	449 582	409 819	149 860	172 091
Accrual - Interest on call deposit	1 135 923	907 328	1 135 923	907 328
Other debtors	416 905	416 905	415 505	415 505
Less: Allowance for doubtful debt	235	235	235	235
	3 694 464	3 984 805	3 393 342	3 745 677

10. Receivables from non-exchange transactions

11. VAT receivable

VAT	2 288 960	2 454 657	4 107 143	4 278 938
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12. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	6 625	6 625	6 600	6 600
Bank balances	23 423 495	64 023 040	23 430 829	63 978 343
Short-term deposits	80 000 000	35 000 000	80 000 000	35 000 000
	103 430 120	99 029 665	103 437 429	98 984 943

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Figures in Rand	Economic entity		Controlling entity	
	2022	2021	2022	2021

12. Cash and cash equivalents (continued)

The municipality had the following bank accounts

Account number / description	Bank statement balances			Cash book balances		
	30 June 2022	30 June 2021	30 June 2020	30 June 2022	30 June 2021	30 June 2020
Current Account (Primary Bank A account ABSA Klerksdorp A account no 950000 627)	22 482 372	62 997 887	42 486 535	22 482 372	62 997 887	42 486 535
Current Account (Local Government Support Grant) ABSA Klerksdorp Account no 4 05 643 8 304	955 057	987 056	1 010 355	955 057	987 056	1 010 355
Account no 038659190301- Standard call account	-	20 000 000	-	-	20 000 000	-
Account no 038659190302- Standard call account	-	15 000 000	-	-	15 000 000	-
Account no 37881061820-74 Nedbank Investment	50 000 000	-	-	50 000 000	-	-
Account no 2080421199- ABSA Investment	20 000 000	-	-	20 000 000	-	-
Account no 038659190-304 Standard Bank Investment	10 000 000	-	-	10 000 000	-	-
Total	103 437 429	98 984 943	43 496 890	103 437 429	98 984 943	43 496 890

13. Share capital / contributed capital

14. Accumulated surplus

Ring-fenced internal funds and reserves within accumulated surplus - Economic entity - 2022

	Capital replacement reserve	Total
Opening balance	1 500 311	1 500 311
Other	(1 946 875)	(1 946 875)
	(446 564)	(446 564)

Ring-fenced internal funds and reserves within accumulated surplus - Economic entity- 2021

	Capital replacement reserve	Total
Opening balance	1 588 167	1 588 167

15. Unspent conditional grants and receipts

Unspent conditional grants and receipts comprises of:

Unspent conditional grants and receipts	2022	2021	2022	2021
Fire support grant	65 626	65 626	65 626	65 626

16. Long service award

The Municipality offers employees LSA for every five years of service completed, from ten years of service to 45 years of service, inclusive

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	2022	2021	2022	2021

16. Long service award (continued)

In the month that each "Completed Service" milestone is reached, the employee is granted an LSA. Working days awarded are valued at 1/250th of annual earnings per day

In estimating the unfunded liability for LSA of the Municipality a number of actuarial assumptions are required. The GRAP 25 Statement places the responsibility on management to set these assumptions, as guided by the principles set out in the Statement and in discussion with the actuary.

It should be noted that the valuation method and assumptions do not affect the ultimate cost of the LSA arrangement – this is determined by actual experience and by the benefits provided. The method and assumptions influence how the past service liability and Current-Service costs are recognised over time

Eligible employees were checked for completeness of date of birth, date of employment, gender, personnel sub-area and earnings. Enquiries were made regarding any gaps in the data that were found

In addition, the following data checks were performed:

- dates are valid;
- ages within reasonable ranges;
- periods of employment within reasonable ranges, and consistent with dates of birth;
- genders, dates of birth and employment are consistent with any available prior year's data;
- genders and dates of birth are consistent with any ID numbers provided;
- ages at the time of employment are reasonable;
- earnings within reasonable ranges;
- earnings changes are reasonable when compared to any available prior year's data.

The following statistics were calculated and compared for reasonability with the corresponding statistics as at the previous valuation:

- average age and earnings-weighted average age;
- average past service and earnings-weighted average past service, and
- average monthly earnings

Where information was not clear or not provided, the valuation was conducted on the premise that the information provided was correct or appropriate assumptions were made

Discount Rate

GRAP 25 stipulates that the choice of this rate should be derived from government bond yields consistent with the estimated term of the employee benefit liabilities. However, where there is no deep market in government bonds with a sufficiently long maturity to match the estimated term of all the benefit payments, current market rates of the appropriate term should be used to discount shorter term payments, and the discount rate for longer maturities should be estimated by extrapolating current market rates along the yield curve

Consequently, a discount rate of 11.12% per annum has been used. The corresponding liability-weighted index-linked yield is 4.07%. These rates do not reflect any adjustment for taxation, and were deduced from the interest rate data obtained from the JSE after the market close on 30 June 2022.

These yields were obtained by calculating the duration of the total liability and then taking the fixed-interest and indexlinked yields from the respective yield curves at that duration using an iterative process (because the yields depend on the duration, which in turn depends on the liability). The duration of the total liability was estimated to be 9.5 years.

Earnings Inflation Rate

This assumption is required to reflect the estimated growth in earnings of the eligible employees until retirement. It is important in that the LSA are based on an employee's earnings at the date of the award

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Figures in Rand	Economic entity		Controlling entity	
	2022	2021	2022	2021

16. Long service award (continued)

General Earnings Inflation Rate

This assumption is more stable relative to the growth in Consumer Price Index (CPI) than in absolute terms. In most industries, experience has shown, that over the long-term, earnings inflation is between 1.0% and 1.5% above CPI inflation.

The expected CPI inflation assumption of 6.30% was obtained from the differential between market yields on index-linked bonds (4.07%) consistent with the estimated terms of the liabilities and those of nominal bonds (11.12%) with a risk premium adjustment for the uncertainty implicit in guaranteeing real increases (0.50%). Therefore, expected inflation is determined as $((1+11.12\%-0.50\%)/(1+4.07\%))-1$.

Thus, a general earnings inflation rate of 7.30% per annum over the expected term of the liability has been assumed, which is 1.00% higher than the estimate of CPI inflation over the same term. This assumption reflects a net discount rate of 3.56%.

It was assumed that the next general earnings increase will take place on 1 July 2023

The Municipality does not pay any pro-rata LSA.

Reconciliation of long service award

Opening balance	(3 887 000)	(3 477 000)	(3 887 000)	(3 477 000)
Current service cost	(413 000)	(394 000)	(413 000)	(394 000)
Utilised during the year	377 000	167 000	377 000	167 000
Interest	(346 000)	(263 000)	(346 000)	(263 000)
Actuarial gains/(losses)	(85 000)	80 000	(85 000)	80 000
	(4 354 000)	(3 887 000)	(4 354 000)	(3 887 000)

Long service award

Current portion of liability (due in the next 12 months)	(512 000)	(377 000)	(512 000)	(377 000)
Non current portion of liability	(3 842 000)	(3 510 000)	(3 842 000)	(3 510 000)
	(4 354 000)	(3 887 000)	(4 354 000)	(3 887 000)

17. Revenue

Sale of goods	67 100	44 300	67 100	44 300
Commissions received	17 914	19 585	17 914	19 585
Licensing and permits	431 620	407 476	431 620	407 476
Interest received - investment	4 991 303	4 201 529	4 991 303	4 186 300
Dividends or similar distributions received	-	273 508	-	273 508
Government grants & subsidies	206 374 334	203 672 307	206 374 334	203 672 307
Public contributions and donations	-	20 400	-	20 400
Other transfer revenue	29 057	38 680	-	-
	211 911 328	208 677 785	211 882 271	208 623 876

The amount included in revenue arising from exchanges of goods or services are as follows:

Sale of goods	67 100	44 300	67 100	44 300
Commissions received	17 914	19 585	17 914	19 585
Licensing and permits	431 620	407 476	431 620	407 476
Interest received - investment	4 991 303	4 201 529	4 991 303	4 186 300
Dividends or similar distributions received	-	273 508	-	273 508
	5 507 937	4 946 398	5 507 937	4 931 169

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	2022	2021	2022	2021

17. Revenue (continued)

The amount included in revenue arising from non-exchange transactions is as follows:

Taxation revenue				
Transfer revenue				
Government grants & subsidies	206 374 334	203 672 307	206 374 334	203 672 307
Public contributions and donations	-	20 400	-	20 400
Other transfer revenue	29 057	38 680	-	-
	206 403 391	203 731 387	206 374 334	203 692 707

18. Transfer and subsidies

Other subsidies				
EPWP skills development and training	-	1 691 000	-	1 691 000
Local economic development support	1 844 072	1 475 645	1 844 072	1 475 645
Bursaries non-employees	169 453	137 906	169 453	137 906
Dr Kenneth Kaunda Economic Development Agency	95 598	647 032	3 446 144	2 283 989
Merit Bursaries Community	2 052 679	2 115 257	2 052 679	2 115 257
	4 161 802	6 066 840	7 512 348	7 703 797

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Figures in Rand	Economic entity		Controlling entity	
	2022	2021	2022	2021
19. Government grants & subsidies				
Operating grants				
Equitable share	28 052 000	30 789 000	28 052 000	30 789 000
LG Seta mandatory grant	608 334	328 307	608 334	328 307
Expanded public work program	2 122 000	1 691 000	2 122 000	1 691 000
Finance management grant	1 000 000	1 000 000	1 000 000	1 000 000
RSC Replacement Grant	172 078 000	167 384 000	172 078 000	167 384 000
Rural Road Management System Grant	2 514 000	2 480 000	2 514 000	2 480 000
	206 374 334	203 672 307	206 374 334	203 672 307
Conditional and Unconditional				
Included in above are the following grants and subsidies received:				
Conditional grants received	6 244 344	5 499 307	6 244 344	5 499 307
Unconditional grants received	200 130 000	198 173 000	200 130 000	198 173 000
	206 374 344	203 672 307	206 374 344	203 672 307
Fire Support Grant				
Balance unspent at beginning of year	65 626	65 626	65 626	65 626
LG Seta Mandatory Grant				
Current-year receipts	608 334	328 307	608 334	328 307
Conditions met - transferred to revenue	(608 334)	(328 307)	(608 334)	(328 307)
	-	-	-	-
Expanded Public Work Program				
Current-year receipts	2 122 000	1 691 000	2 122 000	1 691 000
Conditions met - transferred to revenue	(2 122 000)	(1 691 000)	(2 122 000)	(1 691 000)
	-	-	-	-
Finance Management Grant				
Current-year receipts	1 000 000	1 000 000	1 000 000	1 000 000
Conditions met - transferred to revenue	(1 000 000)	(1 000 000)	(1 000 000)	(1 000 000)
	-	-	-	-
RSC Replacement Grant				
Current-year receipts	172 078 000	167 384 000	172 078 000	167 384 000
Conditions met - transferred to revenue	(172 078 000)	(167 384 000)	(172 078 000)	(167 384 000)
	-	-	-	-
Rural Road Asset Management Grant				
Current-year receipts	2 514 000	2 480 000	2 514 000	2 480 000
Conditions met - transferred to revenue	(2 514 000)	(2 480 000)	(2 514 000)	(2 480 000)
	-	-	-	-

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Figures in Rand	Economic entity		Controlling entity	
	2022	2021	2022	2021
20. Public contributions and donations				
Public contributions and donations	-	20 400	-	20 400

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Figures in Rand	Economic entity		Controlling entity	
	2022	2021	2022	2021
21. Employee related costs				
Basic	71 281 438	67 930 793	69 269 513	65 979 856
Medical aid - company contributions	5 251 414	4 754 433	5 251 414	4 754 433
UIF	331 304	283 474	321 726	275 375
SDL	18 530	17 622	18 530	17 622
Leave pay provision charge	4 649 142	6 763 875	4 641 607	6 741 353
Defined contribution plans	1 403 612	1 323 539	1 403 612	1 323 539
Defined contribution plans	3 191 624	2 491 485	3 191 624	2 491 485
Overtime payments	152 576	259 337	152 576	259 337
13th Cheques	5 230 256	5 215 002	5 230 256	5 215 002
Acting allowances	671 757	793 813	671 757	793 813
Car allowance	9 237 114	9 156 705	9 237 114	9 156 705
Housing benefits and allowances	557 249	535 396	557 249	535 396
Standby Allowance	1 237 679	1 025 952	1 237 679	1 025 952
Group Life Insurance - Council Contribution	642 403	588 318	642 403	588 318
Pension Fund - Council contribution	10 734 350	10 129 159	10 734 350	10 129 159
Danger allowance	1 215 690	1 043 200	1 215 690	1 043 200
	115 806 138	112 312 103	113 777 100	110 330 545
Remuneration of municipal manager-SM Lesupi				
Annual Remuneration	1 037 757	1 227 109	1 037 757	1 227 109
Leave sold	240 514	39 635	240 514	39 635
Other allowances-cellphone	27 500	25 000	27 500	25 000
Bonus	157 321	-	-	-
	1 463 092	1 291 744	1 305 771	1 291 744
Remuneration of chief finance officer-LO Steenkamp				
Annual Remuneration	785 196	850 628	785 196	850 628
Car Allowance	24 000	20 200	24 000	20 200
Performance Bonuses	171 600	171 600	171 600	171 600
Bonus	65 433	-	65 433	-
Leave sold	33 014	-	33 014	-
	1 079 243	1 042 428	1 079 243	1 042 428
Remuneration of Director Corporate Services-SC Abrams				
Annual Remuneration	613 336	839 133	613 336	839 133
Other allowance-Cell phone	26 000	20 677	26 000	20 677
Ad-hoc subsistence and travell	-	273	-	273
Leave sold	33 007	33 010	33 007	33 010
Travelling allowance	357 779	22 925	357 779	22 925
Acting allowance	46 767	187 464	46 767	187 464
Bonus	51 111	-	51 111	-
Covid-19	5 400	-	5 400	-
	1 133 400	1 103 482	1 133 400	1 103 482
Remuneration of Chief Audit Executive-Mr SG Mtemekwana				
Annual Remuneration	581 391	387 594	581 391	387 594
Other Allowance-Cellphone	24 000	16 000	24 000	16 000
Ad-hoc subsistence and travell	6 148	513	6 148	513
Travel	313 057	208 704	313 057	208 704
Leave sold	28 622	-	28 622	-
Covid - 19	5 400	-	5 400	-

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Figures in Rand	Economic entity		Controlling entity	
	2022	2021	2022	2021
21. Employee related costs (continued)				
	958 618	612 811	958 618	612 811
Remuneration of Director District Economic Development-Mr RM Rampedi				
Annual Remuneration	705 648	470 432	705 648	470 432
Other Allowance-Cellphone	25 000	17 346	25 000	17 346
Acting Allowance	14 743	24 511	14 743	24 511
Travelling allowance	120 000	80 000	120 000	80 000
Bonus	58 804	-	58 804	-
Covid-19	5 400	-	5 400	-
	929 595	592 289	929 595	592 289
Remuneration of Director Community Services-MA Metswamere				
Annual Remuneration	900 258	525 011	900 258	525 151
Leave sold	-	98 962	-	-
Other allowance	-	145	-	14 000
Travelling allowance	180 000	177 917	180 000	105 000
Cellphone allowance	27 048	-	27 048	-
Bonus	75 022	-	75 022	-
Acting allowance	90 615	-	90 615	-
Covid -19	5 400	-	5 400	-
	1 278 343	802 035	1 278 343	644 151
22. Remuneration of councillors				
Executive Major	912 428	1 101 113	912 428	938 250
Mayoral Committee Members	3 452 985	3 983 652	3 452 985	3 983 652
Speaker	743 106	759 479	743 106	759 479
Councillors	4 187 440	3 970 800	4 187 440	3 970 800
Single whip	673 268	714 787	673 268	714 787
	9 969 227	10 529 831	9 969 227	10 366 968
Additional information				
The salaries, allowance and benefits of councillors are within the upper limits of the framework envisaged in section 219 of the Constitution of South Africa.				
23. Administrative expenditure				
24. Depreciation and amortisation				
Property, plant and equipment	3 283 993	5 564 709	3 283 993	5 564 709
Intangible assets	358 826	346 294	358 826	346 294
	3 642 819	5 911 003	3 642 819	5 911 003
25. Auditors' remuneration				
Fees	3 599 862	4 934 668	3 599 862	4 005 675
26. Impairment of Property, Plant and Equipment				
Impairment	2 313 749	684 827	2 290 294	626 970

Dr Kenneth Kaunda District Municipality Group

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand	Economic entity		Controlling entity	
	2022	2021	2022	2021
27. General expenses				
Service fees	1 200 758	154 030	-	-
Assessment rates & municipal charges	1 392 935	1 653 187	1 392 935	1 653 187
Auditors remuneration	3 599 862	4 934 668	3 599 862	4 005 675
Bank charges	105 303	127 124	105 303	127 124
Entertainment	40 802	21 110	40 802	14 910
Hire Charges	829 438	562 028	829 438	562 028
Insurance	1 426 109	1 024 295	1 426 109	1 024 295
Conferences and seminars	1 100 394	1 050 836	1 100 394	1 050 836
skills development levy	1 011 701	1 061 787	903 549	715 546
IT expenses	800 103	1 640 773	800 103	1 640 773
Compensation commissioner	555 495	564 447	555 495	564 447
Motor vehicle expenses	114 332	90 202	114 332	90 202
Printing and stationery	27 200	395 989	27 200	395 989
Protective clothing	399 872	256 376	399 872	256 376
License fees	379 545	529 963	379 545	529 963
Subscriptions and membership fees	1 297 219	1 449 794	1 297 219	1 449 794
Telephone and fax	1 021 686	994 861	1 021 686	994 861
Transport and freight	1 511 582	282 475	1 511 582	282 475
Training	1 743 667	3 529 342	1 743 667	3 529 342
Travel - local	60 276	35 110	60 276	35 110
Office rental	3 480 226	3 380 771	3 480 226	3 380 771
Business expenses councillors and directors	88 292	48 096	88 292	48 096
Events and campaigns	4 292 956	3 516 321	4 292 956	3 516 321
Consumables	5 206 347	3 386 181	5 206 347	3 386 181
	31 686 100	30 689 766	30 377 190	29 254 302
28. Contracted services				
Presented previously				
Outsourced Services	12 657 279	9 142 827	12 657 279	9 142 827
Consultants and Professionals Services	12 958 544	14 342 654	12 958 544	14 342 654
Contractors	9 159 711	6 207 123	9 159 711	6 207 123
29. Cash generated from operations				
Surplus	11 377 355	11 342 080	11 359 155	13 288 956
Adjustments for:				
Depreciation and amortisation	3 642 819	5 911 003	3 642 819	5 911 003
Loss/Gain on disposal of assets	(53 412)	526 731	(53 412)	526 731
Impairment of PPE	2 313 749	684 827	2 290 294	626 970
Movements in Employee related costs	2 091 000	6 252 362	2 091 000	6 252 362
Movement in provisions	-	(378 128)	-	(378 128)
Public donations	-	(20 400)	-	(20 400)
Changes in working capital:				
Receivables from exchange transactions	524 129	(232 301)	524 130	(72 891)
Payables from exchange transactions	(3 834 390)	2 799 824	(3 740 707)	2 944 652
VAT	-	361 727	-	-
	16 061 250	27 247 725	16 113 279	29 079 255

Dr Kenneth Kaunda District Municipality Group

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand	Economic entity		Controlling entity	
	2022	2021	2022	2021

30. Operating lease

Matlosana City Council :

Nature of the lease

The lease agreement is between City of Matlosana Local Municipality and Dr Kenneth Kaunda District Municipality to lease property suited in

Orkney to occupy as Municipal Offices.

Term of lease

The municipality will occupy the property in terms of the lease agreement as from 1 February 2002 for an indefinite period.

Either party may cancel this lease agreement on 3 (three) months written notice

Amount of the lease:

The lease amount payable monthly is R 53 398-56(No liability calculated as lease can be cancelled within three months)..:

JB Marks Local Municipality

Nature of the lease

The lease agreement in between JB Marks Local Municipality and Dr Kenneth Kaunda District Municipality to lease Municipal Offices at the corner of Wolmarans Street and Walter Sisulu Avenue, Potchefestrom better known as the Old Corporate Services Offices

Term of the lease

The agreement commenced on 15 April 2019 and will of full force and effect for an initial period of 5(Five) years, provided that the lease shall have an option to renew this agreement on successful negotiations with the Lessor further subject thereto that if the Lessor requires the use of the building a three months' notice of cancellation of the lease will apply.

Amount of the lease:

Lessee shall pay the Lessor rental to the amount of R 1 200.00 (One thousand two hundred rand) per annum

Colombia Falls Properties 80 (PTY) LTD

Nature of the lease:

The lease agreement is between Colombia Falls Properties 80 (Pty) Ltd and Dr Kenneth Kaunda District Municipality to lease property.

Term of the lease:

The lease shall be for a period of 3 (three) years commencing from 01 July 2017.

Amount of the lease:

The lease amount for the current financial year is R 145 200

Indila Finance (Pty) Ltd

Nature of the lease

The lease agreement is between Indlela Finance (Pty) Ltd and Dr Kenneth Kaunda District Municipality to lease printers

Terms of the lease

The lease agreement shall be for a period of 36 months commencing from November 2019

Amount of the lease

The lease rental amount is R 72 251.78

Dr Kenneth Kaunda District Municipality Group

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand	Economic entity		Controlling entity	
	2022	2021	2022	2021
31. Contingencies				
Unfilled conditions and other contingencies attaching to government grants related to agricultural activity.				
Contingent liabilities				
DDr KKDM // Melvin Rampedi//Batting Development Products against Dr K KDM. The matter is pending - Rampedi against DR KKDM, Nature of dispute - Unfair labour practice. Status of case - Arbitration was scheduled for 23 January 2015. The matter is pending. Case no NWD 0 1410	2 412 097	2 412 097	2 412 097	2 412 097
DNaiko Civil Engineering and Projects CC // Dr KKDM & Another // The Plaintiff has issued summons on 1 June 2018 from the North West. The municipality has a good defense in that the Plaintiff did not render services which they claim to have rendered	5 864 403	5 864 403	5 864 403	5 864 403
MW Asset Rentals // Dr KKDM//DR KKDM cancelled the Master Rental Agreement with Bakopane Information Systems CC t/a Toshiba Office Systems and Technology. The agreement was entered during the month of October 2009 and it was for the rental of photocopy machines, printers and faxes. The right of the Master Rental Agreement were then ceded by Toshiba to Merchant West Asset Rentals (MW Rentals). The Auditor-General Report for the year end 30 June 2010, indicated that procurement procedures were not properly followed in the appointment of Toshiba. On 27 February 2012 the agreement between DR K KDM and MW Rentals was then cancelled due to the fact that the agreement was not valid as proper procurement procedures were not followed. MW Asset Rentals vs DR K KDM, The applicant will be heard on 02 October 2020. This is an ongoing litigation	200 000	1 318 461	200 000	1 318 461
Zelinzima Abram Beya // Dr KKDM//Zelinzima Abram Beya v DR KKDM, labour dispute currently before the Labour court (held in Braamfontein) under case number ; J R211/2018 (review application brought by Beya) and JR1629/2018 (counter-review application brought by the Municipality)	950 000	600 000	950 000	600 000
Dr KKDM // Morathi Mataka Attorneys Case no. 172.2019 // Summons for professional services rendered	292 340	309 650	292 340	309 650
Dr KKDM // M.B Molefe Case no. JS 366/21 unfair labour practices	150 000	250 000	150 000	250 000
Dr KKDM // M.B Molefe Case no. JS532/21 unfair labour practices	120 000	220 000	120 000	220 000
Dr KKDM // ISD Mothibi Case no. JS452/21 // Unfair dismissal	170 000	200 000	170 000	200 000
Big Break Legacy	200 000	-	200 000	-
Afrika Sekunalo Trading // Dr KKDM	141 485	-	141 485	-
MB Molefe Disciplinary (as Prosecutor)	300 000	-	300 000	-
Dr KKDM// RAMPEDI DISCIPLINARY	700 000	-	700 000	-
	11 500 325	11 174 611	11 500 325	11 174 611

It is not practical to disclose the information as required by GRAP 19.101 and 106.

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Dr Kenneth Kaunda District Municipality Group

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand	Economic entity		Controlling entity	
	2022	2021	2022	2021

32. Related parties

Relationships

Controlled entities

Member of Council

Member of Key Management

Dr Kenneth Kaunda District Economic Agency

Refer to General Information page on the financial statements

SM Lesupi -Former Municipal Manager,

LSteenkamp -Chief Financial Officer - S

Abrams- Director Corporate Services , N r RM

Rampedi-Senior Manager Local Economic D

velopmentand Planning Chief Audit Executive

Mr S GMtemekwana; Senior Manager

Community Services-Mr M A M etswamere;

Key management information

Class	Description	Number
Executive Mayor	Executive Authority	1
Members of Mayoral Council	Executive Authority	6
Single Whip	Executive Authority	1
Chairperson of MPAC	Executive Authority	1
Chairperson of MPAC	Executive Authority	30
Speaker	Executive Authority	1

Remuneration of management

Dr Kenneth Kaunda District Municipality Group
Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand

32. Related parties (continued)

Management class: Councillors

2022

Name	Allowance	Travelling	Cell	Medicalaid	Sitting	Travell	Total
MI MARTINS	140 481	59 675	15 809	38 543	-	-	254 508
M ZEPHE	143 100	59 675	15 809	35 924	-	-	254 508
KL VAN ZYL	212 152	70 718	44 400	-	-	-	327 270
NM KOLOTI	165 078	59 675	15 809	13 847	-	-	254 507
EM POSTMA	-	-	-	-	14 342	-	14 342
G GWILI	-	-	-	-	12 136	-	12 136
MM MOJAH	145 825	59 675	15 809	33 199	-	-	254 508
LN DAYIYA	64 931	25 180	15 809	10 808	-	-	116 528
SV LETSHWITI	64 931	25 180	15 809	10 808	-	-	116 528
BE MOSIMANE	262 788	-	15 809	55 477	-	-	334 074
DP MASIU	155 757	63 653	14 800	35 211	-	-	270 421
HH MBELE	145 825	59 675	15 809	33 199	-	-	254 508
BAS CAMPBELL	75 530	25 180	15 809	-	-	-	116 528
LS MOTLHOIWA	64 931	25 180	15 809	10 808	-	-	116 528
ZS MPHAFUDI	441 891	160 188	44 400	48 766	-	-	693 245
FJ BOTHA	64 931	25 180	15 809	10 808	-	-	116 528
WA MOSTERT	240 439	-	44 400	42 431	-	-	327 270
AS MOTLADIIL	-	-	-	-	46 336	-	46 336
HF SAUDI	-	-	-	-	11 032	-	11 032
B TSABEDZE	-	-	-	-	14 342	-	14 342
LS MOKGALAG	-	-	-	-	26 478	-	26 478
SL MOREMI	-	-	-	-	27 581	13 485	41 066
G MOSENOGI	-	-	-	-	8 826	-	8 826
LL OUTSWA	-	-	-	-	24 271	5 943	30 214
SL MONDLANE	-	-	-	-	26 484	-	26 484
SP VALIPATHW	-	-	-	-	18 755	-	18 755
PZ LESOMO	103 485	34 495	7 905	-	-	-	145 885
JJ LE GRANGE	-	-	-	-	32 094	10 615	42 709
GA MOHOEMANG	-	-	-	-	14 342	-	14 342
	85 291	28 430	7 095	-	-	-	120 816

Dr Kenneth Kaunda District Municipality Group
Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand

32. Related parties (continued)

ME MOSWEU	-	-	-	-	34 200	400	34 600
AO PHUTIYAGA	-	-	-	-	8 826	4 067	12 893
MN NTULI	-	-	-	-	6 619	1 598	8 217
C HATTINGH	-	-	-	-	44 129	4 590	48 719
HFC JORDAAN	136 613	45 538	28 591	-	15 545	1 052	227 339
MJ VAN TONDE	-	-	-	-	11 032	-	11 032
JS XABA	-	-	-	-	16 548	1 371	17 919
TS SEABENG	-	-	-	-	2 207	-	2 207
MN SEITISHO	-	-	-	-	12 235	2 545	14 780
NJ NUM	549 763	2 679	28 591	-	-	-	581 033
XC NXOZANA	333 070	111 024	28 591	-	-	-	472 685
OM MOGALE	77 950	25 983	16 314	-	-	-	120 247
LG MOLAPISI	288 969	100 513	28 591	12 570	-	-	430 643
TS NGOENISO	120 702	45 538	28 591	15 911	-	-	210 742
ME OOSTHUIZ	136 613	45 538	28 591	-	-	-	210 742
T LEKOFI	136 613	45 538	28 591	-	-	-	430 643
DM MATSAPOLA	276 399	100 513	28 591	25 140	-	-	430 643
MW MAKGATE	301 539	100 513	28 591	-	-	-	430 643
HM STRYDOM	136 613	45 538	28 591	-	-	-	210 742
LK SI-LUPING	120 702	45 538	28 591	15 911	-	1 011	211 753
BE MOSIANE-S	18 802	5 893	3 876	-	-	-	28 571
IM MOKHELE	-	-	-	-	25 374	660	26 034
PY MISHWAWULA	-	-	-	-	16 549	568	17 217
L SCOTT	-	-	-	-	13 239	587	13 826
MI MANGESI	111 215	37 072	10 307	-	3 310	1 505	163 499
BS FAKU	-	-	-	-	9 529	240	10 169
KR LATHA	-	-	-	-	19 858	2 155	22 013
OR THABANCHU	144 304	48 100	13 093	-	2 207	142	207 846
SL JONAS	-	-	-	-	45 233	2 739	47 972
MP MOKONE	-	-	-	-	30 888	4 129	35 017
KR KEGONTSE	-	-	-	-	8 826	2 628	11 454
MWC ROSSOUW	-	-	-	-	19 858	10 668	30 526
L RENTEKANE	-	-	-	-	35 303	5 201	40 504
MS TLOOME	-	-	-	-	12 136	-	12 136
IT MEYA	-	-	-	-	22 065	7 673	29 738
TR MAMPE	164 925	54 975	12 588	-	4 413	1 067	237 988
JC LANDBERG	-	-	-	-	6 619	1 548	8 167

Dr Kenneth Kaunda District Municipality Group

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand

32. Related parties (continued)

HM MOTAUNG	-	-	-	-	14 342	4 404	18 746
MR MOSHOLI	-	-	-	-	40 820	13 326	54 146
PE RAMPAI	-	-	-	-	11 032	3 297	14 329
LS MOTLHOIWA	-	-	-	-	41 923	15 279	57 202
FT MOSOTHWAN	75 539	25 180	15 809	-	-	-	116 528
SJ LESIE	312 762	104 254	28 591	-	-	-	445 607
SP SESANA	-	-	-	-	36 407	4 032	40 439
	6 020 486	1 771 886	751 988	447 661	848 691	128 735	9 969 227

2021

Name	Salary & T ravelling	Telephone	Medical & Pension	Setting & T ravel	Total
B MOSIANE-SEGO	728 043	44 400	165 807	-	938 250
DP MASIU	599 830	44 400	115 249	-	759 479
NM KOLOTI	621 630	44 400	48 757	-	714 787
MI MARTINS	555 622	44 400	114 785	-	714 787
M ZEPHE	563 239	44 400	107 148	-	714 787
MM MOJAH	571 311	44 400	99 076	-	714 787
HH MBELE	571 311	44 400	99 076	-	714 787
ZE MPHAFUDI	625 765	44 400	44 622	-	714 787
SP VAUPATHIWA	387 517	22 200	-	-	409 717
KL VAN ZYL	282 870	44 400	-	-	327 270
G A MOHOEMANG	319 388	22 200	-	-	341 586
LN DAYIYA	251 047	44 400	31 823	-	327 270
SV LETSHWITI	251 047	44 400	31 823	-	327 270
BAS C CLOETE	282 870	44 400	-	-	327 270
LS MOTLHOIWA	251 047	44 400	31 823	-	327 270
FJ BOTHA	251 047	44 400	31 823	-	327 270
WA MOSTERT	240 439	44 400	42 431	-	327 270
FT MOSOTHWANE	282 870	44 400	-	-	327 270
EM POSTMA	-	-	-	28 684	28 684
D GWILI	-	-	-	23 654	23 654
AS MOTLADIILE	-	-	-	20 961	20 961
HF SAUDI	-	-	-	28 684	28 684

Dr Kenneth Kaunda District Municipality Group
Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand

32. Related parties (continued)					
B TSABEDZE	-	-	-	89 362	89 362
LS MOKGALAGADI	-	-	-	161 589	161 590
SL MOREM	-	-	-	45 232	45 232
G MOSENGI	-	-	-	22 064	22 064
K NDINCEDE	-	-	-	142 013	142 013
LL CUTSWA	-	-	-	94 872	94 872
SL MONDLANE	-	-	-	20 961	20 961
PZ LESOMO	-	-	-	125 695	125 695
LM LEBENYA-KORTJAAS	-	-	-	16 548	16 548
JJ LE GRANGE	-	-	-	20 961	20 961
ME MOSWEU	-	-	-	34 200	34 200
AO PHUTYAGAE	-	-	-	20 388	20 388
MN NTULI	-	-	-	19 527	19 527
CJ BESTER	-	-	-	24 271	24 271
C HATTINGH	-	-	-	10 399	10 399
HFC JORDAAN	-	-	-	24 272	24 272
MJ VAN TONDER	-	-	-	12 136	12 136
JS XABA	-	-	-	24 571	24 571
	7 636 891	754 800	964 223	1 011 054	10 366 968

Additional information

The salaries, allowances and benefits of councillors are within the upper limits of the framework envisaged in section 219 of the Constitution of South Africa.

33. Prior-year adjustments

Presented below are those items contained in the statement of financial position, statement of financial performance and cash flow statement that have been affected by prior-year adjustments:

Statement of financial position

Dr Kenneth Kaunda District Municipality Group

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand	Economic entity		Controlling entity	
	2022	2021	2022	2021

33. Prior-year adjustments (continued)

Economic entity- 2022

	Note	As previously reported	Correction of error	Restated
Receivables from exchange transactions - Staff advances		260 769	(23 041)	237 728
Payables from exchange transactions - Trade payables		(518 905)	(127 269)	(646 174)
Payables from exchange transactions - Salary control account		658 305	(769 957)	(111 652)
Payables from exchange transactions - Leave accrual provision		378 748	1 044	379 792
VAT Payable		(2 850 224)	1 025 943	(1 824 281)
Accumulated surplus		1 066 344	(978 488)	87 856
		(1 004 963)	(871 768)	(1 876 731)

Statement of financial performance

Economic entity- 2022

	Note	As previously reported	Correction of error	Re-classification	Restated
Government grants and subsidies		(2 068 772)	431 815	-	(1 636 957)
Employee related costs		1 541 604	439 954	-	1 981 558
Contracted services		9 112 015	-	30 812	9 142 827
Accommodation, subsistence and travel		313 287	-	(30 812)	282 475
Consumables		3 364 357	-	21 824	3 386 181
Motor vehicle expenses		112 026	-	(21 824)	90 202
Impairment of property, plant and equipment		-	626 970	-	626 970
Property, plant and equipment		17 254 875	(626 970)	-	16 627 905
Surplus for the year		29 629 392	871 769	-	30 501 161

Errors

Details of error identified on reclassification

A misclassification of account 31102265720FLP72ZZWD OS: TRANSPORT SERVICES-PUBLIC PARTICIPAT and 36052265720FLQ43ZZWD OS: TRANSPORT SERVICES-SAMSRA respectively were identified under general expense (Accommodation, subsistence and travel). The correct classification for these accounts is Contracted services - Outsourced service

Further misclassification within general expense were also identified regarding accounts 31102320600FLP13ZZWD INVCONSUMABLE STORES-STANDARD RATED-CBP and 39052380600FLMRCZZHO OPR LEASES: COMPUTER EQUIPMENT. These accounts related to consumables and Motor vehicle expense

Cash Flow Statement

The errors identified constitute a cash movement within Suppliers in the cash flow statement, and those movements were already taken into account in the prior year's cash flow statement. Thus no correction on the cash flow statement as a result of the errors identified.

Segment information

Segment information as per GRAP 18 was omitted in the prior year(2020/2021), refer to note 37

Property, plant and equipment

Dr Kenneth Kaunda District Municipality Group

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand	Economic entity		Controlling entity	
	2022	2021	2022	2021

33. Prior-year adjustments (continued)

Fully depreciated assets that are still in use were included in the Property Plant and Equipment balance. These assets had a balance of 2022: R7 430 666 (2021: R 5 155 247) in the financial statements and in the fixed assets register. This resulted in the carrying amount of property, plant and equipment being overstated with R626 970 and the impairment loss being understated with R626 970.

34. Risk management

Financial risk management

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counterparty.

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored. Sales to retail customers are settled in cash or using major credit cards. Credit guarantee insurance is purchased when deemed appropriate.

Financial assets exposed to credit risk at year end were as follows:

Financial instrument	Economic entity - 2022	Economic entity - 2021	Economic entity - 2022	Controlling entity - 2021
Investments	-	-	120	120
Receivables from exchange transactions	3 694 464	3 984 805	3 393 342	3 745 677
Cash and cash equivalents	103 430 120	99 029 665	103 437 429	98 984 943

35. Going concern

We draw attention to the fact that at 30 June 2022, the municipality had an accumulated surplus (deficit) of R 87 625 814 and that the municipality's total assets exceed its liabilities by R 87 625 814.

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

36. Events after the reporting date

Appointment of municipal manager was concluded in line with Local Government Regulations on appointment and condition of Senior Managers and Council resolution item C:22/07/2022.

- Municipal Manager was appointed 1 July 2022..
- Remuneration package was subject to Government Gazette no 43122 of 2020. As soon as the Government Gazette for the year 2022 is received by the municipality, the Municipal Managers remuneration package will be adjusted..

37. Unauthorised expenditure

Opening balance as previously reported	70 748 925	70 748 925	70 748 925	70 748 925
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Inadequate budget provision attributed to unauthorised expenditure over the past three financial years

Dr Kenneth Kaunda District Municipality Group

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand	Economic entity		Controlling entity	
	2022	2021	2022	2021
38. Fruitless and wasteful expenditure				
Opening balance as previously reported	11 603 131	11 398 549	11 028 209	11 020 835
Add: Fruitless and wasteful expenditure identified - current	94 767	204 582	79 012	7 374
Closing balance	11 697 898	11 603 131	11 107 221	11 028 209

Fruitless & Wasteful expenditure tabled in Council and the report was referred to Municipal Public Accounts Committee. List investigations by MPAC not conclude and the amount involve add up to 616 640 and this amount includes 216 640 for interest on penalties for late payment. 10 000 000 relates to an advance payment processes during the 2016/17 financial year and this matter has been reported to South African Police Service. The case is still proceeding at the high court.

Disciplinary steps taken/criminal proceedings

The Accounting Officer has started with the investigations to establish instances which has led to non-compliance to the Supply Chain Management Regulations. Other matters relating to the irregular expenditure were referred to the Disciplinary Board for further investigations. The Disciplinary Board is also working finalising the investigations. Once the board and the accounting officer has finalised the investigation a report will be tabled in the next council meeting.

39. Irregular expenditure

Opening balance as previously reported	230 066 851	204 772 600	225 826 455	199 243 431
Correction of prior period error	-	(1 372 687)	-	-
Opening balance as restated	230 066 851	203 399 913	225 826 455	199 243 431
Add: Irregular Expenditure - current	33 912 389	26 655 328	33 845 697	26 583 024
Add: Irregular Expenditure - prior period	-	11 610	-	-
Closing balance	263 979 240	230 066 851	259 672 152	225 826 455

Dr Kenneth Kaunda District Municipality Group

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Notes to the Annual Financial Statements

Figures in Rand	Economic entity		Controlling entity		
	2022	2021	2022	2021	
39. Irregular expenditure (continued)					
Incidents/cases identified/reported in the current year include those listed below:					
	Disciplinary steps taken/criminal proceedings				
The scope of the contract was extended without the proposed amendment being tabled in the council of the municipality.	None	-	1 509 390	-	1 509 390
Non compliance with SCM regulation 19	None	-	1 948 594	-	1 948 594
Supply Chain Regulation 29(4) (i, ii & iii). A adjudication Committees were not properly constituted in accordance with the regulation for the appointment of service providers through the competitive bidding processes.	None	14 723 499	11 685 208	14 723 499	11 685 208
Non compliance with section 57 of the municipal systems act	None	2 253 738	3 678 917	2 253 738	3 678 917
Non compliance with SCM regulation 17&18, atleast three written quotations not obtained	None	6 155 593	4 689 921	6 155 593	4 888 921
Non compliance with SCM regulation 36	None	-	949 672	-	949 672
PPR 5(6) and PPR 5(7)	None	-	1 475 645	-	1 475 645
Tax non compliance section 13(b)	None	-	447 687	-	447 687
Non compliance sec 118 contract agreement	None	2 931 343	-	2 931 343	-
Non compliance SCM regulation 44	None	258 322	83 914	191 630	-
Other non compliance matters	None	7 589 894	-	7 589 894	-
		33 912 389	26 666 938	33 845 687	26 583 024

The guidance requires irregular expenditure to be disclosed inclusive of VAT, however the municipality in the current year disclosed the irregular expenditure exclusive of VAT. In the future the municipality will transition to disclose irregular expenditure inclusive of VAT.

Dr Kenneth Kaunda District Municipality Group

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand	Economic entity		Controlling entity	
	2022	2021	2022	2021
40. Additional disclosure in terms of Municipal Finance Management Act				
Contributions to organised local government				
Opening balance	(136 382)	(201 497)	(136 382)	(201 497)
Current year subscription / fee	-	1 302 293	-	1 302 293
Amount paid - current year	-	(1 237 178)	-	(1 237 178)
	(136 382)	(136 382)	(136 382)	(136 382)
Audit fees				
Opening balance	761 389	902 865	761 389	902 865
Current year subscription / fee	3 857 680	4 314 288	3 857 680	4 314 288
Amount paid - current year	(4 491 669)	(5 200 663)	(4 491 669)	(5 200 663)
	127 400	16 490	127 400	16 490
PAYE and UIF				
Current year subscription / fee	23 616 364	22 165 347	23 616 364	22 165 347
Amount paid - current year	(23 381 308)	(22 165 347)	(23 381 308)	(22 165 347)
	235 056	-	235 056	-
Pension and Medical Aid Deductions				
Current year subscription / fee	15 969 712	14 949 931	15 969 712	14 949 931
Amount paid - current year	(15 969 712)	(14 949 931)	(15 969 712)	(14 949 931)
	-	-	-	-
VAT				
VAT receivable	75 380 718	65 278 595	77 198 901	67 102 876
VAT payable	(73 091 758)	(62 823 938)	(73 091 758)	(62 823 938)
	2 288 960	2 454 657	4 107 143	4 278 938

Dr Kenneth Kaunda District Municipality Group

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Figures in Rand	Economic entity		Controlling entity	
	2022	2021	2022	2021

41. Deviation from supply chain management regulations

In terms of section 36 of the Municipal Supply Chain Management Regulations any deviation from the Supply Chain Management Policy needs to be approved/condoned by the Municipal Manager and noted by Council. The expenses incurred as listed hereunder have been condoned.

Supplier name	2022	2021	2022	2021
Kreston North West KKDM	2 037 915	965 000	2 037 915	965 000
Ducharme Consulting KKDM	33 206	31 625	33 206	31 625
Hasler Business Systems KKDM	12 043	11 439	12 043	11 439
Adapt IT / Caseware KKDM D6/22	162 428	-	162 428	-
Midvaal Water Company KKDM	763 613	18 566	763 613	18 566
Khuwait Group KKDM D8/22	198 000	-	198 000	-
Mtshhepana Trading KKDM	33 000	-	33 000	-
K M Detroy Business Enterprise	160 000	-	160 000	-
PAYDAY	31 990	35 138	31 990	35 138
RAL2 Consulting	82 750	-	82 750	-
SAMSUNG (NW TELECOMS)	75 055	-	75 055	-
SASFIN / D G Capital	3 156	2 950	3 156	2 950
South African Post Office	4 840	19 428	4 840	19 428
WAKS & Silent	770 143	-	770 143	-
Kgoisa Trading	178 500	-	178 500	-
South African Broadcasting Corporation	-	14 310	-	14 310
Vecendora(Pty)Ltd	-	70 000	-	70 000
Absolute Answer Trading (Pty) Ltd	-	48 500	-	48 500
Assessment Toolbox CC	-	34 500	-	34 500
Gifos And Popla Trading Enterprise	-	55 500	-	55 500
Power Mowers CC	-	6 670	-	6 670
Pono Security Services Projects	-	333 385	-	333 385
ATC Approval Construction	-	82 110	-	82 110
Envirocare Laboratory	-	29 155	-	29 155
Iveco Truck & Bus	-	102 799	-	102 799
Maine Management	-	1 450 363	-	1 450 363
SEDIBANAMETSEENG PROJECTS (PTY)LTD	-	244 650	-	244 650
Rauco Trading CC	-	188 947	-	188 947
	4 546 639	3 745 035	4 546 639	3 745 035

42. Segment information

General information

Identification of segments

The economic entity is organised and reports to management on the basis of three major functional areas: primary, secondary and tertiary educational services. The segments were organised around the type of service delivered and the target market. Management uses these same segments for determining strategic objectives. Segments were aggregated for reporting purposes.

Information reported about these segments is used by management as a basis for evaluating the segments' performances and for making decisions about the allocation of resources. The disclosure of information about these segments is also considered appropriate for external reporting purposes.

The municipality provides three major services around the district being: Fire support services, Disaster management services and Environmental health services all aggregated under one segment called Community services

Dr Kenneth Kaunda District Municipality Group

Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

	Economic entity		Controlling entity	
Figures in Rand	2022	2021	2022	2021

42. Segment information (continued)

Types of goods and/or services by segment

These reportable segments as well as the goods and/or services for each segment are set out below:

Reportable segment	Goods and/or services
Segment	Community services

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Annual Financial Statements for the year ended 30 June 2022

Notes to the Annual Financial Statements

Figures in Rand

42. Segment information (continued)

Segment surplus or deficit, assets and liabilities

Economic entity- 2022

	Community services	Unallocated	Total
Revenue			
Revenue from non-exchange transactions	52 731 872	153 643 862	206 375 734
Revenue from exchange transactions	431 820	5 075 317	5 506 937
Total segment revenue	53 163 292	158 718 979	211 882 271
Entity's revenue			211 882 271
Expenditure			
Salaries and wages	42 560 080	71 217 020	113 777 100
Operational expenses	6 287 571	76 396 728	82 634 299
Depreciation and Amortisation	802 038	2 840 783	3 642 819
Total segment expenditure	49 629 687	150 424 531	200 054 218
Total segmental surplus/(deficit)			11 828 053
Gain on leave provision			1 510 984
Actuarial gains and losses			248 000
Gain(loss) on disposal of assets			53 412
Total segmental surplus			11 828 053
Entity's surplus (deficit) for the period			13 649 449

Controlling entity - 2021

Community services	Unallocated	Total
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Dr Kenneth Kaunda District Municipality Group

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Notes to the Annual Financial Statements

Figures in Rand

42. Segment information (continued)

Revenue

Revenue from non-exchange transactions
Revenue from exchange transactions

48 935 382	154 757 325	203 892 707
407 476	4 523 693	4 931 169

Total segment revenue

49 342 858	159 281 018	208 823 876
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Entity's revenue

		208 623 876
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Expenditure

Salaries and wages
Operational expenses
Depreciation and Amortisation

39 652 395	70 678 150	110 330 545
9 203 783	67 813 888	77 017 671
79 204	5 831 799	5 911 003

Total segment expenditure

48 935 382	144 323 837	193 259 219
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Total segmental surplus/(deficit)

		15 364 657
--	--	-------------------

Actuarial gains and losses

		(922 000)
--	--	-----------

Gain (loss) on disposal of assets

		(526 731)
--	--	-----------

Total segmental surplus

		16 384 657
--	--	-------------------

Entity's surplus (deficit) for the period

		13 916 926
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Information about geographical areas

The municipality's operations are in Orkney, which includes service provided in Potchefstroom, Ventersdorp, Klerksdorp and Maquasseli Hills Local

Information regarding the assets and liabilities per segment is not readily available as management did not report on it.

43. Budget differences

Material differences between budget and actual amounts

The Municipality considered all variances above 10% of the final budget amount to be material and therefore reasons were only provided for the material variances as required by GRAP 24.

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Notes to the Annual Financial Statements

Figures in Rand	Economic entity		Controlling entity	
	2022	2021	2022	2021

43. Budget differences (continued)

Sale of tender documents - Contributing factors results from the fact that Bidders have an option to either download bid documents free of charge on the E-Tender Portal or download tender documents from municipa lwebstel. During the month of march and april there open tender process

Other Income - It includes refunds from merit bursaries that was not budgeted for in the 2021/22 financial year

Transfers and Subsidies -A portion of this was budgeted for Dr Kenneth Kaunda District Economic Agency.

Commission received - Insurance payout received which was not budgeted for.

Other Expenditure - During the month of march and april there were no open tender process..

Changes from the approved budget to the final budget

The changes between the approved and final budget are consequences of changes in the overall budget parameters. For details on these changes please see details:.

Employee Related Costs -Not all critical positions were filled, bargain council increase was less than the projected increase by the municipality.

Remuneration of Councillors - During the 2021/22 there was a zero increase in terms of upper limits for remuneration of councillors

Other materials - During the month of march and april there were no open tender process

Contracted Services -During the month of march and april there were no open tender process.



**DR. KENNETH
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DISTRICT MUNICIPALITY



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