

GREATER LETABA MUNICIPALITY



ANNUAL REPORT 2024-2025



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CHAPTER 1

MAYOR FOREWORD AND EXECUTIVE SUMMARY

1.1 FOREWORD FROM THE HONOURABLE MAYOR



As I reflect on the past year, I am filled with immense pride in what our municipality has accomplished together despite ongoing challenges of slow economic pressures to the lingering effects of having to run several unfunded budgets for the past years. Despite these challenges and many more challenges, we have shown remarkable resilience and determination in several areas that were flagged by the Auditor General for our financial year 2024/2025 budget.

The municipality has historically shown improvement in audit outcomes, for instance past records indicates a shift from adverse opinions to unqualified opinions with or without findings. The past financial year We have inputted in the Budget and IDP and the path has been clear in terms of the direction we must take as an institution in the remainder of the council term. We have improved immensely in terms of performance, accountability and transparency. We have also made great strides in the preparation of financial statements, procurements and contracts management.

We are highly enthusiastic in fulfilling the core mandate of the people. We stand firm, having acquired the right technocrats who will lead the municipality in the right direction administratively. We trust them to spearhead this ship for us.

I present the Annual Report of Greater Letaba Municipality for the 2024/25 financial year to the community and all its stakeholders. This report is published in terms of the Municipal Finance Management Act No 56 Of 2003; it is a culmination of decisions which were taken by the Council for the year under review.

The Local Government: Municipal Finance Management Act 56 of 2003 requires municipalities to prepare an annual report for each financial year. It is fundamental to indicate that transparency is one of the trademarks of democratic South Africa and Greater Letaba Local Municipality is no exception. As we consistently report every year, the Annual Report has outlined the state of the municipality.

It also unveils the activities undertaken to achieve the predetermined objectives as set out in the Integrated Development Plan, against the approved budget. It has also touched on key issues which the Auditor- General

has highlighted for ratification in the Auditor-General South Africa (AGSA) report for the 2024/25 financial year where the municipality received an Unqualified Audit Opinion.

The areas that the AG highlighted which need improvement are expenditure management, strategic planning and performance management. The Annual Report aims at enhancing governance, transparency and promoting accountability. It is a means of ensuring ongoing planning, monitoring, and evaluation which begins with the formulation and annual review of the IDP.

In line with section 152 of the constitution, the Annual Report looks at the period under review, measures the performance of the municipality in various areas, and presents an opportunity to citizens and stakeholders to assess the progress of the municipality. The municipality works in collaboration with governments departments and other entities to provide the desired services to the communities of Greater Letaba Municipality.

In all of this, National government is busy reviewing funding model for local government. In the main, regulations over municipal surcharges on electricity and identifying alternative sources of revenue for replacement will be explored. Conversely, municipalities are expected to augment revenue generating mechanisms in way that will not incur sunk cost.

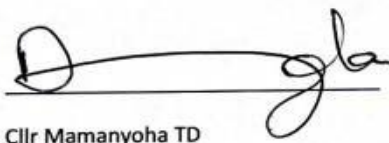
We need an Increased budget which will imply transformation of the local areas into a better place to live and work; a good posture forward to realize our goals by increasing glimmer of hope, confidence and governments' accountability to citizens. Moreover, increased budget provides the municipality with more resources for service delivery, and we are expected to render and coordinate services that will ultimately improve the lives of our communities much better than previously. Our indictment is that we should enhance proper and effective management of budgets and optimal utilization of resources which involves spending all and not allowing any penny that will revert to the national treasury.

As I conclude this year marks the end of our five-year term of office as council of 2021 and to that end we are expected to reflect thoroughly on the promises and commitment we made to our people and see how best that is achieved. I would further like to express my sincere gratitude to all Councillors, Officials, the entire community of Greater Letaba and all stakeholders for their dedication, support, and co-operation, which enabled the institution to record all service delivery progress in the year under review.

Through it all, accountability is key, citizens and stakeholders are thus invited to study the Annual Report to give inputs and feedback that comes in an informed manner. This will strengthen our ability to deliver services as we forge ahead.

I conclude by citing an African Proverb that says “A cat that dreams of becoming a lion must lose its appetite for rats”, meaning that to achieve greatness, you must let go of old habits that could hold back your progress.

I thank you.

A handwritten signature in black ink, appearing to read 'Dingla', written over a horizontal line.

Cllr Mamanyoha TD

Mayor

1.2 FOREWORD FROM MUNICIPAL MANAGER



The 2024/25 Annual Report of Greater Letaba Municipality has been compiled in compliance to the provisions of the Section 46 of the Local Government: Municipal Systems Act, 32 of 2000, which stipulates that municipalities must prepare annual report for each year that reflect the municipality's performance during the financial year against set deliverables. Section 121 (1) of the Local Government: Municipal Finance Management Act 56 2003 also obligates municipalities to prepare an annual report for each financial year. This Annual Report is therefore premised not only on a quest to improve accountability but also on legislative compliance.

The key intent of the annual report is to provide a record of all the activities that transpired in the financial year under review, provide a report on performance against the approved budget and to promote accountability to residents of Greater Letaba Municipality. The Annual Report outlines the performance of the municipality in line with its developmental mandate, municipal objectives and priorities set in the Integrated Development Plan (IDP).

Provision of basic services such as water, sanitation, electricity, waste removal and roads remained the key priority for Greater Letaba Municipality. The Municipality set a goal of 146 targets, of which 116(79%) were successfully met, while 30(21%) were not achieved. The overall percentage achieved for the 2024/25 financial year is 79%, indicating an improvement from the 71% reported in 2023 /24 financial year. The low revenue base as well as reluctance to pay for services rendered, by the residents play a major role towards the municipality funding its developmental objectives.

As part of the commitment towards improving the audit outcome and ultimately achieve clean audit, management implemented the AG Action Plan. The implementation of the AG Action has yielded positive outcomes, as the municipality improved the audit outcome when considering the number and materiality of issues raised by the Auditor General.

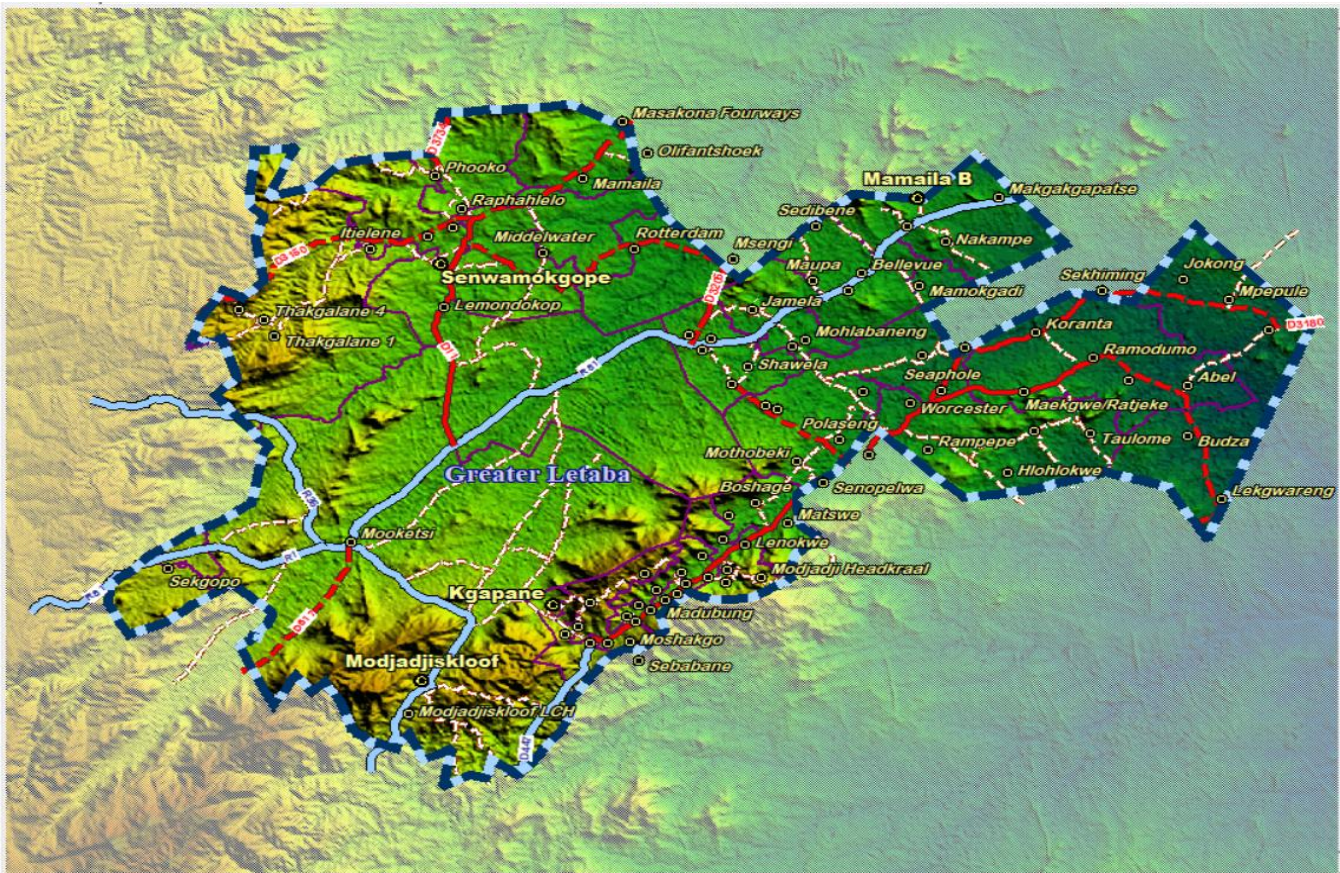
As the Accounting Officer, I would like to appreciate the political leadership by the Mayor, the Audit Committee, Senior Management and the entire workforce of Greater Letaba Municipality for the excellence and precision within which services were delivered. I, therefore, present the Annual Report for the 2024/2025 financial year.



MR SEWAPÉ M.O
MUNICIPAL MANAGER

1.3. DESCRIPTION OF THE MUNICIPAL AREA

The Greater Letaba Municipality (GLM) is situated in the north-eastern quadrant of the Limpopo Province within the Mopani District Municipality Area. Greater Letaba is bordered by Greater Tzaneen to the south, Greater Giyani to the east, Molemole to the west, and Makhado to the north. The “gates” to the municipal area are considered to be Sekgopo in the west and Modjadjiskloof in the south, Mamaila Kolobetona in the North and Makgakgapatse in the East. The land area of Greater Letaba Municipality extends over approximately 1891km². The Greater Letaba Municipality incorporates the proclaimed towns of Modjadjiskloof, and Ga-Kgapane, situated in the extreme south of the municipal area, and Senwamokgope towards the north-west of the area of jurisdiction. There are also 132 rural villages within the municipal area. The municipality consist of 30 wards.



Map: Greater Letaba Municipality Map

1.3.1 Demographic Profile

Table no 1. Greater Letaba Key Statistics

Name	2022	2011
Total population	261 038	213 932
Young children (0-14 years)	35,1%	34,5%
Working age population (15-64 years)	57,6%	58,5%
Elderly (65+ years)	7,4%	6,9%
Dependency ratio	73,7	70,8
Sex ratio	82,3	81,1
No schooling (20+ years)	23,7%	27,0%
Higher education (20+ years)	6,5%	5,8%
Number of households	65 220	58 612
Average household size	4,0	3,6
Formal dwellings	94,4%	91,8%
Flush toilets connected to sewerage	20,0%	10,2%
Weekly refuse disposal service	17,4%	8,5%

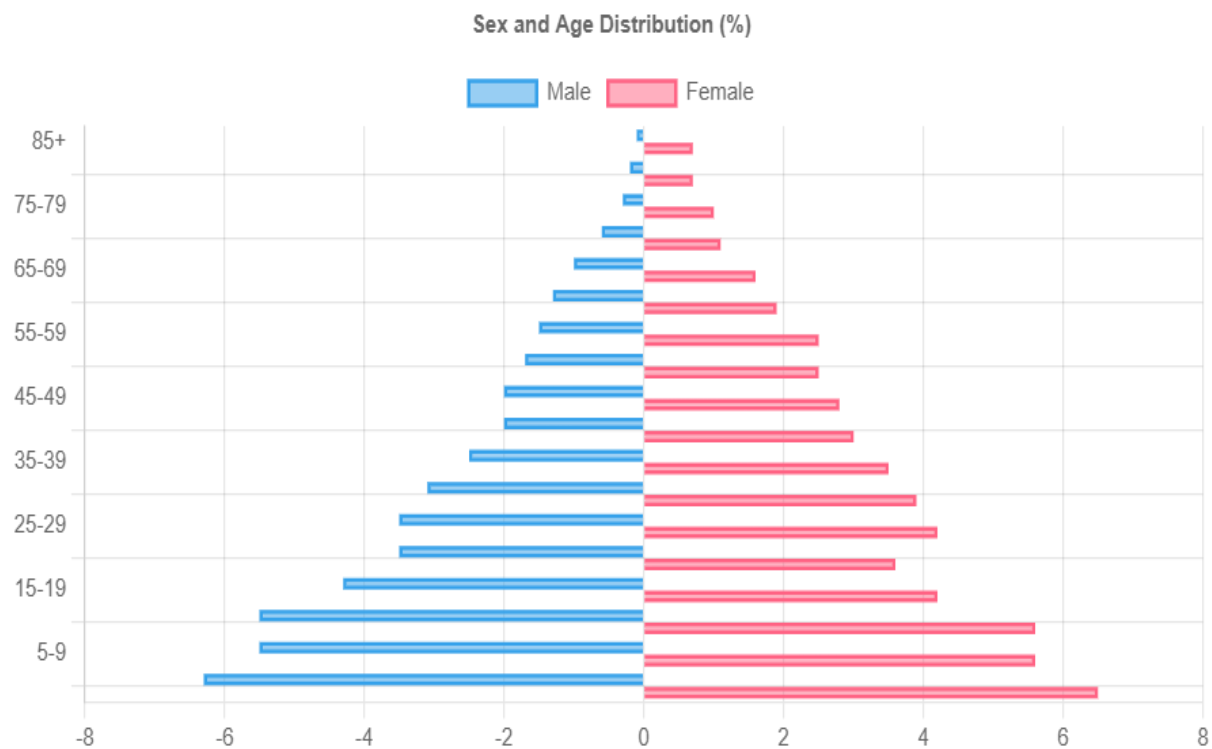
Name	2022	2011
Access to piped water in the dwelling	20,7%	10,1%
Electricity for lighting	97,0%	90,8%

Source: (Census 2022)

Source: (statistics South Africa)

1.3.2 Age and Gender Distribution

Graph 1.: Sex and Age Distribution



1.4 SPATIAL RATIONALE

1.4.1 Purpose of Spatial Analysis

The purpose of the spatial analysis is to ensure that municipality's spatial strategies and land-use management decision is based on a general awareness of:

- Spatial constraints, problems and opportunities;
- Trends and patterns;
- The necessity for spatial restricting;
- The need for land reform and
- The spatial dimension for development issues

The Greater Letaba Municipal area has the following spatial characteristics:

- A land area with a radius of approximately 1 891km;
- A fragmented formal urban component comprising of Ga-Kgapane, Senwamokgope and Modjadjiskloof;
- The incidence of rural settlements is evenly spaced along the northern boundary and a lesser concentration of villages along the south-eastern boundary of the Municipality;
- The southern part of the municipal area comprises of mountainous terrain, which precludes urban development;
- Large tracts of arable land which are being used for intensive and extensive agricultural activities, these include tomatoes (central), timber (south and south east), game and cattle (central and north-west);
- Environmental degradation due to illegal dumping, inadequate sanitation facilities and overgrazing and
- Significant areas of land owned by the state under custodianship of tribal / traditional authorities.

There are three proclaimed towns within the Greater Letaba Municipal area, namely Modjadjiskloof, Ga-Kgapane and Senwamokgope. There is a process to develop Mokwakwaila to become the fourth township, and that would increase economic development opportunities. There is an opportunity for the municipality to start exploring possibility of expanding development in these townships but also assess areas where new township establishments can be established such as Modjadjiskloof Ext 4, Panorama and Kgapane.

1.4.2 Settlement Hierarchy

Settlement hierarchy of the municipality is usually based on the classification of individual's settlement as reflected below in the table:

Table no 2: Settlement Hierarchy

Type	Characteristics	Area
1 st Order Settlement	• Growth points; • Settlement located relatively close to each other; • Meaningful economic and social activities; • Services are available for potential business and • Higher level of services.	Modjadjiskloof, Ga-Kgapane and Senwamokgope
2 nd Order Settlement-	• This group of settlements are located close to each other; • Have virtually no economic base; • The area has no infrastructure services and • Have a substantial number of people residing in this area.	Mokwakwaila
3 rd Order Settlement	• The areas exhibit development potential based on population growth; • The areas are traditionally rural areas; • Have more than 500 inhabitants; • They don't form part of the cluster; • Most of these areas are relatively isolated in terms of surrounding settlement; • The potential of self-sustained development growth is limited and • Lack development opportunities.	Mapalle and Rotterdam
4 th Order Settlement	• The settlements are traditional rural areas, whereby they are located in the manner that they are interdependent; • Settlements are linked together by social infrastructure e.g. (clinic, schools etc.) and • The settlements are small and they have less than 1000 people per village.	
5 th Order Settlement	• All small settlements are mainly rural villages, which do fall under 4th order of settlement; • No economic base in this area	Motlhele

1.4.3 Land Use Composition and Management Tools-LUS and GIS

LUS determines and regulates the use and development of land in the municipal area in accordance with Town-Planning and Town Ordinance. Geographic Information System assists with the information regarding land development and upgrading, so the municipality has to upgrade the systems regularly.

1.4.4 Spatial Development Growth Points Areas

The table below indicates the growth points within the municipality

Table no 3: Spatial Development Growth Points Areas

Provincial	District	Municipal
Modjadjiskloof	Ga-Kgapane Township	Mokwakwaila Senwamokgope

1.4.5 Land Claims and their Socio-Economic Implications

Greater Letaba has by far the majority of land claims (196); covering a land area of approximately 91812ha. At the moment 48% of the total area in the municipality is subjected to land claims. The extent of land claims in the municipality and the potential impact it may have depending on the outcome of investigations is quite substantial and may impact heavily on the Spatial Development Framework and other strategic plans.

Moreover; no development can take place on land that has been claimed until the claim is settled (unless such a claim has not been gazetted or if consent has been obtained from affected community(s); hampering development in all areas of the economy.

According to information received from the Land Claims Commissioner; only the land claim of the Pheeha, Rakwadu and Tshwale Communities have been settled by providing alternative land. The status of other land claims in the area has been investigated and notable progress has been observed.

Table no 4: Status of Land Claims

Total number of claims lodged	196
Total after consolidation	194
Total settled	3
Hectors restored	91812.01ha
Households Benefited	1923
Beneficiaries	17234
Outstanding claims	97284.02ha

Table no 5: Land Claims Settled

REF/KRA NO	Claimant
CPA-2001/0278/A	Pheeha Community
CPA-12/1299/A	Tshwale Community
	Rakwadu Community

Table no 6: Illegal Land Occupation

Property Description	Land Ownership	Comment(s)
Meshasheng in Ga-Kgapane	Greater Letaba Municipality	
Mokgoba in Modjadjiskloof	Greater Letaba Municipality	About 200 shacks has been built illegally in Mokgoba area
Portion 4 of the farm mooiplats	Greater Letaba Municipality	About 100 sharks built illegally

1.4.6 Spatial Challenges:

- Large area in Modjadjiskloof town is privately owned and these create a challenge in terms of upgrading and expansion of the town;
- There's illegal settlements and land occupation in areas such as Mokgoba and Meshasheng and legal processes are underway to address such challenges.
- Sparse rural settlement and
- Building houses without building plans.

1.4.7 Spatial Opportunities

The municipality may also draw spatial opportunities from tourism. This is mainly because of the vast potential in terms of suitable resources in the municipality.

These may be summarized as follows:

- The availability of the Rain Queen (Queen Modjadji) which may influence tourism related development along the Ga-Kgapane-Mokwakwaila Development Corridor;
- The African Ivory route that passes through Modjadjiskloof could bring unprecedented growth in both Modjadjiskloof as a town and the entire municipality.

Various development nodes exist in the municipality; each with a unique development opportunity. These nodal points may be enhanced utilizing Nodal Configuration Plans and linked to each other through networks thoroughly planned through the Spatial Development Framework of the municipality.

The following key elements present opportunities with tangible spatial impacts if explored adequately:

- Modjadji Nature reserve, with the Modjadji (Encephalartos Transversos Cycad Forestry) only found here;
- Vast tomato plantations of ZZ2;
- Modjadjiskloof waterfalls;
- Walking trails both in the Caravan Park and in the nature reserve;
- Manokwe caves;
- Shidila Lodge and Nahakwe Mountain Lodge.
- Lebjene Reins
- Senopelwa / Matipane Showgrounds
- Modjadji Royal White House
- Township Establishment at Modjadjiskloof ext 4

GREATER LETABA SPATIAL FRAMEWORK
PROTECTION OF LOCAL RESOURCES | 2020

Environmental Resources

- Critical Biodiversity Area One
- Critical Biodiversity Area Two
- Dams

Tourism Resources

- Tour De Limpopo Cycle Route
- African Inlay Route
- Important Bird Areas

Mining Resources

- Active & Abandoned Mines
- Mining Area

Agricultural Resources

- Silos
- Abattoirs
- Supermarket
- Agricultural Project
- Food Retail
- Agricultural High School
- Agri Infrastructure
- Nursery
- Poultry Project
- Fuel Depot
- Fresh Produce Market
- Fruit and Vegetables Market
- 222 Head Office
- Modjadji Nature Reserve
- Modjadji Cycad Nature Reserve
- Largest Baobab Tree - Tourism attraction

Land Use / Agriculture

- Annual Crop Cultivation / Planned Pastures Rotation
- Horiculture / Viticulture
- Cattle Farming
- Subsistence Farming

Other Resources

- Annual Crop Cultivation / Planned Pastures Rotation
- Horiculture / Viticulture
- Cattle Farming
- Subsistence Farming

Scale: 0 1.5 3 6 9 12 Km

1.4.9 Strategically Located Land within the Greater Letaba Municipality

Small businesses and new retail developments have been the focal point of new developments in Modjadjiskloof, Ga-Kgapane and Senwamokgope towns in recent years. Large space of land is utilized for agricultural purposes, i.e. growing tomatoes, timber, cattle farming, etc.

However, the mountainous area of Modjadji, 'the Rain Queen' can potentially be utilized for eco-tourism. The availability of the palace can also be one of the opportunities for Tourism attraction given the Modjadji dynasty and heritage. There is a lack of private investment in certain places of the main town and this has led to the deterioration of these areas and underutilization of existing infrastructure.

Moreover, the following areas have huge opportunities which the municipality may capitalize on for development; which include the following:

- Farms to the West of Ga-Kgapane located on a slightly flat terrain suitable for mixed use development including commercial and industrial. These include the farm Platland and Driehoek;
- The area between Ga-Kgapane and Modjadjiskloof constitute of the farm Spritsrand, Witkrans, Vrystaat and Hildrop;(Modjadjisklook Ext 4)
- The area between Modjadjiskloof and Mokgoba may serve as a proper link between Mokgoba and the town; thereby attracting further investment in terms of both residential and commercial development;
- Goudplaas and Nooitgedaght with a potential for a new township establishment, extensive agriculture and industrial development;
- The vacant land parcel in Senwamokgope between the built area and the college would be ideal for Convenience Centre development;
- Mokwakwaila area on the farm Worcester 200-LT given potential by its centrality in Bolobedu and the municipality as a whole.
- Portions of the farms Vaalwater and Roerfontein adjoining the existing Senwamokgope to the South and East
- Mooketsi (area around the junction) which has a potential for growth as a convenience centre for tourism.

It is worth noting that the above areas are under the ownership of private individuals with the exception of the farms Worcester, Vaalwater and Roerfontein which are state owned. The Municipality should conduct land audit in order to locate and unlock municipal land that can be used for development.

1.4.10 Spatial Development Consideration (Subject to Land Availability)

The following human settlement areas have been planned for future development:

- Proposed establishment of extension 11,12 and 13 of Kgapane
- Township establishment (286 sites) on the farm Vrystaat, covering 67 hectares: Portion 14;
- Township Establishment (600 sites) on farm Nooigedatcht 342-LT;
- Township Establishment (279 sites): Modjadjiskloof Extension 1 and 2
- Township Establishment (4900 sites): Makhabeni Extension 1 on the farm Altydmooi 379-LT;

- Shopping Centre/ Mall on the farm Schoongelezen: Portion 01;
- Township development and Mall at Mokwakwaila
- Shopping Centre/Mall in Senwamokgope;
- Extension of Ga-Kgapane Shopping Centre
- Shopping Centre of Mamaila Mphotwane

Table no 7: Spatial Rationale SWOT Analysis

Strength	Weakness
• SPLUMA • SDF	• Sparse rural settlement
Opportunities	Threats
• Growth points • Identifiable land use areas • Tourism • Township establishment	• Illegal settlements and land occupation • Land disputes • Building of houses without building plans

1.5 ENVIRONMENTAL ANALYSIS

1.5.1 Background

Greater Letaba municipality is faced with environmental risks and threats that lead to environmental degradation. National legislation and various international protocols gives guidance as to how the municipality should ensure safer and sustainable environment for the residence. In order to ensure that development activities carried out by Greater Letaba Municipality are sustainable, the IDP of Greater Letaba Municipality had considered environmental and socio-economic issues in an integrated manner in decision making, project planning and implementation.

A summary of environmental analysis of Greater Letaba Municipality will provide an outline of various challenges faced within the environmental space of the municipality.

1.5.2 Environmental Legislation:

1.5.2.1 The international protocols which guides environmental management are as follows:

- Strategic goals of the Rio declaration;
- Agenda 21;

- Kyoto protocol,
- Convention on International Trade in Endangered Species (CITES);
- RAMSAR Convention;
- World Summit on Sustainable Development (WSSD).

1.5.2.2 Legislation which regulates matters relating to environmental management:

- National Environmental Management Act No 107 of 1998;
- National Environmental Management Biodiversity Act No 10 of 2004;
- Air Quality Act NO 39 of 2002;
- National Environmental Waste Act No 59 of 2008.
- Mopani Climate Change Response Plan

Sources: South African Legislations

Greater Letaba Municipality has environmental challenges in the following areas:

1.5.2.3 Veld and forest fires

Veld and forest fire are the environmental challenges that is experienced in Greater Letaba Municipality.

1.5.2.3.1 Causes of veld and forest fire:

- Bee hunting; Firewood collection; Economic gains; Lack of knowledge about fire and Distraction.

1.5.2.3.2 Extent of the challenges:

- Destruction of grazing and affect livestock farming

1.5.2.3.3 Areas affected by Veld/ forest fires:

- Meidingen; Thakgalang and Goudplaas.

1.5.2.4 Alien plant invaders

Alien plants are the foreign plants which are not originated in South Africa and they are either brought deliberately here in South Africa or Greater Letaba Municipality because of their commercial values or transport through natural means, Via wind, rivers and migration of birds from one country to another. GLM is conducting alien and invasive species awareness campaigns with working for water and South African Biodiversity Institute (SAMBI). Furthermore, alien, and invasive steering committee has been established by the municipality (Environmental Unit), for the progress of eradication by working for water, SAMBI and Department of Agriculture and Rural development.

1.5.2.4.1 Causes of Alien plant

Deliberate transportation of alien plant by human beings from one country to another, for commercial gains, agent of pollination e.g. Running water; birds and wind.

1.5.2.4.2 Areas affected by alien plants

- Thakgalang area (Ponelopele cattle farming farm); Modjadji Nature reserve; Sekgothi area; Ramaroka Sekgosese, Ga-Kgapane, Rapitsi, Mokwakwaila, Bodupe, Maphalle and almost Greater Letaba Areas.

There are different alien species i.e. Lantana, Morning glory, Potato bush, Yellow poppies, Bark weed, Casta oil, etc. The Municipality must should put budget aside for alien control and awareness.

1.5.2.4.3 Extent to the challenges

Destroying vegetation cover around them; Causes soil erosion; Consume lots of water;

Drying arable land and destroying indigenous plant; Aggravating wildfire; Poisonous to livestock. *Source: Working for Water and Department of Agriculture 2021*

1.5.2.5 Deforestation

Deforestation is one of the identified major environmental challenges affecting most areas in Greater Letaba Municipality.

1.5.2.5.1 Causes of deforestation

- Poverty; Unemployment and Cutting of trees for fire purposes.

1.5.2.5.2 Areas affected by Deforestation

- Rotterdam; Thakgalang; Mamaila Kolobetona; Mamaila Mphotwane; Kuranta and the surrounding villages; Motlhele and the surrounding villages; Shamfana and the surrounding villages; Mohokoni g village and some areas within GLM.

1.5.2.5.3 Extent of deforestation

- Causes of soil erosion; Destroy vegetation; Disturbance of eco system; Land become unproductive; Grazing for animals is affected.

1.5.2.6 Soil erosion

Soil erosion has negative effect to the environment and as such it affects soil suitability and fertility within municipality.

1.5.2.6.1 Areas affected by soil erosion

- Sekgosese area; Rotterdam; Kuranta; Bellevue; Matswi and other areas within the municipality.

1.5.2.6.2 Causes of soil erosion

- Improper control on arable land; Deforestation; Overgrazing; Lack of poor storm water control systems and Poor land-use management.

1.5.2.6.3 Extent of soil erosion

- Create unproductive soil; Top fertile soil is eroded; Vegetation cover is also eroded and Grazing areas are also affected.

There is a need to strengthen storm water control system, land care programme initiated by the Department to fight soil erosion. *Sources: Department of Agriculture*

1.5.2.7 Informal settlement

Informal settlement has major negative effect to the environment in that most areas occupied by structures without consideration of environmental potential.

1.5.2.7.1 Areas affected by informal settlement:

- Mokgoba in Modjadjiskloof; Meshasheng and Masenkeng at Ga-Kgapane and Senwamokgope.

1.5.2.7.2 Causes of informal settlement:

- Poverty; Unemployment; Population growth and urbanization.

1.5.2.7.3 Extent of informal settlement

Creates environmental problems; Create unregulated building patterns; It destroys vegetation when buildings are built; To be successful there is a need to establish integrated human settlement with proper basic services and thriving local economies that are able to create jobs.

1.5.2.8 Water pollution

Water pollution affects most people who stay in rural areas because some still rely on water from rivers for domestic purpose. The following are rivers that are affected by pollution within Greater Letaba Municipality namely Klein, Groot Letaba rivers and Molototsi.

1.5.2.8.1 Areas affected by water pollution

- The areas where people still rely on ground water and water from rivers;

1.5.2.8.2 Causes of water pollution:

- Pit latrines; Unauthorized cemetery; Fertilizer; Sewer; Disposal of nappies inside the streams and on land.

Sources: Department of Water and Sanitation

1.5.2.9 Drought and natural disaster

The municipality has over the years experienced some moderate drought in all villages and urban settlement. During this period majority of boreholes and earth dams dried up.

1.5.2.9.1 Areas affected by drought and natural disaster

- Kuranta; Rotterdam; Mothele; Mamanyoha and Shamfana.

1.5.2.9.2 Extent of drought and natural disaster

- It impacts on the availability for both livestock and residents and Decline vegetation for grazing.

Sources: Mopani District Risk Profile

1.5.2.10 Global warming/ climate change

Global warming is defined as the increase in the average temperature on earth. As the earth gets hotter, disasters like hurricanes, floods, droughts and raging forest fires do get more frequent. The three hottest years ever

occurred have all occurred in the last eight years. Global warming is caused by climate change that results in rise in temperatures. It is recorded that climate change accounts for 160 000 deaths in the world per year.

Climate change is caused by the sun's radiation (heat energy) that is absorbed by emitted gases into the atmosphere.

Greater Letaba Municipality acknowledges that climate change poses a threat to the environment, its residents, and future development. Actions are required to reduce carbon emissions (mitigation), and prepare for the changes that are projected to take place (adaptation) in the municipality. Furthermore, GLM has established the Environmental Forum, with different stakeholders for the aim of becoming a climate change prepared Municipality. Moreover, it is still developing Climate change response strategies to detect the emissions from different sources and develop climate change action plan and educating the community to stop practicing activities that are causing it. Those activities that are contributing in emissions generations. Mopani District Municipality has therefore prioritised the development of a Climate Change Vulnerability Assessment and Climate Change Response Plan.

1.5.2.10.1 Gases like CO₂, methane and nitrous oxide

In the atmosphere absorb heat energy that is bounced from the earth's surface. This is naturally balanced to keep us warm here on earth. Otherwise the earth would be too cold at around -18°C. With more human activities taking place on earth, there is more emission of water vapour, carbon dioxide, ozone, methane, nitrous oxide and chlorofluorocarbons into the atmosphere, resulting in more heat energy trapped or absorbed thus increasing atmospheric temperatures.

How much warmer it gets down here on earth depends on how much energy is absorbed or trapped up there and that in turn depends on the atmospheres composition.

1.5.2.10.2 Causes of global warming:

- Human activities attached to the increase in CO₂ e.g. cars;
- industrial productions;
- energy-producing industries;
- Deforestation and agriculture (inorganic farming).

Biomass burning

- Mostly in the rural areas within GLM people are using it for cooking and heating.
- Eliminate garden waste.
- Farming activities by burning vegetation especially during any season and after harvesting.

Vehicle emission

- Due to lack of proper public transport, people are depending on their individual footprint.
- Carbon Monoxide emission become high and they have an impact on climate change which leads to global warming.

Industry

- Timber treatment which uses chemicals that affect the environment and impacts negatively on the air i.e. Khulani Timber Industry in Modjadjiskloof.
- Sew dust emission from timber plants is burned since there is no better disposal of it.
- This impact on the air quality.

Dust

- Unpaved road, Construction and other human activities.

1.5.2.10.3 Extent of the problem of global warming

- Changes in climate are predicted to result in the shifting of bioregions across South Africa. In the Mopani District Municipality, it is projected that with the warmer temperatures that there will be a replacement of grassland biome with savanna. A large amount of grassland and grassland related species will be lost.
- Greater Letaba Municipality farmers are affected in the form of lower production .
- Increasing chances for floods, strong storms (e.g. hurricane Katrina in 2005), altered rainfall patterns;
- Reduction of access to portable water, threat to food security and health effects to poverty stricken communities;
- Emission of gases causing global warming could be scaled down by utilizing every space for plants.

Using alternative forms of energy (e.g. solar panel, wind turbines heat, power plants) and put strict control against deforestation. It is clear that individuals, communities and government need to come up with programmes to bring awareness on the causes and effects of global warming and strategies on control measures for decreasing emission of the gases that exacerbate temperature increase in the atmosphere.

1.5.3 Waste Management

GLM is collecting waste in Modjadjiskloof, Ga-Kgapane and Senwamokgope. The Municipality has extended the collection of waste to Mokgoba, Meidingen, Raphahlelo, Phooko, Mamaila- Kolobetona, Sekgopo, Jamela, Mamphakhathi, Madumeleng, Modubung, Madibeng, Kheshokholwe, and Matswi, Mooketsi market, Maphalle markets, Sekgosese area and Mokwakwaila business centre and various areas within the municipality. There are three compactor trucks, 2 skip trucks and refuse tractor which are used for the collection of waste in various areas. Over 120 skip bins have been purchased for extension of waste services to 30 Wards within the Municipality. There are two operational transfer stations located at Senwamokgope and Ga Kgapane for waste disposal as a temporary storage and one drop off centre for disposing garden waste at Modjadjiskloof. One major challenge is also that the municipality has no established land fill site and currently depending on Tzaneen Local Municipality for dumping purpose. The municipality has acquired a land at Maphalle Village to establish a landfill and scm processes are underway to commence with phase 2 of the Landfill site.

1.5.4 Environmental Management

The Municipality has developed environmental planning tools in house such as IWMP assisted by stakeholders i.e., LEDET, DEFF, DWS, and Dept. of Agriculture. Environmental Management Plan (EMP), Education and awareness strategy, Recycling and waste minimization strategy are still being developed. The Integrated Waste Management Plan (IWMP) and Environmental Management Plan (EMP) has been approved by the council and endorsed by the MEC of LEDET. Greater Letaba municipality as part of the Local Environmental Forum also plays a vital role in addressing issues of environment and awareness also in the form of newsletters and community radio.

1.5.5 Waste disposal

The Municipality has placed waste bins in town, villages and townships to address waste disposal challenges. Townships have also been provided with refuse bins in households to deal with issues of waste disposals. There are recycling projects identified and progress at Jamela and Maphalle. The construction of a buy-back centre has been completed but not yet operational.

1.5.6 Refuse removal

Some rural communities in Greater Letaba Municipality do not have access to wastes removal services. GLM still need to purchase more skip bins to establish rural drop of centres and extension for communal refuse collection in various villages within the municipality.

Table no 8: Refuse removal in rural areas

Municipality	No of villages	Villages served	Service provider	Comments
GLM	80	40	GLM	Maphalle markets, Mokwakwaila business centre, Modubung, Madumeleng, Mamphakhathi, Madibeng, Sekgopo, Mamaila wholesale taxi rank, Mamaila Kolobetona, Phooko, Raphahlelo, Matswi, Lenokwe, Mohlakamosoma, Rasewana and Jamela areas have been supplied with waste bins and the municipality is collecting them.

Refuse removal service by the municipality has been focusing in urban and some business, markets at rural area (towns, rural business, markets and townships).

1.5.6.1 Access to refuse removal

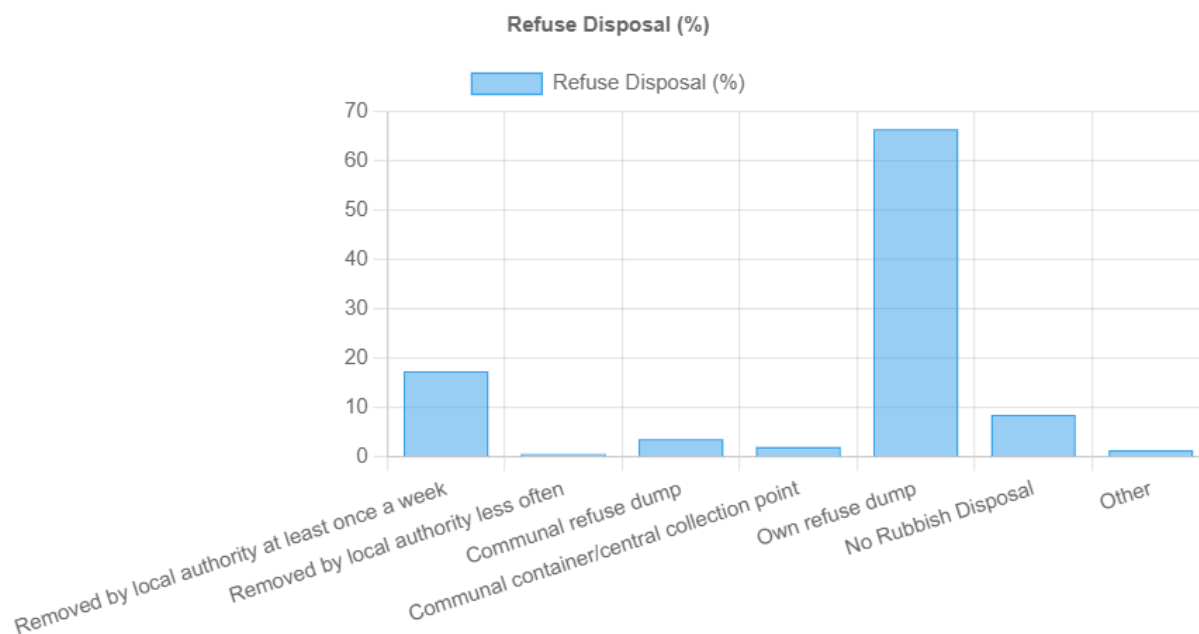
In terms of the municipal refuse removal, the current stats are as follows:

Table no 9: Access to refuse removal weekly by the municipality:

Removed by the authority	Frequency	%
Removed by local authority at least once a week	11 355	17,4%
Removed by local authority less often	365	0,6%

Communal refuse dump	2 357	3,6%
Communal container/central collection point	1 315	2,0%
Own refuse dump	43 355	66,5%
No Rubbish Disposal	5 543	8,5%
Other	932	1,4%

Graph no 2: Percentage distribution of household by type of refuse disposal



1.5.7 Greater Letaba Municipality Waste Management Challenges

The waste management problems in the Greater Letaba Municipality revolve around the following:

There is no general waste landfill site, hence GLM transport their waste to Greater Tzaneen Municipality and this is a costing service delivery option for the municipality. Although a new site has been identified at around Maphalle area and the development has already started. The garden refuse from old Modjadjiskloof dumping site are collected to ZZ2 for composting purpose.

There is one informal settlement with 2792 dwellings that do not have access to basic services like waste removal services and proper sanitation facilities, these as well threatens the environment.

1.6 BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

1.6.2 Water and Sanitation Analysis

1.6.2.1 Water Supply

Greater Letaba Municipality and Mopani District Municipality have signed a Water Services Provider (WSP) contract which allowed GLM to undertake operation and maintenance function limited to reticulation network. The WSP agreement with Mopani has been signed and implementation of it will be monitored.

The provision of water supply within the municipal area is gradually worsening as a result of insufficient bulk water supply which is aggravated by factors like new developments and inadequate water resources which cannot meet the current demand. The communities which are adversely affected by the situation resort to polluted sources like springs, raw water dams, rivers or buy water from residents who have private boreholes.

There is a need to address shortage of bulk water through the upgrading of existing purification plants; refurbishment of some resources; provision of package plants and drilling or equipping of additional boreholes as a temporary relief measure. Currently 367 boreholes in GLM, 282 working, 85 not working, 56 needs to be electrified and 19 vandalised.

1.6.2.2 Access to Water

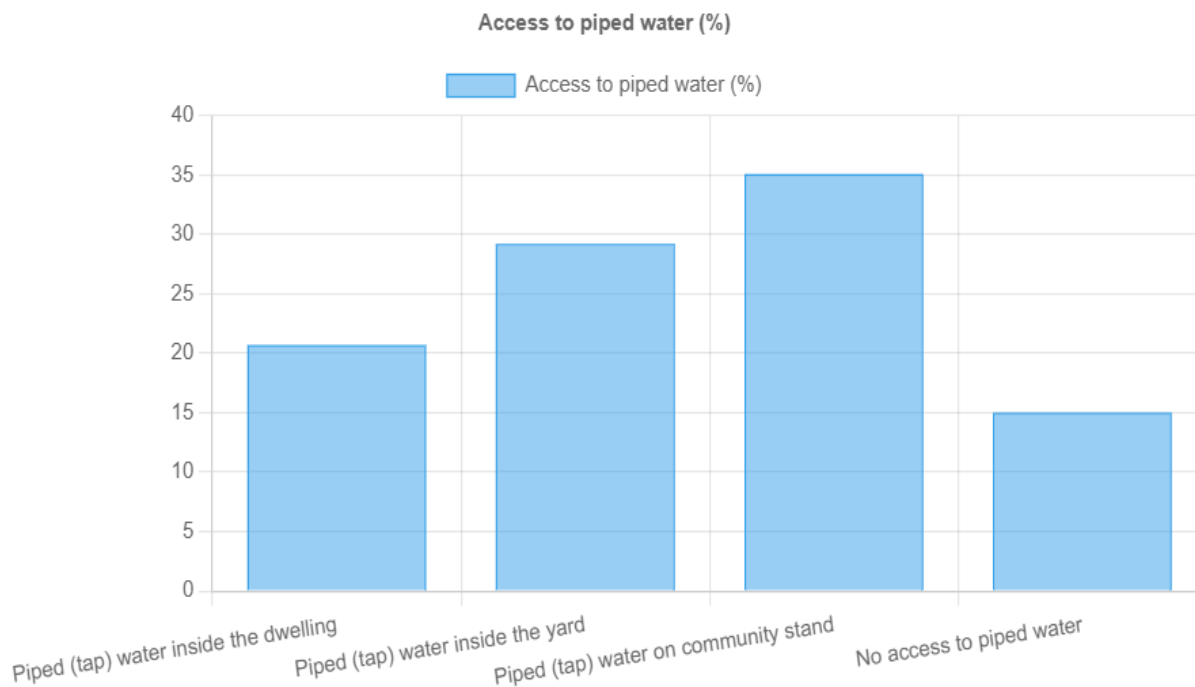
Greater Letaba Municipality strives to ensure that its residents have unhindered access to water services in accordance with the norms and standard required by law. According to the Census 2022, approximately 75% of the residents draw water from less than 200 m radius, which is the maximum required walking distance to tap water according to the RDP standards. The municipality already supplies at least 30%-40% of the villages with water tanker per week to address issues of water scarcity.

The table below shows that 20.7% of households in the municipality have access to tap water inside the dwellings, while the average for the District Municipality is 16.8 %. The percentage of households with access to tap water inside the yard is 29.2 %. The table further shows that majority of the households have access to tap water on community stands, above the acceptable walking distance 200m as required by standards.

The challenge of water results with desperate community members walking for a long distance to access water. It should also be noted that 15% of households in the Municipality have no access to tap water where the District Municipality percentage is 15.8%. It is worrying that some households in the Municipality still rely on springs, rain-water tanks,

stagnant water or dams, rivers and vendors as primary sources of water which may cause health hazard to the residents.

Graph no 3: Piped Water



Census 2022

1.6.2.3 Sources of Water

Table no 10: Sources of Water

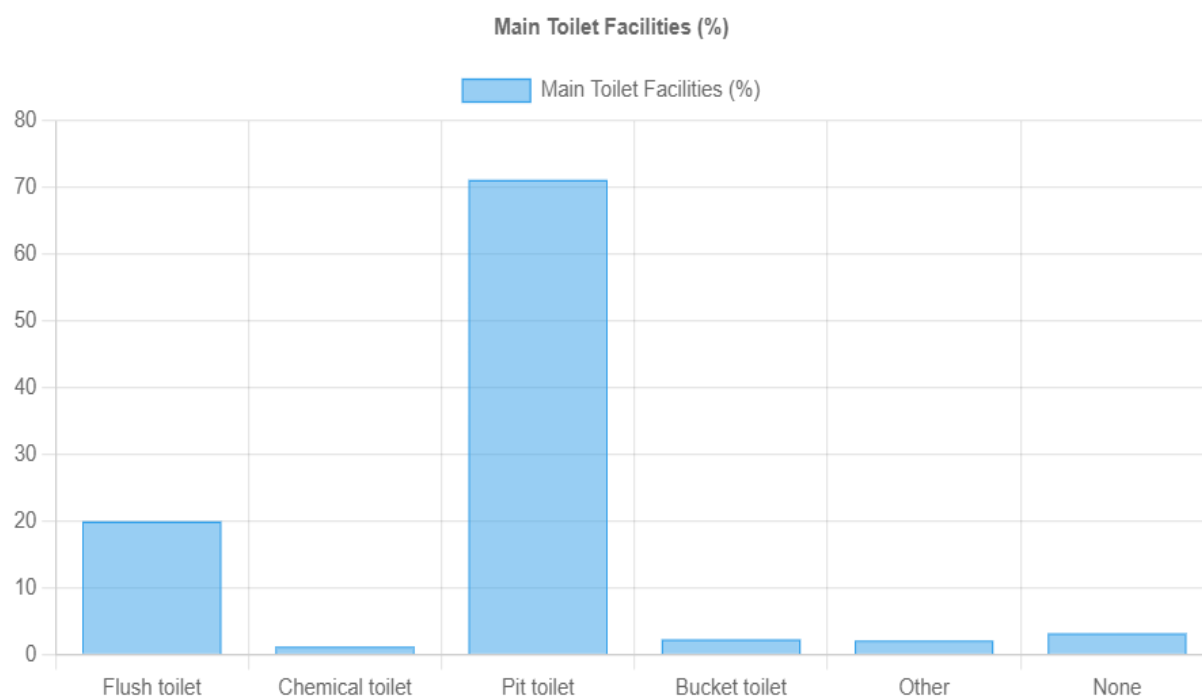
Source	Benefiting Areas
Tzaneen/Modjadjiskloof Water Scheme	Politsi, Mokgoba, Modjadjiskloof, Ga-Kgapane and surrounding farms
Modjadjji RWS Water Scheme	Mamphakhathi, Bodupe, Moshakga, Motsinoni, Ramphenyane and Mokwasele, Ga Modjadjji (Sehlakoni), Sekhuting, Modubung, Motsinoni, Malematja, Mokwasele, Motlhakong, Ga Kgapane, Medingen, Madibeng, Ramphenyana, Koope, Ga Matswi, Ga Mabulana,
Middle Letaba RWS -Magoro Water Scheme	Sephukhubje, Ga Phooko, Ga Raphahlelo, Tshabelane, Khomanani, Masakona

Worcester Water Scheme	Polaseng, Mokwakwaila, Mothobekhi, Ramaroka, Femane, Senakwe ,Mohokoni ,Ga Ntana, Maekgwwe and other surrounding
Lower Molototsi Rural water Supply scheme	Jokong, Mpepule, Thlothlokwe, Motlhele, Kuranta, Ramodumo, Buqa, Abele, Taulome and the surrounding villages.
Middle Letaba Babangu water scheme	Rotterdam
Sekgosese Water Scheme	Sekgosese
Middle Letaba Bolobedu Water Scheme	Sedibeng Maphalle, Mohlabaneng, Jamela, Sefofotse, Bellevue, Mamaila Mphotwane, Nakampe, Refilwe and Makgakgapatse, Molototsi, Nakampe, Mamokgadi, Ditshoseng, Mohlabaneng, Swawela,
Sekgopo Rural Water Supply Scheme	Sekgopo comprises of 15 villages of which solely depend on ground water. No bulk water Supply, the entire area depend on ground water supply

1.6.2.4 Access to Sanitation

According to Census 2022; about 71% of the households within the municipality are either without sanitation facilities or have sub-standard toilets like those without ventilation; bucket system and chemical toilets. The 71% figure might as well be translated into a backlog and that implies that progress in providing sanitation facilities is not satisfactory.

Graph no 4: Households Access to Sanitation



Source: (Census 2022)

1.6.2.5 Water and Sanitation Challenges

- Ageing of water and sanitation infrastructure (Modjadjiskloof, Senwamokgope and Ga-Kgapane);
- Ever reliance on boreholes (Sekgopo and Sekgosese areas);
- Theft and vandalism;
- Continuous diesel Water pumps breakdowns;
- non-payments of services;
- Illegal connection by car washes;
- Lack of maintenance of existing infrastructure and
- Poor quality of drinking water.
- Shortage of water because of drought
- Continuous boreholes breakdowns;

1.6.2.6 Free Basic Water and Free Basic Sanitation

The threshold for provision of Free Basic Water is a maximum of six (6) kilolitres per household per month. The municipality has 143 households which reside in the proclaimed towns and they do not pay for the first 6kl of water as reflected in their service accounts.

There is a total of 132 villages which receive unmetered free water supply; which is presumed to be above the FBW threshold. In areas where there are deficiencies in water availability; water supply is supplemented by water tankers without cost.

1.6.3 Energy and Electricity

1.6.3.1 Status of Electricity Network in Modjadjiskloof

Greater Letaba Municipality has electricity distribution license granted by National Electricity Regulator of South Africa (NERSA) in accordance with the Electricity Act, 1987 (Act No. 41 of 1987) to supply electricity in Modjadjiskloof.

ESKOM is responsible for distributing electricity to other areas except in Modjadjiskloof and Mokgoba village which is an extension of Modjadjiskloof where prepaid meters have been connected to address also issues of illegal connection.

The infrastructure maintenance is important to address issues of power outages especially during storms and winter season. High voltage and low voltage electrical network lines are still having challenges in terms of ageing although the municipality is still busy with refurbishment. The municipality purchases electricity from ESKOM. The Notified Maximum Demand (NMD) is 3 000kVA. The recorded Maximum Demand of June 2021 was 2 979kVA.

The GLM has applied to ESKOM for MND to increase to 5000KVA due to the over usage of the what the municipality has leading to penalties. The Greater Letaba Municipality has upgraded electrical network as per National Energy Regulator (NERSA) standards in substation sites and mini substations.

1.6.3.2 Sources of Energy

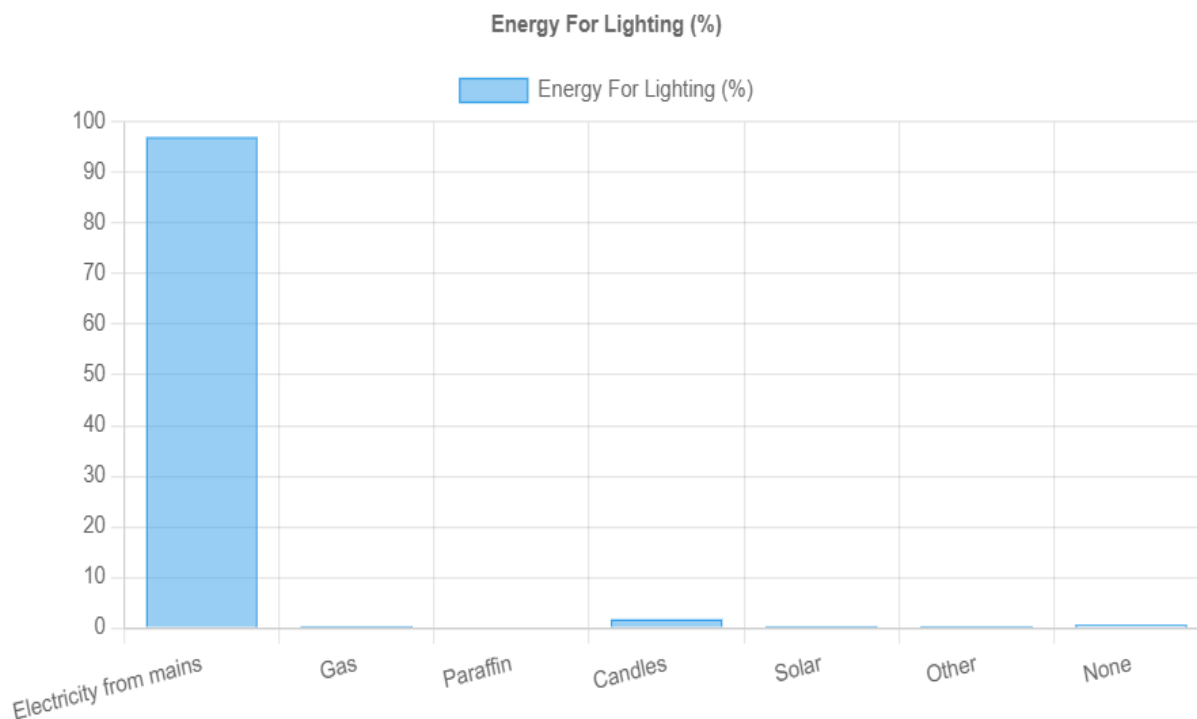
- Electricity;
- Solar;
- Paraffin
- Wood and Gas.

1.6.3.3 Electricity Backlogs

Energy distribution has important economic development implications with a potential to make considerable impact. This impact relates to improved living conditions, increased productivity and greater sustainability of environment.

The provision of electricity to households has been achieved to the larger extent. About 96,6% of the households in Greater Letaba Municipality have access to electricity. See figure below:

Graph no 5: Energy for Lightining



Access to electricity (Source: Census 2022)

Given its capacity of the figure above, Greater Letaba Municipality and the MTEF allocation, it is clear that all households will have access to electricity except new household's extensions.

1.6.3.4 Free Basic Electricity

The maximum allowable consumption for Free Basic Electrification is 50kwh per qualifying household per month. The municipality has received 144 beneficiaries (for the municipality's licensed area) for FBE of which all beneficiaries are currently connected. ESKOM administers applications and collection of FBE in areas under their distribution licence.

1.6.4 Roads and Storm Water

1.6.4.1 Road Networks

Transportation infrastructure makes a major contribution to the facilitation of economic activities. The assessment of Municipal Road Network completed by the Department of Transport in 2020 revealed that the municipality has a total road network of 1213km.

The majority of gravel roads are internal streets in rural areas which require intervention to improve access to houses, businesses and public amenities. There is a total of approximately 8km which are gravel in the three (3) proclaimed towns within the municipality.

A major progress has been made in improving the condition of the roads in the municipality whereby 91.08km streets have been paved through concrete interlock paving blocks and this has reduced the backlog to 696.08km.

Table no 11: Classification of Roads in GLM

National Tarred Roads	
R36	Mooketsi-Modjadjiskloof-Politsi
R81	Sekgopo-Mooketsi-Makgakgapatse

Provincial Tarred Roads	
D1034	R81-Jaghtpad-P43/2
D1308	Mooketsi-Morebeng
D447	P43/2-Kgapane-D848
D1380	Madumeleng –Modjadji
D3205	Maphalle-Blinkwater-Rotterdam
D3200	Lebaka Cross – Hlohlokwe
D11	R81- Mamaila Kolobetona
D3212	Mamatlepa-Ntata
D3180	Mamphakhathi- Mpepule
D3150	Wholesale-Morebeng

Provincial Gravel roads	
D617	Mooketsi-Valkrans
D569	P43/2-D1308

D3221	Lekgwareng-Abel
D3231	Mamaila
D3734	Ga-Phooko
D3160	Itieleng-Senwamokgope
D3211	Nakampe-Skimming
D3242	Lebaka-Jamela
D678	Mooketsi-D1034
D2672	D1034-D1509
D2673	P43/2-D1034
D2674	Modjadjiskloof-D447
D1331	Mothobeki-Boshakge
D1330	Boshakge-Lenokwe
D3197	Senopelwa-Mothobeki
D3195	Maphalle-D3225
D3225	D3195-D3200
D3196	R81-Ditshosing
D3219	Taulome-mahekgwe
D3216	Taulome-D3200
D3212	Bellevue-Ntata
D3207	Bellevue-Sidibene
D3206	Sedibeng-Maupá
D3243	Jamela-D3242
D3242	D3205-R81

The following strategic roads are tarred:

Table no 12: Strategic Roads

ID	Corridor	Description
1	Modjadjiskloof to Tzaneen	Along road R36 south of Modjadjiskloof
2	Giyani to Mooketsi	Along road R81 south of Giyani to Mooketsi
3	Modjadjiskloof to Ga-Kgapane	Along road R36 north of Modjadjiskloof to Ga-Kgapane
4	Modjadjiskloof to Giyani	Road R36 north of Modjadjiskloof into road R81 towards Giyani
5	Ga-Kgapane to Mokwakwaila	From Ga-Kgapane heading north through villages to Mokwakwaila
6	Mooketsi to Sekgosese	From Mooketsi heading north through villages to Sekgosese
7	Sekgosese to Bungeni	Road from Lemondokop through villages to Bungeni.

Table no 13: Roads and Bridges Requiring Immediate Attention

Roads	Bridges
Road D1329 (near Rabothata) and bridge; Road D3212 (Bellevue - Ga-Ntata); Road D1331 (Polaseng-Mothobekgi); D3179 (Rapitsi to Malematja) Road D3150 (Wholesale – Thakgalang -Morebeng); Road D3164 & D3205 (Sekgosese to Blinkwater); D3180 (Mamphakhathi to Mpepule) Road D3734 (Raphahlelo To Phooko);	Sephokhubje-Mamaila bridge; Sekgopo (bridge to moshate; Shaamiriri bridge (mpepule to shamfana); Rotterdam - Sephokhubje bridge; Rotterdam bridge; Abel – Shamfana bridge; Mapaana – Medingen bridge;

Road D3210 (Senwamokgope); Sekgopo – Moshate Road; Road D3200 (Mokwakwaila - Hlohlokwe); Road D3196 (Ditshosing) to R81; Road D3216 (Mamanyoha - Taolome); Road D3222 (Lomondokop -Sephokhubje); Expansion of R81; Road D3206 (Maupa-Sedibeng); Road D3207 (Bellevue –Shimausu); Road D3242/1 (Jamela road); R81 – Sekhimini road Sekgopo/Setaseng road -R81. D1034 (R81 to R36) Jaagpat road	Ramodumo-Kuranta bridge and Motsinoni-Mamakata bridge. Setaseng – Moshate bridge Polaseng-Matipane bridge; Mokwasele – Rabothata bridge Mabulane to Mothobekhi bridge

1.6.4.2 Road and Storm Water Drainage Backlog

The municipality has a backlog of storm water drainage in all gravel streets and roads. The backlog is estimated at 696 Km Road including storm water drainage. And the upgrading of some internal streets from gravel to concrete paving blocks in various villages and township is continuous.

1.6.4.3 Public Transport

Greater Letaba municipality public transport is accessible to communities, whereby some commuters take less than 10 minutes' walk to access public transport. Whereas some commuters take more than 10 minutes to access public transport which is above service norms and standards.

1.6.4.4 Types of Transport

Municipality have three types of transport mode:

- Taxis;
- Rail operations (goods) and
- Bus transport.

1.6.4.4.1 Bus Operations

Bus operation is one of the dominant modes used for public transport in the municipality.

The dominant travel pattern of passengers is “home to work” in the morning and return trip in the evening. On most routes the demand peaks during the morning forward trip and evening return trip.

1.6.4.4.2 Taxi Operations and Taxi Ranks

In Greater Letaba Municipality and the district, taxis form a major high percentage of public transport. In Greater Letaba Municipality alone, there are 10 taxi ranks. Some of the taxi ranks are informal and therefore do not have the necessary facilities. There are plans to improve Modjadjiskloof taxi rank in order to meet township standards

Table no 14: List of Taxi Ranks

Name of Taxi Rank	Location	Formal/ Informal	Facilities	Utilized route
Modjadjiskloof Taxi Rank	Modjadjiskloof-on street	Formal	Shelter, hawker facilities, loading bays, offices and ablution blocks	Tzaneen and Ga-Kgapane
Ga-Kgapane Taxi Rank	Ga-Kgapane-off street	Formal	Shelter, loading bays and ablution blocks, hawkers facilities	Tzaneen, Modjadjiskloof and Mokwakwaila
Sekgopo Taxi Rank	Ga-Sekgopo on Polokwane-Modjadjiskloof road	Formal	Shelter, loading bays and ablution blocks	Modjadjiskloof and Polokwane
Sekgosese Taxi Rank	Wholesale complex-off	Formal	Shelter, ablution facilities,	Modjadjiskloof, Polokwane; Makhado and Morebeng

			paving and fence	
Mokwawaila Taxi Rank	Mokwawaila Village- off-street	Formal	Shelter, loading bays and ablution facilities, hawkers.	Ga-Kgapane
Maphalle Taxi Rank	Giyani-Mooketsi road at Maphalle Village	Formal	Shelter, loading bays and ablution facilities	Modjadjiskloof and Giyani
Khosothopa Taxi Rank	Giyani-Mooketsi road- off-street	Formal	Shelter, loading bays and ablution facilities	Giyani and Mokwawaila
Phaphadi Taxi Tank	Mamaila village-on- street	Informal		Giyani
Mamphakhathi Taxi Rank	Mamphakhathi Village on-street	Informal		Mokwawaila
Kheshokhole Taxi Rank	Matswi village on- street	Formal	Shelter, ablution facilities, paving and fence	Kgapane, Mokwawaila

1.6.4.4.3 Rail Operations

There is minimal usage of railway operations as mode of transport. Rail is used mainly as goods carriers.

Public Transport Challenges and Opportunities

- Integrated transport plan not reviewed.
- Lack of transport by-laws.

- Infighting among taxis operators for routes
- Railway if utilised could relieve the burden of road usage.

1.6.4.6 SWOT Analysis

Table no 15: SWOT analysis

Strength	Weakness
• Refuse collected in townships and various villages • Most household have access to basic services such as electricity • Water awareness campaigns	• Maintenance of infrastructure • Low applications of free basic service and water
Opportunities	Threats
• Alternative energy source (solar)	• In fighting among taxi operators for routes • Ageing water and sanitation infrastructure (Asbestos pipes)

1.7 SOCIAL ANALYSIS

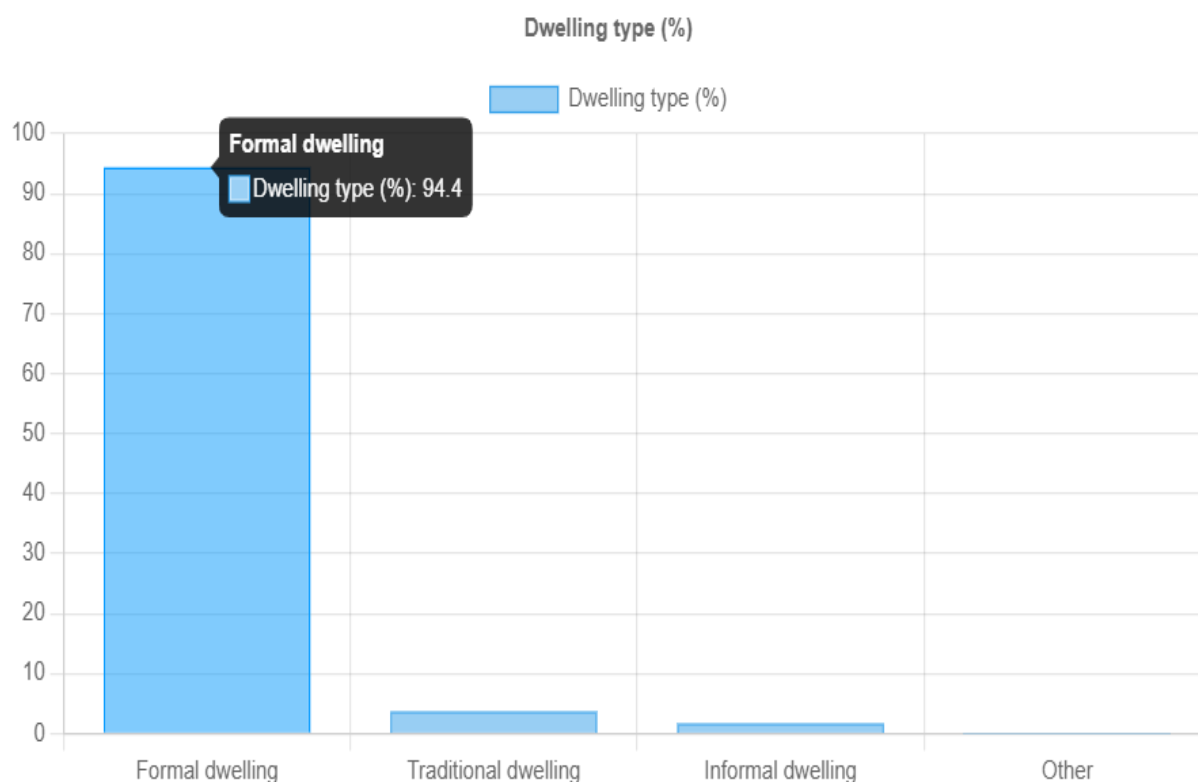
1.7.1 Background

The historic imbalances in South African society resulted in the majority of our people living without land and housing, access to safe water and sanitation for all, affordable and sustainable energy sources, illiteracy, poor quality education and training, poor and inaccessible health services.

The following is the socio-analytic reflection of GLM:

GOGHSTA and the municipality have a mandate to facilitate between the community and department in terms of housing provision.

Graph no 6: Type of Dwelling



Source: Census (2022)

1.7.2 Housing Backlog

According to municipal information the current housing backlog exists in urban and rural area is estimated at 3600 households. The municipality has the Housing Charter that outlines how the backlog will be eradicated.

However, there are integrated housing developments in Maphalle and Jamela. There are also development proposals in Modjadjiskloof Ext 4, Kgapane in order to address issues of housing.

1.7.3 Challenges

There is a need to unlock challenges of housing provision in Kgapane and Senwamokgope as well as unblocking of various projects in villages.

1.7.4 Informal Settlement

Informal settlement has major negative effect to the environment in that area occupied by structure without consideration of environmental potential. The areas affected by informal settlements are Mokgoba in Modjadjiskloof and Meshasheng at Ga-Kgapane. The major causes of informal settlement include poverty; unemployment; population growth and urbanization. This also creates environmental problems; unregulated building patterns and it destroys vegetation when buildings are built.

1.7.5 Health and Social Development

The challenge of the health sector in South Africa is to develop a unified national system capable of delivering quality health care to all citizens efficiently and in a caring environment.

1.7.6 Health and Social Development Services Standards

According to the Department of Health and Social Development there is 1 hospital, 2 health centre and 20 clinics within the Greater Letaba Municipal area.

Table no 16: Health Facilities

Village Name	Clinic Name	Hospital/Health Centre
Ga-Kgapane	Ga-Kgapane Clinic	Ga-Kgapane Hospital
Meidingen	Meidingen Clinic	
Sekgopo	Sekgopo Clinic	
Modjadjiskloof	Duiwelskloof Clinic	Duiwelskloof Health Centre
Shotong	Shotong Clinic	
Sikhutini	Modjadji 5 Clinic	
Bolobedu	Bolobedu Clinic	
Matswi	Matswi Clinic	
Senopelwa (Tzaneen)	Senopelwa Clinic	
Seaphole	Seaphole Clinic	
Ramodumo	Charlie Rangaan Clinic	
Mamanyoha	Mamanyoha Clinic	
Lebaka	Lebaka Clinic	
Maphalle	Maphalle Clinic	
Raphahlelo	Raphahlelo Clinic	
Mamaila	Mamaila Clinic	
Sephukhubje	Middlewater	
Thakgalang	Pheeha Clinic	
Rotterdam	Rotterdam Clinic	
Bellevue	Bellevue Clinic	
Mpepule	Ratanang Clinic	
Total	20	2

Source: Department of Health, 2023

1.7.7 Access to Health Care

Report from StatsSA indicates that within the GLM area, 42% of communities reside within 20 km of a hospital, 4% of communities reside within 10 km of a Health Centre and 91% of communities live within 5 km of a clinic with additional of 165 mobile clinics. With the exception of the very low Health Centre statistic, GLM compares favourably with the other local municipalities in the Mopani District.

The distance norm to rate accessibility does not take into consideration other restrictive factors, such as bad state of roads and therefore health facilities are in all probability less accessible to communities than reflected by the Department of Health criteria.

Many of the residents of the municipal area make use of health facilities in adjacent areas, such as the Tzaneen Private Hospital, the Van Velden Hospital at Tzaneen, Nkhensani (Giyani), Elim (Makhado) and the Polokwane Private Hospital for a variety of reasons.

The area is well served by clinics although primary health care is relatively not sufficiently accessible to people in the villages, as there are limited mobile clinics in use which operates from the Ga-Kgapane clinic.

Table no 17: Ga-Kgapane Hospital Beds Statistics

Hospital Classification	Approved Beds	Usable Beds	Current Bed Occupancy (%)
District	262	178	70%

Source: Department of Health, 2024

1.7.8 Health Facilities Challenges

- Insufficient mobile and visiting points;
- High vacancy rate e.g. doctors;
- A need for health centres in Sekgopo, Senwamokgope and Mokwakwaila;
- Lack of infrastructure for the required standards of health service;
- Acquiring a suitable site for the construction of a more capacitated clinic in Modjadjiskloof
- A need for EMS at Sekgopo and Mokwakwaila.
- Inaccessible road networks for ambulances.

1.7.9 Prevalence of Range of Diseases

The growth of HIV/AIDs in the past 10 years has been exponential growth rather than lineal growth. This has been caused by the following factors:

- Migration;
- Alcohol and substance abuse;
- High unemployment rate;
- Cross border gates and National route;

- Increase in commercialization of sexual activities and
- High Illiteracy rate.

Although the epidemic affects all sectors of society, poor household carry the greatest burden and have least resources available to cope with the impact of the disease. There are number of non-governmental organization focusing on HIV/AIDS education, awareness and prevention programme.

1.7.10 Community Lifestyle

In GLM community lifestyle as well contribute to health problems such as stress, hypertension, heart diseases, diabetes and other health problems related to the lifestyle.

The rate at which the residents in GLM are attacked by the abovementioned diseases is high. Therefore, there is a need for facilities such as outdoor gyms, sports complex, youth center and as well as the old age facilities. These facilities will go a long way to promote healthy lifestyle within communities in the municipality.

Other prevalent diseases in the community are Diarrhea; Pneumonia; Tuberculosis; Malaria; Sexual Transmitted Infection and Cholera

1.7.11 Safety and Security

The South African Police Service (SAPS) is responsible for public safety and security in the municipality. Community Policing Forums (C.P.F) has been established within the municipality, although not fully functional, working in partnership with the police to curb crime in communities. There is a need for police station in Sekgopo and active Community safety forums.

Table no 18: Police Stations and Satellites

Name	Location	Satellite/ Police Station
Bolobedu	Ga-Kgapane	Police Station
Modjadjiskloof	Modjadjiskloof	Police Station
Sekgosese	Senwamokgope	Police Station
Mokwakwaila	Mokwakwaila	Police Station
Bellevue	Bellevue	Satellite
Sekgopo	Sekgopo	Satellite

Source: Dept. of Safety & Security

According to Regional SAPS office, there are not enough police officers in the Region, including GLM. This is one area that the district needs to prioritize. The highest crimes in this municipality which are still posing challenges to communities are theft, burglary and assault.

Table no 19: Crime Hotspots

Crime categories	Highly vulnerable areas/Hot Spots
Theft	Meidingeng, Ga-Kgapane, Makaba, Sedibeng Village, Lemondokop, Raphahlelo, Itieleng, Sephokhubje , Mamaila, VaalWater, Westfalia, Mokgoba, Sekgopo, Mooketsi.
Burglary	Ga-Kgapane Township, Medingen Village, Mokwakwaila next to filling station and Sekgopo
Assault	Mokgoba, Mooketsi, Sekgopo
GBH	Ga-Kgapane Township, Burkina Faso ,Mohlabaaneng,Sekgopo

The following areas need satellites police station:

- Rotterdam
- Mothlele

1.7.12 Education

GLM has a number of existing schools and their condition leaves much to be desired. The maintenance and improvements of the schools in the municipality needs attention with libraries, adequate toilets and infrastructure.

Table no 20: Number of Existing Schools

Schools	ECD	Primary	Secondary	Independent	
	99				
Mopani East		81	57	4	142
Mopani West		42	24	4	70

Learner Ratio Primary ; 1:40

Secondary; 1:35

- Grade R-12 who travel 5 km and above per single trip to the nearest public school
- Learners who reside outside the determined radius may be provided with transport.

- Every learner has access to minimum set of text books

Source: Department of Education

1.7.13 Early Childhood Development Centres

Greater Letaba Municipality has 40 ECD centres.

1.7.13.1 Challenges of ECD Centres

- Mushrooming of ECD sites;
- Lack of poor infrastructure and
- Unqualified personnel in the ECD

1.7.14 National School Nutrition Programme

The number of schools benefiting from the National School Nutrition Programme is 238 and number of learners benefiting is 102 860.

1.7.14.1 Challenge for National School Nutrition Programme

- No proper infrastructure facilities in schools for food storage and preparation areas;
- No water supply and fencing in schools;
- New infrastructure and blocks to capacitate and accommodate learners
- Unavailability of stipend for gardeners who may take care of gardens during school holidays.

1.7.15 Education Backlog

The following areas are among others, are affected by the Backlog for new schools include: Mandela Park; Nkwelemotse; Hlohlokwe; Makaba; Mothobeki; Modjadjiskloof (Secondary) and Mahuntsi; Shamfana (High School), Goudplass High School. Classroom backlog is also prevalence in most of the schools in Greater Letaba Municipality. There is infrastructure backlog in both high and primary schools in relation to infrastructure such as water, and sanitation.

1.7.16 Literacy Level

In terms of Census 2022, the statistics shows decline in the level of illiteracy below 15 %. Although the progress is therefore satisfactory, but the level of illiteracy is still worrying since it impacts on the employability of the population. Therefore, interventions such as Adults Basic Education, libraries and excellence awards are necessary to arrest the situation.

With regard to the teacher/learner ratio for primary Schools, GLM needs to be facilitated in order to comply with the norms and standard as well as the secondary school is within the framework of the national norms and standard, therefore the situation has areas that needs to be monitored to ensure compliance. The performance of primary schools in terms of annual assessment is not satisfactory as learner cannot read and write, this has a long-term impact on Grade 12 results.

1.7.17 Sports, Arts and Culture

Greater Letaba Municipality has Sports, Arts and Culture Portfolio Committee to coordinate sports, arts and cultural activities; this is done in liaison with the Department of Arts, Sports and Culture in the province. The status of sports facilities in the municipality is as following

No	Facilities	Status
1.	Mokwakwaila Stadium	Complete
2.	Senwamokgope Stadium	Complete
3.	Ga-kgapane Stadium	Complete
4	Shaamiriri Sports Complex	Complete
5	Sekgopo Sports Complex	Complete
6.	Lebaka Sports Complex	Complete
7.	Madumeleng Sports Complex	Under Construction
8.	Rotterdam Sports Complex	Complete
9.	Thakgalane Sports Complex	Complete
10.	Mamanyoha Sports Complex	Complete

The municipality has outdoor gyms in the following areas:

- Modjadjiskloof; Ga-Kgapane; Senwamokgope; Sekgopo; Maphalle; Ga-Kuranta Ga-Abel, Rotterdam, Matswi and Bodupe .

The municipality has functional community halls in the following area:

- Sehlakong; Shotong; Ramaroka; Mamaila Mphotwane (Chris Hani); Lebaka (Thabo Mbeki); Ga-Kgapane(Sasko hall); Itieleng; Mahekgwe; Senwamokgope, Mokwakwaila, Matswi; Bodupe ;Mamaila-Kolobetona,Ntata, Sekgopo, Mohlele Thakgalang, Rotterdam and Goudplass.

The municipality should develop a maintenance plan and the utilisation of facilities to avoid dilapidations. There is relatively progress in terms of the community halls in various wards, but more can still be done.

1.7.17.1 Sports, Arts and Culture Backlog

1.7.17.1.1 Libraries Facilities

In terms of libraries, shortage of books makes it difficult for people to develop academically. The Modjadjiskloof Library, Soetfontein Library, Ga-Kgapane Library, Maphalle Library, Mokwakwaila Library and Sekgopo Library are the only libraries currently operational.

The state of school libraries leaves much to be desired, there are no libraries in most of the schools and they have converted classrooms to be utilized as libraries and they are under resourced with books and personnel.

The library facilities have been completed in the following area:

- Senwamokgope Library and Shotong Library need to be resourced to become fully operational.

1.7.17.1.2 Gravel Playgrounds Facilities

In terms of the playgrounds, there are also backlogs in relation to playgrounds in areas where there are no stadiums and there's a need for the municipality to embark on the programme of developing playgrounds in rural areas or to upgrade the existing ones to the acceptable standards. There is a need to look into areas like Bodupe and other mountainous areas to assist them with grading for playgrounds. One other important factor to consider is the maintenance of the existing infrastructure.

1.7.18 Heritage Sites

GLM has number of sites which can be identified, celebrated and declared as heritage sites and such sites are:

- Modjadji Cycad Forest;
- The Rain Queen White House;
- Lebjene Ruins;
- Manokwe Cave;
- Khelobedu Dialects and
- Mamatlepa Kgashane Grave.
- Modjadjiskloof Waterfall

1.7.19 Post Office and Telecommunications Backlogs

1.7.19.1 Post office

The Greater Letaba Municipality have areas which don't have post offices and such areas are Rotterdam and Thakgalang. There is a growing use of technology and Courier services and as a result, the state of post offices in the municipality as deteriorated.

1.7.20 Fire and Rescue Services, Disaster and Risk Management

1.7.20.1 Background Information

The disaster management is a continuous, integrated multi-sectoral, multi-disciplinary process of planning and implementation of measures aimed at disaster prevention, mitigation, preparedness, response, recovery and rehabilitation (Disaster Management Act 57 of 2002).

Greater Letaba Municipality has identified the following major disaster risks challenges:

Table no 21: Major Disaster Risks Prevalent in the Municipality

No.	Type	Risks
1	Hydro meteorological hazards	Draught, floods and fire
2	Biological hazards	Food poisoning, foot & Mouth diseases.
3	Technological hazard	Dam failure, road accidents
4	Environmental degradation	Deforestation, soil erosion, land degradation, and water pollution.

1.8 LOCAL ECONOMIC DEVELOPMENT

1.8.1 Overview of the Local Economic Development

The purpose of local economic development (LED) is to build up the economic capacity of a local area to improve its economic future and the quality of life for all. It is a process by which public, business and nongovernmental sector partners work collectively to create better conditions for economic growth and employment generation.

The constitution is the overarching legislation in South Africa and all other policies, legislation and strategies have to align to it. It mandates all levels and spheres of government, to promote social and economic development.

Section 152 and 153 of the Constitution relates to economic development by stating the following objectives of local government:

- To promote social and economic development.
- To promote democratic and accountable government for local communities;
- To ensure the provision of services to communities in a sustainable manner;
- To promote a safe and healthy environment; and
- To encourage the involvement of communities and community organisations in the matters of local government.

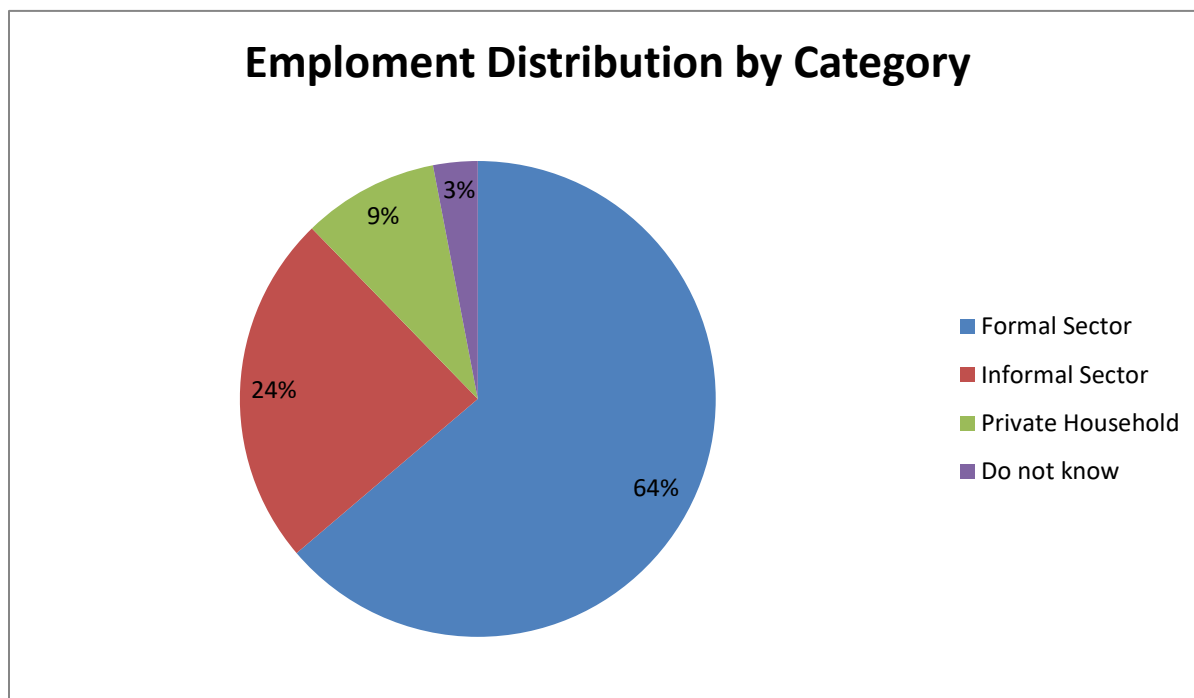
Key Greater Letaba LED goals include:

- To create an enabling environment for business to opportunities;
- Supporting small and medium sized enterprises (SMMES);
- Encouraging the formation of new enterprises,
- Enhancing coordination with agriculture and tourism sectors
- Attracting external investment (nationally and internationally);
- Investing in the developmental state of the municipality;
- Investing in soft infrastructure (educational and workforce development, institutional support systems and regulatory issues);
- Supporting the growth of particular clusters of businesses.
- Targeting particular parts of the locals for regeneration or growth (areas-based initiatives);

- Supporting informal and newly emerging businesses.
- Formalization of the business undertaking

1.8.2. Employment Distribution by Category

Graph no 7: Employment Distribution by Category



Source: (Census 2022)

Table no 22: Employment Distribution by sector

Type of Sector	No of people employed
Agriculture	3 421
Mining (Sand)	664
Manufacturing	2 673
Electricity	350
Construction	2 476
Transport	1 584
Trade	11 258
Finance	2 112

Community Services	8 730
Household	1 228

1.8.3 Comparative and Competitive Advantage of Greater Letaba Municipality

1.8.3.1 Agricultural Sector

Agriculture in GLM contributes 5.5% of the agricultural sector of the district. More importantly the agricultural sector is one of the major employers in the municipality. The agriculture sector is also known as important employer at a district level, employing more than 19.8% of the district workforce. Emerging black farmers with potential for economic growth are compromised by lack of funding and therefore need financial assistance.

The most important factor limiting agricultural production and development in GLM is the availability of water. This is also true for the majority of Limpopo Province, which is located in the dry Savannah sub-region. In general, the province experience hot summer and mild winters, with the average annual rainfall ranging between 300-400 and 600 mm. The province also encompasses a wide range in respect of its topography, with its elevation varying between 600m-900m above sea level.

Large portion of the municipality have land capabilities of moderate potential arable land, concentrated mainly in the central parts of the municipality. Much of this land is currently under private ownership and is already utilised for cultivation. The North Western parts of the municipality mainly have land capability of marginal potential arable land and non-arable, low to moderate potential grazing land. These parts are almost extensively under Tribal Authority custodianship and may possibly be available for further development. However, given the largely limited potential for cultivation, further development potential in these parts of the municipality are limited, allowing mainly for grazing purpose. Despite this, there are number of plant options that could be considered for production in the municipality and need to be explored further.

Since most environmental factors that determine the habitat of specific crops can only be controlled or changed on a very small scale by the farmer, crops should be chosen that are adaptable to the environment.

Commercial farming in GLM compromises mainly mangoes, and avocados, with litchis and nuts also being farmed in the regions surrounding the municipality on a commercial scale. The largest tomato farm in Southern Africa, ZZ2 is located in the Mooketsi valley within GLM.

1.8.3.2 Forestry Sector

The location of forestry plantations in the southern parts of the Municipality creates opportunities for the beneficiation of timber products from these plantations. Forestry plantations in the Municipality are mainly owned by Mondi, Kulani, Montina (privately owned) and the with these companies largely undertaking processing enterprises themselves. Other existing processing undertaken in the Municipality includes sawmills, the dipping and production of electrification poles.

The location of these timber plantations within the municipal boundaries allows further value-adding opportunities through the manufacturing of timber construction materials.

These products could include timber beams and trusses, window and door frames, wooden flooring etc. The production of these construction materials could be of particular value in serving the local communities.

Possible further value-adding activities related to the timber plantations could also include the establishment of a furniture factory in Modjadjiskloof, close to the timber plantations. Support should be given for the establishment of SMMEs in the timber manufacturing industry and could include enterprises such as small scale furniture and coffin making.

1.8.3.3 Tourism Sector

GLM draws its comparative and competitive advantage from tourism. This is mainly because of the vast potential in terms of suitable resources in the municipality. These potentials are reflected hereunder:

- Rain Queen (Queen Modjadji);
- Modjadji Nature reserve, with the Modjadji (Encephalartos Transverse Cycad Forestry only found here);
- Vast tomato plantations of ZZ2;
- Shidila Lodge
- Modjadjiskloof waterfalls;
- Modjadjiskloof Lodge and caravan Park;
- Walking trails;
- Grootbosch;
- Manokwe Caves;
- Nehakwe Mountains Lodge.
- Meloko
- The Modjadji Royal White House

1.8.3.4 Retail Sector

1.8.3.4.1 Formal Trading Activities

The formal trading activities in Greater Letaba Municipality takes place mainly in Modjadjiskloof e.g. Dusort, Kulani timbers Lone sawmill, Spar supermarket, U-save and Ga-Kgapane where there is Modjadji Plaza. E.g. Shoprite, KFC, Nedbank, Capitec bank as well as the ATMs for all banks (Standard bank, ABSA, FNB), Mashwi, Usave Modjadjiskloof, Usave, Mamaila Mall, Sekgopo Usave, Rob spices .

1.8.3.4.2 Informal Trading Activities

The informal sector plays a key role in supplying goods to the local communities. Main activities are located around taxi ranks, along key road segments and through the rural settlement.

1.8.4 Opportunity for Economic Growth and Employment

Greater Letaba Municipality has the following major economic pillars:

- Agriculture, including Agro-processing which is already the largest part of formal employment;

- Tourism, which is the key sector with significant opportunities for expansion and growth;
- Retails and service businesses.

1.8.5 Local Skill Base

Greater Letaba Municipality should concentrate on three priority sectors namely agriculture, tourism, manufacturing and retail. There is general shortage of skills in these sectors. The municipality relies on the Department of Agriculture and Rural Development on agricultural technical skills. The municipality is an agricultural and tourism based potential and skills can be invested in those sectors.

1.8.6 Strategically Located Land for Economic Development

There are three nodal points in the municipality which are strategically located for LED growth including:

- Ga-Kgapane nodal point which is largely doing well in terms of retail services;
- Senwamokgope nodal point is strategically located for shopping complex and
- Mokwakwaila nodal point could do well in terms of development of shopping complex and residential area also because of its centrality.
- Modjadjiskloof Extension 4

1.8.7 Challenges in the Municipal Economic Development

The following are challenges that hamper economic development in the municipality:

1.8.7.1 Land Claims

Vast majority of the land in greater letaba is privately owned and subjected to land claims. There is progress in terms of other claims that have been settled but much can be done so that opportunities can be unlocked to develop the municipality. The process of land claims is a lengthy one and has as yet not been resolved by the Land Claims Commission.

This not only creates a high level of uncertainty with regard to existing commercial farmers and their ability to expand or employ more people but also creates an uncertain climate that deters investment in the area.

1.8.7.2 Lack of Funding or Financial Support

Another constraining factor in respect of development in Greater Letaba Municipality is related to the large areas of land (approximately 50%) registered in the name of the state and under the custodianship of traditional authorities. As such, small farmers are farming on communal land, to which they cannot get title deed, but only have permission to occupy.

Therefore, farming on communal land precludes small farmers from obtaining financial support through commercial institutions such as banks, which prevents these farmers from expanding their farming enterprises or obtaining the necessary Assets such as specialised machinery. Furthermore, access to funding, even for minor, necessary improvements to public and private sector products in the tourism industry, is extremely difficult to secure.

1.8.7.3 Lack of Skills

The majority of the labour force in Greater Letaba Municipal area has no, or very limited basic skills, necessitating on-the-job training. Training is particularly necessary in the processing of fruit and vegetables and in the timber industry, which requires somewhat higher skills levels. The lack of these skills largely constrains the development of manufacturing and agro-processing industries in the municipal area.

Municipality has agricultural and tourism opportunities to tap in. In this respect, there are particular challenge in terms of the transfer of skills and mentorship from successful business people to entrepreneurs and small business owners.

Many of the small-scale farmers are illiterate to some extent or lack the knowledge in respect of writing business plans for their businesses. This is also the case for tourism development, where no sufficient practical support is given to emerging tourism entrepreneurs or SMMEs in terms of pre-feasibility, feasibility and business planning.

1.8.7.4 Access to Markets

Most of the small-scale farmers and manufacturers do not have access to the larger markets outside of the municipal area or even their respective villages. This forces them to sell their products to the local communities and prevents the expansion of their businesses.

Access to markets for small-scale farmers is further constrained by accessibility issues and the poor condition of roads in the remote rural areas. The municipality envisages developing the shopping complexes at Senwamokgope.

1.8.7.5 Lack of Adequate Water

A further constraining factor is the lack of water, particularly in the northern parts of the municipality. Many of the small-scale farmers are located alongside perennial rivers but a large proportion of farmers are located away from these rivers.

The water supply is not sufficient in terms of irrigation and many small-scale farmers therefore rely on dry-land farming. Furthermore, the main agricultural products only naturally occur in the southern parts of the municipal area. Agricultural production and expansion would therefore not be viable development options for the northern areas of the Municipality, which have a drier climate.

1.8.7.6 Lack of Industrial Park

In terms of manufacturing, a major constraining factor is the lack of a defined industrial area in the municipality, with some manufacturing plants being located among the business premises in Modjadjiskloof. Furthermore, industrial plants in Greater Letaba Municipality do not receive preferential rates in respect of electricity and water but are paying urban rates.

The establishment of an industrial estate with incentives for development could attract factories and other manufacturing industries to the municipality. Politsi industries and surrounding areas were shifted to Tzaneen after the Municipal Boundaries Demarcation in 2000.

1.8.7.7 Lack of Man-made Tourism Infrastructure

GLM does not currently have a large range of accommodation, conference or tourism facilities, which hampers the development of the tourism sector in the municipality. The town of Modjadjiskloof also has very little to offer as a place to stop for refreshments or supplies. In addition, if a critical mass of attractive and innovative products is not created at Modjadji, and adequately marketed, the few products that have been created will fail to perform in the highly competitive situation that prevails in South African tourism as a whole.

Furthermore, the lack of coordination in terms of an integrated tourism development plan for Modjadji is a serious threat, which could result in one of Limpopo's most important tourism icons never reaching its full potential.

1.8.8 LED Projects in Greater Letaba Municipality

The municipality is embarking on various LED projects with the aim of growing the economy through identifying and assisting various SMMEs within the municipality to be self-sustaining and create employment. In the past financial year, the municipality was able to assist local farmers through farming inputs (seeds, boreholes, fencing, fertilizers, water tanks, drips). The LED section continues to monitor and work with various local business within the LED forums to address issues around economic development in the municipality. The LED section plans to rejuvenate the tourism sector, trade and industry and agriculture sector for the municipality to attract employment and capital investment and unlock hidden heritage sites. Manokwe Cave, Mokwakwaila factor business center, operationalisation of Senopelwa Showground, Caravan Park are some of the plans the municipality will embark on in the 2025/26 financial year. In terms of Tourism, the municipality plans to have tourism signage in all tourism establishment.

1.8.9 SWOT Analysis: Local Economic Development

Table no 23: Local Economic Development SWOT Analysis:

STRENGTH	WEAKNESSES
• Functional LED Forum • Available tourism natural resources • Available of Arable land • Updated LED Strategy • Available of Business Registration Centre	• Limited economic viable areas; • General shortage of skills in three priority sectors: agriculture, tourism and retail; • Lack of land for industrial development • Lack of infrastructure for development • Poor road networks to economic development areas. • Economic dependence on government for employment and revenue and • Insufficient funds to maintaining existing infrastructure.

• Opportunities	Threats
• Growing retail opportunities; • Potential tourism growth • Growing Agricultural economy • Agro-Processing • Formalisation of business undertakings	• High unemployment and high proportion of discouraged workers; • Excessive reliance on un-qualified ground water resources; • HIV afflicting the economically irrational active people and governance structures; • Climate change • Stock theft • Shortage of water

1.9. THUSONG SERVICE CENTRE

MOKWAKWAILA THUSONG SERVICE CENTRE PROFILE



WHAT IS A THUSONG SERVICE CENTRE?

Thusong Services Centre (formerly referred to as multi-purpose community centre-MPCC), is a programme of government which was initiated in 1999 as one stop centres, providing government information and services in an intergraded manner. It brings government information and public services closer to the people. Again, it promotes access to opportunities by creating better lives for communities and speeding up service delivery.

Thusong Service Centre (TSC) programme's aim is to empower the poor and the disadvantaged, among others, through access to information, services and resources from government, non- government organisation (NGOs), parastatals and business. This enables them to engage in government programmes for the improvement of their lives.

In Limpopo province the custodian of Thusong Service Centre programme is embedded to Local Municipalities with the help of Office of the Premier (OTP) and Government Communication and Information Services (GCIS).

OBJECTIVE OF THE PROGRAMME IS:

- To facilitate access to services
- To promote intergradation of services
- To build sustainable partnership
- To create platform for dialogue between citizens and government

BACKGROUND OF MOKWAKWAILA TSC

Mokwakwaila Thusong Service centre is a Hub type of the TSC. In this type of an arrangement, all anchor departments are permanently situated in one complex.

Mokwakwaila Thusong Service centre was officially launched on the 3rd. of March 2007 as Multi- Purpose Community Centre, although the building was not planned for multi-purpose, but it was acceptable and several departments moved in to service communities from the deep rural villages of Greater Letaba Municipality.

Mokwakwaila Thusong Services centre is situated in ward 27 of Greater Letaba Municipality in Mokwakwaila village, because of its strategic location. It services 13 wards comprising 56 villages of GLM, two villages of GGM and 13 Villages of GTM. Several departments such as SASSA, Department of Social Development, Department of Correctional Service are housed within the premises while others such as SAPS, Post Offices and Mokwakwaila stadium are within walking distance from the centre. By Mokwakwaila Thusong Service Centre, there is Hlanganani-Bolobedu Day care centre which enrolls kids from the surrounding villages.

WHO IS RESPONSIBLE FOR THUSONG SERVICE CENTRES?

1. Municipality's main responsibility.

- Establishment of Thusong Service Centres.
- Include Thusong Service Centres in its IDP.
- Monitoring of quality-of-service delivery by all spheres of government.
- Appointment of centre managers and staff to run the centre.

2. Department of cooperative Governance and Traditional Affairs. (CoGHSTA)

The department is responsible for:

- Development of policies to guide and sustain the programme.
- Advising on the funding model for these centres, especially the use of the MIG.

3. Department of Public Service and Administration.

- The DPSA is responsible for establishment & implementation of ICT services in the centre.
- The DPSA is also responsible for development of geographic access norms and standards to ensure all TSC are properly located.
- Implementation of the prototypes general service counters (GCS)

4. Department of public works (DPW)

- Department of public works is responsible for development of SLA framework.

- To assist in the identification of suitable government structures.

5. South African Local Government Association (SALGA)

SALGA's role is to:

- Advise government on how best to set up the Thusong centres.
- Promote the centres among organized local government.

6. Department of Government Communication Information System (GCIS)

- GCIS has withdrawn from the activities of Thusong service centre indicating that it is not a funded mandated.

HOW DOES MOKWAKWAILA THUSONG SERVICE CENTRE ASSIST IN THE DEVELOPMENT OF COMMUNITIES?

- The centre enables people to access government services such as social grants and social worker services.
- The centre provides information material on youth development, entrepreneurship, and woman empowerment on projects.
- It offers training venues for public, private and NGOs.
- Some of the public participation meetings are held at the centre such as IDP hearings, ward committee meetings and ward councillors cluster meetings.
- It is also used as mobile alignment points and centre for event and programmes of government, such as Mobile service, outreach event, councillor feedback meetings.

OWNERSHIP AND GOVERNANCE OF THUSONG SERVICE CENTRES.

- Thusong service centres are controlled by municipalities where they reside.
- Municipalities appoints centre managers. Day to day administration is done by staff led by the centre manager and a team of administrative support.
- Governance of the centre is through a Local Intersectoral Steering Committee (LISSC) chaired by the municipality.
- Centre managers account to the LISSC which in turn reports to Provincial Intersectoral Steering Committee (PISSC) which is coordinated by the office of the Premier and or GOGTA.

MOKWAKWAILA THUSONG CENTRE HOSTS THE FOLLOWING SERVICE PROVIDERS:

SERVICE PROVIDER	SERVICE OFFERED	CONTACT PERSON
GREATER LETABA MUNICIPALITY 	• Bookings of facilities • Proof of residence • Grading of internal streets • Cleaning the surrounding	Mr Monaiwa MP Cell No: 082 564 1362
SASSA 	• Old age and child grant • Disability grant • War veterans grant • Foster child support grant	Mrs Ranaga MD Cell No: 060 656 5659
DEPARTMENT OF SOCIAL DEVELOPMENT 	• Community mobilisation • NPO capacitation • Poverty alleviation and sustainable livelihood • Community based research and planning • Youth development	Mr Ramothwala M Cell No: 078 838 8835
SOCIAL WORKER SERVICES 	• Social welfare services • Child and family services • Restorative services • Administrative duties	Mr Ngobeni Cell No: 072 606 9411
DEPARTMENT OF CORRECTIONAL SERVICE 	• Monitoring of parolees • Monitoring of probationers	Mr Masetla M.R Cell No: 076 533 0501
MOKWAKWAILA SAPS 	• Combating crime • Document certification • Affidavits • Attending to complaints • Conducting CPF meeting	W/O Mabale RM Cell No: 060 996 0060 Tel: 015 386 9940

	• Rendering community safety	
DEPARTMENT OF PUBLIC WORKS 	• Black top patching • Blading of gravel roads • Fixing potholes • Cleaning side drains	Mr Nthangeni E Cell No: 076 336 0772
MOKWAKWAILA LIBRARY 	• Libraries mirror • Free WI-FI • Books & magazine • Printouts • Copies and laminating	Mr Nakana MP Cell No: 072 525 7756 Email:nakanamalekutu@gmail.com
VENDING POINT 	• Selling electricity • Selling airtime • Dstv payment	Mr Mashao M.J Cell No: 072 752 0910
INTERNET CAFE	• Access to internet • Copies • Email • Printing services	Mr Ramahlo O Cell No: 076 993 9911 onesmusofficesupplies@gmail.com
DAY CARE CENTRE	• Day care • After care	Mrs Masedi G Cell No: 072 369 4226
MOKWAKWAILA POST OFFICE 	• Grant payments • Banking services • Post office services	Ally Cell No: 076 288 9938
DEPARTMENT OF HOME AFFAIRS	• Smart card application • Birth certificate application • Passport application	Mr Pudikabekwa D Cell No: 079 835 1381
DEPARTMENT OF LABOUR	• UIF application • Signing for Payments • Enquiry	Mr Nziyane C Cell No: 071 674 9970
DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT	• Extention services • Advisory services to farmers	Baloyi KV Cell No: 082 660 6006

COMMUNITY DEVELOPMENT WORKERS (CDW) UNDER COGHSTA	• Community profiling • Home visits • Assist with LRB • Assist with social grant	Setloane Annah Cell No: 082 959 2566
INDEPENDENT ELECTORAL COMMISSION (IEC)	• Registration verification • Registration	Melidah Cell No: 082 531 7971
PERFECT RADIO	• Credible source of Information for communities • Local Breaking News Updates • Platform for communities to engage. • Providing graduates with training and students with practicals. • Empowering local businesses • Sponsoring community building events • Youth empowerment programmes • Health, Local Sport. Education, Economic Updates • Crime and Traffic Reports • Updating the public about government decisions and campaigns, including programs	Mr Selowa Raymond Cell No: 079 595 9854 Email: info@perfectradio.co.za

THUSONG SERVICE CENTER PROGRAM:

MUNICIPALITY: GREATER LETABA MUNICIPALITY.

PERIOD : 2024/25

THUSONG SERVICE CENTER NAME: MOKWAKWAILA THUSONG SERVICE CENTRE

1. INFRASTRUCTURE DEVELOPMENT

PHYSICAL BUILDING	LEASE AND SERVICE LEVEL AGREEMENT	ICT CONNECTIVITY	ELECTRICITY SUPPLY	WATER PROVISION	SANITATION
Need for renovations	Mo lease and SLA with sector departments	Individual service providers use their network source	Eskom supply and solar for SASSA and it accommodates the centre with lights only	Not reliable, borehole from stadium and water tanker from Municipality	Ablution facility not in good condition NB: Tender is out for a new ablution block

2. SERVICE PROVIDERS STATISTICAL REPORT

SERVICE PROVIDER	SERVICE RENDERED	NUMBER OF PEOPLE SERVICED
GREATER LETABA MUNICIPALITY (MOKWAKWAILA SUB OFFICE – THUSONG CENTRE)	Proof of residence	6 354
	Booking of facilities	86 (Mokwawkwaila community hall)
	Grading and delivery of water during funerals	338 (Funerals reported)
SASSA	Old age grant applications	1 865
	Disability grant applications	895
	Foster care grant	346
	Social relief grant	5 634
	Child support grant	3 853
	Collection of proof of income	5 643
SOCIAL WORKER SERVICES	Social welfare	846
	Child and family services	342
	Restorative services	48
	Administrative duties	216
DEPARTMENT OF SOCIAL DEVELOPMENT	Community mobilization	586
	NPO capacitation	13
	Poverty alleviation and sustenance	14
	Community based research and planning	38
	Youth development	135
	Women development	316
MOKWAKWAILA SAPS	Reporting cases	649
	Arrests	594
	Certification of documents	13 224
	Affidavits	11 076
	Complaints attended	4 352
PRE-PAID VENDING POINT	Selling electricity	5 485
	Sales of prepaid	1 704
	Dstv payments	168
	Recoding of meters	0

LIBRARY	Community information	368
	Free internet access/Wi-Fi	3 862
	Books and magazines	289
	Printouts and copies	3 254
	Job marketing	368
DEPARTMENT OF CORRECTIONAL SERVICE	Monitoring paroles	769
	Monitoring probations	38
	Community projects	02
	Crime awareness	08
PERFECT RADIO	Covering local news	386 (followers)
DEPARTMENT OF HOME AFFAIRS	Registration of birth	0
	Applications of ID smart card	2 324
	Application of passport	08
DEPARTMENT OF LABOUR	New Application	5 520
	Enquiry	4 862
	Signing of documents	4 736
	Registration on Data base for employment	0
IEC	New registration	78
	Change of address	1 023
COGHSTA (CDW)	ID challenges	48
	Electricity	132
	Social grant	12
	Water challenges	14
	Liaison work	289
	Community concern	68
	Education	16

3. OUTREACH PROGRAMMES (e.g. Integrated services on wheels, ICROP, Mayoral Imbizo and Back to school campaign)

DATE	EVENT	VENUE	STAKEHOLDERS	STATISTICS
January	Back to school campaign	10 schools	Home Affairs and SASSA, CDW, Social Development, Correctional Service and Perfect Radio	
2024/25	Mayoral Imbizo/Batho Pele day	4 Mayoral Imbizo and Batho pele event	Dept of Home Affairs, Department of Labour, Banks, Department of Social Development and SASSA	

1.10. EXECUTIVE SUMMARY

VISION

- “To be the leading municipality in the delivery of quality services for the promotion of socio-economic development”.

MISSION

To ensure an effective, efficient, and economically viable municipality through:

- Promotion of accountable, transparent, and consultative and co-operative governance.
- Promotion of local economic development and poverty alleviation.
- Strengthening cooperative governance.
- Provision of sustainable and affordable services and ensuring a compliant, safe and healthy environment.

VALUES OF GREATER LETABA MUNICIPALITY

- Teamwork
- Commitment
- Integrity
- Value for money
- Consultation
- Transparency
- Accountability
- Courtesy
- Innovation

Greater Letaba Municipality derives its existence from the objects of local government as entailed in section 152 (1) of the Constitution of the Republic of South Africa:

- To provide democratic and accountable government for local communities.
- To ensure the provision of services to communities in a sustainable manner.
- To promote social and economic development.
- To promote a safe and healthy environment.
- Encouraging involvement of communities and community organizations in the matters of local government.

In the process of delivering services to the community, the municipality follows the Five Years Strategic Agenda as adopted by national government, namely.

- Municipal Transformation and Organisational Development
- Municipal Financial Viability and Management
- Basic Service Delivery and Infrastructural Development
- Good Governance and Public Participation
- Local Economic Development

In addition to the Five Years Strategic Agenda, the municipality operates within the framework of the following municipal strategic priorities:

- Speeding up growth and transforming the economy to create decent work and sustainable livelihoods.
- Massive program to build economic and social infrastructure.
- Comprehensive rural development strategy linked to land and agrarian reform and food.
- Security.
- Strengthening the skills and human resource base.
- Improve the health profile of all our people.
- Intensify the fight against crime and corruption.
- Build cohesive, caring and sustainable communities.

In its vision statement, the municipality asserts to be the leading municipality in the delivery of quality services for the promotion of socio-economic development. The municipality provide core services geared to uplifting the social and economic standards of the communities by actualizing its mission and values.

1.11. OTHER MUNICIPAL CONTEXT

The dawn of democracy which was ushered by the establishment of municipal councils as dictated by chapter 7 of the Constitution of Republic of South Africa, came with its own challenges that affected the municipality and residents of Greater Letaba Municipality, however the aim of the administrative restructuring was to ensure a smooth transformation with minimum circumstances hampering service delivery to its residents.

The Integrated Development Plan

In compliance with Section 34 of the Municipal Systems Act (Act No.32 of 2000) read in conjunction with Chapter 2 of the Local Government: Municipal Planning and Performance Management Regulations, no.

R796/2001, the Greater Letaba Municipality has developed an Integrated Development Plan which is revised annually, accompanied by organisational review and Performance Management System review.

The IDP is the municipality's strategic planning document which guides and informs all planning and development within the municipality and a tool that enables the municipality to work towards achieving development goals as outlined in the constitution. The IDP informs and is integrally linked and co-ordinated with the municipality's budgeting and performance management process.

The Municipality's long-term vision details the development priorities and cross cutting issues which contribute towards achieving the vision, strategies, programmes, and projects, which are linked to a detailed budget and are all contained in the IDP. The Municipality has developed its objectives, strategies, projects, and programmes in terms of IDP themes. They are:

- Provision of Infrastructure and Services
- Creation of liveable towns and rural areas.
- Local Economic Development
- Community empowerment & redistribution.

1.12. ACHIEVEMENTS

- The Municipality has invested in the infrastructure development in areas such as street paving.
- The transfer stations in Senwamokgope and Ga-Kgapane are fully functional.

The Grants allocated to the Municipality were spent as follows:

MIG	100%
FMG	100%
EPWP	100%
MDRG	100%
INEP	69%

The Municipality received an **Unqualified Audit opinion with matters for 2024/25** financial year.

1.13. CHALLENGES

- Not all the projects were implemented as planned in the SDBIP due to under collection of expected revenue.
- Sector departments not paying their debts.
- Low revenue collection.
- Few households register for free basic services.
- Not all identified risks were mitigated.

CHAPTER 2

**GOVERNANCE POLITICAL
AND OVERNANCE
ADMINISTRATION**

2.1 INTRODUCTION

Good governance has eight major characteristics namely, participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive and follows the rule of law. It assures that corruption is eradicated, the views of minorities are considered and that the voices of the most vulnerable in society are heard in decision-making. It is also responsive to the present and future needs of society. The municipality through its Anti-fraud and corruption policy and Labour Relations policy has ensured that corruption is eradicated, and corrective disciplinary actions are taken.

2.2 GOVERNANCE STRUCTURE

The municipality during the financial year 2024/25 focused on governance and related matters. The Council decision-making and oversight functioning including the administrative tools were regarded as fundamental to enable effective and efficient decision-making and oversight. Fifty-Five (55) policies were implemented covering the entire administrative ambit to enforce compliance to legislations.

Section 151 (3) of the constitution of the Republic of South Africa stipulates that municipalities have the right to govern, on their own initiative, the local government affairs of their communities, subject to provincial legislations.

The Constitution further specifies in section 155 (2) that, “national Legislation must define different types of municipalities that may be established within each category.

2.2.1 Political Structures

In realizing the ideals referred to above, Greater Letaba Municipality was established as a category B municipality in terms of Section 12 of the Municipal Structure’s Act No. 117 of 1998. It was established as a municipality with a collective executive system combined with a ward participatory system as per provision of Section 9 (b) of the Municipal Structures Act. During the 2024/25 financial year, Councillor Mamanyoha TD served as the Mayor of Greater Letaba Municipality; Cllr Mokgwathi M.M, the Speaker of Council while Cllr Ramalatso R.R as the Chief Whip. The African National Congress had 30 ward Councillors and 17 PR Councillors, Economic Freedom Fighters had 8 Proportional Representative (PR) Councillors, Congress of the People had 2 PR Councillors, Democratic Alliance had 1 PR councillors and LIRA party had 1 each PR Councillor and MIM had 1 PR Councillor The total number of councillors for Greater Letaba was 60.

2.2.2 Municipality's Political Structure 2024/25



Hon. Mayor
Cllr Mamanyoha T.D



Speaker
Cllr Mokgwathi M.M



Chief Whip
Cllr Ramalatso R.R

2.2.2 Executive Committee Members 2024/25



Cllr Selowa M.G
Head Water & Sanitation



Cllr Ramaremla J.M
Head Economic Development,
Housing & Spatial Planning



Cllr Lebeko N.F
Head Corporate & Shared
Services



Cllr Kgapane T.J
Head Finance



Cllr Baloyi R.G
Head Infrastructure



Cllr Mosila M.R
Head Community services



Cllr Mohlele M.D
Head Public Transport
& Roads



Cllr Ramaano K.E
Head Sports, Recreation,
Arts & Culture



Cllr Mangena M.S
Head Environmental Affairs

The Executive Committee which is the principal committee of council is chaired by the Mayor, receive reports from different portfolio committees of the council which are forwarded to council with recommendations if they cannot dispose the matter in terms of delegated powers. The Chief Whip plays his whipping role during party caucus. Traditional Leaders participate in council in line with the provisions of Section 81 of the Municipal Structure's Act.

2.3 MUNICIPAL COMMITTEES

Section 160 (c) of the Constitution stipulates that, "a municipal council may elect an executive committee and other committees, subject to national legislation." Section 79 and 80 of the Municipal Structures Act No. 32 of 2000 gave effect, to this provision by establishing the following committees.

Table 2.1: Municipal Committees

PORTFOLIO COMMITTEE	HEAD	CHAIRPERSON	COMMITTEE MEMBERS
Corporate and Shared Services	Cllr Lebeko N. F	Cllr Mashao M.G	Cllr Mamatlepa D.D Cllr Lebepe R.R Cllr Maluleke M.J Cllr Makhananisa M.D Cllr Modika M.S Kgosi Mamaila N.T
Finance	Cllr Kgapane T. J		Cllr Mokgomola N.P Cllr Kgatla M.E Cllr Mothomogolo P.S Cllr Morwatshehla M.B Cllr Maake N Cllr Rasebotja S.M Cllr Malatji M.C Kgosigadi Raphahlelo
Infrastructure	Cllr Baloyi R.G	Cllr Mankgeru M.M	Cllr Rasebotsa S.M Cllr Malatji M.C Cllr Mulaudzi P Cllr Maake S.M Cllr Malatji M.E Kgosigadi Modjadji
Economic Development, Housing & Spatial Planning	Cllr Ramareemela M.J	Cllr Moroatshehla M.F	Cllr Makgato T.E Cllr Nakana M.R Cllr Rasetsoke M.C Kgosigadi Sekgopo
Environmental Affairs	Cllr Mangena M.S	Cllr Ngobeni M.P	Cllr Mampeule P.J Cllr Mamatlepa D.D Cllr Raseropo S.M

			Kgosi Rakwadu
Community Services	Cllr Mosila M.R	Cllr Mamaila B.A	Cllr Hlungwani S.J Cllr Maake S.M Cllr Senyolo T.J Hosi Mahuntsi M.T
Public Transport & Roads	Cllr Mohlele M.D	Cllr Mokhabukhi M.S	Cllr Rasebotsa S.M Cllr Mothomogolo P.S Cllr Morwatshehla M.B Cllr Mashao M.C Kgosi Phooko N.C
Water and Sanitation Services	Cllr Selowa M.G	Cllr Malatja T.P	Cllr Makgatho T.E Cllr Rampyapedi E.S Cllr Malatji M.E Kgosi Mamaila Kolobetona
Sports Arts and Culture	Cllr Ramaano K.E	Cllr Lebeya M.J	Cllr Rampyapedi E.S Cllr Serumula M.L Cllr Mokgomola N.P Kgosi Pheeha M.B

All committees are constituted by councillors representing different political parties, municipal administrators and Traditional Leaders. Section 80 committees are established as and when required as outlined in the Act. The committees operate under the auspices of council and are delegated certain powers and duties to execute.

2.4 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC)

Greater Letaba Municipality has established Municipal Public Accounts Committee in line with the National Guidelines and the stipulations in Section 79 of the Municipal Structures Act No.117 of 1998 and the committee comprises of the following members:

Table 2.2: MPAC Committee

Name	Gender
Cllr Makhurupetse M.W.M (Chairperson)	Female
Cllr Lekitima V.M	Male
Cllr Mohale M.J	Female
Cllr Monyela K.B	Female

Cllr Mothomogolo P.S	Male
Cllr Raseropo S.M	Female
Cllr Selowa D.L	Male
Cllr Ramabubutla L	Female
Cllr Ndimba B.H	Male
Cllr Mabidilala E	Male
Cllr Mohale R.W	Male

2.5 RULES AND ETHICS COMMITTEE

The Rules and Ethics Committee reports to the Speaker of Council (Cllr Mokgwathi M.M). The committee ensures compliance with the Code of Conduct as set out in Schedule 1 of the Local Government: Municipal Systems Act 32 of 2000 as amended. The Code requires that a Municipal Council may establish a special committee to investigate and make a finding on any alleged breach of the Code and make appropriate recommendations to the Municipal Council. The Municipality established Rules and Ethics Committee in 2019 and developed terms of reference for approval by Council. The Committee has attended induction and reviewed the council Rules of Order for approval by Council.

The Rules and Ethics Committee consist of:

Name of the Committee Member	Gender
Cllr Manyama M.I (Chairperson)	Male
Cllr Seoka L.M	Male
Cllr Matlou M.P	Male
Cllr Makhananisa M.D	Female
Cllr Maake S.M	Male
Cllr Modika M.S	Male
Cllr Kgatla M.E	Female
Cllr Mukhufi A.S	Female

2.6 DISCIPLINARY BOARD

The municipality has established a Financial Misconduct Disciplinary Board in terms of the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014 read with section 21(1)(a) and (b) of the Municipal Systems Act, 2000. The draft reporting procedure and terms of reference were developed for approval by council. The Financial Misconduct Disciplinary Board consisted of the following members.

Name of the Committee Member	Designation	Gender
Raphalalane R	Chairperson of the Audit Committee	Male
Chuene K.R	Manager: Legal Services	Male
Ramutsheli M.P	Chairperson Risk Committee	Female

2.7 MUNICIPAL COUNCIL

Council is a structure that is vested with executive and legislative authority. Council is chaired by the Speaker who must among other functions ensure that council meetings are conducted in line with council rules and orders and that council should meet on quarterly basis. The Council of Greater Letaba Municipality is stable. 4 Ordinary meetings were held as legislated and three (08) special councils meetings held for 2024/25 financial year.

Table 2.3: Statistical report on attendance of Meetings.

Committee/ Structure	Meetings Scheduled	Meetings Held	Status
Council	8	4 Ordinary & 8 Special	Target Achieved
EXCO	8	4 Ordinary & 8 Special	Target Achieved
Corporate and Shared Services	10	10 meetings held	Target Achieved
Infrastructure	4	6 meetings held	Target Exceeded
Economic Development, Housing & Spatial Planning	4	4 meetings held	Target Achieved
Public Transport and Roads	4	2 meetings held	Target not Achieved

Community Services	4	2 meetings held	Target not Achieved
Environmental Affairs	4	4 meetings held	Target Achieved
Sports, Arts and Culture	4	3 meetings held	Target not Achieved
Water & Sanitation	4	4 meetings held	Target Achieved
Finance	7	7 meetings held	Target Achieved
Audit Committee	5	5 meetings held	Target Achieved
MPAC	12	12 meetings held	Target Achieved
Risk Committee	4	2 meetings held	Target not Achieved
ICT Steering Committee	4	4 meetings held	Target Achieved
Ethics Committee	4	4 meetings held	Target Achieved

2.8 PORTFOLIO COMMITTEE FUNCTIONALITY

The Portfolio Committee system which was established in terms of S79 of the Local Government: Municipal Structures Act, No.117 of 1998, supports the Greater Letaba Municipality Council. Their core function is to look at specific issues that relate to each Portfolio, research issues and find necessary facts before those issues could be discussed by Councillors who sit in each of the Portfolio committees. The Committee deliberates on issues and make recommendations to EXCO and Council, for the latter to take the final decisions.

2.9 AUDIT COMMITTEE FUNCTIONALITY

The Audit Committee consists of independent external members listed below. The committee is required to meet at least 4 times per annum as per the Audit Committee Charter. The municipality appointed its own audit committee members in accordance with the Municipal Finance Management Act no 56 of 2003 Section 166(2). The functions of the committee among others include the following:

- To advise the Council on all matters related to compliance and effective governance.
- To review the Annual Financial Statements.
- To respond to the council on any issues raised by the Auditor-General in the audit report.
- To review the quarterly reports submitted to it by the internal audit.
- To compile reports to Council.
- To review the performance management system and make recommendations in this regard to Council.
- To identify major risks to which Council is exposed and determine the extent to which risks have been

minimized.

- To review the plans of the internal audit function and ensure that the plan addresses the high- risk areas and ensure that adequate resources are available.
- To provide support to the internal audit function

Due to the committee being appointed in the second quarter only 3 ordinary Audit Committee meetings and 2 special Audit committee to consider the Annual Financial Statements, Annual Performance Report and Auditor General Report were held. The Audit Committee submitted the (03) ordinary meetings report to Council in 2024/25.

Table 2.4: Statistical report on the attendance of Audit Committee meetings

Name	Designation	Number of meetings scheduled	Number of meetings attended	Number of apologies rendered
Mr Marobane N	Chairperson	5	5	0
Mrs Mudau F.J	Member	5	4	1
Mr Teffo S.J	Member	5	5	0
Mr Molokomme C.W	Member	5	4	1

2.10 ADMINISTRATIVE GOVENANCE STRUCTURE

Section 160 1 (d) of the Constitution stipulates that, “A Municipal Council may employ personnel that are necessary for the effective performance of its function.” To give effect to this provision, council has appointed a Municipal Manager who is the head of administration and also as the accounting officer for the municipality as outlined in Section 82 of the Municipal Structures Act.

The Accounting Officer of Municipality during in 2024/25 was Mr Sewape MO. The administrative structure of the municipality has been reviewed and adopted by council on the 15th of May 2024 as required by Section 66 of the Municipal Systems Act. Greater Letaba Municipality has five (5) departments. Each department and the office of the Municipal Manager have specific functions that they perform to give effect to Council’s mandate as enshrined in Section 152 of the Constitution of the Republic of South Africa.

The municipality has an approved 2024/25 IDP that informs the Budget and SDBIP. All Senior Managers and the Municipal Manager have duly signed employment contracts and performance agreements in the financial

year 2024/25. The management team's mission is to oversee, coordinate and manage the transformation and strategic agenda of the municipality as well as facilitation of the transformation process by providing strategic advice and support for the Mayor, Speaker, Council committees, EXCO and Municipal Council.

The municipal's head office is in Modjadjiskloof, 44 Botha Street, Civic Centre. To ensure accessibility of services to the public, there are three sub-offices which are located at Ga-Kgapane, Mokwakwaila and Senwamokgope.

The following individuals were members of the municipality 's top management:

POSITION	NAME
Municipal Manager	Mr Sewape M.O
Chief Financial Officer	Ms Sesene A.N
Senior Manager: Corporate Services	Mr Lekhota M.P
Senior Manager: Community Services	Mr Mamatlepa M.L
Senior Manager: Technical Services	Ms Nhlane G.I
Senior Manager: Development & Town Planning	Mr Phosa M.L

MUNICIPALITY'S ADMINISTRATIVE STRUCTURE 2024/25



Mr Sewape M.O
Municipal Manager



Ms Sesene AN
Chief Financial
Officer



Mr Lekhota MP
Senior Manager
Corporate Services



Mr Mamatlepa ML
Senior Manager
Community Services



Ms Nhlane GI
Senior Manager
Technical Services



Mr Phosa ML
Senior Manager
Development &
Town Planning

The Greater Letaba Municipality administration has been organized into five (5) directorates. Each directorate including the Municipal Manager's office, contain a set of operational divisions.

As part of the Institutional transformation and in an endeavour to strengthen and build an efficient administration, alternate delivery mechanisms are reviewed to ensure improved services to communities. In order to enhance operational efficiency, an organisational structure review was undertaken and adopted by Council.

The Municipal Manager's Office

The overall purpose of the office is to provide strategic administrative support to the council. The municipality has five directorates which account to the Municipal Manager as the head of administration as stipulated in Section 55 of the Municipal Systems Act, no 32 of 2000. The Municipal Manager's Office renders the following functions:

- Risk and internal audit.
- Legal
- Performance Management System.
- Communication and events.
- Disaster services.
- Infrastructure
- Development and planning.
- Community services and social development.
- Corporate services.
- Budget and treasury

2.11 INTERGOVERNMENTAL RELATIONS

Intergovernmental Relations issues are handled by the Mayor's Office which is responsible for developing, promoting, and implementing all the international, national and local citizenship relationships to maintain a positive profile of Greater Letaba, nationally and internationally.

2.12 PUBLIC ACCOUNTABILITY AND PARTICIPATION

Communication

Local Government has a legal obligation and a political responsibility to ensure regular and effective communication with the community. The Constitution of the Republic of South Africa Act 1996 and other statutory enactments, all impose an obligation on Local Government communicators and require high levels of transparency, accountability, openness, participatory, democracy, and direct communication with the communities to improve the lives of all. The communities, on the other hand, have a right and a responsibility to participate in local government affairs and decision-making and ample provision is made in the above-mentioned legislation for them to exercise their right in this respect. The municipality is committed to the principle of Batho Pele.

Good customer care is of fundamental importance to the municipality. The municipality has a Communication Strategy which links the people to the municipality's programme for the year. Below is a communication checklist of the compliance to the communication requirements:

COMMUNICATION ACTIVITY	YES/NO
Communication unit	Yes
Communication strategy	Yes
Communication policy	Yes
Language policy	Yes
Whistle Blowing policy	Yes
Customer Satisfaction Survey	No
Functional Complaints Management system	Yes
No. of Newsletters issued in 2024/25	0
No. of Public Participation held as per Section 16 of the Municipal Systems Act	18
No. of Imbizos held	4
No. of Newspaper articles/notices published	672

2.13 WARD COMMITTEES

The municipal council has established 30 functional Ward committees in line with Section 73 of the Municipal Structures Act. The term of office corresponds with the term stipulated in section 24 of the Local Government Laws Amendment Act No. 19 of 2008. The committees are chaired by ward councillors and have powers and functions to make recommendations on any matter affecting their ward to all structures of council through the ward councillors as specified in Section 74 of the Act. Ward committees give effect to public participation as outlined in chapter 4 of the Municipal Systems Act by assisting Ward councillors in mobilizing, organizing consultative meetings and activities, disseminating information, and encouraging participation from residents in the ward. Ward committees have a budget to cater for their out-of-pocket expenditure. Ward committees are required as per the plan to submit monthly reports to office of the speaker.

In addition to ward committees, the SDBIP were made public. The SDBIP contained projected financial and service delivery Indicators and deliverables. Members of the public were invited to participate in the Oversight

process related to the Annual Report. To promote public accountability and participation, members of the public were invited to attend all meetings of the Council meetings. These were held prior to developing the draft budget in order to provide feedback to the community about the implementation of projects in the current financial year and to stimulate the needs of the community in order to provide input for the new financial year.

2.14 CORPORATE GOVERNANCE

The municipality has functioned in accordance with the political, statutory and other relationships between its political structures, political office bearers and administration and its community. It has exercised its authority within the constitutional system of co-operative government envisaged in section 41 of the Constitution. The administration is governed by the democratic values and principles embodied in section 195(1) of the Constitution. It has the functions and powers assigned to it in terms of sections 156 and 229 of the Constitution. It sought to achieve the integrated, sustainable, and equitable social and economic development of its area. These functions are listed in Chapter 5 of the Local Government: Municipal Structures Act, 1998, as amended, ("the Structures Act").

2.15 RISK MANAGEMENT

In terms of MFMA Act 56, section 62(1)(c)(i) stipulates that "the Accounting Officer of a Municipality is responsible for managing the financial administration of the Municipality and must for this purpose take all reasonable steps to ensure that the municipality maintains effective, efficient, and transparent systems of financial and risk management and internal control.

The Municipality adopts a risk management approach informed by ISO 31000, read in conjunction with King IV and the Public Sector Risk Management Framework. By embedding risk management into its corporate governance structure, the Municipality proactively safeguards assets and ensures optimal use of limited resources.

To support the Accounting Officer in fulfilling risk management duties, the municipality established a Risk Management Committee chaired by an independent person and convened quarterly. This committee provides a structured forum designed to foster compliance with applicable laws, regulations, and established governance frameworks by evaluating the municipality risk management systems, practices and procedures, and providing recommendations for improvement.

Table 2.5 Top 10 Strategic Risks

No	Strategic Objective	Risk Description	Mitigation Action
1	Access to sustainable quality basic services.	Basic services disruptions	1. Installation of inventor system 2. Implementation of electricity infrastructure maintenance plan 3. Implementation of road maintenance plan 4. Ensure functionality of the local IGR 5. Gazetting of By-laws (Property rates, Credit and debt management, environmental management and electricity by-laws 6. Monitoring of work performed by SMMES through SLA with engineers 7. Review of institutional service delivery standards
2	Improved quality of life	Unsafe working environment and conditions	1. Training of employees on standard operating procedures for OHS 2. Training of employees on fall arrester system 3. Procurement of fall arrester system 4. Ensure the functionality of OHS Committee 5. Conversion of municipal houses into offices
3	Improved governance and organization excellence	Fraud and corruption	1. Ongoing financial interest disclosure 2. Pre-employment screenings 3. Review of fraud prevention plan 4. Conduct fraud and ethics risks assessment 5. Employee induction programmes (integrity, ethics and conduct) 6. Investigation of fraud and corruption cases reported 7. Implementation of consequence management 8. Implementing system generated receipts
4	Sustainable financial institution	Inability to raise sufficient revenue	1. Finalization infrastructure funding agreements 2. Increase revenue collection (Billing Vs Collection: 95%)

			3. Review of detailed revenue enhancement strategy 4. Implementation of revenue enhancement strategy
5	Improved quality of life	Inadequate response to current and future climate change impacts	1. Development of climate change response strategy 2. Implementation of climate change response strategy 3. Integrate climate change to institutional policies 4. Conducting climate change awareness 5. Maintenance of infrastructure damaged by natural disasters
6	Improved human resource	Ineffective human resource management	1. Effective implementation of training program 2. Implementation of organizational structure with clear roles and accountabilities 3. Implementation of code of ethics and fair labour practices. 4. Effective communication with employees 5. Cascading PMS to Managers and Deputy Managers level and implementing PMDS implementation plan.
7	Improved governance and organization excellence	Cyber-attack and phishing	1. Conducting vulnerability test assessment 2. Information security awareness campaigns 3. Licensing of security controls (firewall and anti-virus software)
8	Sustainable financial institution	Inability to continue as a Going Concern	1. Implementation of credit control policy inclusive of Government Departments/entities 2. Gazetting of property rates and debt collection by-laws 3. Conducting of data cleansing 4. Review of Debt Collection mechanism regarding the parked accounts (Inactive

			accounts) 5. Finalize transfer of title deeds for properties that are still in the name of the municipality and yet they are occupied (Extension 5)
9	Integrated sustainable Human settlement	Land invasion	1. Implementation land invasion strategy 2. Implementation of SPLUMA by-laws 3. Implementation of land invasion court orders 4. Effective communication with landowners
10	Sustainable financial institution	Insufficient cash reserves to cover short-term creditors/commitments.	1. Development of financial recovery plan 2. Implementation of cost containment measures 3. Improvement of the municipality's cash coverage ratio 4. Reduction of non-core expenditure 5. Review of costing structure 6. Improve cash flow management

2.16 ANTI-CORRUPTION AND FRAUD

The municipality has an approved Anti-fraud and corruption policy and Fraud prevention plan address fraud and corruption within the municipality, In addition, Labour Relations and Whistle blowing policies are also in place and implemented.

2.17 SUPPLY CHAIN MANAGEMENT

The municipality's Supply Chain Management (SCM) unit is a support function for all directorates within the municipality to ensure provision of efficient, transparent, fair, equitable and cost-effective procurement services hence assisting them to implement their service delivery priorities. In terms of the

MFMA SCM regulations, the SCM unit is established to implement the SCM policy adopted by council. It has operated under the direct supervision of the Chief Financial Officer. The supply chain management policies were adopted by Council and published on the website.

2.18 BY-LAWS

The Municipal Systems Act of 2000, Section 11 (3) (m) provides Municipal Councils with the legislative authority to pass and implement by-laws for the betterment of the community within the terms of the legislation. During the financial year 2024/25 the municipality gazette 4 by-laws: Property rates, Credit Control, Debt Collection and Waste Management.

2.19 WEBSITE

The municipal website (www.greaterletaba.gov.za) is an integral part of a municipality's communication infrastructure and strategy. It serves as a tool for community participation, improves stakeholder involvement and facilitates stakeholder monitoring and evaluation of municipal performance. Section 75 of the MFMA requires that the municipalities place key documents and information on their website, including the IDP, the annual budget, adjustments budgets and budget related documents and policies. The website is maintained by State Information Technology Agency (SITA).

The municipality's website is functional and operational.

The table below gives an indication about the information and documents that are published on our website:

DESCRIPTION OF INFORMATION AND/OR DOCUMENT	YES/NO
Municipal contact details (Section 14 of the Promotion of Access to Information Act)	
Full Council details	Yes
Contact details of the Municipal Manager	Yes
Contact details of the CFO	Yes
Physical address of the Municipality	Yes
Postal address of the Municipality	Yes
Financial Information (Sections 53, 75, 79 and 81(1) of the MFMA)	
Annual and adjustments budgets and all budget-related documents / reports	Yes
All current budget-related policies	Yes

The annual report (2023/24 published	Yes
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (2023/24)	Yes
All service level agreements 2024/25	No
All long-term borrowing contracts (2024/25)	N/A
All supply chain management contracts above a prescribed value of R200 000 for 2024/25	No
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during 2024/25	No
Public-private partnership agreements referred to in section 120 made in 2024/25	No
All quarterly reports tabled in the council in terms of section 52 (d) during 2024/25	Yes
Integrated Development Plan (IDP) 2024/25	Yes
Service Delivery Budget Implementation Plan (SDBIP) 2024/25	Yes

2.20 GOVERNANCE HIGHLIGHTS

- MPAC was able to hold one (1) public hearing on Annual Report, a strategic retreat session, regular project visits, and meetings with the Management Team.
- The municipality managed to support emerging farmers through training and providing them with financial assistance.
- Establishment and induction of the municipal **Rules and Ethics Committee**.
- Establishment of **Disciplinary Board**

2.21 CAPACITATING OF COUNCILLORS, OFFICIALS AND INTERNS ON MUNICIPAL FINANCE MANAGEMENT PROGRAMME

Contact Person: Ramahala T		Phone no: 0726688131		Email address: Thulir@glm.gov.za		
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	1	N/A	1	1	1	1
Chief financial officer	1	N/A	1	1	1	1
Senior managers	4	N/A	4	4	4	4
Any other financial officials	4	N/A	4	4	4	4
Supply Chain Management						
Heads of supply chain management units	01	N/A	01	1	1	1
Others						
Other officials and Councillors	59 Councillors 24 Officials	N/A	48	5	5	5
Finance Interns	5	N/A	05	0	N/A	N/A
TOTAL	98	N/A	98	16	16	16

CHAPTER 3

SERVICE DELIVERY PERFORMANCE

3.1 INTRODUCTION

In terms of Section 46 of Municipal Systems Act, a municipality must prepare for each financial year a performance report reflecting a) the performance of the municipality and each with the key Performance Indicators and of each external service provider during that financial year, b) a comparison of the performance referred to in paragraph(a) with targets set for and performance in the previous financial year. c) measures taken to improve the performance.

An Annual Performance Report must form part of the municipality's Annual Report in terms of Chapter 12 of Municipal Finance Management Act. The 2024/25 Performance of Greater Letaba Municipality was monitored through the Service Delivery and Budget Implementation Plan. The Plan was drafted in line with the approved Integrated Development Plan and Budget of the municipality. The Annual performance Report considers the performance of the municipality at year end, an evaluation of overall performance for the 2024/25 financial year compared to the performance of the previous year 2023/24 and reflect the reasons for deviation from the planned target as well as efforts made to address the performance that was not achieved.

This report will outline the performance assessment, mainly the five Key Performance Areas and projects as well as Service Delivery Backlog and Assessments of Service providers.

MUNICIPAL STRATEGIC INTENT

Vision and Mission

The strategic vision of the organisation sets the long-term goal the Municipality wants to achieve.

The vision of Greater Letaba Municipality is:

“To be the leading municipality in the delivery of quality services for the promotion of socio-economic development”

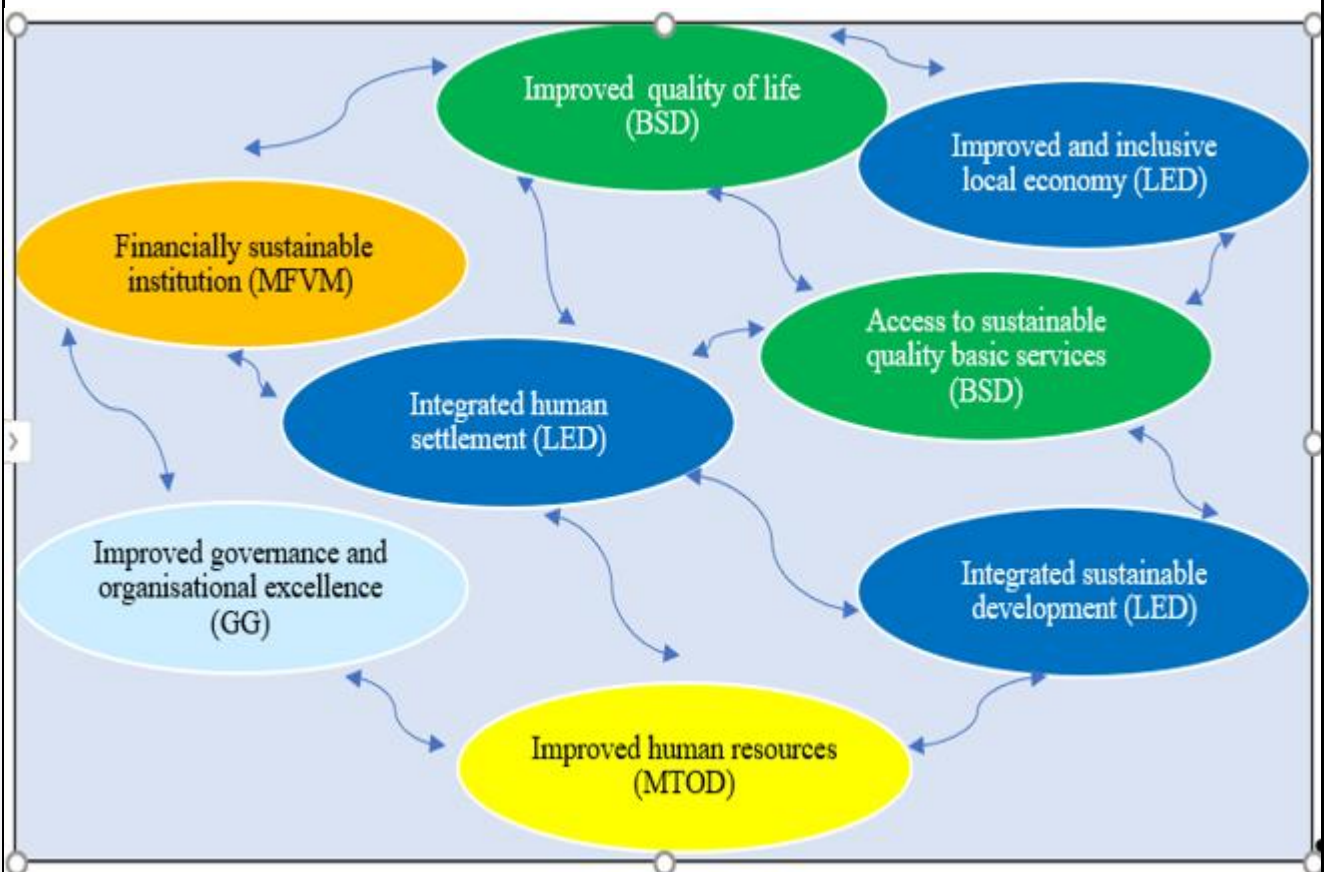
The strategic mission speaks about what the purpose of Greater Letaba Municipality is:

To ensure an effective, efficient and economically viable municipality through:

- Promotion of accountable, transparent and consultative and co-operative governance;
- Promotion of local economic development and poverty alleviation;
- Strengthening cooperative governance;
- Provision of sustainable and affordable services and
- Ensuring a compliant, safe and healthy environment
- Utilisation of smart technology

Strategy map

The strategic Objectives of the municipality are presented in the Strategy Map below:



3.2 PERFORMANCE HIGHLIGHTS

ANNUAL PERFORMANCE SUMMARY OF RESULTS FOR 2024/25

KPA's Performance Indicator and Projects	No. of Applicable Indicators including projects	No. of Targets Achieved	No. of Targets Not Achieved	% Targets Achieved	% Targets Not Achieved
Municipal Transformation and Organisational Development	17	12	5	71%	29%
Municipal Finance Management Viability	26	18	8	69%	31%
Basic Service Delivery	54	50	4	93%	7%
Good Governance and Public Participation	28	17	11	61%	39%
Local Economic Development	21	19	2	90%	10%
TOTAL	146	116			
	79%				

A SUMMARY OF COMPARISON OF ANNUAL PERFORMANCE FOR 2023/24 AND 2024/25 FINANCIAL YEARS RESPECTIVELY

	2023/24 FY			2024/25 FY					
KPA's Performance Indicator and Projects	No. of Applicable Indicators including projects	No. of Targets Achieved	No. of Targets Not Achieved	No. of Applicable Indicators including projects	No. of Targets Achieved	No. of Targets Not Achieved	% Target achieved 23/24 FY	% Target achieved 24/25 FY	Performance remarks
Municipal Transformation and Organisational Development	15	15	0	17	12	5	100%	71%	Declined
Municipal Finance Management Viability	25	16	9	26	18	8	64%	69%	Improved
Basic Service Delivery	50	38	12	54	50	4	76%	93%	Improved
Good Governance and Public Participation	14	7	7	28	17	11	50%	61%	Improved
Local Economic Development	25	16	9	21	19	2	64%	90%	Improved
TOTAL	129	92		146	116				
	71%			79%					

OVERALL PERCENTAGE = 79%

The municipality set a goal of 146 targets, of which 116 (79%) were successfully met, while 30 (21%) were not achieved.

The overall percentage achieved for the 24/25 FY is 79%, indicating an improvement from the 71% reported in 23/24 FY

3.3 KEY CHALLENGES FOR 2024/25 FINANCIAL YEAR

KEY CHALLENGES FOR 2024/25 FINANCIAL YEAR

NO	CHALLENGES	REMEDIAL ACTIONS
1	Low Revenue collection	Implementation of Revenue Enhancement strategy
2	Poor debts collection	Implementation of Credit control
3	Few households receive free basic services	Indigent awareness programme
4	Not all AG findings were resolved by the end of the financial year	Adherence to the Audit Action Plan
5	Not all identified risks were mitigated	Implementation of strategic risk action plan

3.4 ANNUAL PERFORMANCE REPORT

SEE ANNEXURE R

CHAPTER 4

**ORGANISATIONAL
DEVELOPMENT
PERFORMANCE**

4.1 INTRODUCTION

The quality of human capital is important in any organization. It will determine the success and progress that has been made to deliver services and support the overall business strategy. To succeed there is a need to develop a holistic approach to the implementation of transformational issues like equity, human resource development, staff retention, and succession planning, management of HIV/AIDS in the workplace.

4.2 MANAGING MUNICIPAL WORKFORCE LEVELS

MSA 2000 S67 requires municipalities to develop and adopt appropriate systems and procedures to ensure fair; efficient; effective; and transparent personnel administration in accordance with the Employment Equity Act 1998. In Managing a Municipal Workforce effectively, it is important that employee policies, procedures, and contracts are in place. The municipality had a total number of 55 reviewed policies in place listed below:

Table 4.1 Reviewed policies

Communications Policy	Anti-Fraud and Corruption Policy	Social Media policy
Career Management and Retention Policy	Protective Clothing and Allowance Policy	Job Evaluation Policy
Ward Committees Policy	Internship and Experiential Learning Policy	Clocking, Attendance and Punctuality Policy
HIV/AIDS Policy	Subsistence and Travelling Allowance Policy	Discipline Policy
Smoking Policy	Car Allowance Policy	Incapacity Policy
Skills Development Policy	Performance Management Policy	Legal Aid Policy
Recruitment, Selection Appointment Policy	Succession Planning Policy	Private work and Declarations of Interest Policy
Transport Control Policy	Discrimination Policy	Human Resources Communication Policy
Sexual Harassment Policy	Overtime Policy	Staff Establishment
Cellular Phone Allowance Policy	Sports Policy	Placement Policy
Contract of Employment Policy	ICT Policy Handbook	Termination of Services Policy

Labour Relations Policy	Whistle Blowing Policy	Bursary Policy for members of the public
Conditions of Service Policy	Aldermanship Policy	Grievance Resolution Policy
Occupational Health and Safety Policy	Bursary Policy for Employees	Remuneration Policy
Telephone Management Policy	Employment Equity Policy	Advance Reimbursement Expenses Policy
Covid-19 Policy	Risk Cover and Loss Control Policy	Intoxicating Substance Abuse Policy
Danger Allowance Policy	Protocol Policy	Staff members Wellness Program Policy
Leave Management Policy	Code of Conduct for Councillors	
Language Policy	Council rules of Order	

The policies indicated above are in place and need to be monitored and implemented as a measure of creating controls for effective and efficient implementation of services.

4.3 STAFF ESTABLISHMENT

The municipality has 327 posts in terms of the approved organogram for 2024/25 financial year and had 296 posts filled as of 30 June 2025. It is worth indicating that the municipality had a vacancy rate of 9%. The vacancy rate is due to posts that were never filled, retirements, demise, and resignations. Below are statistics of all employees per directorate including Interns.

Table 4.2: Total Staff Establishment as at 30 June 2025

Directorate	Approved Posts	Filled	Vacant	Vacancy Rate
Municipal Manager's Office	37	35	2	5%
Corporate Services	27	26	1	4%
Budget and Treasury	35	31	4	11%
Technical Services	85	74	11	10%
Community Services	132	120	12	9%
Development and Town Planning	11	10	1	9%
Total	327	296	31	9%
INTERNS	5			

4.4 STAFF TURNOVER RATE

A high staff turnover rate may be costly to a municipality and can negatively affect productivity, service delivery, and institutional memory. The staff turnover rate for 2024/25 was 2% which is similar to 2% of 2023/2. The municipality has appointed an Employee Health and Wellness Practitioner as a way of mitigating the increasing staff turnover rate.

4.5 EMPLOYMENT EQUITY

Table 4.3 below outlines employment equity status of the municipality per occupational category. The empowerment of the previously disadvantaged groups is relatively low with African females at 40% on Senior / Top management in 2024/25. The current challenge in this area is the representation of women in the entire municipal workforce. The overall percentage of females in the municipal workforce is 45% of which is 5% below the national target of 50% females' representation. However, it is worth noting that the municipality has exceeded the 2% national target of people with disabilities. The municipality had a 3.3% representation of people with disabilities in the year 2024/25.

The Employment Equity Plan for the municipality must be taken into consideration when posts are filled and race classification, gender, and disability status must be in line with the goal set for the specific occupational level in which the vacant post falls. The Employment Equity Report was drafted and submitted electronically to the Department of Labour in January 2025. It is worth noting that the five-year EE plan has expired which required the municipality to develop a new plan with new targets.

Table 4.3 Workforce profile per occupational category as of 30 June 2025.

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top management	01	0	0	0	0	0	0	0	01
Senior management	03	0	0	0	02	0	0	0	05
Professionally qualified and experienced specialists and mid-management	30	0	0	00	13	0	0	01	44

Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	28	0	0	0	23	0	0	0	51
Semi-skilled and discretionary decision making	49	0	0	0	30	0	0	0	79
Unskilled and defined decision making	37	0	0	01	52	0	0	0	90
TOTAL PERMANENT	148	0	0	01	120	0	0	01	270
Temporary employees	3	0	0	0	3	0	0	0	6
GRAND TOTAL	151	0	0	01	123	0	0	01	276

4.6 CAPACITATING THE MUNICIPAL WORKFORCE

Section 68(1) of the MSA states that municipality must develop its human resource capacity to a level that enables it to perform its functions and exercise its powers in an economical, effective, efficient, and accountable way. For this purpose, the human resource capacity of a municipality must comply with the Skills Development Act (SDA), 1998 (Act No. 81 of 1998)

Skills Development Budget Allocation

The table below indicates that a total amount of R2 000 000 was allocated to the Workplace Skills Plan and that 84% of the total amount was spent in 2024/25 financial year for training of employees and Councillors respectively.

Table 4.4: Budget allocated and spent for skills development.

Year	Total Personnel Budget & Councillors	Total Allocated for training	Total Spent for training	% Spent
2023/24	R 176 928 000	R 2 504 543	R 2 304 329	92%
2024/25	R 184 883 000	R 2 000 000	R 1 600 000	84%

Skills Matrix

The table below indicates the number of employees that received training (skills programs, short courses, etc.) in the year under review:

Table 4.5 Number of employees that received training in 2024/25

Intervention Name as per WSP	Intervention Type	Employed Officials	Employed Councillors	People with Disability	Interns	Total number of learners	Funder	Status
1. Operating Regulations for High Voltage Systems (ORHVS)	Skills Programme	7	0	0	0	7	Municipal Funding	Completed
2. Customer Care Training	Skills Programme	28	0	0	0	28	Municipal Funding	Completed
3. Protection of Personal Information (POPIA)	Workshop (Non-Credit)	17	9	2	0	26	Municipal Funding	Completed
4. Demonstrate to Lead a Group or Team (Supervisory Skills)	Skills Programme	14	0	0	0	14	Municipal Funding	Completed
5. Street Cleaning (Environmental Practice)	Skills Programme	9	0	0	0	9	Municipal Funding	Completed
6. Advance Excell	Skills Programme	10	0	0	0	10	Municipal Funding	Completed
7. Councillor Induction Programme	Skills Programme	0	7	0	0	7	Salga Funding	Completed
8. Certificate in LED	Skills Programme	3	3	0	0	6	Salga Funding	Completed
9. Customer Centered Service Delivery	Training	3	0	0	0	3	COGHSTA Funding	Completed
10. Managing Unauthorised , Irregular and Fruitless Expenditures	Training	3	0	0	0	3	COGHSTA Funding	Completed
11. Municipal Leaders, Media and Stakeholder Engagement Programme	Training	3	1	0	0	4	Salga Funding	Completed
12. Basic Plumbing	Skills Programme	5	0	0	0	5	Municipal Funding	Completed
13. Municipal Finance Management Programme	Skills Programme	10	4	0	5	19	Municipal Funding	In Progress
14. Building and Civil Construction	Skills Programme	24	0	0	0	24	LGSETA	In Progress

4.7 PERFORMANCE MANAGEMENT SYSTEM

This chapter outlines briefly how Greater Letaba Municipality managed its performance.

Performance Management is a powerful tool that can be used to measure the performance of an organisation. It involves setting of desired strategic objectives, outcomes, indicators and targets, alignment of programs, projects, and processes directly to its components such section 57 managers as stipulated in the performance regulations of 2006.

In terms of Chapters 5 and 6 of the Municipal Systems Act, 2000 (Act No. 32 of 2000), local government is required to:

- *Develop a performance management system.*
- *Set targets, monitor, and review performance, based on indicators linked to the Integrated Development Plan (IDP).*
- *Publish an annual report on performance for the councillors, staff, the public, and other spheres of government.*
- *Incorporate and report on a set of general indicators prescribed nationally by the minister responsible for local government.*
- *Conduct an internal audit on performance before tabling the report.*
- *Have the annual performance report audited by the Auditor-General.*
- *Involve the community in setting indicators and targets and reviewing municipal performance.*

Greater Letaba Municipality's performance management system aims at ensuring that all the departments within the municipality are working coherently to achieve optimum desired results. This is done by planning, reviewing, implementing, monitoring, measuring, and reporting on its activities.

The development of Greater Letaba Municipality's Performance Management Framework was guided by different pieces of legislation which include amongst others the following: *Constitution of the Republic of South Africa, Chapter 7 of Act 108 (1996)*

- *White Paper on Local Government 1998*
- *Municipal Systems Act, 2000 (Act No. 32 of 2000)*
- *Municipal Finance Management Act, (Act No. 56 2003)*
- *Regulation 393 of 2009: Local Government Municipal Finance Management Act Municipal Budget and Reporting Regulation*

- *Municipal Performance Regulations for Municipal Managers and Managers directly accountable to the Municipal Manager (2006)*
- *Municipal Planning and Performance Management Regulations (2001)*
- *Batho Pele Principles*
- *Municipal Structures Act 1998 (ACT no 117 of 1998)*

Greater Letaba Municipality has adopted a balanced scorecard methodology which is a strategic performance management tool. The balanced scorecard is used to keep track of the execution of activities by staff within their control and monitor the consequences arising from these actions. The balanced scorecard creates a clear link of activities across all levels of municipality. The main objective of the balanced scorecard is to achieve synergy across the Municipality, maximize internal business process efficiencies, and maximize efficient allocation of financial and human resources. By using the balanced scorecard Greater Letaba Municipality managed to come up with strategic objectives that were transformed into a strategic map that emphasizes the municipality's main strategic intent.

Community Perspective	The Municipality checks if it is achieving the needs of the community
Financial Perspective	The Municipality checks if it is delivering services in an economic, efficient, and effective manner
Internal Processes Perspective	The Municipality checks if its business processes are assisting in achieving its desired goals
Learning and Growth Perspective	The Municipality checks if it has good skills and knowledge to achieve the needs of the community

Organisational performance and employee performance are related to each other, and this starts from the planning phase. At an organisational level, the Service Delivery and Budget Implementation Plan (SDBIP) was developed for the purpose of monitoring the overall organisational performance. The Performance Agreement of section 54 & 56 managers was derived directly from the SDBIP. The SDBIP yields a set of indicators and targets which became an undertaking of the municipality to account to the community.

Performance Management Tools

This section outlines the performance management tools that Greater Letaba Municipality used to assess its performance.

Integrated Development Plan

Greater Letaba Municipality has developed an Integrated Development Plan which was adopted by council. The performance management system is designed to monitor and evaluate the progress made in the implementation of the municipality's IDP objectives, taking into account the timeframe of projects and budget. The IDP is the strategic document of the municipality that gives direction in terms of service delivery objectives. Performance objectives, indicators, outcomes, and targets are derived from the IDP.

Performance Management Policy Framework

Greater Letaba Municipality has developed and adopted a Performance Management Framework that serves as a guiding document in the implementation of performance management system within the institution. Municipality is presently using electronic Performance Management system.

Service Delivery and Budget Implementation Plan

In terms of the Municipal Finance Management Act, Act No. 56 (2003) the municipality must develop the SDBIP taking into consideration the Integrated Development Plan and the Budget of the municipality. Greater Letaba Municipality developed the SDBIP which was approved by the Mayor. The SDBIP yields specific indicators and targets which are derived from the IDP. The SDBIP is a link between integrated development plan, performance management system, and the budget. The SDBIP serves as a contract between Council and the community. It outlines the Council's objectives and outcomes to be undertaken by Council. Through the SDBIP Council commit itself to the community in terms of services to be rendered. Administration also commits to council on the services they will render to the community.

Performance Agreements and Performance Plans

The Local Government Municipal Performance Regulations for Municipal Managers and managers directly accountable to Municipal Managers (R805, 2006) indicate that Section 57 managers must be appointed in terms of a written employment contract and a separate performance agreement. Regulations R805 regulate employment contracts, performance agreements including performance plans, and job descriptions of Municipal Managers and managers directly accountable to Municipal Managers. Greater Letaba Municipality developed performance agreements that were duly signed.

The purpose of a performance management agreement is to:

- Specify objectives and targets defined and agreed with the employee and communicate to the employee the employer's expectations of the employee's performance and accountabilities in alignment with the Integrated Development Plan, Service Delivery and Budget Implementation Plan

(SDBIP) and the Budget of the municipality.

- Specify accountabilities as set out in a performance plan, which forms an annexure to the performance agreement.
- Specify and plan for competency gaps as set out in a personal development plan (PDP), which forms an annexure to the performance agreement (a PDP for addressing developmental gaps which have been identified during the previous financial year and must form part of the annual revised performance agreement).
- Monitor and measure performance against set targeted outputs.
- Use the performance agreement as to the basis for assessing whether the employee has met the performance expectations applicable to his or her job.
- In the event of outstanding performance, appropriately reward the employee depending on the availability of resources.
- Give effect to the employer's commitment to a performance-orientated relationship with its employee in attaining equitable and improved service delivery.

Performance Calculators

The 2001 Regulations Chapter 13 indicates that:

- (1) A municipality must, after consultation with the local community, develop and implement mechanisms, systems, and processes for the monitoring, measurement, and review of performance in respect of the key performance indicators and performance targets asset.
- (2) The mechanisms, systems, and processes for monitoring in terms of sub-regulation (1) must:
 - a) provide for reporting to the municipal council at least twice a year.
 - b) be designed in a manner that enables the municipality to detect early indications of under-performance; and
 - c) provides corrective measures where under-performance has been identified.

Greater Letaba Municipality has developed performance calculators that are used to monitor the performance of the institution and Section 54 & 56 Managers. Monitoring is the key stage when implementing a performance management system.

Reports

The Greater Letaba Municipality continuously produces reports giving feedback regarding the performance of the institution and the departments. The reports mainly focus on the priorities of the organisation, performance objectives, indicators, targets, measurements, and analysis. The reports include amongst others the following:

Monthly / Quarterly IDP and SDBIP reporting

In terms of Section 1 of the MFMA, Act 56 of 2003 a municipality must develop an SDBIP with detailed projections for each month of the revenue to be collected, by source, as well as the operational and capital expenditure, by vote. The SDBIP must be reported on a quarterly basis. In complying with this requirement, the municipality compiled monthly, quarterly IDP, and SDBIP report.

Mid-year budget and report

The accounting officer is required to prepare and submit a midyear performance report, which must be submitted to the Mayor, Provincial, and National Treasury (Section 72 of the MFMA). Greater Letaba Municipality prepared a Mid-Year Budget and Report as per legislative requirement.

Performance report

Section 46 of the Municipal Systems Act No. 32 of 2000 requires a municipality to prepare a performance report for each financial year. The reports must cover the following:

- Performance of the municipality and of each external service provided during that financial year.
- Comparison of the performances referred to in the above paragraph with targets set for and performances in the previous financial year; and
- Steps and Interventions to be taken to improve on the performance.

Greater Letaba Municipality prepared performance reports that reflected how the municipality performed institutionally and departmentally.

Annual report

Section 121 requires the municipality to prepare an annual report for each financial year. Greater Letaba Municipality has managed to compile an annual report.

Oversight report

Section 129 requires the council of a municipality to consider the municipality's annual report. It further indicates that within two months from the date of tabling of the annual report, council must adopt an oversight report containing the council's comments. An oversight report for the municipality was compiled.

Assessment of Section 54 & 56 Managers

The 2006 regulations on Municipal Manager and Managers directly reporting to the Municipal Manager depict how the assessment of section 54 & 56 managers should unfold. It identified four assessments per annum, namely:

Quarter	Panel formation
First Quarter (July – September) Informal Assessment	No need to constitute a panel of assessors
Second Quarter (October – December) Formal Assessment	Panel shall be constituted as follows: Assessment of Municipal Manager - • Mayor • Municipal Manager or Mayor from another Municipality • Chairperson of Performance Audit Committee Assessment of Senior Managers – • Municipal Manager from another Municipality • EXCO Member • Municipal Manager • Chairperson of Performance Audit Committee
Third Quarter (January – March) Informal Assessment	No need to constitute a panel of assessors
Fourth Quarter (April – June) Formal Assessment	Panel shall be constituted as follows: Assessment of Municipal Manager - • Mayor • Municipal Manager or Mayor from another Municipality • Chairperson of Performance Audit Committee Assessment of Senior Managers – • Municipal Manager from another Municipality • EXCO Member • Municipal Manager Chairperson of Performance Audit Committee

4.8 MUNICIPAL WORKFORCE EXPENDITURE

The percentage personnel expenditure is essential in the budgeting process as it reflects on current and future efficiency. The table below indicates the percentage of the municipal budget that was spent on salaries and allowance for the past two financial years and that the municipality is well within the national norm of between 35 to 40%

Table 4.6 Personnel Expenditure (excluding Councillors allowances)

Financial year	Total Expenditure salary and allowances	Total Operating Expenditure	Percentage
	R'000	R'000	
2023/24	R 128 466 777	R 428 750 679	30%
2024/25	R 155 657 942	R 501 437 348	31.04%

Disclosure regarding the 2023/24 remuneration packages for the Mayor, Councillors, and Section 57 Managers was as follows.

Table 4.7: Remuneration packages 2024/25

Designation	Total Salaries & Wages
Mayor	R 947 990.00
Full-Time Councillor-Speaker	R 758 393.00
Full-Time Councillor-Chief whip	R 710 995.00
Executive Councillors & MPAC Chairperson	R 696 710.00
Full Time Executive Committee Members	R 710 995.00
Full Time MPAC Chair	R 710 995.00
Part Time Executive Committee members	R 396 649.00
Chairpersons of Committees	R 385 005.00
Councillors	R 299 994.00
Municipal Manager	R 1 325 220.00
Chief Financial Officer	R 1 103 953.00
Technical Services Director	R 1 103 953.00
Corporate Services Director	R 1 103 953.00
Community Services Director	R 1 103 953.00
Development and Town Planning Director	R 1 103 953.00

4.9 ORGANISATIONAL DEVELOPMENT PERFORMANCE HIGHLIGHTS

- Submission of Workplace skills plan and Annual training reports were submitted before the 30th of April 2025.
- Employment Equity Report was submitted prior 15 January 2025.
- Enrolling Finance Officials and Interns, Managers, and Councillors for Municipal Finance Management Programme as required by Section 60 of National Treasury.

CHAPTER 5

FINANCIAL PERFORMANCE

5.1 INTRODUCTION

This chapter provides details regarding the financial performance of the municipality for 2024/25 financial year. Sound financial management practices are essential to the long-term sustainability of the municipality. They underpin the process of democratic accountability. The key objective of the Municipal Finance Management Act (2003) (MFMA) is to modernize municipal financial management. This chapter aims to provide an overview of the financial performance of Greater Letaba Municipality through measuring of results.

5.2 STATEMENT OF FINANCIAL PERFORMANCE

The Statement of Financial Performance provides an overview of the financial performance of the municipality and focuses on the financial health of the municipality.

The table below indicates the operating ratios for the year 2022/23, 2023/24, and 2024/25.

Table: 5.1 Operating ratios

Operating Ratios			
Detail	2022/23 Ratio %	2023/24 Ratio %	2024/25 Ratio %
Employee Cost	36%	36%	31%
Repairs & Maintenance	5.1%	6.4%	4.7%
Finance Charges & Depreciation	10.2%	10.%	10.5%

The table below indicates the financial overview of the 2024/25 financial year.

Table: 5.2. Financial overview

Financial Overview – 2024/25			
Details	Original Budget	Adjustment Budget	Actual
Income			
Grants	423 528 000	423 528 000	495 036 000
Taxes, Levies, and tariffs	60 732 000	60 732 000	56 498 000
Other	38 107 000	41 881 000	45 205 000
Sub Total	522 367 000	526 141 000	596 739 000
Less Expenditure	467 525 000	493 758 000	501 937 000
Net Total *	54 842 000	32 656 000	94 802 000
*Note: Surplus/ Deficit			

The table below highlights capital expenditure for the period 2022/23, 2023/24, and 2024/25 comparatively.

Table: 5.3. Capital expenditure

Total Capital Expenditure from 2022/23, 2023/24 to 2024/25			
Detail	2022/23	2023/24	2024/25
Original budget	110 032 000	110 032 000	123 209 000
Adjustment budget	127 214 000	111 954 000	137 538 000
Actual	121 163 000	100 777 000	133 960 000

5.3 GREATER LETABA MUNICIPALITY FINANCIAL PERFORMANCE ANALYSIS

• Revenue

The Municipality receives grants and equitable shares from National Treasury. The grants received in 2024/25 amounts to 83% of the total receipts while Own revenue is 17% of the total receipts. Revenue income for 2023/24 was (R526 582 000) which increased to (R596 739 000) in 2024/25 financial year. There is an increase of 23% on own funding revenue from 2023/24 to 2024/25 Though there is an improvement in own funding revenue, the Municipality is still dependent on Grants received from National Treasury, to be able to deliver basic services to its community.

• Debtors

The total debt owed to the municipality has increased to R403 140 000 in 2024/25 while it was R376 719 000 in 2023/24. These total debts include total debtors of R95 556 000 for water and sewerage owed by Mopani District Municipality. The Municipality has developed and is implementing the revenue enhancement strategy to enable the municipality to improve in revenue collection.

• Liquidity

The Municipality is financially sound. It has reserves cash and cash equivalents amounting to R12 552 113 at year end. The municipality's current assets are less than the current liabilities, current assets amount to R50 572 719 and current liabilities amount to R88 585 243. Although the municipality seems to be operating on going concern, there are several mitigating factors that will enable the municipality to continue.

- **Expenditure analysis**

Expenditure for 2024/2 has increased to R501 938 000 compared to R494 494 000 in 2023/2024 FY. These expenditures include non-cash expenditures such as depreciation and debts impairments.

5.4 GREATER LETABA MUNICIPALITY AUDITED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

SEE ANNEXURE S

CHAPTER 6

AUDITOR GENERAL AUDIT FINDINGS

6.1 INTRODUCTION

The MSA S45 states that the results of performance measurement in terms of S41(1)(c) must be audited annually by the Auditor-General. Section 41(1)(c) states that the auditing should take place with regard to each of those development priorities and objectives and against key performance indicators and targets to monitor, measure and review municipal performance at least once per annum.

This chapter provides an overview of the Auditor-General Report of the previous financial year. Specific topics that should receive attention include details on issues raised during the previous financial year and remedial action taken to address the above and preventative measures. The municipality has received **Unqualified Audit Opinion** from 2018/19 FY to 2024/25 FY. In response to the Auditor General's audit opinion, the municipality has developed an AG action plan in order to ensure that auditor's findings are corrected.

In order to improve the capacity and attain a clean audit opinion (unqualified audit opinion without matters) in 2025/26 financial year, the municipality shall ensure that employees are trained in financial and performance management. The municipality shall ensure forward planning when implementing projects in order to accelerate the implementation of projects.

6.2 AUDITOR GENERAL OPINION FOR THE YEAR 2024-25

SEE ANNEXURE T

6.3 REMEDIAL ACTIONS TO ADDRESS THE AUDIT EXCEPTIONS

SEE ANNEXURE U

CHAPTER 7

APPENDICES

APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND ATTENDANCE

Councillors, Committees Allocated and Council Attendance 2024/25					
Council Members	Full Time/ Part Time FT/PT	Committee Allocated	Ward and/ or party Represented	Number of Meetings held or Attended	Percentage of meetings Attendance
				No	%
Cllr. Mamanyoha T.D	FT	COUNCIL	ANC	12/12	100%
	FT	EXCO	ANC	12/12	100%
	FT	PMT	ANC	12/12	100%
Cllr. Mokgwati M.M	FT	COUNCIL	ANC	12/12	100%
	FT	PMT	ANC	11/12	92%
	FT	MPWC	ANC	2/2	100%
Cllr. Ramalatso R.R	FT	COUNCIL	ANC	12/12	100%
	FT	PMT	ANC	9/12	75%
	FT	MPWC	ANC	2/2	100%
Cllr. Kgapabe T.J	FT	COUNCIL	ANC	10/12	83%
	FT	EXCO	ANC	11/12	92%
	FT	FINANCE	ANC	7/7	100%
Cllr. Lebeko N.F	FT	COUNCIL	ANC/W 14	11/12	92%
	FT	EXCO	ANC/W 14	10/12	83%
	FT	CORPORATE AND SHARED SERVICES	ANC/W 14	6/10	60%
Cllr. Ramaano K.E	PT	COUNCIL	ANC/W 11	12/12	100%
	PT	EXCO	ANC/W 11	12/12	100%
	PT	SPORTS, ARTS AND CULTURE	ANC/W 11	3/3	100%
	PT	MPWC	ANC/ W 11	1/2	50%
Cllr. Ramaremeta J.M	PT	COUNCIL	ANC	12/12	100%
	PT	EXCO	ANC	12/12	100%
	PT	ECONOMIC DEVELOPMENT,	ANC	4/4	100%

		HOUSING & SPATIAL PLANNING			
	PT	MPWC	ANC	1/2	50%
Cllr. Selowa M.G	PT	COUNCIL	ANC	11/12	92%
	PT	EXCO	ANC	11/12	92%
	PT	WATER AND SANITATION	ANC	4/4	100%
	PT	MPWC	ANC	1/2	50%
Cllr. Baloyi R.G	FT	COUNCIL	ANC	11/12	92%
	FT	EXCO	ANC	10/12	83%
	FT	INFRASTRUCTURE	ANC	5/6	83%
Cllr. Mosila M.R	PT	COUNCIL	ANC	9/12	75%
	PT	EXCO	ANC	11/12	92%
	PT	COMMUNITY SERVICES	ANC	2/2	100%
Cllr. Mothele M.D	PT	COUNCIL	EFF	9/12	75%
	PT	EXCO	EFF	9/12	75%
	PT	PUBLIC TRANSPORT & ROADS	EFF	1/2	50%
	PT	MPWC	EFF	1/2	50%
Cllr. Mangena M.S	PT	COUNCIL	EFF/ PR	11/12	92%
	PT	EXCO	EFF/ PR	6/12	50%
	PT	ENVIRONMENTAL AFFAIRS	EFF/ PR	2/4	50%
Cllr. Makhurupetse M.W.M	FT	COUNCIL	ANC/ PR	9/12	75%
	FT	MUNICIPAL PUBLIC ACCOUNTS	ANC/ PR	12/14	86%
	FT	MPWC	ANC/ PR	1/2	50%
Cllr. Manyama M.I	PT	COUNCIL	ANC/W 4	12/12	100%
	PT	ETHICS COMMITTEE	ANC/W 4	4/4	100%
Cllr. Mohale R.W	PT	COUNCIL	ANC/W 1	11/12	92%

	PT	MUNICIPAL PUBLIC ACCOUNTS	ANC/W 1	12/14	86%
Cllr. Seoka L.M	PT	COUNCIL	ANC/W 2	11/12	92%
	PT	ETHICS COMMITTEE	ANC/W 2	4/4	100%
Cllr. Lebepe R.R	PT	COUNCIL	ANC/W 3	8/12	67%
	PT	CORPORATE AND SHARED SERVICES	ANC/W 3	7/10	70%
Cllr. Rasebotja S.M	PT	COUNCIL	ANC/W 5	10/12	83%
	PT	FINANCE	ANC/W 5	4/7	57%
	PT	INFRASTRUCTURE	ANC/W 5	6/6	100%
	PT	PUBLIC TRANSPORT & ROADS	ANC/W 5	2/2	100%
	PT	MPWC	ANC/W 5	1/2	50%
Cllr. Mokgomola N.P	PT	COUNCIL	ANC/W 6	7/12	58%
	PT	FINANCE	ANC/W 6	4/7	57%
	PT	SPORTS, ARTS AND CULTURE	ANC/W 6	3/3	100%
Cllr. Nakana M.R	PT	COUNCIL	ANC/W 7	3/12	25%
	PT	ECONOMIC DEVELOPMENT, HOUSING & SPATIAL PLANNING	ANC/W 7	3/4	75%
	PT	MPWC	ANC/W 7	2/2	100%
Cllr. Maake S.M	PT	COUNCIL	ANC/W 8	11/12	92%
	PT	INFRASTRUCTURE	ANC/W 8	5/6	83%
	PT	COMMUNITY SERVICES	ANC/W 8	1/2	50%
	PT	ETHICS COMMITTEE	ANC/W 8	4/4	100%
Cllr. Ramalatso A.M	PT	COUNCIL	ANC/W 9	3/12	25%
	PT	INFRASTRUCTURE	ANC/W 9	5/6	83%
	PT	MPWC	ANC/W 9	1/2	50%

Cllr. Makgato T.E	PT	COUNCIL	ANC/W 10	5/12	42%
	PT	ECONOMIC DEVELOPMENT, HOUSING & SPATIAL PLANNING	ANC/W 10	3/4	75%
	PT	WATER AND SANITATION	ANC/W 10	4/4	100%
Cllr. Mashao M.G	PT	COUNCIL	ANC/W 12	11/12	92%
	PT	CORPORATE AND SHARED SERVICES	ANC/W 12	7/10	70%
	PT	MPWC	ANC/W 12	2/2	100%
Cllr. Lekitima V.M	PT	COUNCIL	ANC/W 13	11/12	92%
	PT	MUNICIPAL PUBLIC ACCOUNTS	ANC/W 13	12/14	86%
Cllr. Mokhabukhi M.S	PT	COUNCIL	ANC/W 15	9/12	75%
	PT	PUBLIC TRANSPORT & ROADS	ANC/W 15	2/2	100%
Cllr. Ngobeni M.P	PT	COUNCIL	ANC/W 16	3/12	25%
	PT	ENVIRONMENTAL AFFAIRS	ANC/W 16	4/4	100%
Cllr. Mankgero M.M	PT	COUNCIL	ANC/W 17	12/12	100%
	PT	INFRASTRUCTURE	ANC/W 17	6/6	100%
Cllr. Ndimba B.H	PT	COUNCIL	ANC/W 18	12/12	100%
	PT	MUNICIPAL PUBLIC ACCOUNTS	ANC/W 18	10/14	71%
Cllr. Mabidilala E	PT	COUNCIL	ANC/W 19	4/12	33%
	PT	MUNICIPAL PUBLIC ACCOUNTS	ANC/W 19	4/14	29%
Cllr. Rampyapedi E.S	PT	COUNCIL	ANC/W 20	4/12	33%
	PT	SPORTS, ARTS AND CULTURE	ANC/W 20	1/3	33%
	PT	WATER AND SANITATION	ANC/W 20	4/4	100%

Cllr. Monyela K.B	PT	COUNCIL	ANC/W 21	6/12	50%
	PT	MUNICIPAL PUBLIC ACCOUNTS	ANC/W 21	6/14	43%
	PT	MPWC	ANC/W 21	1/2	50%
Cllr. Mamaila B.A	PT	COUNCIL	ANC/W 22	6/12	50%
	PT	COMMUNITY SERVICES	ANC/W 22	1/2	50%
	PT	MPWC	ANC/W 22	2/2	100%
Cllr. Maake N	PT	COUNCIL	ANC/W 23	9/12	75%
	PT	FINANCE	ANC/W 23	2/7	29%
	PT	MPWC	ANC/W 23	1/2	50%
Cllr. Mamatlepa D.D	PT	COUNCIL	ANC/W 24	11/12	92%
	PT	CORPORATE AND SHARED SERVICES	ANC/W 24	4/10	40%
	PT	ENVIRONMENTAL AFFAIRS	ANC/W 24	3/4	75%
	PT	MPWC	ANC/W 24	2/2	100%
Cllr. Modika M.S	PT	COUNCIL	ANC/W 25	8/12	67%
	PT	CORPORATE AND SHARED SERVICES	ANC/W 25	3/10	30%
	PT	ETHICS COMMITTEE	ANC/W 25	2/4	50%
Cllr. Mohale M.J	PT	COUNCIL	ANC/W 26	7/12	58%
	PT	MPWC	ANC/W 26	2/2	100%
Cllr. Moroatshehla M.B	PT	COUNCIL	ANC/W 27	10/12	83%
	PT	FINANCE	ANC/W 27	5/7	71%
	PT	PUBLIC TRANSPORT & ROADS	ANC/W 27	2/2	100%
Cllr. Hlungwani S.J	PT	COUNCIL	ANC/W 28	6/12	50%
	PT	COMMUNITY SERVICES	ANC/W 28	1/2	50%
Cllr. Malatji M.C	PT	COUNCIL	ANC/W 29	3/12	25%

	PT	INFRASTRUCTURE	ANC/W 29	4/6	67%
Cllr. Lebeya M.J	PT	COUNCIL	ANC/W 30	10/12	83%
	PT	SPORTS, ARTS AND CULTURE	ANC/W 30	2/3	67%
	PT	MPWC	ANC/W 30	1/2	50%
Cllr. Matlou M.P	PT	COUNCIL	ANC/ PR	5/12	42%
	PT	ETHICS COMMITTEE	ANC/ PR	1/4	25%
Cllr. Mothomogolo P.S	PT	COUNCIL	ANC/ PR	9/12	75%
	PT	FINANCE	ANC/ PR	5/7	71%
	PT	PUBLIC TRANSPORT & ROADS	ANC/ PR	0/2	0%
	PT	MUNICIPAL PUBLIC ACCOUNTS	ANC/ PR	7/14	50%
Cllr. Mampeule P.J	PT	COUNCIL	ANC/ PR	7/12	58%
	PT	ENVIRONMENTAL AFFAIRS	ANC/ PR	1/4	25%
Cllr. Moroatshehla M.F	PT	COUNCIL	ANC/ PR	8/12	67%
	PT	ECONOMIC DEVELOPMENT, HOUSING & SPATIAL PLANNING	ANC/ PR	4/4	100%
	PT	MPWC	ANC/ PR	2/2	100%
Cllr. Malatja T.P	PT	COUNCIL	ANC/ PR	9/12	75%
	PT	FINANCE	ANC/ PR	5/7	71%
	PT	WATER AND SANITATION	ANC/ PR	4/4	100%
Cllr. Makhananisa M.D	PT	COUNCIL	ANC/ PR	10/12	83%
	PT	CORPORATE AND SHARED SERVICES	ANC/ PR	4/10	40%
	PT	ETHICS COMMITTEE	ANC/ PR	3/4	75%
	PT	MPWC	ANC/ PR	1/2	50%

Cllr. Ramabubutla L	PT	COUNCIL	ANC/ PR	7/12	58%
	PT	MUNICIPAL PUBLIC ACCOUNTS	ANC/ PR	8/14	57%
	PT	MPWC	ANC/ PR	2/2	100%
Cllr. Raseropo S.M	PT	COUNCIL	EFF/ PR	9/12	75%
	PT	ENVIRONMENTAL AFFAIRS	EFF/ PR	0/4	0%
	PT	MUNICIPAL PUBLIC ACCOUNTS	EFF/ PR	10/14	71%
	PT	MPWC	EFF/ PR	1/2	50%
Cllr. Mulaudzi P	PT	COUNCIL	EFF/ PR	6/12	50%
	PT	INFRASTRUCTURE	EFF/ PR	4/6	67%
	PT	MPWC	EFF/ PR	0/2	0%
Cllr. Kgatla M.E	PT	COUNCIL	EFF/ PR	6/12	50%
	PT	FINANCE	EFF/ PR	2/7	29%
	PT	ENVIRONMENTAL AFFAIRS	EFF/ PR	1/4	25%
	PT	ETHICS COMMITTEE	EFF/ PR	4/4	100%
	PT	MPWC	EFF/ PR	1/2	50%
Cllr. Mashao M.C	PT	COUNCIL	EFF/ PR	5/12	42%
	PT	PUBLIC TRANSPORT & ROADS	EFF/ PR	2/2	100%
Cllr. Malatji M.E	PT	COUNCIL	EFF/ PR	8/12	67%
	PT	WATER AND SANITATION	EFF/ PR	1/4	25%
	PT	INFRASTRUCTURE	EFF/ PR	2/6	33%
	PT	MPWC	EFF/ PR	1/2	50%
Cllr. Senyolo T.J	PT	COUNCIL	COPE/ PR	3/12	25%
	PT	COMMUNITY SERVICES	COPE/ PR	0/2	0%
Cllr. Selowa D.L	PT	COUNCIL	COPE/ PR	9/12	75%
		MUNICIPAL PUBLIC ACCOUNTS	COPE/ PR	12/14	86%

Cllr. Serumula M.L	PT	COUNCIL	DA/ PR	9/12	75%
	PT	SPORTS, ARTS AND CULTURE	DA/ PR	1/3	33%
Cllr. Rasetsoke M.C	PT	COUNCIL	LIBRA/ PR	3/12	25%
	PT	ECONOMIC DEVELOPMENT, HOUSING & SPATIAL PLANNING	LIBRA/ PR	4/4	100%
Cllr. Maluleke M.J	PT	COUNCIL	MIM/ PR	9/12	75%
	PT	CORPORATE AND SHARED SERVICES	MIM/ PR	6/10	60%
	PT	MPWC	MIM/ PR	1/2	50%
Cllr. Mukhufi A.S	PT	COUNCIL	EFF/ PR	7/12	58%
	PT	ETHICS COMMITTEE	EFF/ PR	4/4	100%
	PT	MPWC	EFF/ PR	0/2	0%

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

Committees (Other than Mayoral/Executive Committee) and purpose of Committees	
Municipal Committees	Purposes of Committee
Corporate and Shared Services	Consider all organizational development, corporate and Auxiliary related matters and make recommendations to EXCO
Economic Development, Housing & Spatial Planning	To consider all economic development matters and make recommendations to EXCO
Public Transport & Roads	Consider all Roads matters and recommend to EXCO
Water & Sanitation Services	Consider all water and sanitation related matters and make recommendations to EXCO
Finance	Consider all budget, finance and related matters and make recommendations to EXCO
Environmental Affairs	Consider all environmental matters and recommend to EXCO
Community Services	To consider all social matters and make recommendations to EXCO
Infrastructure	Consider all Infrastructure, Building, Electricity and Civil matters and recommend to EXCO
Sports, Arts and Culture	Consider all Sports, Arts and Culture matters and recommend to EXCO
Municipal Public Accounts	To play an oversight and make recommendations to council

APPENDIX C – THIRD TIER STRUCTURE

Third Tier Structure	
Directorate	Title and Name
Municipal Manager	Municipal Manager: Mr. Sewape M.O
Corporate Services	Senior Manager: Mr. Lekhota M.P
Community Services	Senior Manager: Mr. Mamatlepa M.L
Budget and Treasury	Chief Financial Officer: Ms. Sesene A.N
Development & Town Planning	Senior Manager: Mr. Phosa M.L
Technical Services	Senior Manager: Ms. Nhlane G.I

APPENDIX D – FUNCTIONS OF THE MUNICIPALITY

GREATER LETABA MUNICIPALITY'S POWERS AND FUNCTIONS

- The provision and maintenance of childcare facilities.
- Development of local tourism.
- Municipal planning.
- Municipal roads and public transport.
- Administer public regulations.
- Administer billboards and display of advertisements in public areas.
- Administer cemeteries, funeral parlours, and crematoriums.
- Cleansing
- Control of public nuisances.
- Control of undertakings that sell liquor to the public.
- Ensure the provision of facilities for the accommodation, care, and burial of animals.
- Fencing and fences.
- Licensing and dogs
- Licensing and control of undertakings that sell food to the public.
- Administer and maintenance of local amenities.
- Development and maintenance of local sports facilities.
- Develop and administer markets.
- Development and maintenance of municipal parks and recreation.
- Regulate noise pollution.
- Administer pounds.
- Development and maintenance of disposal.
- Administer street trading.
- The imposition and collection of taxes and surcharges on fees as related to the municipal's function.
- Receipt and allocation of grants made to the municipality.
- Imposition and collection of other taxes, levies and duties as related to the municipal's function.
- Refuse removal refuse dumps disposal.

APPENDIX E – WARD REPORTING

FUNCTIONALITY OF WARD COMMITTEES FOR 2024/25					
Ward Number	Name of Ward Councillor	Committee established (Yes/No)	Number of monthly committee meetings held during the year	Number of monthly reports submitted to Speaker's office on time	Number of quarterly public ward meetings held during the year
Ward 1	Cllr. Mohale R.W	Yes	12	12	4
Ward 2	Cllr. Seoka L.M	Yes	12	12	4
Ward 3	Cllr. Lebepe R.R	Yes	12	12	4
Ward 4	Cllr. Manyama M.I	Yes	12	12	4
Ward 5	Cllr. Rasebotja S.M	Yes	12	12	4
Ward 6	Cllr. Mokgomola N.P	Yes	12	12	4
Ward 7	Cllr. Nakana M.R	Yes	12	12	4
Ward 8	Cllr. Maake S.M	Yes	12	12	4
Ward 9	Cllr. Ramalatso A.M	Yes	12	12	4
Ward 10	Cllr. Makgato T.E	Yes	12	12	4
Ward 11	Cllr. Ramaano K.E	Yes	12	12	4
Ward 12	Cllr. Mashao M.G	Yes	12	12	4
Ward 13	Cllr. Lekitima V.M	Yes	12	12	4
Ward 14	Cllr. Lebeko N.F	Yes	12	12	4
Ward 15	Cllr. Mokhabukhi M.S	Yes	12	12	4
Ward 16	Cllr. Ngobeneni M.P	Yes	12	12	4
Ward 17	Cllr. Mankgero M.M	Yes	12	12	4
Ward 18	Cllr. Ndimba B.H	Yes	12	12	4
Ward 19	Cllr. Mabidilala E	Yes	12	12	4
Ward 20	Cllr. Rampyapedi E.S	Yes	12	12	4
Ward 21	Cllr. Monyela K.B	Yes	12	12	4
Ward 22	Cllr. Mamaile B.A	Yes	12	12	4
Ward 23	Cllr. Maake N	Yes	12	12	4
Ward 24	Cllr. Mamatlepa D.D	Yes	12	12	4
Ward 25	Cllr. Modika M.S	Yes	12	12	4
Ward 26	Cllr. Mohale M.J	Yes	12	12	4
Ward 27	Cllr. Moroatshehla M.B	Yes	12	12	4
Ward 28	Cllr. Hlungwani S.J	Yes	12	12	4
Ward 29	Cllr. Malatji M.C	Yes	12	12	4
Ward 30	Cllr. Lebeya M.J	Yes	12	12	4

APPENDIX F – WARD INFORMATION

Capital Projects: Largest in 2024/25				
Ward No	Project Name & Detail	Start Date	End Date	Total Value
26	Construction of Street Paving at Ramodumo (3.5 km) (Multi-year)	15 Sep 2022	30 Jun 2025	R 33 059 905.39
25	Construction of Abel Street Paving (2.8 km)	2 Dec 2022	30 Jun 2025	R 31 946 654.96
21	Construction of Ramaroka Street Paving (3.4 km)	23 Jan 2025	30 Jun 2027	R 38 580 686.43
19	Construction of Street Paving at Maupa(4.9 km) (Multi-year)	31 Oct 2023	30 Jun 2026	R 46 693 512.21
8	Construction of Burkina Farso Street Paving (2 km) (Multi- year)	27 Oct 2023	30 Jun 2026	R 47 660 567.27
20	Maphalle Electrification	19 Aug 2024	31 Mar 2025	R 4 279 689.00
22	Makgakgapatse Electrification	21 Aug 2024	14 Mar 2025	R 3 833 500.00
5	Reconstruction of Low-Level Bridge at Mandela Park	13 Mar 2025	22 Sep 2025	R 4 411 981.50
17	Reconstruction of Low-Level Bridge at Mamaila Kolobetona (Happy Stars)	13 Mar 2025	22 Sep 2025	R 5 131 970.00
2	Construction of Moshakga/ Makaba street paving (2.5 km) (Multi-year)	3 Nov 2023	30 Jun 2025	R 28 307 450.50
4	Construction of Masakhaneng Street Paving (3.1 km) (Multi-year)	12 Jan 2024	30 Jun 2026	R 25 050 000.00

APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2024/25

AUDIT AND PERFORMANCE AUDIT COMMITTEE SUMMARY REPORT 2024/25 FINANCIAL YEAR

The following paragraph summarizes the Audit Committee report for the year under review (2024/25).

The Audit Committee was established in terms of section 166 of the Municipal Finance Management Act (MFMA). Section 166 of the MFMA clearly states that each municipality must have an audit committee. The audit committee is an independent advisory body that advises council, political office bearers, accounting officer, and staff of the municipality on the following:

- Internal financial control and internal audits.
- Risk management.
- Accounting policies.
- The adequacy, reliability, and accuracy of financial reporting and information.
- Performance management
- Effective governance.
- Compliance with the MFMA, the annual Division of Revenue Act (DORA) and any other applicable legislation.
- Performance evaluation
- Any other issues referred to by the municipality.
- Review annual financial statements to provide authoritative and credible view of the financial position, on overall compliance with MFMA, DORA, etc.
- Respond to Council on any matter raised by the Auditor-General (AGSA);
- Carry out such investigations into financial affairs of the municipality as may be prescribed from time to time.
- It is expected on a quarterly basis for the Audit Committee to review and advise municipal council on matters relating to items listed above.
- The attendance of meetings by both Audit Committee Members and Management was outstanding. The Audit Committee has noted the following achievements by the municipality:
 - Ability of the municipality to produce quarterly financial statements.
 - Good progress in implementing the MSCOA programme.
 - Ability by the municipality to submit credible section 71 reports to treasury on a monthly basis.
 - Good progress addressing IT governance issues.

Audit committee recommendation for 2024/25 financial.

1. Business continuity management

- Resolution on the BCP should be revised with new timeline to reflect the current development and the proposed a new deadline is 30 June 2025 and reasons for resolutions not implemented should be documented to enhance understanding and accountability.

- Updates on timelines on the completion of BCP framework should be shared with Audit Committee once received from the provincial treasury and emphasized the importance of keeping the resolution open until the BCP is fully developed to ensure proper monitoring.

2. Budget and Treasury reports

2.1 Municipal In-year reporting/Section 52 Report

- The Committee considered the report, the overall revenue collection was 98.33%, property rates billed for the quarter was 99.26%, interest on investment account was 100% as the municipality had a positive balance while operating expenditure was 100.67% and capital expenditure was 97.40%.
- The Committee also noted that the total debtors of R403 million which included Mopani debt of R95m. The overall debt excluding Mopani was R307 million. The municipality paid Mopani District an amount of R3.7 million for water and sewerage collection.

Recommendations

- That the report be noted
- That a summary of the material variances be provided on the report.
- That the collection rate be improved

2.2 Irregular Expenditure register

- The Audit Committee noted that there was no irregular expenditure for the fourth quarter under review but noted the closing balance of R3.8 million as a remnant after an amount of R20 million was written off during the year from the opening balance of R23 million.

Recommendations

- That the report be noted

2.3 Fruitless and Wasteful expenditure

- The Audit Committee noted that there was an amount of R43 582.00 incurred in the fourth quarter adding to the R749 452.00 of the opening balances. The committee also noted that an amount of R111 328.86 was written off in the second quarter leaving a balance of R681 705 as at the end of the quarter.

Recommendations

- That the report be noted
- That the fruitless and wasteful expenditure be investigated by the Council committee.

2.4 Deviation Register

- The Audit Committee noted that there were deviations for an amount of R169 702.38 incurred in the fourth quarter. This deviation has added to the yearly deviation and has a closing balance of R1.6million.

Recommendations

- That the report be noted

- That where possible deviations be avoided.

2.5 Commitment register

- The Audit committee noted that the closing balance of the commitment register was R280.9 million inclusive of the current contracts.

Recommendations

- That the commitment register be noted.

2.6 Contract register

- The Audit Committee noted that the Municipality has a contract register in place and has been duly updated with the current contracts.

Recommendations

- That the contract register is noted.

2.7 Quotation Register

- The Audit Committee noted that for the fourth quarter, an amount of R1.1 million was for procurement through quotations and the overall quotation register for 2024/25 was R8.2 million.

Recommendations

- That the quotation register be noted

2.8 Preparation of the Annual Financial Statements for 2024/25

- The Audit Committee has once again received an update on preparation of the Annual Financial Statements and noted that the Municipal plans are in place to ensure that the submission will be made on time.

3. Overtime management

- Introduction of the shift system to curb the high expenditure on overtime, the municipality has introduced shift system for Traffic Officers.

4. Development and Town planning

- The Audit committee considered the report and noted that for the quarter under review 15 applications for business registrations were received and processed within a reasonable time. A total of 150 jobs were created on tourism related activities.

Recommendations

- That the report be noted.

- That other tourism attraction sites be identified.
- That jobs created through EPWP, and other municipal programmes be reported.

5. Technical Services

- The Audit Committee considered the report and noted that the MIG spending was (R87m) 100%, INEP (R17m)100%, (Initial allocation and R1 million (additional allocation), EPWP Incentive grant (R1.8m) 100%, EEDSM (R5m) 100% while MDRG (R7.9m) 100%. The Committee noted the additional funding received by the Municipality for MIG (R15m) and INEP (R1m) grants as a result of good expenditure performance.
- The Committee also noted the slow progress on the construction of Sekgopo Sports Facility mainly due to the Hardrock encountered during the construction which will require the additional costing to be evaluated by the Engineer and the MISA.

Recommendations

- That the report be noted.
- That the Geotech report be assessed for relevance and completeness.

6. Internal Audit.

- The Internal Audit plan for 2024/2025 financial year had 14 projects, 9 were fully completed, 2 were at execution stage while 3 were not yet started. The Committee welcomed the Internal Audit reports as finalised.

Recommendations

- That the Vacancies in the Internal Audit be filled as a matter of urgency
- That management should consider appointing a panel on Internal Audit firms to assist Internal Audit in the execution of some audit projects.
- That the non-implemented audits be rolled over to the next financial year

7. Performance management system.

- The Audit Committee considered the fourth quarter Performance report and noted the overall achievement of 83% which was an improvement compared to the 78% of the third quarter.

Recommendations

- That the 83% progress be noted
- That the SDBIP reports be audited by internal audit before tabled in the Audit Committee
- The AC recommended that targets that are not achieved should include a reason for non- achievement and should correct the planned intervention for non-achievement.

8. Corporate Services

- The Audit Committee considered the report and noted that all senior management positions are filled and that there is a vacancy rate of 12% for other positions lower. It was noted that 07 Councillors were trained on induction level 03 and 21 employees were also trained on various programs, 11 trained on advanced excel while 11 were trained on street awareness (Practical environmental awareness). It was

also noted that 23 employees received financial support under the Employee health and wellness while 03 received financial support.

- It was worth noting that all software licenses were still up to date as at the 30 June 2025 and that the conversion of asset module by Munsoft is currently in progress to ensure that the Municipality is fully compliant with mSCOA.
- As part of our ongoing cybersecurity efforts, ICT vulnerability testing and Disaster Recovery Plan (DRP) updates were successfully completed on the 26-28 May 2025. These actions are aimed at strengthening our protection against potential cyber threats and ensuring system resilience.

Recommendation

- That the report be noted.

9. Community services

- The Committee considered the report which included the Traffic and Licensing, library visits, sports facility usage, disaster management, environmental campaigns, recycling projects and the Mokwawaila Thusong Service Centre. The report further highlighted the number of incidents attended and the awareness campaigns held.
- An amount of R2.5m was generated through the traffic and licensing services. Five (5) disaster incidents were reported, and five (5) awareness activities were conducted.

Recommendation

- That the report be noted.

10. Legal services

- The Committee considered the report and noted the contingent liability report and indicated that where possible there must be a discussion on the possible settlement.

Recommendation

- That the legal report be presented in the next meeting.

11. Risk Management report

- The committee considered the report and noted that the 80% Risk Committee resolutions, 67% strategic risks, 67% of fraud risks, 94% of ICT risks, 48% of the vulnerability and penetration tests were implemented.

Recommendation

- That the Risk Committee report be noted.

APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

LONG TERMS CONTRACTS 2024/25					
Name of service provider	Description of service rendered by the service provider	Start date of contract	Expiry date of the contract	Project Manager	Contract value
FNB	Provision of Banking Services	03/09/2024	02/09/2029	Ms. Sesene AN	Bank Charges incurred
Anaka group	Rental of printers for 36 months	03/01/2024	02/01/2027	Ms. Sesene AN	R6 693 552.00
Kunene Makopo Risk Solutions	Appointment for provision of Insurance Services for a period of 36 months	01/05/2024	03/04/2027	Ms. Sesene AN	R56 000 (Brokerage fee)
Cathu Consulting	Unbundling of Municipal Assets and Compilation of Grap complaint Asset Register for a period of 36 months	01/05/2024	03/04/2027	Ms. Sesene AN	R4 844 603.51
Munsoft	Municipal MSCOA Financial System with Payroll, ESS, Action Assist PMS and IPM	01/08/2023	31/07/2028	Mr Lekhota MP	R22 425 765.04
Vodacom	RT15 with data connection. Hosted PBX,Wifi	01/04/2021	31/03/2026	Mr Lekhota MP	Rates
SITA	WEB Hosting	01/07/2024	30/06/2027	Mr Lekhota MP	R270 764.51

APPENDIX I – MUNICIPAL ENTITY/SERVICE PROVIDER PERFORMANCE SCHEDULE

MUNICIPAL ENTITY/SERVICE PROVIDER PERFORMANCE SCHEDULE

SERVICE PROVIDERS PERFORMANCE ASSESSMENT FOR 2024/25 FINANCIAL YEAR



GREATER LETABA MUNICIPALITY



1	Poor
2	Fair
3	Good
4	Satisfactory
5	Excellent

Project Name	Project/ Contract No	Funding	Contract Amount	Name of Service Provider	Award Date	Status	Performance Rating	Challenges
Design for the extension of Municipal Main Office	GLM009/2021	Own Revenue	R 500 000,00	Black Creed	20-Nov-20	Active	3	NONE
Construction of Madumeleng/ Shotong Sports Complex	GLM019/2016	MIG & Own Revenue	R40 890 407,81	Maduke Trading (Pty) Ltd	06-Sept-18	Active	1	SP abandoned site
Roerfontein Roads and Stormwater Construction of Roerfontein low level bridge	GLM014/2022	MDRG	R 847 579,30	Xalamuka Built Environment JV	27-Jun-23	Active	3	NONE
Itieleng Roads and Stormwater- Itieleng regravelling 1,2 KM	GLM014/2022	MDRG	R 1 500 000,00	Bilmond Trading	27-Jun-23	Active	3	NONE
Construction of Buqa low level bridge	GLM014/2022	MDRG	R 900 378,55	Nkomazi Lemetja JV	15-Jun-23	Active	3	NONE
Construction of Street Paving at Raphahlelo/Phoko (2,48KM) multi-year	GLM009/2021/3-C	Own Revenue	R23 498 851,55	Zevofusion (Pty) Ltd JV dzungeni Group JV Machaba Tau Construction	03-Jun-21	Active	4	NONE

Construction of Street Paving at Ramodumo (3,5KM) multi-year	GLM003/2023	MIG & Own Revenue	R25 000 884,46	GPMVR Multi Projects cc JV Mothikeni Investments (Pty) Ltd	07-Sept-22	Active	3	NONE
Construction of Access Bridge at Rampepe (multiyear)	GLM013/2022	Own Revenue	R 8 754 765,38	Tzaneen Afri Investment (Pty) Ltd	28 Feb 200	Active	2	NONE
Construction of Abel Street Paving (2,8KM) multi-year	GLM009/2023	MIG & Own Revenue	R25 199 386,33	Leb P Construction JV Mod J Projects	21-Nov-22	Active	3	NONE
Construction of Street Paving at Mohlabaneng (3,3KM) multi-year	GLM009/2021/1-C	MIG & Own Revenue	R29 089 647,11	Leb P Construction	03-Jun-21	Active	3	NONE
Construction of Moshakga/Makaba Street Paving (2,5KM) multi-year	GLM003/2024	MIG	R23 766 540,02	Manco Business Enterprise	18-Oct-23	Active	4	NONE
Designs of Boshakge bridge	GLM009/2020	Own Revenue	R 400 000,00	Major Quality Investments (Pty) Ltd	12-Apr-24	Active	3	NONE
Construction of Motsinoni Street Paving (1,5KM)	GLM007/2023	Own Revenue	R17 360 551,85	Martmol Trading cc	22-Sept-22	Active	4	NONE
Construction of Thibeni Street Paving (2,3KM) multiyear	GLM008/2023	Own Revenue	R19 053 477,70	Double Hot Spot (Pty) Ltd	22-Sept-22	Active	3	NONE
Construction of Burkino Faso Street Paving (2KM) multi-year	GLM002/2024	MIG	R40 725 220,26	Leb P Construction	18-Oct-23	Active	3	NONE
Construction of Maupa Street Paving (4,9KM) multiyear	GLM001/2024	MIG	R39 953 871,63	Martmol Trading cc	18-Oct-23	Active	3	NONE
Construction of Masakhaneng Street Paving (3,1Km) multi-year	GLM009/2024	MIG	R21 759 349,81	Manco Business Enterprise	14-Dec-23	Active	4	NONE
Supply and Delivery of 2 Traffic Vehicles	O/N 44355	Own Revenue	R 789 584,26	Isuzu	04-Feb-24	Active	3	NONE
Refurbishment of LV Network at pearl and Orchards Street Modjadjiskloof	GLM013/2024	Own Revenue	R 1 606 334,97	OTS Electrical	21-Dec-23	Active	3	NONE

Replacement of old HT cables Spar to FNB Modjadjiskloof	GLM008/2024	Own Revenue	R 1 867 096,50	Risima Projects Management	18-Dec-23	Active	3	NONE
Supply and Delivery of mobile scarfolding	O/N 44503	Own Revenue	R 78 350,00	Sekhumis General Plumbing	16-Apr-24	Active	3	NONE
Design of Maphalle landfill site phase 2 multi-year	GLM009/2021	MIG	R 2 500 000,00	Kipp Consulting Engineers	06-Jul-21	Active	3	NONE
Supply and Delivery of 20 Grass Cutters	GLM019/2024	Own Revenue	R 378 000,00	Phadu Holdings	08-Jan-24	Active	3	NONE
Supply and Delivery of 11 Skip Bins (6 cubic meters)	GLM029/2023	Own Revenue	R 940 000,00	Daily Breez (Pty) Ltd	27-Jun-23	Active	3	NONE
Supply and Construction of Highmast lights in various villages (Kgapane Cluster)	GLM017/2023	MIG	R 1 494 759,75	Thotogelo MP Construction and Projects	14-Dec-22	Active	3	NONE
Supply and Construction of Highmast lights in various villages (Mokwakwaila Cluster)	GLM018/2023	MIG	R 1 542 322,50	Mpfumu Trading and Projects	26-May-23	Active	3	NONE
Regravelling of Rapitsi internal streets	GLM014/2022	MDRG	R 1 476 773,00	FJRIC Construction and Projects (Pty) Ltd	12-Mar-24	Active	3	NONE
Construction of Tshamahansi low level bridge	GLM014/2022	MDRG	R 1 159 952,93	Nkumani Multi Projects	12-Mar-24	Active	4	NONE
Construction of Mokwasele low level bridge	GLM014/2022	MDRG	R 1 498 709,49	B-Tech Consulting JV EasyTech	12-Mar-24	Active	3	NONE

Construction of Sekgopo Ramoadi low level bridge	GLM014/2022	MDRG	R 1 317 125,23	Carpus Construction and Projects	12-Mar-24	Active	3	NONE
Construction of Sekgopo Ramaroka low level bridge	GLM014/2022	MDRG	R 1 190 942,36	Mathpower Trading and Projects	12-Mar-24	Active	3	NONE
New Electricity connections at Carel Garden 1 and 2	GLM007/2024	INEP	R 2 448 000,00	OTS Electrical	29-Nov-23	Active	3	NONE
New Electricity connections at Itieleng (Matswi)	GLM006/2024	INEP	R 1 867 096,50	Risima Projects Management	29-Nov-23	Active	3	NONE

APPENDIX J – CAPITAL PROGRAMME BY PROJECT 2024/25

CAPITAL PROGRAMME BY PROJECT 2024/25

CAPTAL PROJECT	Final Budget 2024-25	Adjusted Budget 2024-25
Construction Boshakhe Bridge	1 900 000.00	500 000.00
Construction of Low-Level Bridges	1 500 000.00	1 500 000.00
Construction of Moshakga/Makaba Street paving Counter funding MIG	3 007 451.00	3 007 451.00
Contruction of Abel Street Paving (MIG Counter Funding)	7 300 000.00	7 300 000.00
Refurbishment HT Cable Network in Waterjaar	1 500 000.00	1 500 000.00
Refurbishment of Dorrin 11 KV Line Phase 2	800 000.00	1 330 000.00
Rehabilitation of Eugene street and stormwater management	5 000 000.00	7 234 799.00
Rehabilitation of Modjadjiskloof internal Streets	2 000 000.00	2 000 000.00
Supply & Construction of Highmasts light	1 500 000.00	1 500 000.00
Supply & Installation of ICT Networks and Equipments for new office buildiNG	600 000.00	400 000.00
Supply and delivery of Transformer	1 500 000.00	1 150 000.00
Supply and installation of Inverters Modjadjiskloof DLTC	300 000.00	300 000.00
Visual Impered Equipment	100 000.00	175 015.00
Supply and installation of water storage tanks at community halls	200 000.00	200 000.00
POE Switches Replacement	250 000.00	200 000.00
Maupa Street Paving Counter funding MIG	1 400 000.00	600 000.00
Burkinafaso Street paving (MIG Counter Funding)	1 500 000.00	1 500 000.00
Construction of Motsinoni Street Paving	5 951 087.00	3 150 517.00
Construction of Thibeni Street Paving	6 036 587.00	1 741 777.00
Supply and Delivery of Skip Bins 6 Cubic meter/6m3	1 600 000.00	1 600 000.00
Reconstruction of Low-Level Bridge at Mandela Park: Counter Funding Reserves- DRMG	-	1 951 982.00
Reconstruction of Low-Level bridge at Mamaila Kolobetona (Happy Stars Section) : Counter Funding Reserves DRMG	-	2 591 960.00
Supply and Installation of Deisel Pump	-	200 000.00
Rehabilitation of street paving and stormwater control at Sekgopo Ramoadi (1km)	-	2 997 000.00
Reconstruction of Low-Level Bridge at Mandela Park	-	2 460 000.00
Reconstruction of Low-Level bridge at Mamaila Kolobetona (Happy Stars Section)	-	2 540 000.00
Construction of Abel Street Paving (2.8 km)- Multi-year	1 617 674.00	1 617 674.00
Construction of Burkino Farso Street Paving (2 km) Multi year	10 000 000.00	10 000 000.00
Construction of Masakhaneng Street Paving (3.1 km) Multi-year	7 054 425.00	17 054 425.00

Construction of Maupa Street Paving (4.9 km) Multi year	10 000 000.00	12 500 000.00
Construction of Moshakga/ Makaba street paving (2.5 km)- (Multi-year)	13 106 426.00	13 106 426.00
Construction of Street Paving at Ramodumo (3.5 km) (Multi-year)	7 115 463.00	7 115 463.00
Designs of Maphalle Land Fill Site Ph2	10 395 724.00	5 395 724.00
Matshwi Outdoor Sports Gym	600 000.00	600 000.00
Ramaroka Street Paving	3 604 088.00	12 104 088.00
Rotterdam Outdoor Sports Gym	600 000.00	600 000.00
Sekgopo Sports Facility	2 900 000.00	2 900 000.00
Bodupe Outdoor Sports Gym	600 000.00	600 000.00

APPENDIX K – CAPITAL PROGRAMME BY PROJECT BY WARD 2024/25

CAPITAL PROGRAMME BY PROJECT BY WARD 2024/25

CAPTAL PROJECT	Ward(s) Affected	Work Completed /In progress
Construction Boshakhe Bridge (Designs)	30	Designs Completed
Construction of Low-Level Bridges (Designs)	All wards	Designs Completed
Construction of Moshakga/Makaba Street paving Counter funding MIG	2	Completed
Contruction of Abel Street Paving (MIG Counter Funding)	25	Completed
Refurbishment HT Cable Network in Waterjaar	29	Completed
Refurbishment of Dorrin 11 KV Line Phase 2	29	Completed
Rehabilitation of Eugene street and stormwater management	29	Completed
Rehabilitation of Modjadjiskloof internal Streets	29	Completed
Supply & Construction of Highmasts light	All wards	Completed
Supply & Installation of ICT Networks and Equipments for new office building	Head office	Completed
Supply and delivery of Transformer	29	Completed
Supply and installation of Inverters Modjadjiskloof DLTC	29	Completed
Visual Impered Equipment	Head office	Completed
Supply and installation of water storage tanks at community halls	All wards	Completed
POE Switches Replacement	Head office	Completed
Maupa Street Paving Counter funding MIG (45% Construction)	23	Completed
Burkinafaso Street paving (MIG Counter Funding) 55% Construction	8	Completed
Construction of Motsinoni Street Paving	29	Completed
Construction of Thibeni Street Paving (47% Construction)	1	Completed
Supply and Delivery of Skip Bins 6 Cubic meter/6m3	All wards	Completed
Reconstruction of Low-Level Bridge at Mandela Park: Counter Funding Reserves- DRMG (50% Construction)	5	Completed
Reconstruction of Low-Level bridge at Mamaila Kolobetona (Happy Stars Section): Counter Funding Reserves DRMG (50% Construction)	17	Completed
Supply and Installation of Deisel Pump	Head office	Completed
Rehabilitation of street paving and stormwater control at Sekgopo Ramoadi (1km)	9	Completed
Construction of Masakhaneng Street Paving (3.1 km) Multi-year (92% Construction)	4	Completed
Construction of Street Paving at Ramodumo (3.5 km) (Multi-year)	25	In progress

Designs of Maphalle Land Fill Site Ph2 (5.5% Construction)	20	In Progress
Matshwi Outdoor Sports Gym	11	Completed
Ramaroka Street Paving (26% Construction)	21	Completed
Rotterdam Outdoor Sports Gym	28	Completed
Sekgopo Sports Facility (99% Construction)	9	In Progress
Bodupe Outdoor Sports Gym	2	Completed

APPENDIX L – SERVICE CONNECTION BACKLOGS AT SCHOOL AND CLINICS

SERVICE BACKLOGS: SCHOOLS AND CLINICS					
Establishments lacking services	Location	Water	Sanitation	Electricity	Solid Waste collection
Kgapane	Kgapane	Yes	Yes	Yes	Yes
Medingen	Medingen	Yes	Yes	Yes	Yes
Sekgopo	Sekgopo	Yes	Yes	Yes	Yes
Modjadjiskloof	Modjadjiskloof	Yes	Yes	Yes	Yes
Shotong	Shotong	Yes	Yes	Yes	Yes
Modjadji	Sekhwiting	Yes	Yes	Yes	Yes
Bolobedu	Bolobedu	Yes	Yes	Yes	Yes
Matswi	Matswi	Yes	Yes	Yes	Yes
Senopela	Senopela	Yes	Yes	Yes	Yes
Seapole	Seapole	Yes	Yes	Yes	Yes
Charlie Rhangani	Charlie Rhangani	Yes	Yes	Yes	Yes
Mamanyoha	Mamanyoha	Yes	Yes	Yes	Yes
Lebaka	Lebaka	Yes	Yes	Yes	Yes
Maphalle	Maphalle	Yes	Yes	Yes	Yes
Raphahlelo	Raphahlelo	Yes	Yes	Yes	Yes
Mamaila	Mamaila	Yes	Yes	Yes	Yes
Middlewater	Middlewater	Yes	Yes	Yes	Yes
Pheeha	Pheeha	Yes	Yes	Yes	Yes
Rotterdam	Rotterdam	Yes	Yes	Yes	Yes
Bellevue	Bellevue	Yes	Yes	Yes	Yes
Total	20				

APPENDIX M – SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE SERVICE PROVISION

SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE SERVICE PROVISION

Health Facilities Backlog

- Insufficient mobile and visiting points.
- Lack of space for the clinic in Modjadjiskloof.
- A need for a health centre in Sekgopo, Senwamokgope and Mokwakwaila
- A need for EMS at Sekgopo, Sekgosese and Mokwakwaila.

Education Backlog

The following areas are affected by the Backlog:

- Goudplaas
- Mandela Park
- Nkwele-motse
- Modumane
- Hlohlokwe
- Makaba
- Mothobeki
- Modjadjiskloof (Secondary)
- Mahunsi
- Shamfana (High School)
- Reinstatement of Modjadji College

Sports, Arts and Culture Backlog

- Libraries facilities

In terms of libraries, shortage of books makes it difficult for people to develop academically. The state of school libraries leaves much to be desired, there are no libraries in most of the schools and they have converted classrooms to be utilized as libraries and they are under resourced with books and personnel.

The status of libraries facilities in the municipality is as follows:

No	Name	Status
1.	Modjadjiskloof Library	Functional
2.	Ga-kgapane Library	Functional
3.	Maphalle Library	Functional
4.	Mokwakwaila Library	Functional
5.	Soetfontein Library	Functional
6.	Sekgopo Library	Functional
7.	Senwamokgope Library	Not Functional
8.	Shotong Library	Not Functional

- Stadiums and gravel playgrounds facilities

The Greater Letaba Municipality has a Sports, Arts, and Culture Portfolio Committee that works with the province's Department of Sports, Arts, and Culture to plan and organize sports, arts, and cultural events. There are also backlogs for playgrounds in places without stadiums. The municipality must start working on a strategy to create playgrounds in rural areas or upgrade existing ones to levels that are appropriate.

The status of sports facilities in the municipality is as follows:

No	Name	Status
1.	Mokwakwaila Stadium	Complete
2.	Senwamokgope Stadium	Complete
3.	Ga-kgapane Stadium	Complete
4	Shaamiriri Sports Complex	Complete

5	Sekgopo Sports Complex	Complete
6.	Lebaka Sports Complex	Complete
7.	Madumeleng Sports Complex	Under Construction
8.	Rotterdam Sports Complex	Complete
9.	Thakgalane Sports Complex	Complete
10.	Mamanyoha Sports Complex	Complete

- Outdoor gyms facilities

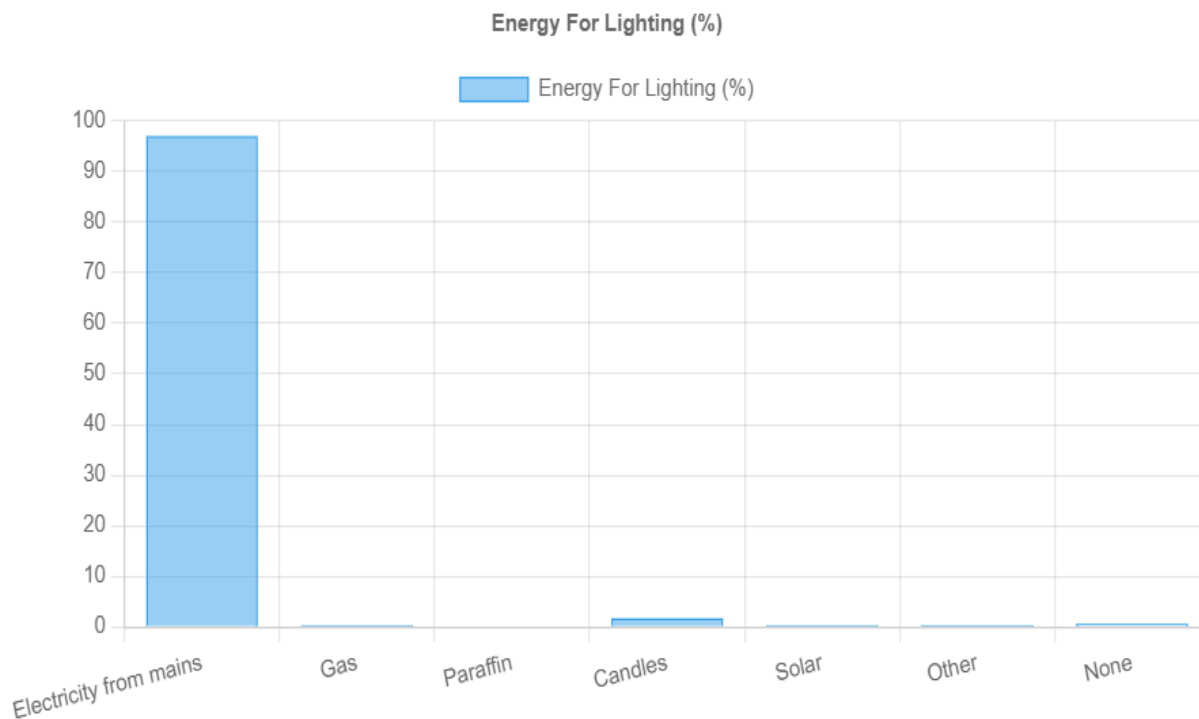
The status of outdoor gyms facilities in the municipality is as follows:

No	Name	Status
1.	Modjadjiskloof Outdoor Gym	Functional
2.	Ga-kgapane Outdoor Gym	Functional
3.	Senwamokgope Outdoor Gym	Functional
4.	Sekgopo Outdoor Gym	Functional
5.	Maphalle Outdoor Gym	Functional
6.	Ga-Kuranta Outdoor Gym	Functional
7.	Ga-Abel Outdoor Gym	Functional
8.	Rotterdam Outdoor Gym	Functional
9.	Matswi Outdoor Gym	Functional
10.	Bodupe Outdoor Gym	Functional

Water and sanitation backlog

Services	Total households	Level of Services	Coverage	Backlog	% Backlog
Water					
	65 220	Inside dwelling	13 478	9 328	16 %
		Inside yard	19 070		
		Communal standpipe >200m	22 872		
		Communal standpipe <200m	9 801		
Sanitation					
	65 220	Flush toilet	13 051	5 754	8%
		Pit latrine (Ventilation)			
		Pit latrine (without ventilation)	46 415		

Electricity Backlog



Energy distribution has important economic development implications with a potential to make considerable impact. This impact relates to improved living conditions, increased productivity and greater sustainability of environment. The provision of electricity to households has been achieved to the larger extent. About 64116 households have access to electricity which amount to 95% of the population. Greater Letaba Municipality given its capacity of the figure above and the MTEF allocation depicts that all households, would have been provided for access to electricity by 2016 except new households' extensions.

Storm water, Drainage and Backlog

The municipality has a backlog of storm water drainage in all gravel streets and roads and the upgrading of some internal streets from gravel to concrete paving blocks in various villages and township is continuous.

Housing Backlog

The Department of Cooperative Governance Human Settlement and Traditional Affairs indicates a backlog of 4696 on the beneficiary list. This is based on the applications submitted by the municipality to Department. As such the indicated backlog is extremely lower than the actual backlog. Of this backlog, CoGHSTA could only address 4.2% (i.e. an approximate annual allocation of 200 houses). With this progress, the municipality will not be able to ensure that all beneficiaries are allocated houses by 2014. 5442 RDP houses have been built since 2001

APPENDIX N – DECLARATIONS OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

DECLARATIONS OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

N/A

APPENDIX O – DECLARATIONS OF RETURNS NOT MADE IN DUE TIME UNDER MFMA S71

DECLARATIONS OF RETURNS NOT MADE IN DUE TIME UNDER MFMA S71

- All section 71 reports for 2024/25 financial year were compiled and submitted within 10 working days of each month.
- All compliance performance reports were compiled and submitted to Provincial and National Treasury.

APPENDIX P – DISCLOSURES OF FINANCIAL INTERESTS

Disclosures of Financial Interests		
Period 1 July 2024 to 30 June 2025		
Position	Name	Description of financial interest* (Nil/or details)
Mayor	Cllr Mamanyoha T.D	Farm at Matshwi village House at Bolobedu
Speaker	Cllr Mokgwati M.M	House at Sehlakong village Car
Chief Whip	Cllr Ramalatso R.R	House at Sekgopo village Car
Members of EXCO	Cllr Kgapane T.J	Stand at Tlhotlhokwe village House at Ramodumo village
	Cllr Lebeko N.F	2 X Houses at Lemondokop
	Cllr Ramaano K.E	House at Tlhabine village Cars
	Cllr Ramareemela J.M	House at Roerfontein Car
	Cllr Selowa M.G	Stand at Refilwe village Car
	Cllr Baloyi R.G	Xarhelo wanga Farming Free boys FC club Farm
	Cllr Mosila M.R	House at Modjadjiskloof Stand at Goedplaas
	Cllr Mothele M.D	House at Jokong village Car
	Cllr Mangena M.S	House at Tembisa House at Las Vegas
Councillors	Cllr Mohale R.W	House at Kempton Park
	Cllr Seoka L.M	Nil
	Cllr Lebepe R.R	2 X Houses at Kgapane Cars
	Cllr Manyama M.I	2 X Houses at Kgapane
	Cllr Rasebotja M.S	Nil

	Cllr Mokgomola N.P	Farm Car
	Cllr Nakana M.R	House at Modjadji Car
	Cllr Maake S.M	House at Mamphakhati Cars
	Cllr Ramalatswa A.M	Nil
	Cllr Makgato T.E	House at Sekgopo village
	Cllr Mashao M.G	House at Sekgosese Car
	Cllr Lekitima V.M	House at Senwamokgope
	Cllr Mokhabukhi M.S	House at Raphahlelo village House at Polokwane
	Cllr Ngobeni M.P	House at Rotterdam Farm at Rotterdam
	Cllr Mankgeru M.M	Nil
	Cllr Ndimba B.H	House at Rotterdam House at Roerfontein Car
	Cllr Mabidilala E	House at Jamela village Car
	Cllr Rampyapedi E.S	Nil
	Cllr Monyela K.B	House at Femane village
	Cllr Mamaila B.A	House
	Cllr Maake N	Shares at Telkom/Vodacom House at JHB
	Cllr Mamatlepa D.D	House at Ntata village Car
	Cllr Modika M.S	Farm
	Cllr Mohale M.J	House at Shamfana
	Cllr Morwatshehla M.B	House at Mohokoni Farm
	Cllr hlungwani S.J	House at Rotterdam Cars

	Cllr Malatji M.C	Nil
	Cllr Lebeya J.M	House at Matipane House at Tlatsa village Car
	Cllr Matlou M.P	House at Mohlabaneng House at Modjadjiskloof Farm Car
	Cllr Mothomogolo P.S	Town house at Shiluvuri House at Rethabile Gardens
	Cllr Mampeule P.J	Farm
	Cllr Moroatshehla M.F	House at Mahekwe Car
	Cllr Malatja T.P	Farm
	Cllr Makhananisa M.D	House at Raphahlelo Car
	Cllr Ramabubutla L	House at Sefotse
	Cllr Raseropo M.S	House at Jamela village Car
	Cllr Mulaudzi P	House at Mokgoba Car
	Cllr Kgatla M.E	House at Kgapanne Car
	Cllr Mashao M.C	House at Koope Car
	Cllr Malatji M.E	House at Modjadj
	Cllr Senyolo T.J	House at Tzaneen
	Cllr Selowa D.L	House at Mohlakamosoma Cars
	Cllr Serumula M.L	Nil
	Cllr Rasetsoke C.M	House at Koranta Cars
	Cllr Maluleke M.J	House Cars

	Cllr Makhurupetse M.W.M	House at Bolodedu Farm at Mamatlepa
	Cllr Mukhufi A.S	House at Mamaila village Car
	Cllr Modjadji GH	Nil
Municipal Manager	Mr Sewape M.O	House at Tshabelammatswale 2 X Houses at Tzaneen Stand at Tzaneen Stand at Phalaborwa
Senior Manager Community services	Mr Mamatlepa M.L	House at Femane Farmland
Senior Manager Technical Services	Ms Nhlane G.I	House at Tzaneen Flat at Nelspruit Flat at Ekurhuleni
Senior Manager Corporate Services	Mr Lekhota M.P	Business at Morebeng Ratsaka House at Mohlakamosoma House at Tzaneen
Senior Manager Development and Town Planning	Mr Phosa M.L	House at Montana
Chief Financial Officer	Ms Sesene A.N	House at Jamela village Shareblock Monatapa
*Financial interests to be disclosed even if they incurred for only part of the year. See MBRR SA34A TJ		

APPENDIX Q – COUNCILLORS' POSTER

COUNCILLORS' POSTER



Cllr Mokhabukhi MS



Cllr Nakana MR



Cllr Hlungwani SJ



Cllr Kgatla ME



Cllr Lebepe RR



Cllr Lebeya JM



Cllr Lekitima VM



Cllr Maake N



Cllr Maake SM



Cllr Mabidilala E



Cllr Makgato TE



Cllr Makhananisa MD



Cllr Malatja TP



Cllr Malatji MC



Cllr Malatji ME



Cllr Maluleke MJ



Cllr Mamaila BA



Cllr Mamatlepa DD



Cllr Mampeule PJ



Cllr Mankgeru MM



Cllr Mokgomola NP



Cllr Mashao MC



Cllr Mashao MG



Cllr Modika MS



Cllr Mohale MJ



Cllr Modjadji GH



Cllr Mohale RW



Cllr Makhurupetse MWM



Cllr Malaudzi P



Cllr Monyela KB



Cllr Moroatshehla FM



Cllr Morwatshehla MB



Cllr Manyama MI



Cllr Mothomoholo PS



Cllr Ndimba BH



Cllr Ngobeni MP



Cllr Matlou MP



Cllr Ramalatso AM



Cllr Ramabubutla L



Cllr Rampyapedi ES



Cllr Rasebotja SM



Cllr Raseropo SM



Cllr Rasetsoke MC



Cllr Selowa DL



Cllr Senyolo TJ



Cllr Seoka LM



Cllr Serumula ML



Cllr Mukhufi AS

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	KPA 1: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT KEY PERFORMANCE INDICATORS																	
2	Vote No	Strategic Objective	Municipal Programme	Key Performance Indicator	KPI Unit of measure	Description of unit of measure	Baseline / Previous Performance- June 24	Adjusted Baseline / Previous Performance- June 24	Annual Target (30/06/2025)	Adjusted Annual Target (30/06/2025)	Reason For Adjustment	Budget 2024/25	Actual Performance	Remarks	Challenges/ Variation	Corrective Measures	Responsible Department	Evidence required
3	*0046	Improved human resources	Human Resource Management	Approved organisational structure	Number	The approval of the organisational structure by 31 May will result in a score of 1	1	1	1	1	N/A	Operational	1	TARGET ACHIEVED	NONE	NONE	CORPS	Council Approved Organizational structure and Council Resolution
4	*0046	Improved human resources	Human Resource Management	Compliance with Chapter 4 of Municipal Staff Regulations	Percentage	Signing of Performance agreements by Managers and Deputy managers by 31 July	New KPI	New KPI	Signing of Performance Agreement	Signing of Performance Agreement	N/A	Operational	45/47 Performance Agreements Signed	TARGET NOT ACHIEVED	1 Manager declined to sign despite numerous follow ups. 1 Deputy Manager was not available during the duration of signing the performance agreements.	To ensure that in future all identified employees sign their Performance Agreements	CORPS	Signed Performance Agreements
5	*0046	Improved human resources	Human Resource Management	Number of vacant positions filled	Number	Number of vacant posts filled within the financial year	30	New KPI	29	24	Reprioritisation due to Budget constraints	Operational	17	TARGET NOT ACHIEVED	There was a delay in the recruitment process	Newly appointed employees will assume duty in July 2025	CORPS	Appointment letters
6	*0046	Improved human resources	Human Resource Management	Number of employees trained	Number	Number of employees trained in line with the approved Workplace Skills Plan	88	74	60	60	N/A	Operational	114	TARGET ACHIEVED	NONE	NONE	CORPS	Attendance Registers and WSP
7	*0046	Improved human resources	Human Resource Management	Compliance with Minimum competency level	Number	Number of Senior Managers complying with the minimum competency level	New KPI	New KPI	6	6	N/A	Operational	6	TARGET ACHIEVED	NONE	NONE	CORPS	Competency certificates/Proof of registration
8	*0048	Improved human resources	Human Resource Management	Quarterly SDBIP performance reports	Number	Number of quarterly SDBIP reports generated from the Electronic PMS	4	New KPI	4	4	N/A	Operational	4	TARGET ACHIEVED	NONE	NONE	MM	System Generated quarterly SDBIP reports
9	*0048	Improved human resources	Human Resource Management	Percentage of Service Level Agreements (SLA) signed within 14 days	Percentage	Number of SLA's signed within 14 days of appointment letter being issued expressed as a percentage of the total number of SLA's signed during a specific period	New KPI	100%	100%	100%	N/A	Operational	100%	TARGET ACHIEVED	NONE	NONE	MM	Signed SLA's
10	*0048	Improved human resources	Special Programmes	Participation by people with disability	Number	Number of Special programme events held for people with disabilities	4	New KPI	4	4	N/A	Operational	3	TARGET NOT ACHIEVED	Target not Achieved due to budget constraints.	To make sure that the costing is aligned with planned events	MM	Attendance register
11	*0048	Improved human resources	Special Programmes	Gender initiatives and mainstream programmes	Number	Number of Special programme events held for Gender issues	4	New KPI	4	4	N/A	Operational	5	TARGET ACHIEVED	NONE	NONE	MM	Attendance register

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	KPA 1: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT KEY PERFORMANCE INDICATORS																	
2	Vote No	Strategic Objective	Municipal Programme	Key Performance Indicator	KPI Unit of measure	Description of unit of measure	Baseline / Previous Performance- June 24	Adjusted Baseline / Previous Performance- June 24	Annual Target (30/06/2025)	Adjusted Annual Target (30/06/2025)	Reason For Adjustment	Budget 2024/25	Actual Performance	Remarks	Challenges/ Variation	Corrective Measures	Responsible Department	Evidence required
12	*0048	Improved human resources	Special Programmes	Youth initiatives and mainstream programme	Number	Number of Special programme events held for addressing issues of the Youth	4	New KPI	4	4	N/A	Operational	3	TARGET NOT ACHIEVED	Target not Achieved due to budget constraints.	To make sure that the costing is aligned with planned events	MM	Attendance register
13	*0048	Improved human resources	Special Programmes	HIV and AIDS programmes in the municipality	Number	Number of Special programme events held for HIV/AIDS awareness	4	New KPI	4	4	N/A	Operational	2	TARGET NOT ACHIEVED	Target not met due to unavailability of Health department on the dates set.	To align dates with stakeholders to avoid competing activities.	MM	Attendance register
14	*0018	Improved human resources	Disaster Management	Disaster incidence reported	Percentage	% of Disaster incidences reported to MDM within 2 hours of being reported	New KPI	New KPI	100%	100%	N/A	Operational	100%	TARGET ACHIEVED	NONE	NONE	CSD	Disaster Risk Report
15	*0046	Improved human resources	Human Resource Management	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	Number	Number of people in 3 highest levels in compliance with EE Plan	18	21	21	21	N/A	Operational	25	TARGET ACHIEVED	NONE	NONE	CORPS	Employment Equity reports
16	*0046	Improved human resources	Human Resource Management	Percentage of a municipality's budget actually spent on implementing its workplace skills plan	Percentage	(1) (R-value of operating budget spent on training) / (2) (Total Operating Budget) *100	0.2%	0.2%	0.2%	0.2%	N/A	Operational	0.3%	TARGET ACHIEVED	NONE	NONE	CORPS	Financial Report

KPA 2: MUNICIPAL FINANCIAL VIABILITY KEY PERFORMANCE INDICATORS

Vote No	Strategic Objective	Municipal Programme	Key Performance Indicator	KPI Unit of measure	Description of unit of measure	Baseline / Previous Performance- June 24	Adjusted Baseline / Previous Performance- June 24	Annual Target (30/06/2025)	Adjusted Annual Target (30/06/2025)	Reason for Adjustment	Budget 2024/25	Actual Performance	Remarks	Challenges/ Variations	Corrective Measures	Responsible Department	Evidence required
*0050	Financially sustainable institution	Revenue	% increase in revenue collected	Percentage	Percentage of revenue collected for 24/25	70%	64%	95%	95%	N/A	Operational	74%	TARGET NOT ACHIEVED	Partial implementation of the credit control policy.	Full implementation of the credit control policy.	BTO	Revenue Reports
*0050	Financially sustainable institution	Revenue	Approved Revenue enhancement strategy	Number	Revenue enhancement strategy approved by Council will count as 1 being achieved	New KPI	0	1	1	N/A	Operational	1	TARGET ACHIEVED	NONE	NONE	BTO	Revenue Enhancement strategy and council resolution
*0050	Financially sustainable institution	Fleet management	Number of fleet inspections reported	Number	Simple count of the number of fleet inspections conducted and reported	New KPI	100	100	100	N/A	Operational	115	TARGET ACHIEVED	NONE	NONE	BTO	Fleet Inspection reports
*0050	Financially sustainable institution	Asset Management	Number of asset verification conducted	Number	Simple count of Annual Asset Verification report by 31 August	New KPI	51	1	1	N/A	Operational	1	TARGET ACHIEVED	NONE	NONE	BTO	Approved Asset Verification Report and Acknowledgement by AG
*0050		Asset Management	Number of stocktake conducted	Number	Simple count of a number of stock take conducted per quarter	New KPI	New KPI	4	4	N/A	Operational	4	TARGET ACHIEVED	NONE	NONE	BTO	Approved Stocktake count Report
*0050	Financially sustainable institution	Supply Chain Management	Percentage of bids and quotations awarded as per procurement plan	Percentage	Count of the number of bids awarded within the timelines as contained in the Procurement plan expressed as a percentage of the total number of bids on the procurement plan	New KPI	95%	100%	100%	N/A	Operational	100%	TARGET ACHIEVED	NONE	NONE	BTO	Approved Procurement Plan and Bid register
*0050	Financially sustainable institution	Supply Chain Management	Percentage of Bids awarded within 90 days after advertisement	Percentage	Number of Bids awarded within 90 of days after advertisement as percentage of the total number of bids advertised	100%	100%	100%	100%	N/A	Operational	100%	TARGET ACHIEVED	NONE	NONE	BTO	Bid register and Appointment letter
*0050	Financially sustainable institution	Revenue	Percentage of debts collected	Percentage	R-value debt collected as a percentage of the R-value outstanding debtors	2%	11%	60%	60%	N/A	Operational	12%	TARGET NOT ACHIEVED	Partial implementation of the credit control policy.	Full implementation of the credit control policy.	BTO	Financial reports
*0050	Financially sustainable institution	Budget and Reporting	Number of quarterly financial statements submitted to Provincial Treasury	Number	Number of quarterly Financial statements compiled and submitted to Provincial Treasury	4	2	4	4	N/A	Operational	4	TARGET ACHIEVED	NONE	NONE	BTO	Dated proof of submission Financial Statements
*0050	Financially sustainable institution	Budget and Reporting	Draft budget for 2025/26 tabled by 31 March annually	Number	The tabling of the draft Budget, for the following financial year, by 31 March will result in a score of 1	1	1	1	1	N/A	Operational	1	TARGET ACHIEVED	NONE	NONE	BTO	Draft Budget, Council Resolution

KPA 2: MUNICIPAL FINANCIAL VIABILITY KEY PERFORMANCE INDICATORS

Vote No	Strategic Objective	Municipal Programme	Key Performance Indicator	KPI Unit of measure	Description of unit of measure	Baseline / Previous Performance- June 24	Adjusted Baseline / Previous Performance- June 24	Annual Target (30/06/2025)	Adjusted Annual Target (30/06/2025)	Reason for Adjustment	Budget 2024/25	Actual Performance	Remarks	Challenges/ Variations	Corrective Measures	Responsible Department	Evidence required
*0050	Financially sustainable institution	Budget and Reporting	Final budget for 2025/26 approved by 31 May annually	Number	The approval of the final Budget, for the following financial year, by 31 May will result in a score of 1	1	1	1	1	N/A	Operational	1	TARGET ACHIEVED	NONE	NONE	BTO	Final Budget, Council Resolution
*0050	Financially sustainable institution	Budget and Reporting	Number of Budget related policies approved by Council	Number	Number of budget related policies approved along with the budget	22	29	23	29	Some policies were outdated	Operational	35	TARGET ACHIEVED	NONE	NONE	BTO	Budget related policies, Council Resolution
*0050	Financially sustainable institution	Budget and Reporting	Council to approve the Adjusted Budget annually by 28 February	Number	The approval of an Adjustment budget, for the current financial year, by Council by 28 February will result in a score of 1	1	1	1	1	N/A	Operational	1	TARGET ACHIEVED	NONE	NONE	BTO	Adjustment budget, Council Resolution
*0050	Financially sustainable institution	Budget and Reporting	Submit annual financial statements to the Auditor General by 31 August annually	Number	The submission of the Annual Financial Statements by 31 August will result in a score of 1	1	1	1	1	N/A	Operational	1	TARGET ACHIEVED	NONE	NONE	BTO	Dated proof of submission of AFS to AG
*0050	Financially sustainable institution	Budget and Reporting	Number of updated Unauthorised, Irregular, fruitless and wasteful expenditure (UIF) registers signed off by the CFO (Sect 32 of MFMA)	Number	Monthly updated UIF registers is expected	12	12	12	12	N/A	Operational	12	TARGET ACHIEVED	NONE	NONE	BTO	Monthly updated of UIF Register signed off by CFO
*0050	Financially sustainable institution	Budget and Reporting	Average number of working days taken to submit monthly MFMA Sect 71 reports to Treasury after month-end	Number	Any number of days, less than an average of 10 working days, will result in an overachievement and exceeding 10 days will reflect as underachievement	10	10	10	10	N/A	Operational	9.5	TARGET ACHIEVED	NONE	NONE	BTO	Sect 71 reports Dated proof of submission to Treasury
*0050	Financially sustainable institution	Budget and Reporting	Cost coverage	Ratio	R-value cash plus investments / Fixed operating expenditure	1:1%	0,31:1	1,1	1,1	N/A	Operational	0.22:1	TARGET NOT ACHIEVED	Due to using the Municipality cashflow of more than 10 million to pay Mopani expenses not budgeted for.	Mopani should pay the municipality the expenditure incurred on their behalf.	BTO	Financial reports, reflecting calculations
*0050	Financially sustainable institution	Supply Chain Management	Percentage of invoices paid within 30 days of receipt from the service providers	Percentage	Number of invoices paid within 30 days of receipt as a percentage of the Total number of invoices received for the period	100,00%	96,70%	100%	100%	N/A	Operational	100%	TARGET ACHIEVED	NONE	NONE	BTO	Register of Invoices Dated proof of payment

KPA 2: MUNICIPAL FINANCIAL VIABILITY KEY PERFORMANCE INDICATORS

Vote No	Strategic Objective	Municipal Programme	Key Performance Indicator	KPI Unit of measure	Description of unit of measure	Baseline / Previous Performance- June 24	Adjusted Baseline / Previous Performance- June 24	Annual Target (30/06/2025)	Adjusted Annual Target (30/06/2025)	Reason for Adjustment	Budget 2024/25	Actual Performance	Remarks	Challenges/ Variations	Corrective Measures	Responsible Department	Evidence required
*0050	Financially sustainable institution	Expenditure Management	Percentage of the approved capital budget spent	Percentage	R-value capital expenditure as a percentage of the capital budget	81%	90%	100%	100%	N/A	Capital	98%	TARGET NOT ACHIEVED	This was due to incomplete disaster projects	Implementation of projects to start early	BTO	Financial reports
*0050	Financially sustainable institution	Expenditure Management	Percentage of the Operational budget spent	Percentage	R-value operational expenditure as a percentage of the operational budget	100%	100%	100%	100%	N/A	Operational	102%	TARGET NOT ACHIEVED	Overspending on Depreciation and general expenditure	Align to depreciation with the remaining useful life of the assets.	BTO	Financial reports
*0029	Financially sustainable institution	Expenditure Management	Percentage of Municipal Infrastructure Grant (MIG) budget spent	Percentage	R-value MIG expenditure as a percentage of the MIG budget	100%	100%	100%	100%	Additional funds	Capital	100%	TARGET ACHIEVED	NONE	NONE	BTO	Financial reports
*0071	Financially sustainable institution	Expenditure Management	Percentage of Integrated National Energy Programme (INEP) budget spent	Percentage	R-value INEP expenditure as a percentage of the INEP budget	100%	100%	100%	100%	Additional funds	Operational	69%	TARGET NOT ACHIEVED	The municipality received INEP additional funds and 3 new projects were appointed in May	The construction of the electrical projects will start in the 25/26 FY	BTO	Financial reports
*0050	Financially sustainable institution	Expenditure Management	Percentage of Finance Management Grant (FMG) budget spent	Percentage	R-value FMG expenditure as a percentage of the FMG budget	100%	100%	100%	100%	N/A	Operational	100%	TARGET ACHIEVED	NONE	NONE	BTO	Financial reports
*0029	Financially sustainable institution	Expenditure Management	Percentage of Expanded Public Works Programme (EPWP) budget spent	Percentage	R-value EPWP expenditure as a percentage of the EPWP budget	100%	100%	100%	100%	N/A	Operational	100%	TARGET ACHIEVED	NONE	NONE	BTO	Financial reports
*0050	Financially sustainable institution	Expenditure Management	Percentage of Free Basic Services (FBS) budget spent	Percentage	R-value FBS expenditure as a percentage of the FBS budget	100%	100%	100%	100%	N/A	Operational	30%	TARGET NOT ACHIEVED	Non-responsiveness of indigent customers to register regardless of notices being issued	The municipality will issue the notice showing all date the municipality will be visiting all ward to assist people to fill the indigent.	BTO	Financial reports

KPA 2: MUNICIPAL FINANCIAL VIABILITY KEY PERFORMANCE INDICATORS

Vote No	Strategic Objective	Municipal Programme	Key Performance Indicator	KPI Unit of measure	Description of unit of measure	Baseline / Previous Performance- June 24	Adjusted Baseline / Previous Performance- June 24	Annual Target (30/06/2025)	Adjusted Annual Target (30/06/2025)	Reason for Adjustment	Budget 2024/25	Actual Performance	Remarks	Challenges/ Variations	Corrective Measures	Responsible Department	Evidence required
*0050	Financially sustainable institution	Expenditure Management	Number of beneficiaries receiving Free Basic Services	Number of beneficiaries receiving free basic services	Number of people who are registered on the Indigent register	958	New KPI	1000	130	Reluctance from the community members to register as indigents	Operational	113	TARGET NOT ACHIEVED	Reluctance from the community members to register as indigents	The municipality to encourage the consumers in the rateable areas to register for indigent (Awareness campaigns)	BTO	Updated Indigent Register

KPA 3 : BASIC SERVICE DELIVERY KEY PERFORMANCE INDICATORS (KPIs)

Vote No	Strategic Objective	Municipal Programme	Key Performance Indicator	KPI Unit of measure	Description of unit of measure	Baseline / Previous Performance- June 2024	Adjusted Baseline / Previous Performance- June 2024	Annual Target (30/06/2025)	Adjusted Annual Target (30/06/2025)	Reason for Adjustment	Budget 2024/25	Actual Performance	Remarks	Challenges/Variations	Corrective Measures	Responsible Dept	Evidence required
*0071	Improved quality of life	Electricity	Number of planned maintenance done	Percentage	Simple count of the number of planned maintenance initiatives conducted over the total number of planned maintenance expressed as percentage in line with maintenance plan	New KPI	94	100	100%	Amendment of the 2024/25 Maintenance Plan	Operational	100%	TARGET ACHIEVED	NONE	NONE	TECH	Signed 2024/25 Maintenance Plan and progress report
*0029	Improved quality of life	Budget management	Number of projects funded	Number	Simple count of the number of infrastructure projects funded in the current budget	New KPI	28	24	32	Additional funds	Operational	39	TARGET ACHIEVED	NONE	NONE	TECH	Funded Service Delivery Projects Budget report
*0029	Improved quality of life	Infrastructure management	Development of MIG implementation Plan	Number	The approval of the MIG Implementation Plan by Council by 30 June 2024	1	New KPI	1	1	N/A	Operational	1	TARGET ACHIEVED	NONE	NONE	TECH	The approval of the MIG Implementation Plan by Council by 30 June 2024
*0029	Improved quality of life	Infrastructure management	Number of MIG projects implemented	Number	Simple count of the number of PMU projects on the MIG Implementation plan for 24/25, implemented	10	10	13	13	N/A	R 83 623 800	12	TARGET NOT ACHIEVED	Ramphenyan e bridge not registered in MIG, thus the project is not implemented	To register the bridge with MIG in the next financial year	TECH	Approved MIG Report and MIG Implementation Plan
*0050	Improved quality of life	Electricity	Number of households connected	Number	Simple count of the number of households within the GLM service area that are supplied with electricity according to the billing system	849	862	849	860	Billing report	Operational	862	TARGET ACHIEVED	NONE	NONE	BTO	Billing Report
*0071	Improved quality of life	Electricity	% of electricity losses reduced	Percentage	Electricity losses within the acceptable range (5-12%)	New KPI	New KPI	3%	Less than 12%	NERSA standard	Operational	4%	TARGET ACHIEVED	NONE	NONE	TECH	Approved Electricity losses report
*0050	Improved quality of life	Free basic services	Number of approved list of Households receiving Free Basic Water (FBW)	Number	Number of Households on the list of approved Households receiving Free Basic Water	13	11	20	20	N/A	Operational	27	TARGET ACHIEVED	NONE	NONE	BTO	Approved List
*0043	Access to sustainable quality basic services	Solid waste management	Number of Skip bins placed in the rural areas	Number	Simple count of the number of villages where skip bins are placed and emptied at least once per quarter	22	22	82	82	N/A	Operational	82	TARGET ACHIEVED	NONE	NONE	CSD	Waste collection truck log books (village names reflecting)
*0043	Access to sustainable quality basic services	Solid waste management	Number of Solid-waste management By-laws Gazetted	Number	By-law developed to control illegal dumping Gazetted will count as 1	Draft By-law developed, awaiting gazetting	0	1	1	N/A	Operational	1	TARGET ACHIEVED	NONE	NONE	CSD	Solid Waste Management By-law Government Gazette

KPA 3 : BASIC SERVICE DELIVERY KEY PERFORMANCE INDICATORS (KPIs)																	
Vote No	Strategic Objective	Municipal Programme	Key Performance Indicator	KPI Unit of measure	Description of unit of measure	Baseline / Previous Performance- June 2024	Adjusted Baseline / Previous Performance- June 2024	Annual Target (30/06/2025)	Adjusted Annual Target (30/06/2025)	Reason for Adjustment	Budget 2024/25	Actual Performance	Remarks	Challenges/Variations	Corrective Measures	Responsible Dept	Evidence required
*0029	Improved quality of life	Roads Infrastructure	Number of Kilometers of unsurfaced roads graded	Number	Simple count of kilometres of unsurfaced road graded	800km	1009,71KM	800km	800km	N/A	Operational	611km	TARGET NOT ACHIEVED	Target not achieved due to breakdown of yellow machines	The municipality has allocated a budget for the procurement of new yellow plant machinery in the upcoming financial year.	TECH	Approved Grading progress report
*0029	Improved quality of life	Roads Infrastructure	% of reported potholes complaints resolved within standard municipal response time	Percentage	Number of reported pothole complaints resolved expressed as a percentage of the total number of pothole complaints reported	New KPI	New KPI	100%	100%	N/A	Operational	100%	TARGET ACHIEVED	NONE	NONE	TECH	Approved potholes progress report
*0034	Improved quality of life	Parks and cemetery	Number of Cemeteries maintained	Number	Simple count of number of cemetery maintained	New KPI	New KPI	2	2	N/A	Operational	2	TARGET ACHIEVED	NONE	NONE	CSD	Approved Cemetery Maintenance Report
*0043	Access to sustainable quality basic services	Solid waste management	Number of households with access to kerbside solid waste collection	Number	Simple count of the number of households in the GLM service area with access to kerbside solid waste collection	2696	2865	2739	2739	N/A	Operational	2885	TARGET ACHIEVED	NONE	NONE	CSD	Billing Report
*0073	Access to sustainable quality basic services	Water Services	% of call outs responded to within 48 hours	Percentage	% of water services call-outs responded to within 48 hours	New KPI	New KPI	100%	100%	N/A	Operational	100%	TARGET ACHIEVED	NONE	NONE	TECH	Job cards
*0043	Access to sustainable quality basic services	Solid waste management	Number of climate change response strategy developed and approved	Number	Climate change response strategy developed and approved by 31 December 2024	New KPI	New KPI	1	1	N/A	Operational	1	TARGET ACHIEVED	NONE	NONE	CSD	Approved climate change response strategy
*0043	Access to sustainable quality basic services	Solid waste management	Number of environmental awareness campaigns	Number	Simple count of the number of environmental awareness campaigns held	4	4	4	4	N/A	Operational	4	TARGET ACHIEVED	NONE	NONE	CSD	Attendance Registers Pictures Programmes

KPA 4 : GOOD GOVERNANCE AND PUBLIC PARTICIPATION KEY PERFORMANCE INDICATORS (KPIs)																	
Vote No	Strategic Objective	Municipal Programme	Key Performance Indicator	KPI Unit of measure	Description of unit of measure	Baseline /Previous performance-June 2024	Adjusted Baseline /Previous performance-June 2024	Annual Target (30/06/2025)	Ajusted Annual Target (30/06/2025)	Reason for Adjustment	Budget 2024/25	Actual Performance	Remarks	Challenges/ Variations	Corrective Measures	Responsible Dept	Evidence required
*0046	Improved governance and organisational excellence	Customer Care	Number of Community satisfaction surveys completed	Number	Community satisfactory survey conducted and report submitted will be counted as 1 being achieved	New KPI	0	1	1	N/A	Operational	1	TARGET ACHIEVED	NONE	NONE	CORPS	Approved Community Satisfaction Survey Report
*0046	Improved governance and organisational excellence	Records Management	Operational Electronic Record Management System	Percentage	Implementation of and operational Electronic File record management system required to achieve 100%	New KPI	0	100%	100%	N/A	Operational	0%	TARGET NOT ACHIEVED	Licence expired and not renewed due to financial constraints.	Three year plan ICT implementation plan include EDMS	CORPS	Screenshots of Electronic Records System
*0048	Improved governance and organisational excellence	Audit Management	Audit Committee Meetings	Number	Number of Audit Committee Meetings held	New KPI	New KPI	6	6	N/A	Operational	5	TARGET NOT ACHIEVED	First quarter meeting was not held, Audit Committee term expired	Audit committee members appointed in the third quarter	MM	Attendance Register
*0048	Improved governance and organisational excellence	Audit Management	Implementation of the Internal Audit Action plan	Percentage	Number of IA Action plan activities implemented expressed as a percentage of the total number of activities required by the IA Action Plan	100%	68%	100%	100%	N/A	Operational	78%	TARGET NOT ACHIEVED	Non-adherence to planned time lines	Adhere to corporate calendar	MM	Approved Internal Audit Action Plan Reports
*0048	Improved governance and organisational excellence	Audit Management	Implementation of the External Audit Action plan	Percentage	Percentage of the External Action plan activities implemented expressed as a percentage of the total number of activities required by the External Action Plan	100%	New KPI	100%	100%	N/A	Operational	76%	TARGET NOT ACHIEVED	19 out of 25 findings resolved, the remaining 6 will be resolved when submitting the AFS	To resolve all findings within the scheduled time	MM	Approved External Audit Action Plan Reports
*0048	Improved governance and organisational excellence	Audit Management	Audit Committee Reports	Number	Number of Audit Committee reports submitted	New KPI	New KPI	4	4	N/A	Operational	3	TARGET NOT ACHIEVED	First quarter AC report not sent to council, Audit Committee term expired	Audit committee members appointed in the third quarter	MM	Audit Committee Report to Council and Council Resolution
*0048	Improved governance and organisational excellence	Audit Management	Annual Internal Audit Plan	Number	Annual Internal Audit Plan approved	New KPI	New KPI	1	1	N/A	Operational	1	TARGET ACHIEVED	NONE	NONE	MM	Approved Annual Internal Audit Plan

KPA 4 : GOOD GOVERNANCE AND PUBLIC PARTICIPATION KEY PERFORMANCE INDICATORS (KPIs)																	
Vote No	Strategic Objective	Municipal Programme	Key Performance Indicator	KPI Unit of measure	Description of unit of measure	Baseline /Previous performance-June 2024	Adjusted Baseline /Previous performance-June 2024	Annual Target (30/06/2025)	Ajusted Annual Target (30/06/2025)	Reason for Adjustment	Budget 2024/25	Actual Performance	Remarks	Challenges/ Variations	Corrective Measures	Responsible Dept	Evidence required
*0046	Improved governance and organisational excellence	Revenue Management	Number of Approved and gazetted by-law	Number	By-laws gazetted for Property Rates, Debt collection, Business Registration, Waste management	New KPI	0	4	4	N/A	Operational	4	TARGET ACHIEVED	NONE	NONE	MM	By-laws Government Gazette
*0048	Improved governance and organisational excellence	Fraud and Corruption	% of cases reported and investigated	Percentage	Percentage cases of fraud and corruption reported and investigated	New KPI	100%	100%	100%	N/A	Operational	100%	TARGET ACHIEVED	NONE	NONE	MM	Fraud & Corruption case register
*0046	Improved governance and organisational excellence	Development Planning	Developed stakeholder management framework	Number	Stakeholder Management Framework approved by Council will be counted as 1 being achieved	New KPI	0	1	1	N/A	Operational	1	TARGET ACHIEVED	NONE	NONE	CORPS	Stakeholder Management Framework and Council Resolution
*0048	Improved governance and organisational excellence	Risk Management	Risk Management Committee meetings	Number	Number of Risk Committee Meetings	New KPI	New KPI	4	4	N/A	Operational	2	TARGET NOT ACHIEVED	Risk committee meeting not held due to competing activities	To adhere to the scheduled calender	MM	Attendance Register

KPA 4 : GOOD GOVERNANCE AND PUBLIC PARTICIPATION KEY PERFORMANCE INDICATORS (KPIs)																	
Vote No	Strategic Objective	Municipal Programme	Key Performance Indicator	KPI Unit of measure	Description of unit of measure	Baseline /Previous performance-June 2024	Adjusted Baseline /Previous performance-June 2024	Annual Target (30/06/2025)	Ajusted Annual Target (30/06/2025)	Reason for Adjustment	Budget 2024/25	Actual Performance	Remarks	Challenges/ Variations	Corrective Measures	Responsible Dept	Evidence required
*0048	Improved governance and organisational excellence	Risk Management	% of strategic risk mitigation actions Implemented	Percentage	Number of strategic risks mitigation actions implemented	New KPI	54%	100%	100%	N/A	Operational	67%	TARGET NOT ACHIEVED	1. Twelve (12)mitigation actions which constitute 21% were not implemented during the quarter under review and eight (8) mitigation actions were partially implemented 2. Risk mitigation often conflicts with short-term performance targets	1Measure the effectiveness of mitigating actions by aligning municipal overall performance with progress made in addressing strategic risks 2. Resource allocation 3. Delegation of risk ownership to managers	MM	Approved Risk management Reports
*0046	Improved governance and organisational excellence	Risk Management	Approved Strategic Risk Assessment Reports	Number	Approval of Strategic Risk Assessment Report	New KPI	100%	1	1	N/A	Operational	1	TARGET ACHIEVED	NONE	NONE	MM	Approved Risk Assesment Report
*0046	Improved governance and organisational excellence	Public Participation	% of complaints resolved	Percentage	Number of complaints received from the public that have been resolved, expressed as a percentage of the total number of complaints registered	New KPI	100%	100%	100%	N/A	Operational	100%	TARGET ACHIEVED	NONE	NONE	CORPS	Approved Complaints register
*0046	Improved governance and organisational excellence	Public Participation	Number of Community Imbizos held	Number	Simple count of the number of Imbizos held	New KPI	4	4	4	N/A	Operational	4	TARGET ACHIEVED	NONE	NONE	CORPS	Imbizo Programme Attendance Registers Reports
*0048	Improved governance and organisational excellence	PMS	Signed Performance agreement by all section 57 managers	Number	Simple count of a number of performance agreement signed within 30 days after approval of the SDBIP	4	New KPI	6	6	N/A	operational	6	TARGET ACHIEVED	NONE	NONE	MM	Performance agreements

KPA 4 : GOOD GOVERNANCE AND PUBLIC PARTICIPATION KEY PERFORMANCE INDICATORS (KPIs)																	
Vote No	Strategic Objective	Municipal Programme	Key Performance Indicator	KPI Unit of measure	Description of unit of measure	Baseline /Previous performance-June 2024	Adjusted Baseline /Previous performance-June 2024	Annual Target (30/06/2025)	Ajusted Annual Target (30/06/2025)	Reason for Adjustment	Budget 2024/25	Actual Performance	Remarks	Challenges/ Variations	Corrective Measures	Responsible Dept	Evidence required
*0048	Improved governance and organisational excellence	PMS	Number Performance Assessments conducted for Section 57 Managers	Number	Number of Quarterly Performance Assessments for Section 57 Managers within 30 days after the end of the quarter	2	New KPI	2	2	N/A	operational	1	TARGET NOT ACHIEVED	No assessments were done because of outstanding 2024 25 Mid-Year and 2034 24 Annual performance assessments	To do quarterly assessments as soon as the Mid year performance are done	MM	Performance assessments report
*0048	Improved governance and organisational excellence	PMS	Annual Institutional Performance Report	Number	Annual Institutional Performance Report submitted to the AG by 31 August annually	1	New KPI	1	1	N/A	Operational	1	TARGET ACHIEVED	NONE	NONE	MM	Dated proof of submission of APR to AG
*0048	Improved governance and organisational excellence	PMS	Mid year Performance assessment report	Number	Mid-year Performance Assessment Report submitted by 25 January annually	1	New KPI	1	1	N/A	Operational	1	TARGET ACHIEVED	NONE	NONE	MM	Dated proof of submission of Mid-year Performance Assessment Report
*0046	Improved governance and organisational excellence	Couciil functionality	Council Meetings	Number	Number of ordinary Council meetings held	4	New KPI	4	4	N/A	Operational	4	TARGET ACHIEVED	NONE	NONE	CORPS	Attendance Register
*0046	Improved governance and organisational excellence	Couciil functionality	Council Meetings	Number	Number of Special Council Meetings held	4	New KPI	4	4	N/A	Operational	5	TARGET ACHIEVED	NONE	NONE	CORPS	Attendance Register
*0046	Improved governance and organisational excellence	LLF functionality	LLF Meetings	Number	Number of LLF meetings held	12	New KPI	12	12	N/A	Operational	9	TARGET NOT ACHIEVED	Meeting postponed to competing activities and the passing on of one LLF member	To adhere to the scheduled calender	CORPS	Attendance Register
*0046	Improved governance and organisational excellence	LLF functionality	LLF Resolutions	Percentage	% of LLF resolutions implemented	New KPI	New KPI	100%	100%	N/A	Operational	100%	TARGET ACHIEVED	NONE	NONE	CORPS	Resolution Register and Minutes of Meetings
*0046	Improved governance and organisational excellence	MPAC functionality	MPAC meetings	Number	Number of MPAC meetings held	New KPI	New KPI	12	12	N/A	Operational	10	TARGET NOT ACHIEVED	Meeting postponed due to competing activities.	To adhere to the scheduled calender	CORPS	Attendance Register

KPA 4 : GOOD GOVERNANCE AND PUBLIC PARTICIPATION KEY PERFORMANCE INDICATORS (KPIs)																	
Vote No	Strategic Objective	Municipal Programme	Key Performance Indicator	KPI Unit of measure	Description of unit of measure	Baseline /Previous performance-June 2024	Adjusted Baseline /Previous performance-June 2024	Annual Target (30/06/2025)	Ajusted Annual Target (30/06/2025)	Reason for Adjustment	Budget 2024/25	Actual Performance	Remarks	Challenges/ Variations	Corrective Measures	Responsible Dept	Evidence required
*0046	Improved governance and organisational excellence	MPAC functionality	MPAC reports to Council	Number	Number of MPAC reports compiled and tabled in Council	New KPI	New KPI	4	4	N/A	Operational	3	TARGET NOT ACHIEVED	UIF investigation still under way, no report to present to council.	To conclude on UIF investigations and report to council.	CORPS	MPAC Report Council Resolution
*0046	Improved governance and organisational excellence	MPAC functionality	MPAC Action Plan	Number	Approved MPAC action Plan by the end of 30 June	New KPI	New KPI	1	1	N/A	Operational	1	TARGET ACHIEVED	NONE	NONE	CORPS	Approved MPAC Action Plan and Council Resolution
*0046	Improved governance and organisational excellence	Ethics Functionality	Ethics Action Plan	Number	Approved Ethics Action plan	New KPI	New KPI	1	1	N/A	Operational	1	TARGET ACHIEVED	NONE	NONE	CORPS	Approved Ethics Action Plan and Council resolution
*0046	Improved governance and organisational excellence	Ward Committee Functionality	Number of Reports submitted	Number	Number of Ward Committee Reports submitted	New KPI	New KPI	120	120	N/A	Operational	120	TARGET ACHIEVED	NONE	NONE	CORPS	Ward Committee Reports

KPA 5 : LOCAL ECONOMIC DEVELOPMENT & SPATIAL RATIONAL KEY PERFORMANCE INDICATORS (KPIs)																	
Vote No	Strategic Objective	Municipal Programme	Key Performance Indicator	KPI Unit of measure	Description of unit of measure	Baseline /Previous Performance- June 2024	Adjusted Baseline /Previous Performance- June 2024	Annual Target (30/06/2025)	Adjusted Annual Target (30/06/2025)	Reason for Adjustment	Budget 2024/25	Actual Performance	Remarks	Challenges/Variation	Corrective Measures	Responsible Dept	Evidence required
*0022	Integrated human settlement	Spatial Planning	Implementation of Land Invasion Strategy	Percentage	Number of land invasion incidents responded to expressed as a percentage of the Total number of land invasion incidents reported	New KPI	1	100%	100%	N/A	Operational	100%	TARGET ACHIEVED	NONE	NONE	PLAN	Land Invasion Strategy and Approved Land Invasion Report
*0022	Integrated human settlement	Property Valuation	Approved compliance Valuation Roll	Number	Approved Compliant Valuation Roll	New KPI	1	1	1	N/A	Operational	1	TARGET ACHIEVED	NONE	NONE	PLAN	Reviewed Valuation Roll
*0022	Integrated human settlement	Housing support	Number of housing beneficiary policy approved and implemented	Number	The approval of a housing beneficiary policy by Council will count as 1	New KPI	0	1	1	N/A	Operational	0	TARGET NOT ACHIEVED	Unavailability of National Housing needs register and provincial housing allocation policy	COGHSTA to assist the municipality with the above mentioned policies	PLAN	Housing Beneficiary Policy and Council resolution
*0022	Integrated human settlement	Local Economic Development	Number of building plans approved within 30 days	Percentage	Number of building plans received and approved within 30 days	New KPI	New KPI	100%	100%	N/A	Operational	100%	TARGET ACHIEVED	NONE	NONE	PLAN	Approved/Disapproved building Plans register
*0022	Improved and inclusive local economy	Local Economic Development	Number of SMME's training conducted	Number	Simple count of the number of SMME training sessions arranged by GLM	3	164	4	4	N/A	Operational	5	TARGET ACHIEVED	NONE	NONE	PLAN	SMME Training session Invitation, Agenda & Attendance Register
*0022	Improved and inclusive local economy	Local Economic Development	Number of Marketing initiatives conducted	Number	Number of initiatives undertaken to market the municipality at a formal event	3	4	5	5	N/A	Operational	6	TARGET ACHIEVED	NONE	NONE	PLAN	Attendance Register Marketing Material/ Presentation
*0022	Improved and inclusive local economy	Local Economic Development	# of jobs created through tourism activities	Number	Simple count of the number of separate individuals employed at Tourism related activities	New KPI	202	150	150	N/A	Operational	161	TARGET ACHIEVED	NONE	NONE	PLAN	Job creation register
*0022	Improved and inclusive local economy	Local Economic Development	# of jobs created through agricultural activities	Number	Simple count of the number of separate individuals employed at Agriculture related activities	New KPI	507	300	300	N/A	Operational	317	TARGET ACHIEVED	NONE	NONE	PLAN	Job creation register
*0022	Improved and inclusive local economy	Local Economic Development	# of jobs created through trade and manufacturing activities	Number	Simple count of the number of separate individuals employed at Trade and Manufacturing activities	New KPI	New KPI	100	100	N/A	Operational	219	TARGET ACHIEVED	NONE	NONE	PLAN	Job creation register

KPA 5 : LOCAL ECONOMIC DEVELOPMENT & SPATIAL RATIONAL KEY PERFORMANCE INDICATORS (KPIs)																	
Vote No	Strategic Objective	Municipal Programme	Key Performance Indicator	KPI Unit of measure	Description of unit of measure	Baseline /Previous Performance- June 2024	Adjusted Baseline /Previous Performance- June 2024	Annual Target (30/06/2025)	Adjusted Annual Target (30/06/2025)	Reason for Adjustment	Budget 2024/25	Actual Performance	Remarks	Challenges/Variation	Corrective Measures	Responsible Dept	Evidence required
*0022	Improved and inclusive local economy	Local Economic Development	% of formalised register of markets	Percentage	% of existing markets, formalised	New KPI	70%	70%	70%	N/A	Operational	100%	TARGET ACHIEVED	NONE	NONE	PLAN	Business registration Register
*0022	Integrated human settlement	Spatial Planning	Percentage of land use applications processed within 90 days	Percentage	Number of land use applications processed within 90 days as a percentage of the total number of land use applications received	100%	100%	100%	100%	N/A	Operational	100%	TARGET ACHIEVED	NONE	NONE	PLAN	Dated register recording land use applications and approval dates
*0028	Improved and inclusive local economy	Traffic Law Enforcement	Direct traffic summonses issued(Sec 56 Criminal Procedural Act)	Number	Number of Direct traffic fines issued	New KPI	New KPI	9600	5400	Consideration of other law enforcement activities	Operational	1419	TARGET NOT ACHIEVED	Increased number of Escorts, Marches, visibility programmes and delays in issuing the court dates	Increased court dates and Escorts and visibility programmes	COM SERVE	Approved Quartely Traffic report
*0028	Improved and inclusive local economy	Road Traffic Regulation	Road blocks conducted	Number	Number of Roadblocks conducted	New KPI	New KPI	14	14	N/A	Operational	28	TARGET ACHIEVED	More roadblock were held with partnership with Provincial Traffic Officers	NONE	COM SERVE	Approved Monthly Roadblock Reports
*0022	Improved and inclusive local economy	Local Economic Development	Number of jobs created through municipal funded Capital Projects	Number	Number of jobs created through municipal funded Capital Projects	387	576	625	450	Due to projects removed during budget adjustment	Operational	580	TARGET ACHIEVED	Additional Funds On MIG and INEP	NONE	TECH	Job creation register
*0022	Improved and inclusive local economy	Local Economic Development	Number of LED Forums coordinated	Number	Number of quorate LED Forum meetings coordinated by the GLM	4	4	4	4	N/A	Operational	4	TARGET ACHIEVED	NONE	NONE	PLAN	Agenda, Minutes & Attendance register
*0048	Integrated and sustainable development	Integrated Planning	IDP/Budget/PMS Process Plan to be approved by Council on 31 July annually	Number	The approval of the IDP/Budget /PMS process plan by 31 July will result in a score of 1	1	1	1	1	N/A	Operational	1	TARGET ACHIEVED	NONE	NONE	PLAN	Council Approved IDP/ Budget/ PMS Process plan, Council Resolution
*0048	Integrated and sustainable development	Integrated Planning	Draft IDP to be tabled in Council by 30 March annually	Number	The approval of the draft IDP by 30 March will result in a score of 1	1	1	1	1	N/A	Operational	1	TARGET ACHIEVED	NONE	NONE	PLAN	Draft IDP Council Resolution
*0048	Integrated and sustainable development	Integrated Planning	Final IDP to be approved by Council by 31 May annually	Number	The approval of the Final IDP by 31 May will result in a score of 1	1	1	1	1	N/A	operational	1	TARGET ACHIEVED	NONE	NONE	PLAN	Final IDP Council Resolution

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*0048	Integrated and sustainable development	Integrated Planning	Number of IDP/Budget/ PMS REP Forum meetings held	Number	Simple count of the number of quorate meetings of the IDP/ Budget/ PMS Representative forum	5	4	5	5	N/A	Operational	5	TARGET ACHIEVED	NONE	NONE	PLAN	Agenda, Minutes & attendance register
*0048	Integrated and sustainable development	Integrated Planning	Number of IDP/Budget/ PMS Steering Committee meetings held	Number	Simple count of the number of quorate meetings of the IDP/ Budget/ PMS steering committee	5	4	5	5	N/A	Operational	5	TARGET ACHIEVED	NONE	NONE	PLAN	Agenda, Minutes & attendance register

2024 25 PROJECT MILESTONES																			
Region/ Ward	Strategic Objective	Programme	Project Name	Project description	Funding Type	Budget for 2024/25	Adjusted Budget for 2024/25	Reason for Adjustment	Start Date	Completion date	Project Owner	Baseline/Previo us Performance- June 2024	Annual Target	Actual Performance	Remarks	Challenges/ Variations	Corrective Measures	Evidence required	Source of Funding
MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT																			
Head office	Improved governance and organisational excellence	Information Technology	Installation of ICT Networks and Equipments for new office building	Supply and Installation of ICT Networks and Equipment for new office building	Capex	R 600 000	R 400 000	Budget constraints	01/07/2024	30/06/2025	CORPS	New Project	Supply, delivery and installation of Network cabling and equipment completed - 70% (100%)	100%	TARGET ACHIEVED	NONE	NONE	Approved Specification /Tender Advert/Appointment letter/Payment Voucher/Practical or completion certificate	Own Revenue
Ward 4 and 29	Improved governance and organisational excellence	Information Technology	Supply and installation of of Inverters at Modjadjiskloof DLTC and Kgapane Old Sub Office	Supply and installation of of Inverters at Modjadjiskloof DLTC and Kgapane Old Sub Office	Capex	R 300 000	R 300 000	N/A	01/07/2024	30/06/2025	TECH	New Project	Physical progress for Installation of Inverter and Solar Panels at 100% (100%)	100%	TARGET ACHIEVED	NONE	NONE	Approved Specification /Tender Advert/Appointment letter/Progress report/Practical or completion certificate	Own Revenue
Head office	Improved governance and organisational excellence	Information Technology	Supply and delivery of switches(3)	Supply and delivery of switches(3)	Capex	R 250 000	R 200 000	Budget constraints	01/07/2024	30/06/2025	CORPS	New Project	Supply and delivery of switches -50% (100%)	100%	TARGET ACHIEVED	NONE	NONE	Approved Specification /Tender Advert/Appointment letter/Payment Voucher and Delivery Note	Own Revenue
Head office	Improved governance and organisational excellence	Information Technology	Visual Impaired equipments	Visual Impaired equipments	Capex	R 100 000	R 175 015	More funds were needed to complete the project	01/07/2024	30/06/2025	CORPS	New Project	Delivery and Installation of Visual Impaired equipments - 50% (100%)	100%	TARGET ACHIEVED	NONE	NONE	Approved Specification /Tender Advert/Appointment letter/Payment Voucher and Delivery Note	Own Revenue
BASIC SERVICE DELIVERY																			
All wards	Access to sustainable quality basic services	Office facilities	Supply and installation of water storage tanks at community Halls	Supply and installation of water storage tanks at community Halls	Capex	R200 000	R200 000	N/A	01/07/2024	30/06/2025	CSD	New Project	Installation of water tank,stand and water connection completed - (25%) 100%	100%	TARGET ACHIEVED	NONE	NONE	Approved Specification/Tender Advert/Appointment letter/Progress report/Practical or completion certificate	Own Revenue
Ward 18	Access to sustainable quality basic services	Stormwater management	Construction of low level bridges(Designs)	Construction of low level bridges(Designs)	Capex	R 1 500 000	R 1 500 000	N/A	01/07/2024	30/06/2025	TECH	New Project	Develop and approve Detailed Design Report - (25%) 100%	100%	TARGET ACHIEVED	NONE	NONE	Approved Specification/Appointm ent letter/Scoping report or PDR or DDR approval	Own Revenue

2024 25 PROJECT MILESTONES																			
Ward 26	Access to sustainable quality basic services	Roads	Construction of Street Paving at Ramodumo (3.5 km) (Multi-year)	Construction of Street Paving at Ramodumo (3.5 km) (Multi-year)	Capex	R 7 115 463	R 7 115 463	N/A	01/07/2024	30/06/2025	TECH	Physical progress for construction of 3.5km- (87%)	Physical progress for construction of 3.5km at 100%	98%	TARGET NOT ACHIEVED	Delay due to encountered hard-rock. the first blasting of the Hardrock did demolish the entire rock. the second blasting had to be re-organized.	Re-blasting was conducted, and the project is progressing smoothly	Progress report/Practical or completion certificate	MIG
Ward 25	Access to sustainable quality basic services	Roads	Construction of Abel Street Paving (2.8 km)-Multi-year	Construction of Abel Street Paving (2.8 km)-Multi-year	Capex	R8 917 674	R8 917 674	N/A	01/07/2024	30/06/2025	TECH	Physical progress for construction of 2.8km streets at 82%	Physical progress for construction of 2.8km streets at 100%	100%	TARGET ACHIEVED	NONE	NONE	Progress report/Practical or completion certificate	MIG and Own Revenue
Wars 2	Access to sustainable quality basic services	Roads	Construction of Moshakga/ Makaba Street Paving (2.5 km)	Construction of Moshakga/ Makaba street paving (2.5 km)- (Multi-year)	Capex	R 16 113 877	R 16 113 877	N/A	01/07/2024	30/06/2025	TECH	Physical progress for construction of 2.5km at 40%	Physical progress for construction of 2.5km at 100%	100%	TARGET ACHIEVED	NONE	NONE	Progress reports/Practical or Completion Certificate	MIG and Own Revenue
Ward 30	Access to sustainable quality basic services	Roads	Construction of Boshakge Bridge	Construction of Boshakge Bridge	Capex	R 1 900 000	R 500 000	Budget constraints	01/07/2024	30/06/2025	TECH	Preliminary designs developed- 2%	Approve Detailed Designs-0.5% (2.5%)	100%	TARGET ACHIEVED	NONE	NONE	Detailed designs approval letter	Own Revenue
Ward 2	Access to sustainable quality basic services	Roads	Construction of Motsinoni street paving (1.5 km)- Multi-year	Construction of Motsinoni street paving (1.5 km)	Capex	R 5 951 087	R 3 150 517	Budget constraints	01/07/2024	30/06/2025	TECH	Physical progress for construction of 1,5km streets at 97%	Physical progress for construction of 1,5km streets at 100%	100%	TARGET ACHIEVED	NONE	NONE	Progress report/Practical or completion certificate	Own Revenue
Ward 1	Access to sustainable quality basic services	Roads	Construction of Thibeni street Paving 2.3Km(Multi year)	Construction of Thibeni street paving 2.3Km	Capex	R 6 036 587	R 1 741 777	Budget constraints	01/07/2024	30/06/2025	TECH	Physical progress for construction of 2.3km Streets at 45%	Physical progress for construction of 2.3km Streets at 47%	47%	TARGET ACHIEVED	NONE	NONE	Progress report	Own Revenue
Ward 8	Access to sustainable quality basic services	Roads	Construction of Burkina Faso street paving (2km) including 4 culvert bridges	Construction of Burkina Faso street paving (2km) including 4 culvert bridges	Capex	R 11 500 000	R 11 500 000	N/A	01/07/2024	30/06/2025	TECH	Physical progress for construction of 2km streets at (28,5%)	Physical progress for construction of 2km streets at 55%	55%	TARGET ACHIEVED	NONE	NONE	Progress report	MIG and Own Revenue
Ward 21	Access to sustainable quality basic services	Roads	Ramaroka Street Paving 3.4km	Ramaroka Street Paving 3.4km	Capex	R 3 604 088	R 12 104 088	More funds were needed to complete the project	01/07/2024	30/06/2025	TECH	Designs Developed 2,5%	Physical progress for construction of 1km streets at 90% (26%)	52%	TARGET ACHIEVED	NONE	NONE	Approved Specification/Tender advert/Appointment letter/Progress report	MIG

2024 25 PROJECT MILESTONES																			
Ward 23	Access to sustainable quality basic services	Roads	Construction of Maupa Street Paving- Multi Year (4.9 km)	Construction of Maupa Street Paving (4.9km) Multi year	Capex	R 11 400 000	R 13 100 000	More funds were needed to complete the project	01/07/2024	30/06/2025	TECH	Physical progress for construction of 4.9km Streets at 25%	Physical progress for construction of 4.9km Streets at 45%	45.7%	TARGET ACHIEVED	NONE	NONE	Progress report	MIG and Own Revenue
Ward 29	Access to sustainable quality basic services	Roads	Rehabilitation of Modjadiskloof internal streets	Rehabilitation of Modjadiskloof internal streets	Capex	R 2 000 000	R 2 000 000	N/A	01/07/2024	30/06/2025	TECH	New Project	Physical progress for construction at 100% (100%)	100%	TARGET ACHIEVED	NONE	NONE	Approved Specification/Appointm ent letter/Progress report/ Practical or completion certificate	Own Revenue
Ward 29	Access to sustainable quality basic services	Roads	Rehabilitation of Eugene Street and stormwater management	Rehabilitation of Eugene Street and stormwater management	Capex	R 5 000 000	R 7 234 799	More funds were needed to complete the project	01/07/2024	30/06/2025	TECH	Tender advertised for construction (3%)	Physical progress for construction at 56.5% (60%)	69%	TARGET ACHIEVED	NONE	NONE	Appointment letter/ Progress report	Own Revenue
Ward 4	Access to sustainable quality basic services	Roads	Construction of Masakhaneng Street Paving (3.1 km) and pedestrian bridge	Construction of Masakhaneng Street Paving (3.1 km) and pedestrian bridge	Capex	R 7 054 425	R 17 054 425	More funds were needed to complete the project	01/07/2024	30/06/2025	TECH	Physical Progress for construction of 3.1km at 30%	Physical progress for Construction of 3,1km at 92%	93.7%	TARGET ACHIEVED	NONE	NONE	Progress report	MIG
Ward 29	Access to sustainable quality basic services	Electricity	Refurbishmen t HT Cable Network in Waterjaar	Refurbishment HT Cable Network in Waterjaar	Capex	R 1 500 000	R 1 500 000	N/A	01/07/2024	30/06/2025	TECH	New Project	Refurbishment HT Cable Network in Waterjaar	100%	TARGET ACHIEVED	NONE	NONE	Approved Specification/Tender Advert/Appointment letter/Progress report/ Practical or completion certificate	Own Revenue
Ward 29	Access to sustainable quality basic services	Electricity	Supply and delivery of emergency transformers	Supply and delivery of emergency transformers	Capex	R 1 500 000	R 1 150 000	Budget constraints	01/07/2024	30/06/2025	TECH	New Project	Transformer Acquired x1- 100%	100%	TARGET ACHIEVED	NONE	NONE	Approved Specification/Tender Advert/Appointment letter/Payment voucher and Delivery Note	Own Revenue
Ward 29	Access to sustainable quality basic services	Electricity	Refurbishmen t of Dorrin 11 KV Line Phase 2	Refurbishment of Dorrin 11 KV Line Phase 2	Capex	R 800 000	R 1 330 000	More funds were needed to complete the project	01/07/2024	30/06/2025	TECH	New Project	Physical progress for refurbishment of Dorrin 11KV Line Phase 2 at 100% (100%)	100%	TARGET ACHIEVED	NONE	NONE	Approved Specification/Tender Advert/Appointment letter/Progress report/ Practical or completion certificate	Own Revenue
All wards	Access to sustainable quality basic services	Electricity	Supply and construction of HighMast lights	Supply and construction of HighMast lights	Capex	R 1 500 000	R 1 500 000	N/A	01/07/2024	30/06/2025	TECH	New Project	Physical progress for construction of 2 highmast lights at 100% (100%)	100%	TARGET ACHIEVED	NONE	NONE	Approved Specification/Tender Advert/Appointment letter/Progress report/ Practical or completion certificate	Own Revenue

2024 25 PROJECT MILESTONES																			
Ward 20	Access to sustainable quality basic services	Waste Disposal	Construction Of Maphalle Landfillsite(Access road,one cell,recycling area,admin building and Buy Back center)	Construction Of Maphalle Landfillsite(Access road,one cell,recycling area,admin building and Buy Back center)	Capex	R 10 395 724	R 5 395 724	Budget constraints	01/07/2024	30/06/2025	TECH	Detail design report 2.5%	Physical progress for Construction at 2%(5,5%)	3,5%	TARGET NOT ACHIEVED	Project went for MIG Budget Adjustment because the MIG Budget was lower than the appointed amount	MIG Budget Adjustment was conducted on the 23 June 2025.	Tender advert/Appointment letter/Progress report	MIG
Ward11	Access to sustainable quality basic services	Parks and recreation	Matshwi Outdoor Sports Gym	Matshwi Outdoor Sports Gym	Capex	R 600 000	R 600 000	N/A	01/07/2024	30/06/2025	TECH	New Project	Physical progress for construction at 100% (100%)	100%	TARGET ACHIEVED	NONE	NONE	Approved Specification /Tender advert/Appointment letter/Progress report/ Practical or completion certificate	MIG
Ward 02	Access to sustainable quality basic services	Parks and recreation	Bodupe Outdoor Sports Gym	Bodupe Outdoor Sports Gym	Capex	R 600 000	R 600 000	N/A	01/07/2024	30/06/2025	TECH	New Project	Physical progress for construction at 100% (100%)	100%	TARGET ACHIEVED	NONE	NONE	Approved Specification /Tender advert/Appointment letter/Progress report/ Practical or completion certificate	MIG
Ward 28	Access to sustainable quality basic services	Parks and recreation	Rotterdam Outdoor Sports Gym	Rotterdam Outdoor Sports Gym	Capex	R 600 000	R 600 000	N/A	01/07/2024	30/06/2025	TECH	New Project	Physical progress for construction at 100% (100%)	100%	TARGET ACHIEVED	NONE	NONE	Approved Specification /Tender advert/Appointment letter/Progress report/ Practical or completion certificate	MIG
Ward 9	Access to sustainable quality basic services	Parks and recreation	Sekgopo Sports Facility	Sekgopo Sports Facility	Capex	R 2 900 000	R 2 900 000	N/A	01/07/2024	30/06/2025	TECH	New Project	Physical progress for construction at 99%/Practical completion	88%	TARGET NOT ACHIEVED	Hard rock encountered delayed the construction process	Hard rock was blustered and removed	Approved Specification /Tender advert/Appointment letter/Progress report/ Practical or completion certificate	MIG
All wards	Access to sustainable quality basic services	Solid Waste Collection	Supply and Delivery of 30 Skip Bins (6 cubic meter/6m3)	Supply and delivery of 30 Skip Bins (6 cubic meter)	Capex	R 1 600 000	R 1 600 000	N/A	01/07/2024	30/06/2025	CSD	22 Skip Bins	Procurement of 30 Skip Bins completed - 85% (100%)	100%	TARGET ACHIEVED	NONE	NONE	Approved Specification/Tender Advert/Appointment letter/Payment voucher and Delivery Note	Own Revenue
Ward 19	Access to sustainable quality basic services	Electricity	Mohlabang Phase 2 village Electrification	New electricity connections at Mohlabaneng (Phase 2)	Opex (INEP)	R 1 760 000	R 1 760 000	N/A	01/07/2024	30/06/2025	TECH	New Project	Physical progress for construction at 100%	100%	TARGET ACHIEVED	NONE	NONE	Appointment letter/Progress report/Practical or completion certificate	INEP

2024 25 PROJECT MILESTONES																			
Ward 22	Access to sustainable quality basic services	Electricity	Makgagapats e Electrification	Makgagapats e Electrification	Opex (INEP)	R 2 813 000	R 2 813 000	N/A	01/07/2024	30/06/2025	TECH	New Project	Physical progress for construction at 100%	100%	TARGET ACHIEVED	NONE	NONE	Appointment letter/Progress report/Practical or completion certificate	INEP
Ward 24	Access to sustainable quality basic services	Electricity	Mamatlepa Block 18 Electrification	Mamatlepa Block 18 Electrification	Opex (INEP)	R 2 000 000	R 2 000 000	N/A	01/07/2024	30/06/2025	TECH	New Project	Physical progress for construction at 100%	100%	TARGET ACHIEVED	NONE	NONE	Appointment letter/Progress report/Practical or completion certificate	INEP
Ward 20	Access to sustainable quality basic services	Electricity	Maphalle Electrification	Maphalle Electrification	Opex (INEP)	R 5 000 000	R 5 000 000	N/A	01/07/2024	30/06/2025	TECH	New Project	Physical progress for construction at 100%	100%	TARGET ACHIEVED	NONE	NONE	Appointment letter/Progress report/Practical or completion certificate	INEP
Ward 24	Access to sustainable quality basic services	Electricity	Ntata Electrification	Ntata Electrification	Opex (INEP)	R 1 500 000	R 1 500 000	N/A	01/07/2024	30/06/2025	TECH	New Project	Physical progress for construction at 100%	100%	TARGET ACHIEVED	NONE	NONE	Appointment letter/Progress report/Practical or completion certificate	INEP
Ward 27	Access to sustainable quality basic services	Electricity	Tlhotlhokwe village electrification	New Electricity connections at Tlhotlhokwe	Opex (INEP)	R 2 000 000	R 2 000 000	N/A	01/07/2024	30/06/2025	TECH	New Project	Physical progress for construction at 100%	100%	TARGET ACHIEVED	NONE	NONE	Appointment letter/Progress report/Practical or completion certificate	INEP
Ward 21	Access to sustainable quality basic services	Electricity	Ramaroka village electrification	New Electrification connections at Ramaroka	Opex (INEP)	R 1 760 000	R 1 760 000	N/A	01/07/2024	30/06/2025	TECH	New Project	Physical progress for construction at 100%	100%	TARGET ACHIEVED	NONE	NONE	Appointment letter/Progress report/Practical or completion certificate	INEP
Ward 24	Access to sustainable quality basic services	Electricity	Ntata Phase 2 Electrification	Ntata Phase 2 Electrification (125)	Opex (INEP)	R -	R 3 086 500	N/A	01/07/2024	30/06/2025	TECH	New Project	Appointment of service provider for construction at 30%	39%	TARGET ACHIEVED	NONE	NONE	Appointment letter/Progress report	INEP
Ward 20	Access to sustainable quality basic services	Electricity	Maphalle Phase 2	Maphalle Phase 2 Electrification (213)	Opex (INEP)	R -	R 5 218 500	N/A	01/07/2024	30/06/2025	TECH	New Project	Appointment of service provider for construction at 20%	20%	TARGET ACHIEVED	NONE	NONE	Appointment letter/Progress report	INEP
Ward 22	Access to sustainable quality basic services	Electricity	Makgagapats e Phase 2	Makgagapats e Phase 2 Electrification (110)	Opex (INEP)	R -	R 2 695 000	N/A	01/07/2024	30/06/2025	TECH	New Project	Appointment of service provider for construction at 30%	30%	TARGET ACHIEVED	NONE	NONE	Appointment letter/Progress report	INEP
Ward 5	Access to sustainable quality basic services	Roads	Low-Level Bridge at Mandelapark	Reconstruction of Low-Level Bridge at Mandela Park	MDRG	R 4 411 982	R 4 411 982	N/A	01/01/2025	30/06/2025	TECH	New Project	Physical progress for construction at 50%	68%	TARGET ACHIEVED	NONE	NONE	Appointment letter/Progress report	DMRG/OWN FUNDING

2024 25 PROJECT MILESTONES																			
Ward 17	Access to sustainable quality basic services	Roads	Low level bridge at mamaila kolobatona(Happy Stars Section)	Reconstruction of Low-Level bridge at Mamaila Kolobetona (Happy Stars Section)	MDRG	R 5 131 960	R 5 131 960	N/A	01/01/2025	30/06/2025	TECH	New Project	Physical progress for construction at 50%	52%	TARGET ACHIEVED	NONE	NONE	Appointment letter/Progress report	DMRG/OWN FUNDING
Ward 10	Access to sustainable quality basic services	Roads	Low Level bridge at Sekgopo Ramoadi	Rehabilitation of street paving and stormwater control at Sekgopo Ramoadi (1km)	MDRG	R 2 997 000	R 2 997 000	N/A	01/01/2025	30/06/2025	TECH	New Project	Physical progress for construction at 100%	100%	TARGET ACHIEVED	NONE	NONE	Appointment letter/Progress report/Practical or completion certificate	DMRG
LOCAL ECONOMIC DEVELOPMENT																			
Ward 4 and 29	Improved and inclusive local economy	Local Economic Development	Precinct Plans for Gakgapane,Modjadjiskloof and Senwamokgope	Precinct Plans for Gakgapane,Modjadjiskloof and Senwamokgope	Opex	R 1 500 000	R 1 500 000	N/A	01/07/2024	30/06/2025	PLAN	New Project	Completion of Precinct Plans at Gakgapane,Modjadjiskloof and Senwamokgope 80% (100%)	100%	TARGET ACHIEVED	NONE	NONE	Appointment Letter/Inception Report/Draft Precinct Plans Report/ Precinct Plans	Own Revenue

2024/25 PROJECT REMOVED DURING ADJUSTMENT

Region/ Ward	Strategic Objective	Programme	Project Name	Project description	Funding Type	Budget for 2024/25	Start Date	Completion date	Project Owner	Baseline/Previo us Performance June 2024	Project Milestone Qtr 1 (1 Jul-30 Sept '24)	Project Milestone Qtr 2 (1 Oct -31 Dec '24)	Project Milestone Qtr 3 (1 Jan - 31 Mar '25)	Project Milestone Qtr 4 (1 Apr- 30 Jun '25)	Evidence required	Source of Funding
MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT																
Head office	Improved governance and organisational excellence	Information Technology	Supply and installation of Inverter with batteries for ICT equipments	Supply and installation of Inverter with batteries for ICT equipments	Capex	R 1 200 000	01/07/2024	30/06/2025	TECH	New Project	Develop Specifications and submit to SCM, Advertisement 3% (3%)	Appointment of service provider -0.5% (3.5%)	Physical progress for Installation of Inverter and Solar Panels at 50% (53.5%)	Physical progress for Installation of Inverter and Solar Panels at 100% (100%)	Approved Specification /Tender Advert/Appointment letter/Progress report/Practical or completion certificate	Own Revenue
Head office	Improved governance and organisational excellence	Assets Management	Installation of 10 Cubicles at Kgapane Old Sub office	Supply and installation of 10 Cubicles at Kgapane Old Sub- Office	Capex	R 250 000	01/07/2024	30/06/2025	CSD	New Project	Develop Specifications and submit to SCM - 10%	Tender Advertisement - 5% (15%)	Appointment of service provider -5% (20%)	Cubicles installed- 80% (100%)	Approved Specification /Tender Advert/Appointment letter/Payment Voucher/Practical or completion certificate	Own Revenue
	Improved governance and organisational excellence	Assets Management	Supply and installation of Air Conditioners in Mokweakwaila Thusong Centre and Library	Supply and installation of Air Conditioners in Mokweakwaila Thusong Centre and Library	Capex	R 100 000	01/07/2024	30/06/2025	CSD	New Project	Develop Specifications and submit to SCM - 10%	Tender Advertisement - 5% (15%)	Appointment of service provider -5% (20%)	Air Conditioners installed installed- 80% (100%)	Approved Specification /Tender Advert/Appointment letter/Payment Voucher/Practical or completion certificate	Own Revenue
Head office	Improved governance and organisational excellence	Assets Management	Air conditioners at Kgapane Old Sub Office(8)	Supply and installation of Air conditioners at Kgapane Old Sub Office(8)	Capex	R 200 000	01/07/2024	30/06/2025	CSD	New Project	Develop Specifications and submit to SCM - 10%	Tender Advertisement - 5% (15%)	Appointment of service provider -5% (20%)	Air Conditioners installed installed- 80% (100%)	Approved Specification /Tender Advert/Appointment letter/Payment Voucher/Practical or completion certificate	Own Revenue
BASIC SERVICE DELIVERY																
Head office	Access to sustainable quality basic services	Office facilities	Municipal Offices	Municipal Offices Designs	Capex	R2 000 000	01/07/2024	30/06/2025	TECH	PDR developed 75%	Detailed Designs developed-80%	Detailed Designs approved- 20%	N/A	N/A	Proof of submission of DDR/DDR approval letter	Own Revenue

Head office	Access to sustainable quality basic services	Office facilities	Ablution facilities for Mkwakwaila Community Hall	Ablution facilities for Mkwakwaila Community Hall	Capex	R300 000	01/07/2024	30/06/2025	TECH	New Project	Develop Specification and submit to SCM 2.5% (2.5%)	Tender advert and appointment of contractor-1% (3.5%)	Physical progress for construction at 50% (53.5%)	Physical progress for construction at 100% (100%)	Approved Specification/Tender Advert/Appointment letter/Progress report/Practical or completion certificate	Own Revenue
19	Access to sustainable quality basic services	Roads	Construction of Mohlabaeng street paving	Construction of Street Paving at Mohlabaeng	Capex	R1 000 000	01/07/2024	30/06/2025	TECH	New Project	N/A	Registration of Mohlabaeng street paving intersection for MIG funding- 1% (1%)	Develop Specification and tender advert- 3% (4%)	Appoint service provider and physical progress for construction at 20% (25%)	MIG registration letter/Approved Specification/Tender advert/ Progress report	Own Revenue
29	Access to sustainable quality basic services	Electricity	Refurbishing of LV network (Kloof & kerk)	Refurbishment of LV network	Capex	R 2 000 000	01/07/2024	30/06/2025	TECH	New Project	Develop Specification and Submit to SCM and tender Advertisement (2.5%)	Appointment of service provider (Construction) -1% (3.5%)	Physical progress for refurbishment of LV network Mable street at 20%(23.5%)	Physical progress for refurbishment of LV network Mable street at 100%(100%)	Approved Specification/Tender Advert/Appointment letter/Progress report/ Practical or completion certificate	Own Revenue
29	Access to sustainable quality basic services	Electricity	Pole replacement HT 33 KV line	Pole replacement HT 33 KV line	Capex	R 750 000	01/07/2024	30/06/2025	TECH	New Project	Develop Specification and submit to SCM and tender Advertisement (3%)	Appointment of service provider - 0.5% (3.5%)	Physical progress for Pole replacement HT 33 KV at 40% (43.5%)	Physical progress for Pole replacement HT 33 KV at 100% (100%)	Approved Specification/Tender Advert/Appointment letter/Progress report/ Practical or completion certificate	Own Revenue
29	Access to sustainable quality basic services	Electricity	Pole replacement HT 11 KV line	Pole replacement HT 11 KV line	Capex	R 800 000	01/07/2024	30/06/2025	TECH	New Project	Develop Specification and submit to SCM and tender Advertisement (3%)	Appointment of service provider - 0.5% (3.5%)	Physical progress for Pole replacement HT 11 KV at 40% (43.5%)	Physical progress for Pole replacement HT 11 KV at 100% (100%)	Approved Specification/Tender Advert/Appointment letter/Progress report/ Practical or completion certificate	Own Revenue
29	Access to sustainable quality basic services	Electricity	Low Voltage Cable Fault Locator	Low Voltage Cable Fault Locator	Capex	R 420 000	01/07/2024	30/06/2025	TECH	New Project	Develop Specification and submit to SCM, Tender advert 15% (15%)	Appointment of service provider - 10% (25%)	N/A	Low Voltage Cable Fault Locator Acquired- 100% (100%)	Approved Specification/Tender Advert/Appointment letter/Payment voucher and Delivery Note	Own Revenue
29	Access to sustainable quality basic services	Electricity	Conductor upgrade Old Age towards Tzaneen Incomer	Conductor upgrade Old Age towards Tzaneen Incomer	Capex	R 1 500 000	01/07/2024	30/06/2025	TECH	New Project	Develop Specification and submit to SCM- 2% (2%)	Tender advertisement and appointment of service provider- 1.5% (3.5%)	Physical progress for construction at 50% (53.5%)	Physical progress for construction at 100% (100%)	Approved Specification/Tender Advert/Appointment letter/Progress report/ Practical or completion certificate	Own Revenue

30	Access to sustainable quality basic services	Roads	Designs for Ramphenyan e Bridge	Designs for Ramphenyane Bridge	Capex	R 1 000 000	01/07/2024	30/06/2025	TECH	Preliminary designs developed- 2%	Develop & approve Detailed Designs- 0.5% (2.5%)	N/A	N/A	Approve Detailed Designs-0.5% (2.5%)	Detailed designs approval letter	MIG
LOCAL ECONOMIC DEVELOPMENT																
	Improved and inclusive local economy	Local Economic Development	Designs for Town Establishment at Ext. 4 Modjadjiskloof Vrystaat Farm	Designs for Town Establishment at Ext. 4 Modjadjiskloof Vrystaat Farm	Capex	R 150 000	01/07/2024	30/06/2025	PLAN	New Project	Develop Specifications and submit to SCM - 10%	Tender Advertisement - 5% (15%)	Appointment of service provider - 5% (20%)	completion of Designs at Extention 4.Modjadjiskloof Vrystaat Farm (100%)	Approved Specifications/Tender Advert/ Appointment Letter/ Precinct Plans	Own Revenue

3-year Capital Works Plan by Ward																			
Ward	Project Name	Start date	Completion date	2024/25 Monthly Expenditure Projections												MTREF Budget allocation			Source of Funding
				July '24	Aug '24	Sept '24	Oct '24	Nov '24	Dec '24	Jan '25	Feb '25	Mar '25	Apr '25	May '25	Jun '25	2024/25	2025/26	2026/27	
ADMINISTRATION (MTOD, MFVM & GG)																			
Head office	Supply and installasion of ICT Networks and Equipments for new Offices	01/07/2024	30/06/2025																
				R0	R0	R0	R0	R0	R0	R0	R600 000	R0	R0	R0	R0	R600 000	R0	R0	Own revenue
Ward 27	Supply and installation of Air Conditioners in Mokwakwaila Thusong Centre and Library	01/07/2024	30/06/2025																
				R0	R0	R0	R0	R0	R0	R0	R100 000	R0	R0	R0	R0	R100 000	R0	R0	Own revenue
All Wards	Supply and delivery of 30 Skip Bins	01/07/2024	30/06/2025																
				R0	R0	R0	R0	R0	R0	R0	R1 600 000	R0	R0	R0	R0	R1 600 000	R0	R0	Own revenue
Head office	Supply and delivery of emergency transformers	01/07/2024	30/06/2025																
				R0	R0	R0	R0	R0	R0	R0	R2 000 000	R0	R0	R0	R0	R1 500 000	R1 000 000	R1 000 000	Own revenue
Ward 4	Supply and installation of cubicles at Kgapane Old Sub-Office	01/07/2024	30/06/2025																
				R0	R0	R0	R0	R0	R0	R0	R250 000	R0	R0	R0	R0	R250 000	R0	R0	Own revenue
Wasrd 29	Conductor upgrade Old Age towards Tzaneen Incomer	01/07/2024	30/06/2025																
				R0	R0	R0	R0	R0	R0	R0	R1 500 000	R0	R0	R0	R0	R1 500 000	R0	R0	Own revenue
All Wards	Supply and construction of HighMast lights	01/07/2024	30/06/2025																
				R0	R0	R0	R0	R0	R0	R0	R1 500 000	R0	R0	Own revenue	R0	R1 500 000	R0	R0	Own revenue
Head office	Low Voltage Cable Fault Locator	01/07/2024	30/06/2025																
				R0	R0	R0	R0	R0	R0	R0	R420 000	R0	R0	R0	R0	R420 000	R0	R0	Own revenue

Head office	Supply and installation of Inverters at Modjadiskloof DLTC and Kgapane Old Sub Office	01/07/2024	30/06/2025	R0	R0	R0	R0	R0	R0	R0	R300 000	R0	R0	R0	R0	R300 000	R0	R0	Own revenue
Ward 29	Designs for Town Establishment at Ext 4 Modjadiskloof Vrystaat Farm	01/07/2024	30/06/2025	R0	R0	R0	R0	R0	R0	R0	R150 000	R0	R0	R0	R0	R150 000	R0	R0	Own revenue
Head office	Supply and installation of inverter with batteries for ICT equipments	01/07/2024	30/06/2025	R0	R0	R0	R0	R0	R0	R0	R1 200 000	R0	R0	R0	R0	R1 200 000	R0	R0	Own revenue
Head office	Municipal Office Designs	01/07/2024	30/06/2025	R0	R0	R0	R0	R0	R0	R0	R2 000 000	R0	R0	R0	R0	R2 000 000	R3 000 000	R6 000 000	Own revenue
Ward 2	Construction of Motsinoni Street Paving 1.5Km	01/07/2024	30/06/2025	R495 924	R495 924	R495 924	R495 924	R495 924	R495 924	R495 924	R495 924	R495 924	R495 924	R495 924	R495 924	R5 951 087	R0	R0	Own revenue
Ward 15	Mohlabaneng Street Paving	01/07/2024	30/06/2025	R0	R0	R0	R0	R0	R0	R0	R200 000	R0	R0	R0	R0	R1 000 000	R0	R0	Own revenue
(BSD)																			
Ward 5	Burkinafaso Street Paving	01/07/2024	30/06/2025	R958 333	R958 333	R958 333	R958 333	R958 333	R958 333	R958 333	R958 333	R958 333	R958 333	R958 333	R958 333	R11 500 000	R5 710 567	R0	Own revenue
Ward 1	Construction of Boshakge Bridge	01/07/2024	30/06/2025	R0	R0	R0	R0	R0	R0	R0	R1 900 000	R0	R0	R0	R0	R1 900 000	R9 000 000	R4 000 000	Own revenue
Ward 1	Construction of Thibeni Street Paving 2.3Km	01/07/2024	30/06/2025	R503 048	R503 048	R503 048	R503 048	R503 048	R503 048	R503 048	R503 048	R503 048	R503 048	R503 048	R503 048	R6 036 587	R6 000 000	R0	Own revenue
Ward 25	Construction of Abel Street Paving	01/07/2024	30/06/2025	R743 139	R743 139	R743 139	R743 139	R743 139	R743 139	R743 139	R743 139	R743 139	R743 139	R743 139	R743 139	R8 917 674	R0	R0	Own revenue
Ward 23	Maupa Street Paving	01/07/2024	30/06/2025	R950 000	R950 000	R950 000	R950 000	R950 000	R950 000	R950 000	R950 000	R950 000	R950 000	R950 000	R950 000	R950 000	R9 143 740	R10 270 550	Own revenue&MIG

Ward 29	Pole HT 11 KV line replacement	01/07/2024	30/06/2025	R0	R0	R0	R0	R0	R0	R0	R 800 000	R0	R0	R0	R0	R 800 000	R1 000 000	R1 000 000	Own revenue
Ward 29	Refurbishment of LV network	01/07/2024	30/06/2025	R0	R0	R0	R0	R0	R0	R0	R 2 000 000	R0	R0	R0	R1 000 000	R 2 000 000	R 2 000 000	R 3 000 000	Own revenue
Ward 29	HT Cable refurbishment	01/07/2024	30/06/2025	R0	R0	R0	R0	R0	R0	R0	R 1 500 000	R0	R0	R0	R0	R 1 500 000	R2 500 000	R4 000 000	Own revenue
Ward 4	Construction of Masakhaneng Street Paving 3Km plus pedestrian bridge	01/07/2024	30/06/2025	R587 868	R587 868	R587 868	R587 868	R587 868	R587 868	R587 868	R587 868	R587 868	R587 868	R587 868	R587 868	R7 054 425	R13 017 993	R0	MIG
Ward 25	Ramodumo Street paving 3.5Km	01/07/2024	30/06/2025	R592 955	R592 955	R592 955	R592 955	R592 955	R592 955	R592 955	R592 955	R592 955	R592 955	R592 955	R592 955	R 7 115 463	R0	R0	MIG
Ward 21	Construction of Ramaroka Street Paving 3.4Km	01/07/2024	30/06/2025	R300 340	R300 340	R300 340	R300 340	R300 340	R300 340	R300 340	R300 340	R300 340	R300 340	R300 340	R300 340	R 3 604 088	R10 000 000	R15 000 000	MIG
Ward 6	Ramphenyan e bridge	01/07/2024	30/06/2025	R83 333	R83 333	R83 333	R83 333	R83 333	R83 333	R83 333	R83 333	R83 333	R83 333	R83 333	R83 333	R 1 000 000	R1 000 000	R10 000 000	MIG
Ward 11	Matswi Outdoor Gym equipments and a shade	01/07/2024	30/06/2025	R0	R0	R0	R0	R0	R0	R0	R600 000	R0	R0	R0	R0	R600 000	R0	R0	MIG
Ward 2	Bodupe Outdoor Gym equipments and a shade	01/07/2024	30/06/2025	R0	R0	R0	R0	R0	R0	R0	R600 000	R0	R0	R0	R0	R600 000	R0	R0	MIG
Ward 28	Rotterdam Outdoor Gym equipments and a shade	01/07/2024	30/06/2025	R0	R0	R0	R0	R0	R0	R0	R600 000	R0	R0	R0	R0	R600 000	R0	R0	MIG
Ward 29	Sekgopo Sports facility(Two combi courts and Grandstand)	01/07/2024	30/06/2025	R241 666	R241 666	R241 666	R241 666	R241 666	R241 666	R241 666	R241 666	R241 666	R241 666	R241 666	R241 666	R2 900 000	R0	R0	MIG

All Wards	Construction Of Maphalle Landfilsite(Access road,one cell,recycling area,admin building and Buy Back center)	01/07/2024	30/06/2025																
				R866 310	R866 310	R866 310	R866 310	R866 310	R866 310	R866 310	R866 310	R866 310	R866 310	R866 310	R866 310	R	10 395 724	R 10 000 000	R28 604 088 MIG

SERVICE PROVIDERS PERFORMANCE ASSESSMENT FOR 2024/25 FINANCIAL YEAR



GREATER LETABA MUNICIPALITY



1	Poor
2	Fair
3	Good
4	Satisfactory
5	Excellent

Project Name	Project/Contract No	Funding	Contract Amount	Name of Service Provider	Award Date	Status	Performance Rating	Challenges
Design for the extension of Municipal Main Office	GLM009/2021	Own Revenue	R 500 000,00	Black Creed	20-Nov-20	Active	3	NONE
Construction of Madumeleng/Shotong Sports Complex	GLM019/2016	MIG & Own Revenue	R 40 890 407,81	Maduke Trading (Pty) Ltd	06-Sept-18	Active	1	SP abandoned site
Roerfontein Roads and Stormwater Construction of Roerfontein low level bridge	GLM014/2022	MDRG	R 847 579,30	Xalamuka Built Environment JV	27-Jun-23	Active	3	NONE
Itieleng Roads and Stormwater- Itieleng regravelling 1,2 KM	GLM014/2022	MDRG	R 1 500 000,00	Bilmond Trading	27-Jun-23	Active	3	NONE
Construction of Buqa low level bridge	GLM014/2022	MDRG	R 900 378,55	Nkomazi Lemetja JV	15-Jun-23	Active	3	NONE
Construction of Street Paving at Raphahlelo/Phooko (2,48KM) multi-year	GLM009/2021/3-C	Own Revenue	R 23 498 851,55	Zevofusion (Pty) Ltd JV dzungeni Group JV Machaba Tau Construction	03-Jun-21	Active	4	NONE

Construction of Street Paving at Ramodumo (3,5KM) multi-year	GLM003/2023	MIG & Own Revenue	R 25 000 884,46	GPMVR Multi Projects cc JV Mothikeni Investments (Pty) Ltd	07-Sept-22	Active	3	NONE
Construction of Access Bridge at Rampepe (multi-year)	GLM013/2022	Own Revenue	R 8 754 765,38	Tzaneen Afri Investment (Pty) Ltd	28 Feb 200	Active	2	NONE
Construction of Abel Street Paving (2,8KM) multi-year	GLM009/2023	MIG & Own Revenue	R 25 199 386,33	Leb P Construction JV Mod J Projects	21-Nov-22	Active	3	NONE
Construction of Street Paving at Mohlabaneng (3,3KM) multi-year	GLM009/2021/1-C	MIG & Own Revenue	R 29 089 647,11	Leb P Construction	03-Jun-21	Active	3	NONE
Construction of Moshakga/Makaba Street Paving (2,5KM) multi-year	GLM003/2024	MIG	R 23 766 540,02	Manco Business Enterprise	18-Oct-23	Active	4	NONE
Designs of Boshakge bridge	GLM009/2020	Own Revenue	R 400 000,00	Major Quality Investments (Pty) Ltd	12-Apr-24	Active	3	NONE
Construction of Motsinoni Street Paving (1,5KM)	GLM007/2023	Own Revenue	R 17 360 551,85	Martmol Trading cc	22-Sept-22	Active	4	NONE
Construction of Thibeni Street Paving (2,3KM) multi-year	GLM008/2023	Own Revenue	R 19 053 477,70	Double Hot Spot (Pty) Ltd	22-Sept-22	Active	3	NONE
Construction of Burkino Faso Street Paving (2KM) multi-year	GLM002/2024	MIG	R 40 725 220,26	Leb P Construction	18-Oct-23	Active	3	NONE
Construction of Maupa Street Paving (4,9KM) multi-year	GLM001/2024	MIG	R 39 953 871,63	Martmol Trading cc	18-Oct-23	Active	3	NONE
Construction of Masakhaneng Street Paving (3,1Km) multi-year	GLM009/2024	MIG	R 21 759 349,81	Manco Business Enterprise	14-Dec-23	Active	4	NONE
Supply and Delivery of 2 Traffic Vehicles	O/N 44355	Own Revenue	R 789 584,26	Isuzu	04-Feb-24	Active	3	NONE

Refurbishment of LV Network at pearl and Orchards Street Modjadjiskloof	GLM013/2024	Own Revenue	R 1 606 334,97	OTS Electrical	21-Dec-23	Active	3	NONE
Replacement of old HT cables Spar to FNB Modjadjiskloof	GLM008/2024	Own Revenue	R 1 867 096,50	Risima Projects Management	18-Dec-23	Active	3	NONE
Supply and Delivery of mobile scarfolding	O/N 44503	Own Revenue	R 78 350,00	Sekhumis General Plumbing	16-Apr-24	Active	3	NONE
Design of Maphalle landfill site phase 2 multi-year	GLM009/2021	MIG	R 2 500 000,00	Kipp Consulting Engineers	06-Jul-21	Active	3	NONE
Supply and Delivery of 20 Grass Cutters	GLM019/2024	Own Revenue	R 378 000,00	Phadu Holdings	08-Jan-24	Active	3	NONE
Supply and Delivery of 11 Skip Bins (6 cubic meters)	GLM029/2023	Own Revenue	R 940 000,00	Daily Breez (Pty) Ltd	27-Jun-23	Active	3	NONE
Supply and Construction of Highmast lights in various villages (Kgapane Cluster)	GLM017/2023	MIG	R 1 494 759,75	Thotogelo MP Construction and Projects	14-Dec-22	Active	3	NONE
Supply and Construction of Highmast lights in various villages (Mokwakwaila Cluster)	GLM018/2023	MIG	R 1 542 322,50	Mpfumu Trading and Projects	26-May-23	Active	3	NONE
Regravelling of Rapitsi internal streets	GLM014/2022	MDRG	R 1 476 773,00	FJRIC Construction and Projects (Pty) Ltd	12-Mar-24	Active	3	NONE
Construction of Tshamahansi low level bridge	GLM014/2022	MDRG	R 1 159 952,93	Nkumani Multi Projects	12-Mar-24	Active	4	NONE
Construction of Mokwasele low level bridge	GLM014/2022	MDRG	R 1 498 709,49	B-Tech Consulting JV EasyTech	12-Mar-24	Active	3	NONE

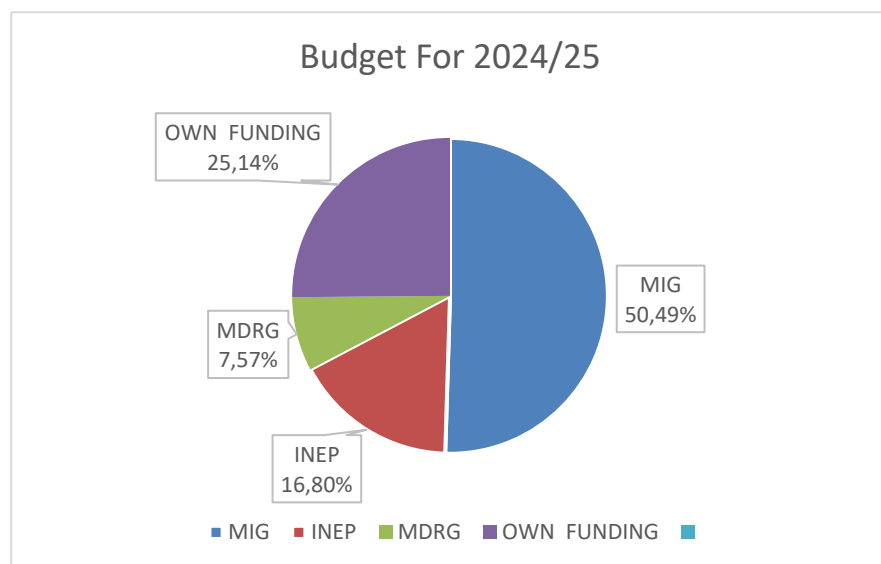
Construction of Sekgopo Ramoadi low level bridge	GLM014/2022	MDRG	R 1 317 125,23	Carpus Construction and Projects	12-Mar-24	Active	3	NONE
Construction of Sekgopo Ramaroka low level bridge	GLM014/2022	MDRG	R 1 190 942,36	Mathpower Trading and Projects	12-Mar-24	Active	3	NONE
New Electricity connections at Carel Garden 1 and 2	GLM007/2024	INEP	R 2 448 000,00	OTS Electrical	29-Nov-23	Active	3	NONE
New Electricity connections at Itieleng (Matswi)	GLM006/2024	INEP	R 1 867 096,50	Risima Projects Management	29-Nov-23	Active	3	NONE

SERVICE DELIVERY BACKLOG AS AT JUNE 2025

SERVICES	HOUSEHOLDS/ ROADS	ACCESS	% ACCESS	BACKLOG	% BACKLOG
Water	65 220	48 934	84%	9 328	16%
Sanitation	65 220	60 218	92%	46 306	8%
Electricity	65 220	63 263	97%	1 957	3%
Housing	65 220	62 169	95%	3 051	5%
Roads	1213KM	517	43%	696	57%
Waste (Proclaimed Areas)	65 220	11 088	17%	54 132	83%

2024/25 CAPITAL BUDGET SUMMARY

Source Of Capital	Budget For 2024/25	%
MIG	R83 623 800	50,49%
INEP	R27 833 000	16,80%
MDRG	R12 540 942	9,10%
OWN FUNDING	R41 633 501	25,14%
TOTAL	R165 631 243	



APPENDIX S – GREATER LETABA MUNICIPALITY AUDITED ANNUAL FINANCIAL
STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025



Greater Letaba Municipality
(Registration number LIM332)
Annual financial statements
for the year ended 30 June 2025

Greater Letaba Municipality

(Registration number LIM332)

Annual Financial Statements for the year ended June 30, 2025

General Information

Legal form of entity

Local Municipality

Nature of business and principal activities

Providing municipal services and maintaining the best interest of the local community mainly in the Greater Letaba area.

Mayoral committee

Executive committee

Cllr Mamanyoha T.D (Mayor)
Cllr Mokwathi M.M (Speaker)
Cllr Ramalatso R.R (Whip of Council)
Cllr Baloyi R.G (Infrastructure)
Cllr Kgapane T.J (Finance)
Cllr Lebeko N.F (Corporate & Shared Services)
Cllr Mosila M.R (Community Services)
Cllr Ramaano M R (Sports Arts & Culture)
Cllr Ramaremela M.L (Economic Development, Housing & Spatial Planning)
Cllr Selowa M.G (Water & Sanitation)
Cllr Mangena M.S (Environmental)
Cllr Mothele M.D (Road and Public Transport)
Cllr Hlungwani S.J
Cllr Kgatla ME
Cllr Lebepe R.R
Cllr Lebeya J.M
Cllr Lekitima M.V
Cllr Maake M.S
Cllr Maake NL
Cllr Mabidilala E
Cllr Makgatho T.E
Cllr Makhananisa M.D
Cllr Makhurupetse M.M (Chairperson of MPAC)
Cllr Malatja T.P
Cllr Malatji M.C
Cllr Malatji ME
Cllr Maluleke M.J
Cllr Mamaila B.A
Cllr Mamatlepa DD
Cllr Mampeule P.J
Cllr Mankgero M.M
Cllr Manyama M.I (Chairperson of Ethics)
Cllr Mashao M.C
Cllr Mashao MG
Cllr Matlou MP
Cllr Modika MS
Cllr Modjadji G.C.H
Cllr Mohale M.J (Chairperson of Women Commission)
Cllr Mohale R.W
Cllr Mokgomola N.P
Cllr Mokhabukhi M.S
Cllr Mukhufhi AS
Cllr Monyela K.B
Cllr Moroatshehla F.M

Councillors

Greater Letaba Municipality

(Registration number LIM332)

Annual Financial Statements for the year ended June 30, 2025

General Information

	Cllr Morwatshehla M.B Cllr Mothomogolo P.S Cllr Mulaudzi P Cllr Nakana M.R Cllr Ndimba B.H Cllr Ngobeni M.P Cllr Ramabubutla L Cllr Ramalatso MA Cllr Rampyapedi S.E Cllr Rasebotja M.S Cllr Raseropo M.S Cllr Rasetsoke M.C Cllr Selowa D.L Cllr Senyolo T.J Cllr Seoka L.M Cllr Serumula M.L
Grading of local authority	Category B, Grade 3 Local Municipality
Audit Committee Members	Mr Marobane N (Chairperson) Mrs Mudau F.J Mr Teffo S.J Mr Molokomme CW
Chief Finance Officer (CFO)	Ms AN Sesene
Accounting Officer	Mr MO Sewape
Registered office	Civic Centre 44 Botha Street Modjadjiskloof Limpopo
Business address	Civic Centre 44 Botha Street Modjadjiskloof Limpopo 0835
Postal address	PO Box 36 Modjadjiskloof 0835
Bankers	First National Bank
Auditors	Auditor General of South Africa
Enabling Legislations	Division of Revenue Act (Act No. 3 of 2016) Municipal Finance Management Act (Act No. 56 of 2003) Municipal Property Rates Act (Act No. 6 of 2000) Municipal System Act (Act No. 32 of 2000) Municipal Structure Act (Act No. 117 of 1998)

Greater Letaba Municipality

(Registration number LIM332)

Annual Financial Statements for the year ended June 30, 2025

Index

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

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Statement of Financial Performance	7
Statement of Changes in Net Assets	8
Cash Flow Statement	9
Statement of Comparison of Budget and Actual Amounts	10 - 14
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COID	Compensation for Occupational Injuries and Diseases
GRAP	Generally Recognised Accounting Practice
AGSA	Auditor General South Africa
WIP	Work In Progress
MPAC	Municipal Public Accounts Committee
MEC	Member of the Executive Council
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
PAYE	Pay As You Earn
WCA	Workers Compensation Assistance
UIF	Unemployment Insurance Fund

Greater Letaba Municipality

(Registration number LIM332)

Annual Financial Statements for the year ended June 30, 2025

Accounting Officer's Responsibility and Approval

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

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

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

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

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

The accounting officer has reviewed the municipality's cash flow forecast for the year end to June 30, 2026 and, in the light of this review and the current financial position, he is satisfied that the municipality has or has access to adequate resources to continue in operational existence for the foreseeable future.

The municipality is dependent on continued funding from the National Treasury, primarily through intergovernmental transfers such as the Equitable Share Allocation and the Municipal Infrastructure Grant (MIG), to sustain its operations.. The annual financial statements are prepared on the basis that the municipality is a going concern and that the municipality has neither the intention nor the need to liquidate or curtail materially the scale of the municipality.

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

The internal auditors are responsible for independently reviewing and reporting on the municipality's annual financial statements. The annual financial statements have been examined by the municipality's external auditors.

The annual financial statements set out on page 5, which have been prepared on the going concern basis, were approved by the accounting officer on 31 August 2025 and were signed on its behalf by:



Mr MO Sewape
Municipal Manager

Greater Letaba Municipality

(Registration number LIM332)

Annual Financial Statements for the year ended June 30, 2025

Accounting Officer's Report

The accounting officer submits his report for the year ended June 30, 2025.

1. Review of activities

Main business and operations

The municipality is engaged in providing municipal services and maintaining the best interest of the local community mainly in the Greater Letaba area. and operates principally in South Africa.

2. Going concern

We draw attention to the fact that at June 30, 2025, the municipality had an accumulated surplus of R 1,218,463,394 and that the municipality's total assets exceed its total liabilities by R 1,218,439,652.

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.

Going Concern disclosure is contained in note 54 of the notes to the financial statements

3. Subsequent events

No subsequent events identified for the year under review.

4. Accounting Officers' interest in contracts

None have been identified.

5. Accounting policies

The annual financial statements prepared in accordance with the South African Statements of Generally Recognised Accounting Practice (GRAP), including any interpretations and directives issued by the Accounting Standards Board and in accordance with section 122(3) of the Municipal Finance Management Act, (Act No. 56 of 2003).

6. Accounting Officer

The accounting officer of the municipality during the year and to the date of this report is as follows:

Name
Mr MO Sewape

The annual financial statements set out on page 5, which have been prepared on the going concern basis, were approved by the accounting officer on 31 August 2025 and were signed on its behalf by:



Mr MO Sewape
Municipal Manager

Greater Letaba Municipality

(Registration number LIM332)

Annual Financial Statements for the year ended June 30, 2025

Statement of Financial Position as at June 30, 2025

Figures in Rand	Note(s)	2025	2024 Restated*
Assets			
Current Assets			
Inventories	7	9,466,917	10,452,612
Receivables from exchange transactions - General	8	29,760,338	24,472,764
Receivables from non-exchange transactions	9	1,264,270	2,860,476
VAT receivable - Statutory	10	8,159,273	1,334,558
Receivable from exchange transactions -Consumer debtors	11	8,348,273	6,201,339
Cash and cash equivalents	12	12,552,113	12,486,446
		69,551,184	57,808,195
Non-Current Assets			
Investment property	2	169,576	178,568
Property, plant and equipment	3	1,280,329,005	1,209,887,351
Intangible assets	4	14,708	29,699
Heritage assets	5	914,424	914,424
		1,281,427,713	1,211,010,042
Total Assets		1,350,978,897	1,268,818,237
Liabilities			
Current Liabilities			
Finance lease obligation	50	2,771,383	2,560,284
Payables from exchange transactions	15	69,986,558	79,791,320
Consumer deposits	17	426,399	409,368
Employee benefit obligation	6	513,000	804,000
Unspent conditional grants and receipts	13	-	5,084,978
VAT Payable Accrual	14	33,571,984	27,146,072
		107,269,324	115,796,022
Non-Current Liabilities			
Finance lease obligation	50	1,036,667	3,692,741
Employee benefit obligation	6	24,209,511	23,369,748
		25,246,178	27,062,489
Total Liabilities		132,515,502	142,858,511
Net Assets		1,218,463,395	1,125,959,726
Accumulated surplus		1,218,439,652	1,125,959,726
Total Net Assets		1,218,439,652	1,125,959,726

* See Note 53

Greater Letaba Municipality

(Registration number LIM332)

Annual Financial Statements for the year ended June 30, 2025

Statement of Financial Performance

Figures in Rand	Note(s)	2025	2024 Restated*
Revenue			
Revenue from exchange transactions			
Service charges	19	31,629,028	32,143,338
Construction contracts	20	16,940,187	9,561,739
Rental of facilities and equipment	21	49,886	196,610
Interest received - outstanding receivables	51	2,240,913	3,475,275
Agency services	23	3,253,672	3,127,597
Licences and permits	24	2,908,133	2,258,063
Other income	25	1,295,320	1,665,683
Interest received - investment	26	5,431,756	4,692,787
Total revenue from exchange transactions		63,748,895	57,121,092
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	27	21,898,244	20,495,447
Interest - Property Rates	51	730,049	236,499
Transfer revenue			
Government grants & subsidies	28	495,036,980	448,377,024
Fines, Penalties and Forfeits	22	15,325,442	352,150
Total revenue from non-exchange transactions		532,990,715	469,461,120
Total revenue	18	596,739,610	526,582,212
Expenditure			
Employee related costs	31	155,657,942	142,522,477
Remuneration of councillors	32	33,706,368	32,203,230
Depreciation and amortisation	33	49,766,874	47,345,174
Finance costs	52	3,058,886	2,519,036
Debt Impairment	35	25,259,774	42,697,046
Bad debts written off	36	1,091,271	-
Bulk purchases	37	20,719,875	19,859,883
Contracted services	29	125,601,532	129,975,697
General Expenses	30	86,574,826	77,371,956
Total expenditure		501,437,348	494,494,499
Operating surplus		95,302,262	32,087,713
Gain/Loss on assets	34	691,479	(3,361,751)
Actuarial gains/(losses)	6	2,585,851	962,676
Impairment Gains/ (Losses)	34	(6,075,924)	(1,011,667)
		(2,798,594)	(3,410,742)
Surplus for the year		92,503,668	28,676,971

* See Note 53

Greater Letaba Municipality

(Registration number LIM332)

Annual Financial Statements for the year ended June 30, 2025

Statement of Changes in Net Assets

Figures in Rand	Accumulated surplus	Total net assets
Balance at July 1, 2023	1,093,094,486	1,093,094,486
Changes in net assets		
Surplus for the year	28,676,971	28,676,971
Total changes	28,676,971	28,676,971
Opening balance as previously reported	1,121,771,457	1,121,771,457
Adjustments		
Prior prior year adjustments	4,188,269	4,188,269
Restated* Balance at July 1, 2024 as restated*	1,125,959,726	1,125,959,726
Changes in net assets		
Surplus for the year	92,503,668	92,503,668
Total changes	92,503,668	92,503,668
Balance at June 30, 2025	1,218,463,394	1,218,463,394
Note(s)		

* See Note 53

Greater Letaba Municipality

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Annual Financial Statements for the year ended June 30, 2025

Cash Flow Statement

Figures in Rand	Note(s)	2025	2024 Restated*
Cash flows from operating activities			
Receipts			
Sale of goods and services		60,616,820	37,872,536
Grants		495,036,980	453,462,002
Interest income		6,330,227	6,108,141
Property rates and fines		8,316,061	8,682,582
Revenue collected on behalf of principle agent		24,439,467	22,075,521
Other Income		1,345,206	1,665,683
Tax received - Refund from SARS		-	1,558,219
		<u>596,084,761</u>	<u>531,424,684</u>
Payments			
Employee costs		(187,799,544)	(174,075,376)
Suppliers		(247,331,254)	(224,664,287)
Finance costs		(211,284)	(155,668)
Expenditure incurred on behalf of principle agent		(30,145,915)	(33,069,406)
cashflow of discontinued		-	-
Tax paid to the suppliers		(6,824,716)	-
		<u>(472,312,713)</u>	<u>(431,964,737)</u>
Net cash flows from operating activities	39	<u>123,772,048</u>	<u>99,459,947</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(122,283,132)	(91,474,860)
Proceeds from disposal of property, plant and equipment	3	1,137,035	1,156,935
Net cash flows from investing activities		<u>(121,146,097)</u>	<u>(90,317,925)</u>
Cash flows from financing activities			
Finance lease payments		(2,560,284)	(238,360)
Net increase/(decrease) in cash and cash equivalents		65,667	8,903,662
Cash and cash equivalents at the beginning of the year		12,486,446	3,582,784
Cash and cash equivalents at the end of the year	12	<u>12,552,113</u>	<u>12,486,446</u>

* See Note 53

Greater Letaba Municipality

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Annual Financial Statements for the year ended June 30, 2025

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference

Figures in Rand

Statement of Financial Performance

Revenue

Revenue from exchange transactions

Service charges	34,436,000	-	34,436,000	31,629,028	(2,806,972)	1
Construction contracts	-	-	-	16,940,187	16,940,187	
Rental of facilities and equipment	261,000	-	261,000	49,886	(211,114)	9
Interest received - outstanding receivables	3,935,000	-	3,935,000	2,240,913	(1,694,087)	2
Agency services	3,533,000	-	3,533,000	3,253,672	(279,328)	3
Licences and permits	23,627,000	-	23,627,000	2,908,133	(20,718,867)	4
Other income	2,443,000	-	2,443,000	1,295,320	(1,147,680)	5
Interest received - investments	4,888,000	-	4,888,000	5,431,756	543,756	6
Total revenue from exchange transactions	73,123,000	-	73,123,000	63,748,895	(9,374,105)	

Revenue from non-exchange transactions

Taxation revenue

Property rates	21,522,000	-	21,522,000	21,898,244	376,244	7
Gain on disposal of assets	839,000	-	839,000	-	(839,000)	32
Interest - Property Rates	2,726,000	-	2,726,000	730,049	(1,995,951)	8

Transfer revenue

Government grants & subsidies	423,528,000	-	423,528,000	495,036,980	71,508,980	10
Fines, Penalties and Forfeits	629,000	-	629,000	15,325,442	14,696,442	19

Total revenue from non-exchange transactions	449,244,000	-	449,244,000	532,990,715	83,746,715	

Expenditure

Employee related costs	(151,912,000)	(150,000)	(152,062,000)	(155,657,942)	(3,595,942)	11
Remuneration of councillors	(32,821,000)	-	(32,821,000)	(33,706,368)	(885,368)	12
Depreciation and amortisation	(27,004,000)	-	(27,004,000)	(49,766,871)	(22,762,871)	13
Impairment loss/ Reversal of impairments	-	-	-	(6,075,924)	(6,075,924)	34
Finance costs	(81,000)	-	(81,000)	(3,058,886)	(2,977,886)	17
Debt Impairment	(15,955,000)	1,955,000	(14,000,000)	(25,259,774)	(11,259,774)	14
Bulk purchases	(22,615,000)	-	(22,615,000)	(20,719,875)	1,895,125	15
Contracted Services	(114,984,000)	(22,627,000)	(137,611,000)	(125,601,532)	12,009,468	16
General Expenses	(102,156,000)	(3,453,000)	(105,609,000)	(86,574,826)	19,034,174	18
Irrecoverable debts written off	-	(1,955,000)	(1,955,000)	(1,091,271)	863,729	33

Total expenditure	(467,528,000)	(26,230,000)	(493,758,000)	(507,513,269)	(13,755,269)	

Operating surplus

Gain on disposal of assets and liabilities	-	-	-	691,479	691,479	32
Transfers and subsidies - capital	68,954,000	26,951,000	95,905,000	-	(95,905,000)	35
Actuarial gains/losses	-	-	-	2,585,851	2,585,851	36

	68,954,000	26,951,000	95,905,000	3,277,330	(92,627,670)	

Surplus before taxation	123,793,000	721,000	124,514,000	92,503,671	(32,010,329)	

Greater Letaba Municipality

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Annual Financial Statements for the year ended June 30, 2025

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	123,793,000	721,000	124,514,000	92,503,671	(32,010,329)	

Greater Letaba Municipality

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Annual Financial Statements for the year ended June 30, 2025

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference

Figures in Rand

Statement of Financial Position

Assets

Current Assets

Inventories	9,819,000	443,000	10,262,000	9,466,917	(795,083)	20
Receivables from exchange transactions - General	14,223,000	18,537,000	32,760,000	29,760,338	(2,999,662)	21
Receivables from non-exchange transactions	15,683,000	665,000	16,348,000	1,264,270	(15,083,730)	22
VAT receivable Statutory	882,000	24,118,000	25,000,000	8,159,273	(16,840,727)	23
Revenue from exchange transactions - Consumer debtors	-	-	-	8,348,273	8,348,273	37
Cash and cash equivalents	60,527,000	(26,222,000)	34,305,000	12,552,113	(21,752,887)	28
	101,134,000	17,541,000	118,675,000	69,551,184	(49,123,816)	

Non-Current Assets

Investment property	188,000	(9,000)	179,000	169,576	(9,424)	40
Property, plant and equipment	1,261,939,000	47,731,000	1,309,670,000	1,280,329,005	(29,340,995)	24
Intangible assets	617,000	(587,000)	30,000	14,708	(15,292)	29
Heritage assets	965,000	(51,000)	914,000	914,424	424	30
Investments in associates	20,000,000	(20,000,000)	-	-	-	
	1,283,709,000	27,084,000	1,310,793,000	1,281,427,713	(29,365,287)	

Total Assets

	1,384,843,000	44,625,000	1,429,468,000	1,350,978,897	(78,489,103)	

Liabilities

Current Liabilities

Finance lease obligation	-	-	-	2,771,383	2,771,383	38
Payables from exchange transactions	82,696,000	(2,696,000)	80,000,000	69,986,558	(10,013,442)	25
Consumer deposits	13,273,000	(12,864,000)	409,000	426,399	17,399	31
Employee benefit obligation	2,161,000	1,203,000	3,364,000	513,000	(2,851,000)	26
Unspent conditional grants and receipts	-	5,085,000	5,085,000	-	(5,085,000)	39
VAT Payable Accrual	-	12,344,000	12,344,000	33,571,984	21,227,984	27
	98,130,000	3,072,000	101,202,000	107,269,324	6,067,324	

Non-Current Liabilities

Finance lease obligation	-	-	-	1,036,667	1,036,667	38
Employee benefit obligation	17,139,000	10,064,000	27,203,000	24,209,511	(2,993,489)	26
	17,139,000	10,064,000	27,203,000	25,246,178	(1,956,822)	

Total Liabilities

	115,269,000	13,136,000	128,405,000	132,515,502	4,110,502	

Net Assets

	1,269,574,000	31,489,000	1,301,063,000	1,218,463,395	(82,599,605)	

Net Assets

Net Assets Attributable to Owners of Controlling Entity

Reserves

Accumulated surplus	1,269,574,000	31,489,000	1,301,063,000	1,218,463,395	(82,599,605)	

Greater Letaba Municipality

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Annual Financial Statements for the year ended June 30, 2025

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						

Greater Letaba Municipality

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Annual Financial Statements for the year ended June 30, 2025

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						

The accounting policies on pages 14 to 41 and the notes on pages 41 to 93 form an integral part of the annual financial statements.

The accounting policies on pages 14 to 41 and the notes on pages 41 to 93 form an integral part of the annual financial statements.

Accounting Policies

Figures in Rand	Note(s)	2025	2024

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.

In the absence of an issued and effective Standard of GRAP, accounting policies for material transactions, events or conditions were developed in accordance with paragraphs 8, 10 and 11 of GRAP 3 as read with Directive 5.

Assets, liabilities, revenues and expenses were not offset, except where offsetting is either required or permitted by a Standard of GRAP.

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

GRAP - 1 Presentation of Financial Statements
GRAP - 2 Cashflow Statements
GRAP - 3 Accounting Policies, Changes in Accounting Estimates and Errors
GRAP - 5 Borrowing Costs
GRAP - 9 Revenue from Exchange Transactions
GRAP - 12 Inventories
GRAP - 13 Leases
GRAP - 14 Events after the reporting date
GRAP - 16 Investment Property
GRAP - 17 Property Plant and Equipment
GRAP - 18 Segment Reporting
GRAP - 19 Provisions, Contingent Liabilities and Contingent Assets
GRAP - 20 Related Party Disclosures
GRAP - 21 Impairment of Non-Cash Generating Assets
GRAP - 23 Revenue from Non-exchange Transactions
GRAP - 24 Presentation of Budget Information in Financial Statements
GRAP - 25 Employee Benefits
GRAP - 31 Intangible Assets
GRAP -103 Heritage Assets
GRAP -104 Financial Instruments
GRAP -108 Statutory Receivables
GRAP -109 Accounting by Principals and Agents

At the date of authorisation of these Annual Financial Statements, the following standards and interpretations were in issue but not yet effective and have not been early adopted by the municipality.

Greater Letaba Municipality

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Annual Financial Statements for the year ended June 30, 2025

GRAP - 1 Presentation of Financial Statements (Amended)

GRAP - 25 Employee Benefits (Revised)

GRAP -104 Financial Instruments (Revised)

IGRAP - 7 Defined Benefit Asset (Revised)

IGRAP - 21 Past Decisions on Materiality

GRAP - 26 Impairment of Cash Generating Assets

Standards issued and not yet effective are disclosed in detail, including their nature under note 47 of the notes to the financial statements.

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

1.1 Presentation currency

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

1.2 Going concern assumption

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

1.3 Significant judgements and sources of estimation uncertainty

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

Trade receivables

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

Fair value estimation

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

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 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 municipality reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. In addition, goodwill is tested on an annual basis for impairment. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of goodwill and tangible assets are inherently uncertain and could materially change over time. 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 14 - Provisions.

Contingent provisions on entity combinations

Contingencies recognised in the current year required estimates and judgments, refer to note on entity combinations.

Greater Letaba Municipality

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Annual Financial Statements for the year ended June 30, 2025

Accounting Policies

1.3 Significant judgements and sources of estimation uncertainty (continued)

Useful lives of waste network and other assets

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

Post-retirement benefits

The Municipality has defined benefit plan. 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.

Other key assumptions for post retirement benefit obligations are based on current market conditions. Additional information is disclosed in Note 6.

Effective interest rate

The municipality used the most relevant contractual risk rate applicable to each category of assets and liabilities to discount future cash flows. Where none exists the prime interest rate is used to discount future cash flows.

Debtors impairment

Consumer debtors

The provision for impairment is measured per individual debtors using the recoverability rate per debtors. The municipality provide for all excluding debtors with credit balances. An impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired.

Traffic fines debtors

The provision for impairment is measured with reference to the recoverability rate.

Accounting by principals and agent

The municipality makes assessments on whether it is the principal or agent in principal-agent relationship. The modified cash basis of accounting is applied when a accounting for the payments on behalf of the principal. Expenses are only debited to loan account when they are paid on behalf of the principal not when they are accreud.

Additional information is disclosed in Note 49.

1.4 Investment property

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

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

Owner-occupied property is property held for use in the production or supply of goods or services or for administrative purposes.

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

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

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

Greater Letaba Municipality

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Annual Financial Statements for the year ended June 30, 2025

Accounting Policies

1.4 Investment property (continued)

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

Cost model

Investment property is carried at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided to write down the cost, less estimated residual value over the useful life of the property, which is as follows:

Item	Useful life
Property - buildings	30 years

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

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

Compensation from third parties for investment property that was impaired, lost or given up is recognised in surplus or deficit when the compensation becomes receivable.

1.5 Property, plant and equipment

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

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

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

Property, plant and equipment is initially measured at cost.

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

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

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

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

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

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.

Greater Letaba Municipality

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Annual Financial Statements for the year ended June 30, 2025

Accounting Policies

1.5 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 are depreciated on the straight-line basis 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.

Transport assets and other plants and machinery have a residual value of 10% on cost of asset.

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

Item	Depreciation method	Average useful life
Land		Indefinite
Buildings	Straight-line	10-55
Roads, pavements, bridges and storm water	Straight-line	10-100
Street names, signs and parking meters	Straight-line	5
Electricity reticulation	Straight-line	20-50
Finance lease	Straight-line	Limited to contract
Infrastructure assets	Straight-line	5-100
Cementery-	Straight-line	30 years
Other assets	Straight-line	2-15
Motor Vehicles	Straight-line	7-15
Plant and Equipment	Straight-line	2-25
IT Equipment	Straight-line	5-15
Office Equipment	Straight-line	5-15
Investment property	Straight-line	30 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 municipality. The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate.

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

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.

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Annual Financial Statements for the year ended June 30, 2025

Accounting Policies

1.6 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 municipality 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 municipality; and
- the cost or fair value of the asset can be measured reliably.

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

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

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

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	5

1.7 Heritage assets

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations.

Recognition

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

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1.7 Heritage assets (continued)

Initial measurement

Heritage assets are measured at cost.

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

Subsequent measurement

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

Impairment

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

Transfers

Transfers from heritage assets are only made when the particular asset no longer meets the definition of a heritage asset.

Transfers to heritage assets are only made when the asset meets the definition of a heritage asset.

Derecognition

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

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

1.8 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.

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

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

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;

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Accounting Policies

1.8 Financial instruments (continued)

- 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 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.

Initial recognition

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

The entity recognises financial assets using trade date accounting.

Initial measurement of financial assets and financial liabilities

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

Subsequent measurement of financial assets and financial liabilities

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

- Financial instruments at fair value.
- Financial instruments at amortised cost.
- Financial instruments at cost.

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

Fair value measurement considerations

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

Reclassification

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

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

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

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1.8 Financial instruments (continued)

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

Gains and losses

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

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

Impairment and uncollectibility of financial assets

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

Financial assets measured at amortised cost:

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

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

Financial assets measured at cost:

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

Derecognition

Financial assets

The municipality derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- the municipality transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- the municipality, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the municipality:
 - derecognise the asset; and
 - recognise separately any rights and obligations created or retained in the transfer.

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:

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1.8 Financial instruments (continued)

The carrying amounts of the transferred asset are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. Newly created rights and obligations are measured at their fair values at that date. Any difference between the consideration received and the amounts recognised and derecognised is recognised in surplus or deficit in the period of the transfer.

If the municipality transfers a financial asset in a transfer that qualifies for derecognition in its entirety and retains the right to service the financial asset for a fee, it recognise either a servicing asset or a servicing liability for that servicing contract. If the fee to be received is not expected to compensate the municipality adequately for performing the servicing, a servicing liability for the servicing obligation is recognised at its fair value. If the fee to be received is expected to be more than adequate compensation for the servicing, a servicing asset is recognised for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

If, as a result of a transfer, a financial asset is derecognised in its entirety but the transfer results in the municipality obtaining a new financial asset or assuming a new financial liability, or a servicing liability, the municipality recognise the new financial asset, financial liability or servicing liability at fair value.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in surplus or deficit.

If the transferred asset is part of a larger financial asset and the part transferred qualifies for derecognition in its entirety, the previous carrying amount of the larger financial asset is allocated between the part that continues to be recognised and the part that is derecognised, based on the relative fair values of those parts, on the date of the transfer. For this purpose, a retained servicing asset is treated as a part that continues to be recognised. The difference between the carrying amount allocated to the part derecognised and the sum of the consideration received for the part derecognised is recognised in surplus or deficit.

If a transfer does not result in derecognition because the municipality has retained substantially all the risks and rewards of ownership of the transferred asset, the municipality continue to recognise the transferred asset in its entirety and recognise a financial liability for the consideration received. In subsequent periods, the municipality recognises any revenue on the transferred asset and any expense incurred on the financial liability. Neither the asset, and the associated liability nor the revenue, and the associated expenses are offset.

Financial liabilities

The municipality removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

Presentation

Interest relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

Losses and gains relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

A financial asset and a financial liability are only offset and the net amount presented in the statement of financial position when the entity currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

1.9 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments that can be readily converted to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently received at fair value.

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Accounting Policies

1.10 Tax

Value added tax

Revenue, expenses and assets are recognised net of the amounts of value added tax. The net amount of value added tax recoverable from, or payable to the taxation authority is included as part of receivables or payables in the Statement of Financial Position. The Municipality is registered at SARS for VAT on the payment basis in accordance with section 15(2)(a) of the VAT Act (Act No 89 of 1991). The municipality is liable to account for VAT at the standard rate 15% from 1 April 2018 as announced by the minister of Finance) in terms of section 7 (1) (a) of the VAT Act in respect of the supply of goods or services, except where supplies are specifically zero-rated in terms of section 11, exempted in terms of section 12 of the VAT Act or are scoped out for VAT purposes.

The municipality accounts for Value added tax on accrual basis.

1.11 Leases

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

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

Finance leases - lessee

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

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

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

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

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.

1.12 Inventories

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

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

Inventories are measured at the lower of cost and current replacement cost where they are held for;

- distribution at no charge or for a nominal charge; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

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

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

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs.

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Accounting Policies

1.12 Inventories (continued)

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

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.13 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.

Useful life is either:

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

Identification

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

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

Irrespective of whether there is any indication of impairment, the entity also tests a non-cash-generating intangible asset with an indefinite useful life or a non-cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable service 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.

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

Value in use

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

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

Depreciated replacement cost approach

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

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

Recognition and measurement

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

An impairment loss is recognised immediately in surplus or deficit.

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

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

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

Reversal of an impairment loss

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

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

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

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

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

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

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.

1.14 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.

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.

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1.14 Employee benefits (continued)

Short-term employee benefits

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

Short-term employee benefits include items such as:

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

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

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

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

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

Post-employment benefits

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

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

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

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1.14 Employee benefits (continued)

Post-employment benefits: Defined contribution plans

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

When an employee has rendered service to the entity during a reporting period, the entity recognises the contribution payable to a defined contribution plan in exchange for that service:

- as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the reporting date, an 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 contribution in the cost of an asset.

Where contributions to a defined contribution plan do not fall due wholly within twelve months after the end of the reporting period in which the employees render the related service, they are discounted. The rate used to discount reflects the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the obligation.

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1.14 Employee benefits (continued)

Post-employment benefits: Defined benefit plans

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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Accounting Policies

1.14 Employee benefits (continued)

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

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

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

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

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

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

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

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

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

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

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

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

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Accounting Policies

1.14 Employee benefits (continued)

Actuarial assumptions

Actuarial assumptions are unbiased and mutually compatible.

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

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

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

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

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

Other post retirement obligations

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

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

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

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

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

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

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Annual Financial Statements for the year ended June 30, 2025

Accounting Policies

1.14 Employee benefits (continued)

Termination benefits

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

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

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

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

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

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

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

1.15 Provisions and contingencies

Provisions are recognised when:

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

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

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

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

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

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

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

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

Provisions are not recognised for future operating surplus.

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.

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Annual Financial Statements for the year ended June 30, 2025

Accounting Policies

1.15 Provisions and contingencies (continued)

A constructive obligation to restructure arises only when an entity:

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

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

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

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

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

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

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 41.

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

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

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

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

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

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

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

1.16 Commitments

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

Disclosures are required in respect of unrecognised contractual commitments.

Greater Letaba Municipality

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Accounting Policies

1.16 Commitments (continued)

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

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

1.17 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).

Sale of goods

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

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

Service charges

Flat rate service charges relating to electricity which are based on consumption are metered and an estimate of consumption between the latest meter reading and the reporting date shall be recognised when:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;

Meters are read on a monthly basis and are recognised as revenue when invoiced. Provisional estimates of consumptions are made monthly when meter readings have not been performed and are recognised as revenue when invoiced. Adjustments to provisional estimates of consumption are made then recognised in the statement of financial performance in the invoicing period in which meters have been read.

Service charges relating to refuse removal are recognised on a monthly basis by applying the approved tariff to each property that has improvements. Tariffs are determined per category of property usage and are levied monthly based on the number of refuse containers on each property, regardless of whether or not containers are emptied during the month.

.Revenue from the sale of electricity prepaid meter credit is recognised at the point of sale.

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Accounting Policies

1.17 Revenue from exchange transactions (continued)

Interest income

Revenue arising from the use by others of entity assets yielding interest 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.

Agency Services

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

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

Collection charges are recognised when such amounts are incurred.

1.18 Revenue from non-exchange transactions

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

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.

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

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

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.

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Accounting Policies

1.18 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.

Property Rates (including collection charges and penalty interest)

The municipality recognises an asset in respect of taxes when the taxable event occurs and the asset recognition criteria are met. Revenue from property rates is recognised when the legal entitlement to this revenue arises.

Collection charges are recognised when such amounts are legally enforceable. Penalty interest on unpaid rates is recognised on a time proportionate basis.

Rebates are respectively granted, to owners of land on which not more than two dwelling units are erected provided that such dwelling units are solely used for residential purposes. Additional relief is granted to needy, aged and/or disabled owners, based on income

Assessment rates income is recognised once a rates account has been issued to ratepayers. Adjustments or interim rates are recognised once the municipal valuer has valued the change to property.

Gain/ Loss on assets:

Gain/ loss on assets are recognised in the on the statement of financial performance as revenue from non-exchange transaction or non-cash expenditure

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Accounting Policies

1.18 Revenue from non-exchange transactions (continued)

Government grants, subsidies and transfers

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

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

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

Government Grants can be in the form of grants to acquire or construct fixed assets (capital grants), grants for the further of national and provincial government policy objectives and general grants to subsidise the cost incurred by municipalities rendering services.

Capital grants and general grants for the furtherance of government policy objectives are usually restricted revenue in that stipulations are imposed in their use.

Conditional grants, donations and funding were recognised as revenue in the Statement of Financial Performance to the extent that the Municipality has complied with any criteria, conditions or obligations embodied in the agreement/arrangement. To the extent that the criteria, conditions and obligations have not been met a liability is raised in the Statement of Financial Position.

Unconditional grants, donations and funding are recognised as revenue in the Statement of Financial Position at the earlier of the date of receipt or when the amount is receivable. Stipulations can either be in the form of conditions or in the form of restrictions. For both conditions and restrictions a recipient may be required to use the transferred asset for a particular purpose. However the difference between a restriction and a condition is that a condition has an additional requirement which states that the asset or its future economic benefits or service potential should be returned to the transferor should the recipient not use the asset for the particular purpose stipulated.

When conditions are attached to a transferred asset, the municipality incurs a liability. The municipality has a present obligation comply with the conditions of the asset or to return the economic benefits or service potential of the asset to the transferor when the conditions are not met. Therefore, when a recipient initially recognises an asset that is subject to a condition, the recipient also incurs a liability.

Restrictions on transferred assets arise when there is an expectation and/or understanding about the particular way that the assets will be used. However, there is no requirement that the transferred asset, or future economic benefits or service potential are to be returned to the transferor if the assets are not used as per the expectation or understanding. Thus, initially gaining control of an asset with restrictions does not impose a present obligation on the recipient and consequently no liability is recognised. Contributed assets are recognised at fair value when the risks and rewards associated with such asset transfer to the Municipality.

Fines

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

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

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

1.19 Investment income

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

1.20 Borrowing costs

Borrowing costs are interest and other expenses incurred by an entity in connection with the borrowing of funds.

Borrowing costs are recognised as an expense in the period in which they are incurred.

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Accounting Policies

1.21 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are restated. The nature and reason for the reclassification is disclosed. Where accounting errors have been identified in the current year, the correction is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

1.22 Unauthorised expenditure

Unauthorised expenditure is expenditure that has not been budgeted, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act 56 of 2003). Unauthorised expenditure is accounted for as an expense in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.23 Fruitless and wasteful expenditure

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

Fruitless and wasteful expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance. Fruitless and wasteful expenditure is also disclosed on the notes. It get de-recognised when condoned by the Council

1.24 Irregular expenditure

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

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

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

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the economic entity's supply chain management policy.

Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.25 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.

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.

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Accounting Policies

1.25 Segment information (continued)

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.

1.26 Budget information

Municipality 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 municipality shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on an accrual basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 7/1/2024 to 6/30/2025.

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.

The municipality consider all variances which are $\pm 10\%$ to be material and explanations are provided for them

Comparative information is not required.

1.27 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 municipality, including those charged with the governance of the municipality in accordance with legislation, in instances where they are required to perform such functions.

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

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Accounting Policies

1.27 Related parties (continued)

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

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

1.28 Events after reporting date

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

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

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

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

1.29 Investments

Where the carrying amount of an investment is greater than the estimated recoverable amount, it is written down immediately to its recoverable amount and an impairment loss is charged to the statement of financial performance.

Investments in securities

1.30 Conditional grants and receipts

Revenue received from conditional grants, and funding are recognised as revenue to the extent that the municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. If conditions or obligations have not been met a liability is recognised. If the obligation has been exceeded an asset is recognised.

1.31 Expenditure

Expenditure is recognised as an expense when it is incurred (Accrual basis).

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

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2. Investment property

	2025			2024		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Investment property	480,511	(310,935)	169,576	480,511	(301,943)	178,568

Reconciliation of investment property - 2025

	Opening balance	Depreciation	Total
Investment property	178,568	(8,992)	169,576

Reconciliation of investment property - 2024

	Opening balance	Depreciation	Total
Investment property	187,584	(9,016)	178,568

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Notes to the Annual Financial Statements

Figures in Rand

3. Property, plant and equipment

	2025			2024		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	33,571,077	-	33,571,077	33,571,077	-	33,571,077
Buildings	375,023,477	(108,914,284)	266,109,193	373,732,971	(95,843,001)	277,889,970
Leasehold property	7,808,147	(3,978,327)	3,829,820	7,617,466	(1,368,028)	6,249,438
Plant and machinery	30,746,181	(16,431,420)	14,314,761	29,880,895	(17,514,980)	12,365,915
Motor vehicles	18,943,689	(12,214,887)	6,728,802	20,587,350	(11,884,430)	8,702,920
Infrastructure	1,044,548,579	(255,691,019)	788,857,560	989,864,482	(224,243,554)	765,620,928
Other assets	17,416,130	(13,602,776)	3,813,354	14,923,638	(13,245,408)	1,678,230
WIP - Infrastructure	108,295,283	-	108,295,283	55,003,525	-	55,003,525
WIP - Buildings	54,809,155	-	54,809,155	48,805,348	-	48,805,348
Total	1,691,161,718	(410,832,713)	1,280,329,005	1,573,986,752	(364,099,401)	1,209,887,351

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3. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2025

	Opening balance	Additions	Disposals	Transfers received	Transfers Out	Depreciation	Impairment loss	Total
Land	33,571,077	-	-	-	-	-	-	33,571,077
Buildings	277,889,970	1,290,513	-	-	-	(12,531,380)	(539,910)	266,109,193
Leasehold Assets	6,249,438	190,681	-	-	-	(2,586,521)	(23,778)	3,829,820
Plant and machinery	12,365,915	4,055,097	(260,756)	-	-	(1,799,462)	(46,033)	14,314,761
Motor vehicles	8,702,920	-	(164,367)	-	-	(1,501,205)	(308,546)	6,728,802
Infrastructure	765,620,928	959,367	(5,393)	53,828,349	-	(30,367,769)	(1,177,922)	788,857,560
Other assets	1,678,230	3,256,227	(15,040)	-	-	(956,427)	(149,636)	3,813,354
WIP - Infrastructure	55,003,525	107,120,107	-	-	(53,828,349)	-	-	108,295,283
WIP - Buildings	48,805,348	9,833,908	-	-	-	-	(3,830,101)	54,809,155
	1,209,887,351	126,705,900	(445,556)	53,828,349	(53,828,349)	(49,742,764)	(6,075,926)	1,280,329,005

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3. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Disposals	Transfers received	Transfers	Depreciation	Impairment loss	Total
Land	33,571,077	-	-	-	-	-	-	33,571,077
Buildings	291,367,484	-	-	-	-	(12,670,525)	(806,989)	277,889,970
Leasehold Assets	238,880	7,617,466	-	-	-	(1,606,908)	-	6,249,438
Plant and machinery	13,355,736	1,303,986	(216,195)	-	-	(2,050,863)	(26,749)	12,365,915
Motor vehicles	10,291,479	686,595	(575,095)	-	-	(1,700,059)	-	8,702,920
Infrastructure	688,060,299	1,988,401	-	104,284,455	-	(28,574,332)	(137,895)	765,620,928
Other assets	2,239,827	200,657	(21,901)	-	-	(700,319)	(40,034)	1,678,230
WIP - Infrastructure	82,582,504	80,410,971	(3,705,495)	-	(104,284,455)	-	-	55,003,525
WIP - Buildings	43,608,303	5,197,045	-	-	-	-	-	48,805,348
	1,165,315,589	97,405,121	(4,518,686)	104,284,455	(104,284,455)	(47,303,006)	(1,011,667)	1,209,887,351

The completion of these projects were delayed due to budget constraints and community disputes

Delayed Projects

	Carrying Amount 30 June 2025	Reason for delay	Carrying Amount 30 June 2024
Old age facility Ga-Kgapane	64,690	Delay of the project was caused by budget constraints	64,690
Old age facility madumeleng	64,690	Delay of the project was caused by budget constraints	64,690
Roerfontien Youth Centre	82,000	Delay of the project was caused by budget constraints	82,000
Sekgopo Youth Centre	110,050	Delay of the project was caused by budget constraints	110,050
Rotterdam Library	128,825	Delay of the project was caused by budget constraints	128,825
Mokwakwaila youth centre	159,154	Delay of the project was caused by budget constraints	159,154

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3. Property, plant and equipment (continued)

Shamfam Community hall	140,000	Delay of the project was caused by budget constraints	140,000
Kgapane Park	135,716	Delay of the project was caused by budget constraints	135,716
Transfer station	87,983	Delay of the project was caused by budget constraints	87,983
Manokwe Cave	198,700	Delay of the project was caused by budget constraints	198,700
Thlothlokwnkwe Community hall	300,540	Delay of the project was caused by budget constraints	300,540
Lemondokop community hall	259,505	Delay of the project was caused by budget constraints	259,505
Development of landfill site phase 2 at Maphalle	5,924,810	Delay of the project was caused by budget constraints	1,746,128
Low level bridge Mokwasele ward 6	-	Delay of the project was caused by budget constraints	786,528
Low level bridge Tsamahansi ward 16	-	Delay of the project was caused by budget constraints	258,658
Maphalalle buy back centre	249,714	Delay of the project was caused by budget constraints	249,714
Rehabilitation of Botha Street	5,263,158	Delay of the project was caused by budget constraints	5,263,158
Low level bridge Ramaroka ward 21	-	Delay of the project was caused by budget constraints	786,299
	-	-	10,822,338
	13,169,535		10,822,338

Halted Projects

Carrying
Amount 30
June 2025

Reason for
delay

Carrying
Amount 30
June 2024

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3. Property, plant and equipment (continued)

WIP53 - MADUMELENG SHOTONG SPORTS COMPLEX	40,608,791	The contractor was terminated due non performance. Contractor replacement is in progress	40,608,791
WIP57 - WARD 5 COMMUNITY HALL	1	Project completion delayed due to community stoppage due to disputed project site location. Council resolved that project be relocated to another site	1
Malematja Street paving	1	The project is still at design stage	1,590,788
Senwamokgope Street paving	1	Project is at the design stage	2,114,710
Upgrading of Doreen Street electrical network	2,581,703	Delay was caused by the termination of the first service provider by the Municipality	1,488,953

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3. Property, plant and equipment (continued)

Thibeni Street paving	3,731,000	The project was delayed due to termination of the first contractor due to abandoning site. Contractor replacement is in progress.	3,321,590
Subtotal	46,921,497	-	49,124,833
	46,921,497	-	49,124,833

Pledged securities

None of the property, plant and equipment are pledged as security for financial liabilities.

No components of the property, plant and equipment were pledged as security for borrowings or banking facilities.

The residual value and useful lives of property, plant and equipment were reviewed and possible impairment has been assessed at reporting date.

Effect of change in estimates

Solid waste	83,105	672,551
Buildings	684	-
Plant and machinery	16,359	15,467
Furniture and office equipment	308,596	142,833
Transport assets	165,076	18,788
Intangible assets	69,641	44,913
	643,461	894,552

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Figures in Rand	2025	2024
3. Property, plant and equipment (continued)		
Property, plant and equipment in the process of being constructed or developed		
Cumulative expenditure recognised in the carrying value of property, plant and equipment		
Buildings	54,809,155	48,805,348
Roads Infrastructure	104,474,921	57,220,067
Electricity Infrastructure	3,820,361	1,488,953
	163,104,437	107,514,368
Expenditure incurred to repair and maintain property, plant and equipment		
Expenditure incurred to repair and maintain property, plant and equipment included in Statement of Financial Performance		
Maintenance of Buildings and Facilities	7,432,017	10,757,650
Maintenance of Equipment	8,171,822	8,712,396
Maintenance of Unspecified Assets	8,196,970	12,555,653
	23,800,809	32,025,699

Maintenance of property, plant and equipment

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.

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4. Intangible assets

	2025			2024		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software	644,468	(629,760)	14,708	1,319,316	(1,289,617)	29,699

Reconciliation of intangible assets - 2025

	Opening balance	Amortisation	Total
Computer software	29,699	(14,991)	14,708

Reconciliation of intangible assets - 2024

	Opening balance	Disposals	Amortisation	Total
Computer software	69,431	(14)	(39,718)	29,699

Pledged as security

No carrying value of intangible assets were pledged as securities.

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5. Heritage assets

	2025			2024		
	Cost / Valuation	Accumulated impairment losses	Carrying value	Cost / Valuation	Accumulated impairment losses	Carrying value
Waterfall picnic site	103,000	-	103,000	103,000	-	103,000
Historical monuments and statues	556,424	-	556,424	556,424	-	556,424
Mayoral gold chain	195,000	-	195,000	195,000	-	195,000
Paintings	60,000	-	60,000	60,000	-	60,000
Total	914,424	-	914,424	914,424	-	914,424

Reconciliation of heritage assets 2025

	Opening balance	Total
Waterfall picnic site	103,000	103,000
Historical monuments and statues	556,424	556,424
Mayoral gold chain	195,000	195,000
Paintings	60,000	60,000
	914,424	914,424

Reconciliation of heritage assets 2024

	Opening balance	Total
Waterfall picnic site	103,000	103,000
Historical monuments and statues	556,424	556,424
Mayoral gold chain	195,000	195,000
Paintings	60,000	60,000
	914,424	914,424

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5. Heritage assets (continued)

Pledged as security

No carrying value of heritage assets were pledged as security.

6. Employee benefit obligations

Defined benefit plans

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

Carrying value

Present value of the defined benefit obligation-wholly unfunded	(18,303,624)	(17,865,598)
Present value of the defined benefit obligation-partly or wholly funded	(6,418,887)	(6,308,150)
	(24,722,511)	(24,173,748)
Non-current liabilities	(24,209,511)	(23,369,748)
Current liabilities	(513,000)	(804,000)
	(24,722,511)	(24,173,748)

Post retirement benefit plan

6.1 Post retirement medical aid plan

The post-employment health care benefits valuation considers all current employees, retired employees and their dependants who participate in the health care arrangements and are entitled to a post-employment medical scheme subsidy. The postemployment health care liability is not a funded arrangement, i.e. no separate assets have been set aside to meet this liability. The effective date of the valuation is 30 June 2025.

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

Present value of the defined obligation - wholly unfunded	20,153,716	19,310,000
Non-Current Liabilities	20,055,151	18,962,000
Current Liabilities	98,565	348,000
	20,153,716	19,310,000

Changes in the present value of the defined benefit obligation are as follows:

Opening balance	18,627,139	15,406,000
Benefits paid	(348,000)	(166,000)
Net expense recognised in the statement of financial performance	1,191,716	3,387,139
	19,470,855	18,627,139

Net expense recognised in the statement of financial performance

Current service cost	1,356,000	1,152,000
Interest cost	2,364,000	1,926,000
Actuarial (gains) losses	(2,584,284)	245,139
	1,135,716	3,323,139

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Notes to the Annual Financial Statements

Figures in Rand	2025	2024

6. Employee benefit obligations (continued)

Calculation of actuarial gains and losses

Actuarial (gains) losses – Obligation	(2,584,284)	245,139

Key assumptions used

Assumptions used at the reporting date:

Discount rates used	12.48 %	12.35 %
Medical cost trend rates	7.96 %	7.82 %
Average retirement age	62	62

The basis on which the medical aid inflation rate has been determined is as follows:

The medical aid inflation rate was set with reference to the past relationship between the (yield curve based) Discount Rate for each relevant time period and the (yield curve based) Medical Aid Contribution Inflation for each relevant time period

South Africa has experienced high health care cost inflation in recent years. The annualised compound rates of increase for the last ten years show that registered medical aid schemes contribution inflation outstripped general CPI by almost 1.5% year on year.

We do not consider these increases to be sustainable and have assumed that medical aid contribution increases would outstrip general inflation by 1% per annum over the foreseeable future.

The basis on which the discount rate has been determined is as follows:

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 12.48% per annum has been used. The corresponding index-linked yield at this term is 4.25%. 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 2025.

These rates were calculated by using a liability-weighted average of the yields for the two components of the liability. Each component's fixed-interest and index-linked yields were taken from the respective bond yield curves at that component's duration, using an iterative process (because the yields depend on the liability, which in turn depends on the yields).

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6. Employee benefit obligations (continued)

Other assumptions

It was assumed that the Municipality's health care arrangements and subsidy policy would remain as outlined in Section 3. Furthermore, it was assumed that the level of benefits receivable, and the contributions payable in respect of such, would remain unchanged, with the exception of allowing for inflationary adjustments. Implicit in this approach is the assumption that current levels of cross-subsidy from in-service members to continuation members within the medical scheme are sustainable and will continue:

Amounts for the current and previous four years are as follows:

	2025 R	2024 R	2023 R	2022 R	2021 R
Defined benefit obligation	20,153,716	19,310,000	15,406,000	13,394,100	12,180,000
Surplus (deficit)	(20,153,716)	(19,310,000)	(15,406,000)	(13,394,100)	(12,180,000)

6.2 Long service awards obligation

Long service benefits are awarded in the form of a percentage of salary and a number of leave days once an employee has completed a certain number of years in service.

An actuarial valuation of the obligation has been performed by Arch Actuarial Consulting on all employees that are entitled to long service awards as at 30 June 2025. As at the valuation date, the long service award liabilities of the Municipality was unfunded, i.e. no dedicated assets have been set aside to meet this liability.

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

Carrying Value	6,889,361	6,300,000

Heading

Non-current liabilities	5,750,268	5,844,000
Current liabilities	1,139,093	456,000
	6,889,361	6,300,000

Changes in the present value of the defined benefit obligation are as follows:

Opening balance	6,300,000	5,657,000
Benefit Paid	(456,000)	(605,000)
Net expense recognised in the statement of financial performance	1,045,361	1,248,000
	6,889,361	6,300,000

Net expense recognised in the statement of financial performance in general expenses

Current Service Cost	614,000	575,000
Interest cost	671,000	610,000
Actuarial (gain) / losses	(239,639)	63,000
	1,045,361	1,248,000

Calculation of actuarial gains and losses

Actuarial (gains) losses - Obligations	(239,639)	63,000

Key assumptions used

Assumptions used at the reporting date:

Discount rates used	9.18 %	11.05 %

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6. Employee benefit obligations (continued)

Expected increase in salaries	4.55 %	6.20 %
Average retirement age	62	62

The basis on which the normal salary inflation rate has been determined is as follow:

We have derived the underlying future rate of consumer price index (CPI inflation) from the relationship between the (yield curve based) inflation-linked Bond rate for each relevant time period. Our assumed rate of salary inflation was set as the assumed value of CPI plus. The salaries used in the valuation include an assumed increase on 1 July 2024 of 6.20%. The next salary increase was assumed to take place on 1 July 2025.

The basis on which the discount rate has been determined is as follow:

GRAP 25 defines the determination of the Discount rate assumption to be used as follows: "The discount rate that reflects the time value of money is best approximated by reference to market yields at the reporting date on government bonds. Where there is no deep market in government bonds with a sufficiently long maturity to match the estimated maturity of all the benefit payments, an entity uses current market rates of the appropriate term to discount shorter term payments, and estimates the discount rate for longer maturities by extrapolating current market rates along the yield curve."

We use the nominal and real zero curves as at 30 June 2025 supplied by the JSE to determine our discounted rates and CPI assumptions at each relevant time period. For example a liability which pays out in 1 year will be discounted at a different rate than a liability which pays out in 30 years.

Other assumptions

The cost of the long service awards is dependent on the increase in the annual salaries paid to employees. The rate at which salaries increase will thus have a direct effect on the liability of future retirees. A one percentage point change in assumed normal salary inflation rate would have the following effects:

Amounts for the current and previous four years are as follows:

	2025	2024	2023	2022	2021
Defined benefit obligation	6,889,361	6,300,000	5,657,000	5,297,923	4,585,100
Plan assets	(6,889,361)	(6,300,000)	(5,657,000)	(5,297,923)	(4,585,100)
	-	-	-	-	-

Defined contribution plan

It is the policy of the municipality to provide retirement benefits to all its employees [or specify number of employees covered]. A number of defined contribution provident funds, all of which are subject to the Pensions Fund Act exist for this purpose.

The municipality is under no obligation to cover any unfunded benefits.

Included in defined contribution plan information above, is the following plan(s) which is (are) a Multi-Employer Funds and is (are) a Defined Benefit Plans, but due to the fact that sufficient information is not available to enable the municipality to account for the plan(s) as a defined benefit plan(s). The municipality accounted for this (these) plan(s) as a defined contribution plan(s):

- National Fund for Municipal Workers
- Municipal Gratuity Fund
- Municipal Employees Pension Fund

An increase in actuarial losses is attributable to an increase in the number of employee in the current year.

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7. Inventories

Land Held for sale	1,259,000	1,259,000
Consumable stores	8,207,917	9,193,612
	9,466,917	10,452,612

Inventory pledged as security

No carrying value of inventory were pledged as security.

Land appointed in terms of legislation which entity controls without legal ownership or custodianship

The total of consumable store's is represented by items held for use in operations.

For Inventory amounts relating to stock losses due to theft and shortages, please refer to Note 45 - Fruitless and Wasteful expenditure.

8. Receivables from exchange transactions - General

Deposits	8,953,156	8,228,837
Sundry debtors	5,291,262	5,208,435
Impairment: Sundry Debtors	(5,184,435)	(5,208,435)
Mopani District Municipality	189,285,825	181,029,940
Impairment: Mopani District Municipality	(183,209,401)	(176,839,924)
VAT Receivable Accrual	14,623,931	12,053,911
	29,760,338	24,472,764

9. Receivables from non-exchange transactions

Fines	10,513,328	9,930,531
Consumer Debtors - Rates	99,322,220	85,539,121
Impairment of Consumer debtors - Rates	(98,091,197)	(82,686,195)
Impairment debtors - Traffic fines	(10,480,081)	(9,922,981)
	1,264,270	2,860,476

Ageing for consumer debtors: Rates

Current (0 - 30 days)	2,532,640	1,993,862
31 - 60 days	1,496,036	1,376,993
61 - 90 days	3,667,534	1,369,216
91 - 120 days	1,415,309	1,280,531
121 - 365 days	4,988,110	10,273,481
> 365 days	85,255,838	69,252,588
Less: Impairment	(98,091,197)	(82,686,195)
	1,264,270	2,860,476

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9. Receivables from non-exchange transactions (continued)

Statutory receivables general information

Transaction(s) arising from statute

Property rates are charged based on the Municipal Properties Rates Act, 2004 (Act No.6 of 2004) on all applicable properties under the demarcations of the Municipality)

Traffic fines are charged based on the offences as prescribed by laws of the country.

Determination of transaction amount

The amount for property rates billing is determined through the implementation of the valuation roll that contains a list of properties and their market values for the determination of the rates payable

Traffic fines are charged in line with the type of offences and its charge as per the rates of determined in the by-laws and the Traffic Act

Statutory receivables past due but not impaired

As of 30 June 2025, the gross amount for statutory receivables relating to property rates were R99 322 220 (2024: R85 686 195).

As of 30 June 2025, the gross amount for statutory receivables relating to traffic fines were R10 513 328 (2024: R9 930 531)

Statutory receivables impaired

As of June 30, 2025, Statutory receivables relating to property rates amounting to R(98,091,197) (2024: R(82,686,195)) were impaired and provided for.

As of 30 June 2025, statutory receivables relating to traffic fines amounting to R(10,513,328) (2024: R(92,609,176)) were impaired and provided for.

Factors the entity considered in assessing statutory receivables impaired

A payment rate was determined and used to calculate the amount of debt impairment at year end

Receivables from non-exchange transactions pledged as security

No other receivables from non-exchange transactions were pledged as security.

10. VAT receivable Statutory

VAT receivable statutory	8,159,273	1,334,558

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10. VAT receivable Statutory (continued)

VAT Receivable statutory general information

Transaction(s) arising from statute

VAT receivables arise from transactions governed by the Value-Added Tax Act, 1991 (Act No. 89 of 1991), whereby the Municipality is entitled to recover input VAT paid on qualifying goods and services acquired in the course of its operations.

Determination of transaction amount

In accordance with the Value-Added Tax Act, 1991 (Act No. 89 of 1991), and the Municipality's registration on a payment basis for VAT purposes, the amount of VAT receivable is determined as the net of VAT inputs and VAT outputs based on actual cash transactions.

Statutory receivables gross amount

As of 30 June 2025, the statutory receivables relating to VAT receivable were R8 159 273 (2024: R1 334 558).

Statutory receivables impaired

As of 30 June 2025, statutory receivables relating to VAT receivables amounting to R0 (2024: R0) were impaired and provided for.

VAT receivable pledged as security

No VAT receivable was pledged as security.

11. Receivable from exchange Transactions - Consumer debtors

Gross balances

Electricity	38,054,037	37,238,273
Refuse	103,660,961	100,128,423
Other	28,824,696	29,867,161
	170,539,694	167,233,857

Less: Allowance for impairment

Electricity	(30,214,656)	(32,981,546)
Refuse	(103,214,166)	(99,702,553)
Other	(28,762,599)	(28,348,419)
	(162,191,421)	(161,032,518)

Net balance

Electricity	7,839,381	4,256,727
Refuse	446,795	425,870
Other	62,097	1,518,742
	8,348,273	6,201,339

Electricity

Current (0 -30 days)	1,280,749	202,317
31 - 60 days	225,057	317,183
61 - 90 days	185,932	67,277
91 - 120 days	221,636	108,962
121 - 365 days	1,296,270	401,761
> 365 days	474,167	3,159,227
	3,683,811	4,256,727

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Figures in Rand	2025	2024

11. Receivable from exchange Transactions - Consumer debtors (continued)

Refuse

Current (0 -30 days)	139,842	2,871
31 - 60 days	31,579	2,621
61 - 90 days	18,986	2,653
91 - 120 days	28,431	2,450
121 - 365 days	103,021	19,795
> 365 days	124,935	395,480
	446,794	425,870

Other service levies

Current (0 -30 days)	5,429	305
31 - 60 days	2,202	162
61 - 90 days	1,755	167
91 - 120 days	1,691	162
121 - 365 days	13,013	1,704
> 365 days	38,635	28,332
	62,725	30,832

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Notes to the Annual Financial Statements

Figures in Rand	2025	2024
11. Receivable from exchange Transactions - Consumer debtors (continued)		
Summary of debtors by customer classification		
Consumers		
Current (0 -30 days)	2,041,633	2,083,406
31 - 60 days	966,158	316,072
61 - 90 days	802,399	703,975
91 - 120 days	807,430	984,129
121 - 365 days	7,275,733	7,361,693
> 365 days	142,324,164	140,180,402
	154,217,517	151,629,677
Industrial/ commercial		
Current (0 -30 days)	1,390,213	393,273
31 - 60 days	469,421	920,562
61 - 90 days	437,390	817,971
91 - 120 days	539,153	593,370
121 - 365 days	3,043,130	3,555,499
> 365 days	5,872,691	4,963,003
	11,751,998	11,243,678
National and provincial government		
Current (0 -30 days)	446,266	238,713
31 - 60 days	45,334	188,719
61 - 90 days	43,953	194,323
91 - 120 days	52,779	129,252
121 - 365 days	411,290	586,610
> 365 days	3,570,557	3,022,885
	4,570,179	4,360,502
Total		
Current (0 -30 days)	3,878,112	2,715,392
31 - 60 days	1,480,913	1,425,353
61 - 90 days	1,283,742	1,716,269
91 - 120 days	1,399,362	1,706,751
121 - 365 days	10,730,153	11,503,802
> 365 days	151,767,412	148,166,290
	170,539,694	167,233,857
Less: Allowance for impairment	(162,191,421)	(161,032,518)
	8,348,273	6,201,339
Reconciliation of allowance for impairment		
Balance at beginning of the year	(433,364,760)	(391,486,037)
Contributions to allowance	(25,259,774)	(41,778,723)
	(458,624,534)	(433,264,760)

Narration of Classification by Customer

Consumer debtors pledged as security

No consumer debtors were pledged as security for any liabilities.

Assumptions used during the calculation of the Impairment of Debtors.

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Notes to the Annual Financial Statements

Figures in Rand	2025	2024

11. Receivable from exchange Transactions - Consumer debtors (continued)

The debtors age analysis with the outstanding balance of each debtor as at year end 30 June 2025 was drawn from the system.

Each debtor was assessed individually based on the debtors payment history.

A twelve months payments report covering the period from 01 July 2024 to 30 June 2025 was used to evaluate all other debtors. Based on this data, a recoverability rate was determined for each debtor.

The recoverability rate of each debtor's outstanding debt was calculated by dividing the total payment received during the period by the debtors outstanding balance at year-end. Debtors with recoverability rate exceeding 100% are considered fully recoverable and therefore not impaired.

Debtors with a recoverability rate of less than 100% are considered partially recoverable. Therefore, their outstanding balances at period-end are impaired by the unrecoverable portion-that is, the difference 100% and their individual recoverability rate.

12. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	12,552,113	12,486,446

The closing balance of cash book varies with the closing balance of bank statements due to outstanding deposits and outstanding payments relating to revenue and expenditure at year end.

The municipality had the following bank accounts

Account number / description	Bank statement balances			Cash book balances		
	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2025	June 30, 2024	June 30, 2023
First National Bank - 52100005761 - Cheque Account	690,945	181,281	826,124	1,139,904	612,801	1,253,493
First National Bank - 62051705534 - Call Account	308,559	87,566	578,635	1,601,524	1,394,312	1,981,953
ABSA Bank - Fixed Deposit - 2052023167	162,825	150,340	134,918	162,825	150,340	139,417
Standard Bank - 258694688- Money Market Call account	9,413,616	10,108,541	-	9,413,617	10,108,541	-
First National Bank- 62855503811 - Solidarity Fund	234,244	220,453	209,032	234,244	220,453	207,922
Total	10,810,189	10,748,181	1,748,709	12,552,114	12,486,447	3,582,785

13. Unspent conditional grants and receipts

Unspent conditional grants and receipts comprises of:

Unspent conditional grants and receipts

Municipal Disaster Management Grant	-	5,084,978

Movement during the year

Balance at the beginning of the year	5,084,978	3,900,000
Additions during the year	7,997,000	7,990,000
Income recognition during the year	(13,081,978)	(6,805,022)
	-	5,084,978

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Notes to the Annual Financial Statements

Figures in Rand	2025	2024

13. Unspent conditional grants and receipts (continued)

The nature and extent of government grants recognised in the annual financial statements and an indication of other forms of government assistance from which the municipality has directly benefited; an unfulfilled conditions and other contingencies attaching to government assistance that has been recognised.

14. VAT Payable Accrual

Reconciliation of vat payable accrual - 2025

	Opening Balance	Additions	Total
VAT Payable Accrual	27,146,072	6,425,912	33,571,984

Provisions for VAT represent accrual VAT payable not yet due to SARS as the municipality is on Cash Basis and the AFS are prepared on an Accrual Basis.

There is an increase of R6 425 912 in the current year due to an increase in accrued VAT payables.

15. Payables from exchange transactions

Trade payables	15,184,464	23,671,221
Payments received in advanced	1,854,412	3,205,048
Retentions	20,509,423	25,619,804
Accrued leave pay	13,846,102	12,932,431
Accrued annual bonus	2,915,606	2,572,085
Unallocated deposits	789,629	5,900,168
Deferred Revenue	8,688,785	-
Other Creditors	6,198,137	5,890,563
	69,986,558	79,791,320

Trade payables age analysis

15,184,464	25,476,336

16. VAT payable

17. Consumer deposits

Electricity	426,399	409,368

Consumer deposits are raised when a services account is opened and is refunded to the consumer after the account is closed.

No interest is paid on consumer deposits.

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Notes to the Annual Financial Statements

Figures in Rand	2025	2024

18. Revenue

Service charges	31,629,028	32,143,338
Construction contracts	16,940,187	9,561,739
Rental of facilities and equipment	49,886	196,610
Interest received - outstanding receivables	2,240,913	3,475,275
Agency services	3,253,672	3,127,597
Licences and permits	2,908,133	2,258,063
Other income	1,295,320	1,665,683
Interest received - investment	5,431,756	4,692,787
Property rates	21,898,244	20,495,447
Interest - Property Rates	730,049	236,499
Government grants & subsidies	495,036,980	448,377,024
Fines, Penalties and Forfeits	15,325,442	352,150
	596,739,610	526,582,212

The amount included in revenue arising from exchanges of goods or services are as follows:

Service charges	31,629,028	32,143,338
Construction contracts	16,940,187	9,561,739
Rental of facilities and equipment	49,886	196,610
Interest received (trading)	2,240,913	3,475,275
Agency services	3,253,672	3,127,597
Licences and permits	2,908,133	2,258,063
Other income	1,295,320	1,665,683
Interest received - investment	5,431,756	4,692,787
	63,748,895	57,121,092

The amount included in revenue arising from non-exchange transactions is as follows:

Taxation revenue

Property rates	21,898,244	20,495,447
Interest - Property Rates	730,049	236,499

Transfer revenue

Government grants & subsidies	495,036,980	448,377,024
Fines, Penalties and Forfeits	15,325,442	352,150
	532,990,715	469,461,120

19. Service charges

Sale of electricity	24,985,062	26,434,584
Solid waste	6,643,966	5,708,754
	31,629,028	32,143,338

20. Construction Contracts

Construction contracts	16,940,187	9,561,739

National Treasury Issued Municipal SCOA Circular No. 16 which. The Department of Mineral Resources and Energy (DMRE) later decided to allocate 5B direct grants to municipalities that demonstrated sufficient capacity to implement the projects themselves, regardless of their licensing status. This therefore resulted in INEP being classified under Revenue from Exchange Transactions from Revenue from Non-Exchange Transactions-

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Figures in Rand	2025	2024
21. Rental of facilities and equipment		
Facilities and equipment		
Rental of facilities	49,886	196,610
22. Fines, Penalties and Forfeits		
Illegal Connections Fines	31,500	22,698
Municipal Traffic Fines	629,300	329,452
Deposits Forfeits	5,007,130	-
Retentions Forfeits	9,657,512	-
	15,325,442	352,150
The municipal council approved writte-off of historical retention liability, and unclaimed deposit.		
23. Agency services		
Management fees	3,253,672	3,127,597
24. Licences and permits		
Road and Transport	2,908,133	2,258,063
25. Other income		
Other income	1,295,320	1,665,683
26. Investment received - Investment		
Interest revenue		
Bank	5,431,756	4,692,787
27. Property rates		
Rates earned		
Residential	12,344,515	11,618,287
Commercial	337,675	1,087,614
State and Government	9,216,054	7,789,546
	21,898,244	20,495,447

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Notes to the Annual Financial Statements

Figures in Rand	2025	2024
28. Government grants and subsidies		
Operating grants		
Equitable share	385,877,000	365,992,000
Finance Management Grant	2,000,000	2,000,002
Extended Public Works Programme	1,874,000	1,564,000
Energy Efficiency Management Grant	5,000,000	8,000,000
Municipal Disaster Management Grant	13,081,980	6,805,022
	407,832,980	384,361,024
Capital grants		
Municipal Infrastructure Grant	87,204,000	64,016,000
	495,036,980	448,377,024
Equitable Share		
In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members.		
Finance Management Grant (FMG)		
Conditions met - transferred to revenue	(2,000,000)	(2,000,000)
Current-year receipts	2,000,000	2,000,000
	-	-
Conditions met - (see note 13).		
Extended Public Works Programme Grant (EPWP)		
Current-year receipts	1,874,000	1,564,000
Conditions met - transferred to revenue	(1,874,000)	(1,564,000)
	-	-
Conditions met - (see note 13).		
Energy Efficiency Management Grant		
Current-year receipts	5,000,000	8,000,000
Conditions met - transferred to revenue	(5,000,000)	(8,000,000)
	-	-
Conditions met - (see note 13).		
Municipal Infrastructure Grant		
Current-year receipts	87,204,200	64,016,000
Conditions met - transferred to revenue	(87,204,200)	(64,016,000)
	-	-
Conditions met - (see note 13).		
Municipal Disaster Management Grant		
Balance unspent at beginning of year	5,084,978	3,900,000
Current-year receipts	7,997,000	7,990,000
Conditions met - transferred to revenue	(13,081,978)	(6,805,022)

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Notes to the Annual Financial Statements

Figures in Rand	2025	2024
28. Government grants and subsidies (continued)		
	-	5,084,978
Conditions met - (see note 13).		
29. Contracted services		
Presented previously		
Other Contractors	86,250	69,800
Outsourced Services		
Catering Services	3,678,400	3,381,605
Meter Management	933,532	707,358
Mini Dumping Sites	4,278,664	4,369,191
Security Services	151,036	170,592
Consultants and Professional Services		
Business and Advisory	4,769,283	13,267,048
Infrastructure and Planning	1,579,750	718,941
Legal Cost	10,903,160	15,895,014
Contractors		
Bore Waterhole Drilling	24,824	12,450
Electrical	17,362,991	12,338,188
Event Promoters	209,625	164,240
Fire Services	406,145	379,836
Maintenance of Buildings and Facilities	7,432,017	10,255,080
Maintenance of Equipment	8,171,822	8,712,396
Maintenance of Unspecified Assets	8,196,970	12,555,653
Transportation	153,045	140,475
Safeguard and Security	55,072,354	45,375,791
Sports and Recreation	2,138,314	1,386,389
Removal of Hazardous Waste	53,350	75,650
	125,601,532	129,975,697

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Figures in Rand	2025	2024
30. General expenses		
Advertising	1,707,276	1,618,689
Auditors remuneration	6,040,134	5,323,740
Bank charges	592,434	311,542
Vehicle tracking	1,054,505	978,812
Commission paid	360,547	201,440
Stores and material	13,159,354	12,648,059
Hire	886,000	923,003
Insurance	6,426,244	5,522,451
IT expenses	8,729,875	6,624,832
Seminars Conferences Workshops and Events	456,910	303,300
Protective clothing	5,129,709	5,819,465
Subscriptions and membership fees	1,828,055	1,464,814
Communication	4,226,875	3,515,832
Travel - local	10,129,467	10,904,387
Rentals for printers	2,685,862	3,401,358
Assets expensed	62,042	24,000
Electricity	7,648,646	5,530,106
Bursary scheme	2,598,753	216,186
Training	2,393,767	2,976,782
Free basic services and rebates	230,755	915,022
Remuneration of ward committees	9,795,439	7,436,626
Other expenses	432,177	711,510
	86,574,826	77,371,956

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Notes to the Annual Financial Statements

Figures in Rand 2025 2024

31. Employee related costs

Basic	92,619,185	84,080,748
Bonus-13th Cheque	7,023,293	6,564,796
Medical aid - company contributions	7,505,933	6,922,817
UIF	591,232	579,300
WCA	722,941	615,653
SDL	1,468,077	1,434,341
Leave pay provision charge	5,083,784	3,554,499
Pension fund and other fund contributions	16,520,470	15,620,997
Travel, motor car, accommodation, subsistence and other allowances	2,897,535	1,996,468
Overtime payments	5,855,631	5,467,318
Long-service awards and Post Employment Medical Aid	2,190,816	2,347,770
Acting allowances	852,411	1,639,163
Car allowance	8,807,712	9,689,563
Housing,rental,standby benefits and uniform allowances	1,822,979	548,489
Cellular and telephone allowance	1,695,943	1,460,555
	155,657,942	142,522,477

Remuneration of Municipal Manager

Annual Remuneration	1,241,220	1,192,657
Car Allowance	84,000	84,000
KM Claims	53,042	52,332
Cellphone Allowance	36,000	36,000
Computer Allowance	12,000	12,000
Back Pay	42,335	47,427
Non Pensionable	43,632	-
CC - SDL	14,424	13,553
CC - UIF	2,125	2,125
	1,528,778	1,440,094

Mr Sewape M.O is the Municipal Manager for the year under review.

Remuneration of Chief Finance Officer

Annual Remuneration	899,953	58,080
Car Allowance	192,000	16,000
Acting Allowance	-	238,196
Back Pay	46,399	-
KM Claims	31,407	2,265
Cell Phone Allowance	36,000	19,500
Non Pensionable	40,680	-
Housing allowance	12,000	1,000
Computer Allowance	12,000	-
CC - SDL	12,006	729
CC - UIF	2,125	177
	1,284,570	335,947

Ms Sesene AN is the Chief Financial Officer for the year under review.

Remuneration of Senior Manager Corporate services

Annual Remuneration	923,953	883,498
Car Allowance	180,000	180,000
Back Pay	35,267	54,061
KM Claims	53,075	37,629
Computer Allowancer	12,000	12,000

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Figures in Rand	2025	2024
31. Employee related costs (continued)		
Cellphone Allowance	36,000	36,000
Non Pensionable	40,680	-
CC - SDL	11,919	11,296
CC - UIF	2,125	2,125
	1,295,019	1,216,609

Mr Lekhota P.L is the Senior Manager for Corporate Services for the year under review.

Remuneration of Senior Manager Community Services

Annual Remuneration	923,953	428,780
Car Allowance	180,000	90,000
KM Claims	41,556	17,622
Back Pay	17,634	-
Non Pensionable	30,510	-
Computer Allowance	12,000	5,000
Cellphone Allowance	36,000	18,000
CC - SDL	11,641	5,238
CC - UIF	2,125	1,063
	1,255,419	565,703

Mr Mamatlepa M.L is the Senior Manager for Community Services for the year under review.

Remuneration of Senior Manager Technical Services

Annual Remuneration	1,019,953	979,498
Car Allowance	84,000	84,000
Back Pay	35,267	30,059
Non Pensionable	40,680	-
Computer Allowance	12,000	12,000
Cellphone Allowance	36,000	36,000
KM Claims	42,568	53,775
CC-SDL	12,111	11,248
CC - UIF	2,125	2,125
	1,284,704	1,208,705

Ms Nhlane G is the Senior Manager for Technical Services for the year under review.

Remuneration of Senior Manager Development and Town Planning

Annual Remuneration	1,027,611	-
Car Allowance	60,000	-
KM Claims	74,633	-
Non Pensionable	20,340	-
Cellphone Allowance	36,000	9,000
Computer Allowance	12,000	-
Acting Allowance	-	79,250
Back Pay	16,341	53,603
CC - UIF	2,125	-
CC - SDL	11,603	-
	1,260,653	141,853

.Mr Phosa ML was appointed as Senior Manager for Development and Town Planning from July 2024.

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Notes to the Annual Financial Statements

Figures in Rand	2025	2024

32. Remuneration of councillors

Mayor	1,078,415	996,500
Executive Committee	11,704,851	10,701,087
Speaker	871,997	806,420
Councillors	20,051,105	19,699,223
	33,706,368	32,203,230

In-kind benefits

The Mayor, Speaker and Mayoral Committee Members are full-time. Each is provided with an office and secretarial support at the cost of the Council.

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.

33. Depreciation and amortisation

Property, plant and equipment	49,695,525	47,303,008
Investment property	8,993	9,016
Intangible assets	62,356	33,150
	49,766,874	47,345,174

34. Impairment and Gain/(Loss) on assets

Impairments		
Property, plant and equipment	6,075,924	1,011,667
Gain/(Loss) on assets	(691,479)	3,361,751
	5,384,445	4,373,418

The significant decrease in impairment loss is mainly attributable to impairment of infrastructure assets amounting to R10 113 209 which was recognised in the current year.

35. Debt impairment

Debt impairment	25,259,774	42,697,046

36. Bad Debts

Bad Debts Written Off	1,091,271	-

37. Bulk purchases

Electricity - Eskom	20,719,875	19,859,883

38. Auditors' remuneration

Fees	6,040,134	5,323,740

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Notes to the Annual Financial Statements

Figures in Rand	2025	2024
39. Cash generated from operations		
Surplus	92,503,668	28,676,971
Adjustments for:		
Depreciation and amortisation	49,766,874	47,345,174
Gain/ loss on assets	(691,479)	3,361,751
Finance costs	2,847,602	2,363,368
Interest income	-	-
Impairment deficit	6,075,924	1,011,667
Debt impairment	25,259,774	42,697,046
Bad debts written off	1,091,271	-
Movements in retirement benefit assets and liabilities	(1,605,212)	5,013,796
Movements in provisions	9,782,923	5,039,313
Unallocated deposit write off, retention forfeit and fines	(15,293,942)	-
Actuarial gains/ losses	(2,585,851)	(962,676)
Movement in adjustment	-	-
Changes in working capital:		
Inventories	985,695	(633,813)
Receivables from exchange transactions - General	(9,063,031)	(13,958,960)
Consumer debtors	(3,305,836)	(7,908,864)
VAT Receivable Accrual	(2,570,020)	(8,152,693)
Statutory receivables from non exchange transaction	(14,365,898)	(12,098,783)
Finance lease obligations	211,099	-
VAT payable accrual	6,425,912	8,656,099
Payables from exchange transactions	(9,804,763)	(1,360,993)
VAT Receivable Statutory	(6,824,715)	1,558,219
Unspent conditional grants and receipts	(5,084,978)	(1,184,978)
Consumer deposits	17,031	(1,697)
	123,772,048	99,459,947
40. Commitments		
Authorised capital expenditure		
Already contracted for but not provided for		
• Property, plant and equipment	243,000,793	178,593,163
• Prior year error	14,221,121	-
• Other financial assets	16,364,188	6,712,550
	273,586,102	185,305,713
Total commitment	273,586,102	185,305,713
Not yet contracted for and authorised by accounting officer	-	-
	273,586,102	185,305,713

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Notes to the Annual Financial Statements

Figures in Rand	2025	2024
41. Contingent Liabilities		
Description		
1. Hennox 60 CC - The Municipality is sued R3 635 396.33 for damages caused to the Plaintiff's house due to non maintenance of the storm water pipes crossing the Plaintiff's yard. The matter is being defended and still pending.	21,069,172	18,134,526
2. Star Mirl - The Municipality is sued R7 069 436.52 by the Plaintiff. The Plaintiff alleges that while appointed as a service provider for the Municipality, the latter paid a person not so authorised by the Plaintiff. The matter is being defended and still pending.	7,069,437	7,069,437
3. Terror Trading Enterprise - The Municipality is sued R4 374 783.30 by the Plaintiff. The Plaintiff alleges that the contract awarded to him was terminated unlawfully so by the Municipality. The matter is being defended and still pending.	15,532,802	13,381,642
4. JM Rakomane O.B.O MT Rakomane - The Municipality is sued R915 000.00 by the Plaintiff. The Plaintiff is acting on behalf of his child and issuing the Municipality for alleged injuries sustained by the child on Municipal property (Stadium). The matter is on a pleading stage.	1,274,381	1,185,517
5. Voltex (Pty) Ltd - The Municipality is sued for R147 517.36 by the Plaintiff. The Plaintiff was the service provider of the Municipality and is suing the latter for the work allegedly done. The matter is being defended and still pending.	243,265	226,865
6. Hlamalani Ben Maselesele - The Municipality is sued R40 951.36 by the Plaintiff. The Plaintiff alleges that the municipality had failed to maintain internal street at Ga-Kgapane suffered damages after falling into a huge pothole. The matter is being defended and still pending.	40,951	40,951
7. Lesly Cecelia Ndleve - The Municipality is sued R23 915.03 by the Plaintiff. The Plaintiff is seeking a mandatory order demanding that the property sold to him be transferred. The case is closed	-	23,915
8. Maile Rufus - The Municipality is sued R30 000.00 by the Plaintiff. The Plaintiff is suing the Municipality for damages caused by uncontrolled storm channel. The case is closed	-	-
9. Vincent Marelele - The Municipality is sued R20 000.00 by the Plaintiff. The plaintiff is suing the municipality for damages caused by unmaintained road. The matter is being defended and still pending. The case is closed.	-	30,000
10. Burica (Pty) Ltd - The Municipality is sued R238 977.24 by the Plaintiff. The Plaintiff is suing the municipality for alleged outstanding contractual money for service rendered. The matter is being defended and still pending.	-	26,153
11. SABI Daviel Malubeke - The Municipality is sued R52 000.00 by the. SABI Daviel Malubeke - The Municipality is sued R52 000.00 by the Plaintiff. The Plaintiff is suing the municipality for alleged damages suffered because of the accident that occurred between the Plaintiff's vehicle and that of the municipality.	296,799	271,345
12. Emmanuel Ramothibedi Sebasa - The Municipality is sued R100 000.00 by the Plaintiff. The municipality is sued by one of the residents who alleged that he suffered personal injuries after falling in unguarded low level bridge in Ga-Kgapane township.	52,000	52,000
	100,000	100,000
	45,678,807	40,542,351

Contingent liabilities whose financial effect cannot be estimated reliably

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41. Contingent Liabilities (continued)

13. Maite Hellen Ramalepe - There is ongoing legal action initiated by the Plaintiff to prevent the municipality from withdrawing the trading license issued to one of the respondents. The financial effect of this contingent liability cannot be estimated reliably at this stage.

14. Fanni Venter and Seuns Boedery (Pty) Ltd and Bertie Van Zyl (Pty) Ltd - There is an ongoing application for rescission and a defense against the subsequent application made by the applicants. This legal action relates to the Unlawful township establishment on portions 11-14 of the farm Paard-Edood 186-LT. The financial effect of this contingent liability cannot be estimated reliably at this stage.

42. Related parties

Relationships

Members of key management

MO Sewape (Municipal Manager), AN Sesene (Chief Financial Officer), G Nhlane (Senior Manager: Technical Services), MP Lekhota (Senior Manager: Corporate Services), L Mamatlepa (Senior Manager: Community Services), Phosa L (Senior Manager: Development and Planning)
Councillors - Refer to note below.

All Councillors have disclosed their interest in related parties and no one has the ability to control or exercise significant influence over the Council in making financial or operational decision. For a detailed list of councillors refer to page 1 and 2 of the AFS.

During the financial year no Councillor or Official had any interest in related parties and no one could control or influence Council in making financial or operational decision.

For detailed amounts with respect to Members of key management kindly refer to Note 30.

The municipality had no other related party transactions or balances during the financial year outside of the contractual remuneration of senior management

43. Risk management

Financial risk management

The municipality's activities expose it to a variety of financial risks: market risk (fair value interest rate risk, cash flow interest rate risk), credit risk and liquidity risk.

The municipality's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the municipality's financial performance.

Default and breaches

There was no default and breaches for the applicable liabilities of the municipality

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43. Risk management (continued)

Liquidity risk

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.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, municipality treasury maintains flexibility in funding by maintaining availability under committed credit lines.

The municipality's risk to liquidity is a result of the funds available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments and credit facilities. No changes were made to the funding method and method used to assess the risk.

Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

Credit risk

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.

Credit risk is managed on through implementation of the municipality credit risk policy.

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. No changes were made on the method of assessment.

Market risk

Interest rate risk

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.

The interest risk is managed through the implementation of the credit control policy by the revenue unit and applying a fixed interest rate. There was no changes on the policy and the method use

44. Unauthorised expenditure

Opening balance as previously reported	176,128,232	505,083,463
Opening balance as restated	176,128,232	505,083,463
Add: Expenditure identified - current	51,763,950	83,326,794
Less: Approved/condoned/authorised by council	(80,925,421)	(412,282,025)
Closing balance	146,966,761	176,128,232

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45. Fruitless and wasteful expenditure		
Opening balance as previously reported	749,452	660,513
Opening balance as restated	749,452	660,513
Add: Expenditure identified - current	-	14,465
Add: Expenditure identified in the current - prior period	3,705,496	-
Add: Stock loss due theft and shortages	43,583	96,864
Less: Amount written off - current	(111,329)	-
Less: Recovery	-	(8,391)
Less: Writte off	-	(13,999)
Closing balance	4,387,202	749,452
The prior period expenditure for fruitless identified in the current year relate to roads belonging RAL (Malematja and Senwamokgope Roads)		
46. Irregular expenditure		
Opening balance as previously reported	23,980,291	20,058,994
Opening balance as restated	23,980,291	20,058,994
Add: Irregular Expenditure - current	-	3,921,297
Less: Amount written off - current	(21,038,640)	-
Closing balance	2,941,651	23,980,291
Analysis of expenditure awaiting condonation per age classification		
Current year	-	122,076
Amounts written-off		
47. Additional disclosure in terms of Municipal Finance Management Act		
SALGA		
Current year subscription / fee	1,836,305	1,473,064
Amount paid - current year	(1,836,305)	(1,473,064)
	-	-
Electricity distribution savings/l(osses)		
wh units purchased from Eskom	(9,133,279)	(9,790,708)
Kwh units sold per billing system statistics	8,763,588	9,766,745
Distribution savings / (losses)	(369,691)	(23,963)
Audit fees		
Current year subscription / fee	6,040,134	5,323,740
Amount paid - current year	(6,040,134)	(5,323,740)
	-	-

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47. Additional disclosure in terms of Municipal Finance Management Act (continued)

PAYE, UIF and SDL

Current year subscription / fee	30,896,628	27,914,205
Amount paid - current year	(28,186,659)	(25,581,558)
	2,709,969	2,332,647

Pension and Medical Aid Deductions

Current year subscription / fee	14,810,138	23,383,937
Amount paid - current year	(13,594,424)	(21,430,394)
	1,215,714	1,953,543

Councillors' arrear consumer accounts

MFMA section 124(1)(b) also requires disclosure of any arrears owed by individual councillors to the municipality for rates or services and which at any time during the relevant financial year were outstanding. The following councillors had outstanding balances as at June 30, 2025:

June 30, 2025	Current (0-30 days) R	Outstanding more than 90 days R	Total R
Cllr Mosila MR	1,845	-	1,845
Cllr Matlou MP	1,931	-	1,931
	3,776	-	3,776

48. Deviation from supply chain management regulations

Paragraph 12(1)(d)(i) of Government gazette No. 27636 issued on 30 May 2005 states that a supply chain management policy must provide for the procurement of goods and services by way of a competitive bidding process.

Paragraph 36 of the same gazette states that the accounting officer may dispense with the official procurement process in certain circumstances, provided that he records the reasons for any deviations and reports them to the next meeting of the accounting officer and includes a note to the annual financial statements. The total deviations for the year under review amounted to R1 674 783.42 (2024: R3 884 036.33)

49. Entities that are part of a Principle vs Agent arrangement

The Municipality is part of a principle vs agent arrangement with Mopani District Municipality and Department of Transport. In this arrangement, the Municipality is the agent and is acting on behalf of Mopani District Municipality and Department of Transport by providing Water and sewerage services for Mopani District Municipality and licences and permit services for Department of Transport.

Municipality acting as an agent

Revenue recognised as compensation for the transactions carried out on behalf of the principal - MDM and Department of Transport	3,253,672	3,127,597
Revenue received or to be received on behalf of the principal Department of Transport	18,161,509	17,718,613
Expenditure incurred on behalf of the principal Department of Transport	15,253,376	15,488,294
	36,668,557	36,334,504

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49. Entities that are part of a Principle vs Agent arrangement (continued)

Receivables held on behalf of the principal

Opening balance - Mopani District Municipality	99,481,578	91,170,368
Revenue receivable - MDM	13,985,046	12,668,118
Amount received	(6,277,958)	(4,356,908)
Revenue collected on behalf and paid to Mopani	3,744,065	3,875,230
	110,932,731	103,356,808

Payables held on behalf of the principal

Expenses incurred - MDM	11,148,494	13,705,882
Cash paid	(11,148,494)	(13,705,882)
	-	-

If any party commits a breach of the contract, it shall deliver a written notice to the defaulting party notifying it of the breach giving rise to such right and requesting the defaulting party to remedy the breach in question within a period of 20 days.

The Municipality is responsible for ensuring that consumers have access to water services in accordance with the constitution of The Republic of South Africa, 1996, the Municipal Structures Act (Act 33 of 1998) and the Act.

The District Municipality has subsequent to assessments in terms of section 78 of the Municipal Systems Act (No 32 of 2000), selected a service delivery agreement with the local Municipality as the preferred service delivery within the water services area.

Greater Letaba is providing water services to the consumers within the water service area on the effective date, in accordance with the Cooperative Governance Agreement entered into between Mopani and Greater Letaba upon authorization issued by the Minister of Provincial and Local Government Affairs in terms of the Municipal Structures Act (Act 33 of 1998) as repealed.

There were no changes that occurred in the current year.

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50. Finance lease obligation		
Minimum lease payments due		
- within one year	2,771,383	2,560,284
- in second to fifth year inclusive	1,036,667	3,692,741
Present value of minimum lease payments	3,808,050	6,253,025
 Non-current liabilities	 1,036,667	 3,692,741
Current liabilities	2,771,383	2,560,284
	3,808,050	6,253,025

The finance lease relates to the lease of 75 rental network printing and photocopying machine as well as 90 laptops for a period of 3 years.

The average lease term was 3 years and the average effective borrowing rate was 11.75%
Anaka Contract = 11.75

Munisoft Laptop contract= 11.75%

Munisoft Additional 10 Laptops= 11.50%

Interest rates are linked to prime at the contract date. All leases have fixed repayments and no arrangements have been entered into for contingent rent.

The municipality's obligations under finance leases are secured by the lessor's charge over the leased assets.

51. Interest received

Interest - Property rates	730,049	236,499
Interest received - Outstanding receivables	2,240,913	3,475,275
	2,970,962	3,711,774

52. Finance costs

Finance leases	211,284	155,668
Employee benefit obligation	2,847,602	2,363,368
	3,058,886	2,519,036

Notes to the Annual Financial Statements

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53. Prior period errors

Nature of the error

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Figures in Rand	2025	2024

53. Prior period errors (continued)

- 1.) Inventory was understated in the prior year by a value of R190 850. The error was corrected in the current year by restating opening balance.
- 2.) The Property, Plant and Equipment was understated in the prior year by a value of R3 295 532.54. The error was corrected in the current year by restating opening balance.
- 3.) Payables from exchange transactions were overstated in the prior year by a value of R15 149 074. The error was corrected in the current year by restating opening balance.
- 4.) VAT payable Accrual was understated in the prior year by a value of R14 796 527. The error was corrected in the current year by restating opening balance.
- 5.) Employee related costs was overstated in the prior year by a value of R5 912 037. The error was corrected in the current year by restating opening balance.
- 6.) Remuneration of councillors was understated in the prior year by a value of R89 520. The error was corrected in the current year by restating opening balance.
- 7.) Contracted services was overstated in the prior year by a value of R239 443. The error was corrected in the current year by restating opening balance.
- 8.) General Expenses was overstated in the prior year by a value of R562 341. The error was corrected in the current year by restating opening balance.
- 9.) loss on assets was understated in the prior year by a value of R3 050 59. The error was corrected in the current year by restating opening balance.
- 10.) National Treasury Issued Municipal SCOA Circular No. 16 which. The Department of Mineral Resources and Energy (DMRE) later decided to allocate 5B direct grants to municipalities that demonstrated sufficient capacity to implement the projects themselves, regardless of their licensing status. This therefore resulted in INEP being classified under Revenue from Exchange Transactions from Revenue from Non-Exchange Transactions. Therefore INEP grant of 10 996 000 previously under Government Grants has been reclassified to Construction Contracts
- 11.) National Treasury Issued Municipal SCOA Circular No. 16 which. The Department of Mineral Resources and Energy (DMRE) later decided to allocate 5B direct grants to municipalities that demonstrated sufficient capacity to implement the projects themselves, regardless of their licensing status. This therefore resulted in VAT Output being recognised from the reclassified Revenue as per item 13 above. VAT output of 1 434 260.87 has been recognised relating to the reclassified INEP Grant.
- 12.) Depreciation was understated in the prior year by a value of R12 409.00. The error was corrected in the current year by restating opening balance.
- 13.) Actuarial gains was understated in the prior year by a value of R654 536.75. The error was corrected in the current year by restating opening balance.
- 14.) Employee benefit obligations was overstated in the prior year by a value of R140 535.04. The error was corrected in the current year by restating opening balance.
- 15.) Statutory VAT was overstated in the prior year by a value of R3 301. The error was corrected in the current year by restating opening balance
- 16.) Property rates was understated in the prior year by a value of R458 835.78. The error was corrected in the current year by restating opening balance.
- 17) Receivable from exchange transactions General was understated by R12 201 940. The error was corrected in the current year by restating opening balance.
- 18) Cash and cash equivalent was understated in the prior year by a value of R32 225 . The reclassification was corrected by restating opening balance.

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53. Prior period errors (continued)

19) Service Charges was understated in the prior year by a value of R126 940. The error was corrected in the current year by restating opening balance

20) Licence and permit was understated in the prior year by a value of R25 744.28. The error was corrected in the current year by restating opening balance.

21) Debt Impairment was overstated in the prior year by a value of R148 028 . The error was corrected by restating opening balance..

22) Prior year Accumulated surplus was understated by R6 820 011. The error was correct in the current.

The correction of the error(s) results in adjustments as follows:

Statement of Financial Position	Note	As previously reported	Correction of errors	Reclassification	Change in accounting policy	Total
Current Assets		-	-	-	-	-
Inventories	'7	10,261,762	190,850	-	-	10,452,612
Receivables from exchange transactions - General VAT receivable	'8	12,270,824	148,029	12,053,911	-	24,472,764
Cash and cash equivalents						
Non-Current Assets				-	-	-
Property, plant and equipment	'3	1,213,182,873	(3,295,533)	-	-	1,209,887,340
Current Liabilities		-	-	-	-	-
Payables from exchange transactions	'15	(94,940,394)	15,149,074	-	-	(79,791,320)
VAT Payable	'14	(12,347,101)	(1,353,599)	(13,445,372)	-	(27,146,072)
Accrual						
Non-Current Liabilities		-	-	-	-	-
Employee benefit obligation	'6	(23,510,283)	140,535	-	-	(23,369,748)
Accumulated surplus		-	(6,820,011)	-	-	(6,820,011)
		<u>1,118,709,761</u>	<u>4,188,269</u>	<u>(1,391,461)</u>	<u>-</u>	<u>1,121,506,569</u>

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53. Prior period errors (continued)

Statement of Financial Performance	Note	As previously reported	Correction of errors	Reclassification	Total
Revenue		-	-	-	-
Service charges	'19	(32,016,397)	(126,940)	-	(32,143,337)
Construction Contracts	'20	-	-	(9,561,739)	(9,561,739)
Licences and permits	'24	(2,232,319)	(25,744)	-	(2,258,063)
Property rates	'27	(20,036,611)	(458,836)	-	(20,495,447)
Government grants & subsidies	'28	(459,373,024)	-	10,996,000	(448,377,024)
Expenditure		-	-	-	-
Employee related costs	'31	148,434,515	(5,912,037)	-	142,522,478
Remuneration of councillors	'32	32,113,710	89,520	-	32,203,230
Depreciation and amortisation	'33	47,332,575	12,409	-	47,344,984
Debt Impairment	35	42,845,074	(148,029)	-	42,697,080
Contracted services	'29	130,215,140	(239,443)	-	129,975,697
General Expenses	'30	77,934,297	(562,341)	-	77,371,956
Gain/ Loss on assets	'34	(423,744)	3,785,496	-	3,361,752
Actuarial gains/(losses)	'6	(308,139)	(654,537)	-	(962,676)
		(35,514,923)	(4,240,482)	1,434,261	(38,321,109)

Irregular expenditure

r.

54. Going concern

We draw attention to the fact that at June 30, 2025, the municipality had a surplus of R 92,503,669 and that the municipality's total assets exceed its total liabilities by R 1,218,439,652.

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.

Despite the positive net asset position, the municipality had R12.5 million in cash and cash equivalents, which may not be sufficient to meet the short-term obligations. The municipality budget for the financial year 2025/26 was assessed as unfunded due to low collection of revenue for consumer services. The municipality have developed the Cost containment measures and budget implementation plan in order to achieve cost savings and ensure that the budget is funded

The following mitigating factors support the going concern assumption:

Financial Considerations in Line with GRAP Requirements:

Management has no intention to liquidate or cease operations.

The municipality is not reliant on external loans or credit facilities.

Revenue-generating assets remain operational and have not significantly deteriorated.

The municipality is funded through own funding and grant allocation, which include Equitable Share Allocation, and grant funded projects which include Municipal Infrastructure Grant (MIG), INEP, EPWP, FMS of which together contributed over R495 million in revenue during the year.

Revenue Enhancement and Receivables:

A Revenue Enhancement Strategy is scheduled for implementation in the 2025/2026 financial year.

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54. Going concern (continued)

The municipality expects payment of R8.1 million from the South African Revenue Service (SARS) for VAT receivable, which will further support operations. SARS has committed to processing VAT refunds within 21 business days of receiving a valid claim.

Operational and Budgetary Controls:

The municipality has committed to cost containment measures, resulting in reduced contracted services.

Budget variances are actively monitored, and explanations for material differences are disclosed in Note 56.

Internal controls and risk management systems are in place to monitor financial performance and mitigate operational risks.

External Oversight and Support:

The municipality continues to receive oversight and support from the National Treasury, including compliance with MFMA and GRAP standards.

The ability of the municipality to continue as a going concern will be supported by the successful implementation of its revenue enhancement strategy, recovery of receivables, and continued support from government grants. Management remains confident that these factors will enable the municipality to meet its obligations and sustain operations in the foreseeable future.

55. Segment information

General information

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55. Segment information (continued)

Identification of segments

dentification of segments

The report is organized based on municipality departments which are reportable segments and where performance is measurable. Management uses these same segments for compilation of the IDP, SDBIP, budget and monthly and quarterly reporting. The segments were organized 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 following are the reportable segments if the municipality.

Executive and Council

Provides political leadership to the municipality for the generation of economic benefits and service potential

Through the office of the Municipal Manager it also provides for the administration, leadership, performance monitoring, integrated development plan, risk management and internal audit functions to the municipality for the generation of economic benefits and service potential.

Budget and Reporting

Provides financial administration to the municipality for the generation of economic benefits and service potential

Community Services and Public Safety

Provides social services, public safety, public spaces, libraries and indigents administration to the municipality for the generation of economic benefits and service potential

Planning and Development

Provides for waste management, town planning, local economic development and environment sustainability for the generation of economic benefits and service potential

Technical Services

Road transport, electricity, housing and building inspection, project management unit, wastewater management and all infrastructure services to the municipality for the generation of economic benefits and service potential

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55. Segment information (continued)

Corporate Services and Administration

Provides legal and administration management services including HR and IT to the municipality for the generation of service potential

Geographical considerations:

Greater Letaba Municipality (GLM) is in the north-eastern part of the Limpopo Province in the jurisdiction area of Mopani District Municipality. Greater Letaba Municipality shares borders with Greater Tzaneen Municipality in the south, Greater Giyani Municipality in the east, Molemole Municipality in the west and Collins Chabane Municipality in the north.

Greater Letaba Municipal area is one of the smaller municipal areas in terms of land area, and characterized by contrasts such as varied topography, population densities (low in the south, relatively dense in the north-east), prolific vegetates in the south (timber) and sparse in the north (bushveld).

The “gates” to the municipal area are considered to be Sekgopo in the west and Modjadjiskloof in the south. The land area of Greater Letaba Municipality extends over approximately 1891km². Greater Letaba Municipality incorporates the proclaimed towns of Modjadjiskloof, and Ga-Kgapane, situated in the extreme south of the municipal area, and Senwamokgope towards the north-west of the area of jurisdiction

Management has as per the GRAP standards decided to report on Greater Letaba Municipality as a single geographical area.

Management is of the opinion that as per paragraph 32, the cost of developing geographical information would be excessive, secondly that due to the nature of the municipality, it would therefore not be in the interest of the users of the financial statements to develop geographical information for reporting.

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55. Segment information (continued)

Aggregated segments

The report is organised based on the municipality departments which are reportable segments and where performance is measurable. Management uses these same segments for compilation of the IDP, SDBIP, Budget, monthly and quarterly reporting. 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 following are the reportable segments of the municipality:

Executive Council

Provides political leadership to the municipality for the generation of economic benefits and service potential through the office of the Municipal Manager it also provides for then administration, leadership, performance monitoring, integrated development plan, risk management and internal audit functions to the municipality for the generation of economic benefits and service potential.

Budget and Reporting

Provides financial administration to the municipality for the generation of economic benefits and service potential

Community Services and Public Safety

Provides social services, public safety, public spaces, libraries and indigents administration to the municipality for the generation of economic benefits and service potential

Planning and Development

Provides waste management, town planning, local economic development and environment sustainability for the generation of economic benefits and service potential.

Technical Services

Road transport, electricity, housing and building inspection, project management unit solid waste management and all infrastructure services to the municipality for the generation of economic benefits and service potential

Corporate Services and Administration

Provide legal and administration management services including HR and IT to the municipality to the municipality for the generation of service potential

Geographical consideration:

Greater Letaba Municipality (GLM) is in the north-eastern part of the Limpopo Province in the jurisdiction area of Mopani District Municipality. GLM shares borders with Greater Tzaneen Municipality in the south, Greater Giyani Municipality in the east, Molemole Municipality in the west and Makhado Local Municipality in the north.

GLM area is one of the smaller municipal areas in terms of land area, and characterized by contrast such as varied topography, population densities (low in the south, relatively dense in their north-east), prolific vegetates in the south (timber) and sparse in the north (bushveld)

The "gates" to the municipal area are considered to be Sekgopo in the west and Modjadiskloof in the south. The land area of GLM extends over approximately 1891km

GLM incorporates the proclaimed towns of Modjadiskloof, and Ga-Kgapane, situated in the extreme south of then municipal area, and Senwamokgope towards the north-west of the area of jurisdiction

Management has as per the GRAP standards decided to report on GLM as a single Geographical area.

Management is of the opinion that as per paragraph 32, the cost of developing geographical information would be excessive, secondly that due to the nature of the municipality, it would be therefore not be in the best interest of the users of the financial statements to develop geographical area information for reporting.

Segment surplus or deficit, assets and liabilities

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55. Segment information (continued)

Segment surplus or deficit

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55. Segment information (continued)

2025

	Revenue from non- exchange transactions	Revenue from exchange transactions	Total Segment revenue	Salaries and wages	Depreciation and amortisation	Other expenses	Total Segment expenditure	Total segment (deficit) surplus
Revenue								
Budget and Reporting	425,201,434	9,416,465	434,617,899	21,875,429	3,733,476	42,941,347	68,550,252	366,067,647
Community and Public Safety	10,080,087	27,847,935	37,928,022	52,677,844	336,663	34,656,417	87,670,924	(49,742,902)
Corporate and Administration	-	-	-	30,019,726	19,864,365	88,119,203	138,003,294	(138,003,294)
Executive and Council	-	-	-	51,726,689	(1,146,361)	38,288,491	88,868,819	(88,868,819)
Planning and Development	-	-	-	10,813,410	-	4,738,451	15,551,861	(15,551,861)
Technical Services	97,709,193	42,874,909	140,584,102	22,251,213	26,978,727	68,815,531	118,045,471	22,538,631
Reconciling Items	-	-	-	-	-	-	-	-
Total	532,990,714	80,139,309	613,130,023	189,364,311	49,766,870	277,559,440	516,690,621	96,439,402
Revenue and Expenditure reconciling items								
Licence and permits Revenue			(15,253,377)				(15,253,377)	-
Proceeds from sale of assets			(1,137,035)					(1,137,035)
Entity's revenue			596,739,611				501,437,244	
Other reconciling items								
Impairment loss								(6,075,924)
Actuarial Gains/losses								2,585,851
Gains/ losses on assets								691,479
Entity's Surplus (deficit) for the period								92,503,773

2024

Greater Letaba Municipality

(Registration number LIM332)

Annual Financial Statements for the year ended June 30, 2025

Notes to the Annual Financial Statements

Figures in Rand

55. Segment information (continued)

	Revenue from non- exchange transactions	Revenue from exchange transactions	Total Segment revenue	Salaries and wages	Depreciation and amortisation	Other expenses	Total Segment expenditure	Total segment (deficit) surplus
Revenue								
Budget and Reporting	388,746,646	11,032,128	399,778,774	21,252,503	508,611	61,883,349	83,644,463	316,134,311
Community and Public Safety	764,235	26,581,861	27,346,096	52,816,807	237,149	38,486,952	91,540,908	(64,194,812)
Corporate and Administration	-	-	-	11,886,065	15,645,660	71,340,651	98,872,376	(98,872,376)
Executive and Council	-	-	-	47,707,639	1,288,721	41,543,143	90,539,503	(90,539,503)
Planning and Development	-	-	-	10,573,622	-	2,363,032	12,936,654	(12,936,654)
Technical Services	79,950,239	36,150,333	116,100,572	30,189,071	29,665,035	72,592,785	132,446,891	(16,346,319)
Total	469,461,120	73,764,322	543,225,442	174,425,707	47,345,176	288,209,912	509,980,795	33,244,647
Revenue related reconciling items								
License and Permits			(15,486,294)				(15,486,294)	-
Proceeds from sale of assets			(1,156,935)					(1,156,935)
Entity's revenue			526,582,213				494,494,501	
Other reconciling items								
Impairment loss								(1,011,667)
Actuarial Gain/losses								962,676
Gain/ losses on assets								(3,361,751)
Entity's Surplus (deficit) for the period								28,676,970

Segment assets and liabilities

2025

Non-current assets	Current assets	Total segment assets	Total segment liabilities

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55. Segment information (continued)

Budget and Reporting	786,217,936	1,125,122,817	1,911,340,753	(308,401,437)
Community and Public Safety	64,830,658	(111,373,829)	(46,543,171)	20,439,689
Corporate and Administration	6,668,611	(306,437,432)	(299,768,821)	(2,730,540)
Executive and Council	1,335,358	(176,432,882)	(175,097,524)	(352,281)
Planning and Development	-	(24,194,227)	(24,194,227)	(857,910)
Technical Services	422,375,149	(396,951,385)	25,423,764	159,386,978
Total segment assets	1,281,427,712	109,733,062	1,391,160,774	(132,515,501)
Reconciling items				
Mopani			(32,022,604)	-
STATUTORY VAT			(8,159,273)	-
Total as per Statement of financial Position			1,350,978,897	(132,515,501)

2024

	Non-current assets	Current assets	Total segment assets	Total segment liabilities
Budget and Reporting	834,868,952	935,142,603	1,770,011,555	(279,627,214)
Community and Public Safety	61,367,517	(97,699,438)	(36,331,921)	8,319,712
Corporate and Administration	436,834	(202,553,628)	(198,187,793)	(5,222,414)
Executive and Council	1,335,358	(135,479,689)	(134,144,331)	(2,125,647)
Planning and Development	-	(20,330,243)	(20,330,243)	(48,861)
Technical Services	309,072,372	(387,972,578)	(78,900,207)	129,025,902
Total segment assets	1,207,081,033	91,107,027	1,302,117,060	(149,678,522)
Reconciling items				
Mopani			(33,298,823)	-
Total as per Statement of financial Position			1,268,818,237	(149,678,522)

56. Budget differences

Material differences between budget and actual amounts

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Annual Financial Statements for the year ended June 30, 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

56. Budget differences (continued)

The average South African CPI for 2024/25 was 4.4%, the municipality considers a fluctuation of 5% or more as a significant fluctuation. Only fluctuations of 5% or more of the budgeted amount will be explained

1. Service Charges

During the 2024/25 financial year the municipality disconnected non paying businesses and not all came for reconnection.

2. Construction contracts

The variance is due to MSCOA circular No. 16 released on 16 October 2024 which requires the classification of INEP grant as the sale of goods and services construction

3. Rental of facilities and equipment

The municipality no longer rents out plants for private use as the plants are used only for service delivery

4. Interest received - outstanding receivables

When the budget was prepared the interest rate used was 18% and the municipality reviewed the interest charge to 12.75% in the current financial year

5. Agency services

The municipality did not collect as expected on behalf Mopani district municipality for water services.

6. Licences and permits

The municipality budgeted 100% collection on licenses and permits however the municipality's portion is 20% agency fee

7. Other income

The municipality anticipated to receive more on income from other sources of revenue during the year under review.

8. Interest received - investments

Interest received on investment was more than budgeted as a result of the municipality managing to maintain a positive balance throughout the year.

9. Interest - Property Rates

When the budget was prepared the interest rate used was 18% and the municipality reviewed the interest charge to 12.75% in the current financial year

10. Government grants & subsidies

The municipality received additional funding for MIG and INEP and included in the actual amount is the capital transfers and subsidies.

11. Fines, Penalties and Forfeits

The variance is due to unallocated deposit and retention amount recognised are revenue in the current year through council resolution.

12. Depreciation and amortisation

The municipality under budgeted depreciation as it is a non cash item.

13. Finance costs

Greater Letaba Municipality

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Notes to the Annual Financial Statements

Figures in Rand	2025	2024

56. Budget differences (continued)

The Municipality under budgeted for finance costs.

14. Debt impairment

The municipality under budgeted debt impairment as it is a non cash item.

15. Bulk Purchases

There was a reduction in demand for electricity due to customers using solar and gas.

16. Contracted services

There was a reduction due to some operational projects not implemented..

17. General Expenses

There was a reduction in general expenses due to some operational projects not being implemented due to cost containment.

18. Irrecoverable debts written off

The write-off for indigent debtors was less than the expected budget..

19. Gain on disposal of assets and liabilities

The variance in gain on disposal of assets is mainly due to anticipated actual disposal of assets that was lower than expected

20 Employee benefit obligation

The variance is due to over budgeting of long service awards and post employment medical aid..

21. Inventories

The was a reduction in the procurement of stores material

22.Receivable from exchange transactions

The budget was on gross amount and the actual amounts are on net amounts

23. Receivables from non-exchange transactions

The budget was on gross and the amounts are on net amounts

24. VAT Receivable

The variance in VAT receivable is due to refund for three period not received by municipality by the end of financial

25. Consumer debtors

The budget for consumer debtors is in receivables from exchange transactions.

26. Cash and cash equivalents

The municipality expected to end the year with a higher amount of cash and cash equivalents

27. Investment property

The variance is due to the investment property depreciating in the current year

28. Intangible assets

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Annual Financial Statements for the year ended June 30, 2025

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56. Budget differences (continued)

The variance is due to the amortisation of intangible assets in the current year.

29. Finance lease obligations

The variance is due to non-budgeting of finance lease obligation

30. Payables from exchange transactions

The municipality has written-off unallocated deposits and retentions in the current year.

During the 2024/25 financial year the municipality disconnected non paying businesses and not all came for reco

The average South African CPI for 2024/25 was 4.4%, the municipality considers a fluctuation of 5% or 1

57. Contingent Asset – Land Sales in Kgapane Extension 5

Certain receivables relating to land sold in Kgapane Extension 5 have remained unpaid for a period exceeding three years, contrary to the provisions of the Prescription Act of 1969. These receivables, totaling R2,007,458.38, have been handed over to legal practitioners for recovery. As the municipality is actively pursuing legal action and negotiations with the respective debtors to enter into payment agreements, these amounts are no longer recognized as consumer debtors but are instead disclosed as contingent assets. The realization of these assets is dependent on the successful outcome of the debt collection process.

58. Financial instruments disclosure

Financial assets and liabilities exposed to credit risk at year end were as follows:

Financial Instruments	2025	2024
Receivables from exchange transactions - General	29,760,338	24,472,764
Receivable from non-exchange transactions	1,264,270	2,860,476
Receivables from exchange transactions - Consumer Debtors	8,348,273	6,201,339
Payables from exchange transactions	(69,986,558)	(79,791,320)
Consumer deposits	(426,399)	(409,368)
	<u>(31,040,076)</u>	<u>(46,666,109)</u>

For financial assets which are past due and impaired refer to note 8, 9 and 13. None of the financial assets terms have been renegotiated. None of the financial assets were used as security or collateral. Consumer deposits are disclosed on note 16.

Report of the auditor-general to Limpopo Provincial Legislature on the Greater Letaba Local Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Greater Letaba Local Municipality set out on pages xx to xx, which comprise the statement of financial position as at 30 June 2025, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget information with actual information for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Greater Letaba Local Municipality as at 30 June 2025 and its financial performance and cash flows for the year then ended in accordance with Standards of Generally Recognised Accounting Practice (Standards of GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA), and the Division of Revenue Act 24 of 2024 (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 responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

Emphasis of matters

5. I draw attention to the matters below. My opinion is not modified in respect of these matters.
6. As disclosed in note 8, note 9 and note 11 of the financial statements, material impairments amounting to R188 393 836 (2024: R182 048 359), R108 571 278 (2024: 92 609 176) and R162 191 421 (2024: R161 032 518) were made to receivables from exchange transactions, receivables from non-exchange transactions and consumer debtors, respectively, because of irrecoverable debts.
7. With reference to note 41 to the financial statements, the municipality is the defendant in various claims, which it is opposing. The ultimate outcome of these matters cannot presently

be determined and no provision for any liability that may result was made in the financial statements.

8. As disclosed in note 53 to the financial statements, the corresponding figures for 30 June 2024 were restated as a result of errors in the financial statements of the municipality at, and for the year ended, 30 June 2025.
9. We draw attention to note 54 in the financial statements, which deals with the possible effects of the future implications of continuing deterioration in operational results on the municipality's prospects, performance, and cash flows.

Other matter

10. I draw attention to the matter below. My opinion is not modified in respect of this matter.
11. The supplementary information set out on pages xx to xx does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

Responsibilities of the accounting officer for the financial statements

12. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the Standards of GRAP and the requirements of the MFMA and DoRA; and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
13. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the auditor-general for the audit of the financial statements

14. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
15. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

16. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected development priorities presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
17. I selected the following development priorities presented in the annual performance report for the year ended 30 June 2025 for auditing. I selected development priorities that measures the municipality's performance on its primary mandated functions and that are of significant national, community or public interest.

Development priority	Page numbers	Purpose
KPA 3 – Basic service delivery	xx	To ensure quality services to communities

18. I evaluated the reported performance information for the selected development priority against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the municipality's planning and delivery on its mandate and objectives.
19. I performed procedures to test whether:
- the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives
 - all the indicators relevant for measuring the municipality's performance against its primary mandated and prioritised functions and planned objectives are included
 - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
 - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
 - the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
 - the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable

- there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets / measures taken to improve performance

20. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

21. The material findings on the reported performance information for the selected development priorities are as follows:

KPA 3: Basic service delivery

Number of planned maintenances done

22. The target of 100% does not relate directly to the indicator, which measures number of planned maintenances done. This makes it difficult to plan for the achievement of the indicator. Consequently, the reported achievement does not provide useful information on the indicator's achievement.

% of reported potholes complaints resolved within standard municipal response

23. An achievement of 100% of reported potholes complaints resolved within standard municipal response was reported against a target of 100% of reported potholes complaints resolved within standard municipal response. I could not determine if the reported achievement was correct, as adequate supporting evidence was not provided for auditing. Consequently, the achievement might be more or less than reported and was not reliable for determining if the target had been achieved.

Other matters

24. I draw attention to the matters below.

Achievement of planned targets

25. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- or under achievements / measures taken to improve performance. This information should be considered in the context of the material findings on the reported performance information.

26. The table that follows provide information on the achievement of planned targets and list the key service delivery indicators that were not achieved as reported in the annual performance report. The reasons for any under achievement of targets / measures taken to improve performance are included in the annual performance report on pages xx to xx.

<i>Targets achieved: 93.7%</i>		
Key indicators not achieved	Planned target	Reported achievement
Number of kilometres of unsurfaced roads graded	800km	611km

Report on compliance with legislation

27. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on 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.
28. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
29. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the municipality, to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
30. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual financial statements and annual report

31. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA.
32. Material misstatements of accumulated surplus, statutory receivables, VAT payable accruals, receivables from exchange transactions and the cash flow statement identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records were provided subsequently, resulting in the financial statements receiving an unqualified audit opinion.

Strategic planning and performance management

33. The performance management system and related controls were inadequate as it did not describe how the performance planning, monitoring, review and reporting processes should be conducted and managed, as required by municipal planning and performance management regulation 7(1).

Expenditure management

34. Reasonable steps were not taken to prevent unauthorised expenditure amounting to R51 763 950, as disclosed in note 44 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The unauthorised expenditure was caused by overspending of the approved total budget.

35. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R3 749 079, as disclosed in note 45 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the disclosed fruitless and wasteful expenditure was caused by losses incurred due to the writing off of cost incurred on construction of two roads not belonging to the municipality.

Other information in the annual report

36. The accounting officer is responsible for the other information included in the annual report, which includes the audit committee's report. The other information referred to does not include the financial statements, the auditor's report and those selected development priorities presented in the annual performance report that have been specifically reported on in this auditor's report.
37. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
38. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected development priorities presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
39. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

40. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
41. The matters reported below are limited to the significant internal control deficiencies that resulted in the material findings on the annual performance report and the material findings on compliance with legislation included in this report.
42. Management's internal controls and processes over the preparation of the financial statements and annual performance report were not adequate to ensure that the financial statements were free from material misstatements and that all Standards of GRAP and disclosure requirements were met.

43. The municipality did not have sufficient monitoring controls to ensure the proper implementation of the overall processes of compliance with legislation. Non-compliance with legislation could have been prevented had compliance been properly reviewed and monitored

Auditor General

Polokwane

08 December 2025



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

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

Auditor general's responsibility for the audit

Professional judgement and professional scepticism

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

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the municipality to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause the municipality to cease operating as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

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.

I also provide the Accounting Officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act 56 of 2003	Sections: 1, 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 28(1), 29(1), 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii), Sections: 32(2)(b), 32(6)(a), 32(7), 33(1)(c)(ii), 53(1)(c)(ii), 53(1)(c)(iii)(bb), 54(1)(c), 62(1)(d), 63(2)(a), 63(2)(c), 64(2)(b), 64(2)(c), 64(2)(e), 64(2)(f), 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1), 122(2), 126(1)(a), 126(1)(b), 127(2), 127(5)(a)(i), 127(5)(a)(ii), 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 165(1), 165(2)(a), 165(2)(b)(ii), 165(2)(b)(iv), 165(2)(b)(v), 165(2)(b)(vii), 166(2)(b), 166(2)(a)(iv), 166(5), 170, 171(4)(a), 171(4)(b)
MFMA: Municipal budget and reporting regulations, 2009	Regulations: 71(1)(a), 71(1)(a)(b), 71(2)(a), 71(2)(b), 71(2)(d), 72(a), 72(b), 72(c)
MFMA: Municipal Investment Regulations, 2005	Regulations: 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
MFMA: Municipal Regulations on financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations: 5(4), 6(8)(a), 6(8)(b), 10(1)
MFMA: Municipal Supply Chain Management Regulations, 2017	Regulations: 5, 12(1)(c), 12(3), 13(b), 13(c), 16(a), 17(1)(a), 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a), 27(2)(e), 28(1)(a)(i), 29(1)(a), 29(1)(b), 29(5)(a)(ii), 29(5)(b)(i), 32, 36(1), 36(1)(a), 38(1)(c), 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), 38(1)(g)(ii), 38(1)(g)(iii), 43, 44, 46(2)(e), 46(2)(f)
Division of Revenue Act	Sections: 11(6)(b), 12(5), 16(1); 16(3)
Municipal Property Rates Act 6 of 2004	Section: 3(1)
Municipal Systems Act 32 of 2000	Sections: 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 34(a), 34(b), 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2), 45(a), 54A(1)(a), 56(1)(a), 57(2)(a), 57(4B), 57(6)(a), 57A, 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 96(b)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations: 5(2), 5(3), 5(6), 8(4)
MSA: Municipal Planning and Performance Management Regulations, 2001	Regulations: 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 7(1), 8, 9(1)(a), 10(a), 12(1), 14(1)(b)(iii), 14(1)(c)(ii), 14(4)(a)(i), 14(4)(a)(iii), 15(1)(a)(i), 15(1)(a)(ii)
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), 26(5), 27(4)(a)(i)

Legislation	Sections or regulations
MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations: 17(2), 36(1)(a)
MSA: Municipal Staff Regulations	Regulations: 7(1), 19, 31, 35(1)
MSA: Municipal Systems Regulations, 2001	Regulation: 43
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section: 34(1)
Preferential Procurement Policy Framework Act 5 of 2000	Sections: 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulations: 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8), 7(1), 7(2), 7(3), 7(6), 7(8), 8(2), 8(5), 9(1), 10(1), 10(2), 11(1), 11(2)
Preferential Procurement Regulations, 2022	Regulations: 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)

APPENDIX U – REMEDIAL ACTIONS TO ADDRESS THE AUDIT EXCEPTIONS

2024 25 AUDIT ACTION PLAN

Financial Year: 2024/2025	
Matters Affecting Audit	2
Other Important Matters	22
Total Audit Findings	24

Implementation Status: Not yet started/ In-progress/ Completed

No.	Annexure	Line Item	Finding	Amount	Finding Details	Root Cause	Recommendation	Management Response	Nature of Findings	Repeat Finding	No. of Years Repeated	Responsible Person	Due Date Imp	Management Approval Comments	CFO Approval Comments	IA Review Comments	Action Plan Status	Impl Status
1	Matters Affecting Audit Report	Reported information not reliable	Revised COMAF 11: The indicator is not relevant		Audit Finding: The indicator "Number of planned maintenances done" is not relevant. The indicator describes a count (number), while the target and actual performance are expressed as a percentage (100%).	Management did not perform sufficient and appropriate reviews of the planning documents and the reported achievement during the financial year to ensure that the performance indicator are relevant.	Management should ensure that the indicators are consistent with the targets by conducting thorough reviews on both the SDBIP and APR.	Management agrees with the finding. Management comment on internal control deficiencies: Management will perform sufficient and appropriate reviews of the planning documents and the reported achievement to ensure that the performance indicator is measurable.	Internal control deficiency	Yes	2	Dikgari Ignatius Mogale, Tsakani Mtebule, Obed Sewapa, Livhuwani Sadiki	31-Mar-26	Management will also ensure a thorough review of the indicator to address any gaps.	Approved	Management Action Plan Reviewed and approved. Management action will be monitored for implementation during the financial year.	Developed (Internal Auditor Approved)	Not Yet Started

2	Matters Affecting Audit Report	Reported information not reliable	COMAF 12. The indicator is not consistent with the target and actual performance.		Audit Finding: % of reported potholes complaints resolved within standard municipal response time – Not Verifiable The indicator is not verifiable, A sample of pothole complaints listed in the 2025 pothole complaints progress report could not be traced to the official municipal complaints register for the 2024/25 financial year.	Financial and performance management. Management did not ensure that the planned indicator will be measurable with valid POE. Management did not perform sufficient and appropriate reviews of the planning documents and the reported achievement during the financial year to ensure that the performance indicator is supported by appropriate and valid POE.	Management to ensure that proper reviews of the planning documents and performance indicators are appropriate and sufficient	Management Disagrees with the Audit Finding. Management has attached progress reports of all quarters in 2024/25, which are approved Progress Reports as per the 2024/25 SDBIP.	Internal control deficiency	No		Dikgari Ignatius Mogale, Tsakani Mtebule, Obed Sewapa, Livhuwani Sadiki	31-Mar-26	This indicator is no longer part of the institutional SDBIP for the 2025/2026, it is departmental (Technical)	Approved	Management Action Plan Reviewed and approved. Management action will be monitored for implementation during the financial year.	Developed (Internal Auditor Approved)	Not Yet Started

3	Other important matter	Reported information not reliable	COMAF 2: Issues noted during the high-level review of APR.		Audit Finding: Issues Noted During High-Level Review of Annual Performance Report (APR) "Number of approved list of households receiving Free Basic Water (FBW)": APR reports 28, but MOV supports 27 (difference of 1).	The accounting officer did not prepare accurate and complete performance reports that are supported and evidenced by reliable means of verification.	The accounting officer should prepare accurate and complete performance reports that are supported and evidenced by reliable means of verification.	Management comment on audit findings: Number of approved list of households receiving Free Basic Water (FBW). Management disagrees with the findings. The 28 reported is the number of beneficiaries in ratable areas (Ga-Kgapane and Modjadjiskloof):	Internal control deficiency	Yes	2	Dikgari Ignatius Mogale, Tsakani Mtebule, Obed Sewapa, Livhuwani Sadiki	31-Mar-26	Internal controls were strengthened to ensure that the finding is resolved.	Approved	Management Action Plan Reviewed and approved. Management action will be monitored for implementation during the financial year.	Developed (Internal Auditor Approved)	Not Yet Started

4	Other important matter	Heritage assets	COMAF 4: 1. Internal control deficiency – Assets not Barcoded/numbered		Audit Finding: Internal Control Deficiency – Heritage Assets Not Barcoded/Numbered Greater Letaba Municipality (GLM) Asset Management Policy requires a coding system for unique identification, with each movable and fixed asset marked with its respective code or number. During the audit, two heritage assets were found without barcodes or unique numbers: Sculputer bronze Modjadjie Sculputer Modjadjie tombstone	Management did not ensure sufficient monitoring and oversight during the assets' registration process	Management should ensure that all newly acquired and existing assets are barcoded. Management should implement monitoring controls to ensure that assets are barcoded upon registration.	Management agree to the finding for internal controls. Management comment on internal control deficiencies: There was an oversight from management during preparations for not allocating unique barcodes to the sculptures in the assets register during preparations.	Internal control deficiency	No		Portia Kgatla, Wilson Lebea	31-Mar-26	Manager Assets will ensure that all heritage Assets of the Municipality are bar coded as per Grap 103 and 17 on 31 March 2026. On Quarterly basis Manager Assets will submit completed Assets register to the CFO for final review and sign off with a column indicating all assets barcoded.	Approved	Management Action Plan Reviewed and approved. Management action will be monitored for implementation during the financial year.	Developed (Internal Auditor Approved)	Not Yet Started

5	Other important matter	As per audit finding	COMAF 5: Statement of Financial Position	R 6 309 102	Audit Finding: Statement of Financial Position Does Not Balance Recalculated Net Assets (Total Assets R1 331 900 440 less Total Liabilities R113 937 580) amount to R1 217 962 860. However, the reported Accumulated Surplus is R1 211 653 758, resulting in an unreconciled difference of R6 309 102.	Management did not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting	Management should ensure that the statement of financial position is reviewed thoroughly	Management agrees with the finding. Upon review of the submitted annual financial statements, including the general ledger, trial balance, and CaseWare settings, management confirms that there are no issues within the general ledger, trial balance, or the financial statements. The opening balance of R6,309,102 was erroneously not transferred into the current year within the CaseWare file, resulting in the noted difference.	Internal control deficiency	No		Portia Kgatla, Annah Sesene, Tracy Baloyi, Khomotso Modjadji, Silas Ramalepe, Moses Mafale	31-Mar-26	Management will prepare quarterly financial statement in the third and fourth quarter of the 2026 FY to address the material misstatement on statement of change in net assets. The prior year amount affecting the statement of change in net assets will be calculated accurately.	Approved	Management Action Plan Reviewed and approved. Management action will be monitored for implementation during the financial year.	Developed (Internal Auditor Approved)	Not Yet Started

6	Other important matter		COMAF 6: 1. The municipality did not give notice to the public within 14 days of the adoption of its IDP		Audit Finding: Delayed Public Notice of IDP Adoption: a municipality must, within 14 days of adopting its Integrated Development Plan (IDP), give public notice of the adoption and inform the public where copies or extracts of the plan are available for inspection.	Management did not ensure that they implement Municipal System Act No 32 of 2000.	We recommend that management ensure public notice of the IDP adoption is published on the same day it is adopted. In cases where publication does not occur on the same day, follow-up should be conducted the following day.	Management agrees with the finding: Management comment on internal control deficiencies: Management will ensure that a public notice regarding the adoption of the IDP was published on the required latforms (such as the municipal website, municipal Facebook page, and local newspapers) within 14 days of its adoption by Council.	Non-compliance with applicable legislation	No		Obed Sewapa, Alvin Monakisi, Molojiwa Lucky Phosa	31-Mar-26	Management will ensure that internal controls are adhered to and as soon as the IDP is approved in May a notice will be issued within 14 days of approval.	Approved	Management Action Plan Reviewed and approved. Management action will be monitored for implementation during the financial year.	Developed (Internal Auditor Approved)	Not Yet Started

7	Other important matter		COMAF 8: Going Concern		Audit Finding: Inaccuracies in the Going Concern The statement that "total assets exceed total liabilities by R1 211 653 758" is incorrect; the auditor's recalculation shows net assets of R1 217 962 860, resulting in an understated surplus and inaccurate disclosure of financial position and replacement financing potential. The claim that R12 million cash on hand is "sufficient enough" to pay trade creditors (R15 million) and retentions (R20 million) in the next 6 months is not accurate, as available cash cannot cover these current liabilities.	Management did not review and monitor compliance with GRAP 1 requirements relating to the assessment of going concern assumption.	Management should perform their going concern assumption in line with GRAP 1, and perform reviews of this assessment to ensure accurate information is disclosed in the note for going concern.	Management agrees with the finding. Management has revisited the going concern disclosure note 54 and noted typing errors of words, inclusion of Mmopani District Municipality receivables, exclusion of SARS VAT receivables, operational budgetary controls and external oversight support.	Non-compliance with applicable legislation	No		Annah Sesene, Tracy Baloyi	31-Mar-26	Management will strengthen the system of internal controls to ensure that going concern disclosure note correctly reflects the financial position of the Municipality.	Approved	Management Action Plan Reviewed and approved. Management action will be monitored for implementation during the financial year.	Developed (Internal Auditor Approved)	Not Yet Started

8	Other important matter		COMAF 9: Incomplete and inaccurate registers (Fruitless and wasteful expenditure, quotation register and contract register) Finding 1		Audit Finding: Incomplete and Inaccurate Registers (Fruitless and Wasteful Expenditure, Quotation Register, and Contract Register) Registers were not completed to highlight the transaction number, date reported to the Accounting officer, details of the transaction incident, status of the fruitless and wasteful expenditure.	Internal control deficiencies and non-compliance with the MFMA circular 68 guidance	Management should ensure that the UIFW expenditure registered have been completed in terms of MFMA circular 68 guidance.	Management comment on audit finding: Management agrees with the finding. The outstanding section on the fruitless and wasteful register has been updated.	Internal control deficiency	No		Annah Sesene, Khomotso Modjadji	31-Mar-26	Management will strengthen the system of internal controls to ensure that the fruitless and wasteful expenditure is fully complete.	Approved	Management Action Plan Reviewed and approved. Management action will be monitored for implementation during the financial year.	Developed (Internal Auditor Approved)	Not Yet Started

9	Other important matter	Property, plant and equipment	COMAF 13: Assets: Work-In-Progress-Impairment	R 370 549 554	Audit Finding: Work-In-Progress Impairment – Incorrect Recognition and Non-Disclosure GRAP 17 and GRAP 1 recognition criteria were not met for R3 705 495.54 capitalised as WIP on two road projects, as the municipality never controlled the underlying land (owned by RAL and DPWI). No asset existed, so capitalisation and subsequent full impairment under GRAP 21 were inappropriate. The expenditure qualifies as fruitless and wasteful	Failure to exercise reasonable care in verifying land ownership and securing control prior to incurring construction expenditure. No review of the potential incurred expenses for fruitless and wasteful expenditure definitions.	Management should verify land ownership and secure control before construction of the road begins. Management should regularly assess the impaired assets for the assessment of fruitless and wasteful expenditure and update the fruitless and wasteful expenditure register.	Management comment on audit finding: Management partially agree with the audit finding. The impairment of WIP roads will be reversed and recognized as de-recognition of WIP roads which don't belong to the municipality in prior year error as per the recommendation	GRAP non-compliance	No		Portia Kgatla, Annah Sesene, Wilson Lebea	31-Mar-26	Management proposed audit adjustment and AGSA agreed that the finding will be resolved after adjustment	Approved	Management Action Plan Reviewed and approved. Management action will be monitored for implementation during the financial year.	Developed (Internal Auditor Approved)	Not Yet Started

10	Other important matter	Cash flow statement	COMAF 14: Cash Flow statement		Audit Finding: Material Differences in Cash Flow Statement and Non-Disclosure of Principal Agent Transactions Receipts from sale of goods and services: Reported R69 624 596 vs. recalculated R79 444 510 (difference R9 819 914). Payments to suppliers: Reported - R253 791 488 vs. recalculated -R217 763 363 (difference R36 028 125). Purchase of Property, Plant and Equipment: Reported R126 705 900 vs. recalculated R122 158 769 (difference - R4 547 131).	The accounting officer did not prepare accurate and complete financial and performance reports that are supported and evidenced by reliable information.	The accounting officer should prepare accurate and complete financial and performance reports that are supported and evidenced by reliable information.	Management comment on audit finding: Management agree with the audit finding, Management request AGSA to permit the adjustment of cashflow.	Internal control deficiency	No		Annah Sesene, Tracy Baloyi	31-Mar-26	The adjustment made were assessed and comaf is resolved	Approved	Management Action Plan Reviewed and approved. Management action will be monitored for implementation during the financial year.	Developed (Internal Auditor Approved)	Not Yet Started

11	Other important matter		COMAF 15: Sundry Debtors	R 2 107 605	Audit Finding: Misclassification of Electricity Receivables in Sundry Debtors Contrary to these requirements, the sundry debtors balance disclosed in the annual financial statements includes amounts relating to electricity charged to customers.	Management did not Implement controls over daily and monthly processing and reconciling of transactions.	Management should ensure that the daily and monthly recording of sundry debtors' transactions are allocated to the correct accounts	Management comment on audit finding: Management agrees with the finding. Management has revisited the entire population and identified additional exceptions	Non-compliance with applicable legislation	No		Annah Sesene, Silas Ramalepe	31-Mar-26	Adjustment to the sundry debtors balance has been accurately been processed the finding is resolved.	Approved	Management Action Plan Reviewed and approved. Management action will be monitored for implementation during the financial year.	Developed (Internal Auditor Approved)	Not Yet Started

12	Other important matter		COMAF 16: Overtime worked exceeds the approved threshold	R 381 461	Audit Finding: Overtime Worked Exceeds Approved Threshold. In terms of the municipality's overtime policy employees may not work more than 10 hours per week, 3 hours per day, or 40 hours per month in overtime. Any excess overtime must be compensated with time-off (one hour for each excess hour worked). Contrary to this requirement, audit testing identified multiple employees who exceeded the 40-hour monthly threshold in January and February 2025, with excess overtime paid instead of granted as time-off.	The accounting officer did not implement controls over daily and monthly processing and reconciling of transactions	The accounting officer should ensure that the overtime policy is adhered to. The accounting officer should implement controls over daily and monthly processing and reconciling of overtime hours worked.	Management comment on audit finding: Management agrees with the finding. Management will strengthen its systems of internal control (I.e. reviews) to ensure overtime hours worked are in line with the approved policies.	Non-compliance with applicable legislation	Yes	5	Ngoako Lebepe, Gugu Nhlane, Thomas Chabalala	31-Mar-26	Overtime will be strictly monitored to ensure that it is in compliance with legislations	Approved	Management Action Plan Reviewed and approved. Management action will be monitored for implementation during the financial year.	Developed (Internal Auditor Approved)	Not Yet Started

13	Other important matter		COMAF 17: difference between Irregular Expenditure and amount disclosed as per note 46	R 1 434 461	Municipal Finance Management Act, 2003 (Act no. 56 of 2003) section 62(1)(b) states that 'the accounting officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable step to ensure that full and proper records of the financial affairs of the municipality are kept in accordance with any prescribed norms and standards. Section 62 (1) (c), the accounting officer of a municipality must ensure that the municipality has and maintains effective, efficient and transparent systems—of financial and risk management and	Management did not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting.	Management should ensure that the register of irregular expenditure is updated promptly and reconciled with the amounts disclosed in the Annual Financial Statements (AFS). Furthermore, management must implement rigorous review processes of the AFS and the supporting schedules to ensure the accuracy and completeness of the information disclosed.	Management comment on audit finding: Management agrees with the finding. Management requests AGSA to permit the processing of the following adjustments to correct the error on note 46 Irregular expenditure see annexure A, B and C	Internal control deficiency	No		Annah Sesene, Khomotso Modjadji	31-Mar-26	Management will strengthen the system of internal controls to ensure that irregular expenditure that is presented and disclosed in the AFS is not misstated	Approved	Management Action Plan Reviewed and approved. Management action will be monitored for implementation during the financial year.	Developed (Internal Auditor Approved)	Not Yet Started

14	Other important matter	Rev from exchange transactions: Service charges	COMAF 19: Consumer Debtors		Audit Finding: Consumer Debtors – Non-Compliance with Prescription Act (Other Debtors Schedule) In terms of paragraphs 10 and 11 of the Prescription Act of 1969, a debt is extinguished by prescription after 3 years for the type of receivables included in consumer debtors Contrary to this requirement, the municipality has retained debtors in the consumer debtors balance (specifically relating to land sold in Kgapane Extension 5) that have been outstanding for more than 3 years, with no payments received or movement in the accounts.	Management did not ensure compliance with the Debt Prescription act	Management should ensure they comply with the prescription requirements, and raise a contingent asset for these receivables	Management comment on audit finding: Management agrees with the finding. Management request AGSA to permit the following adjustment to correct the issue.	Internal control deficiency	Yes	3	Annah Sesene, Silas Ramalepe	31-Mar-26	Management will strengthen the system of internal controls to ensure that the municipality complies with prescriptions and Act relating to other debtors	Approved	Management Action Plan Reviewed and approved. Management action will be monitored for implementation during the financial year.	Developed (Internal Auditor Approved)	Not Yet Started

15	Other important matter	Property, plant and equipment	COMAF 20:Management response is noted and the finding is resolved after the proposed adjustments were processed.		Depreciation: Useful lives used to calculate depreciation are not aligned with accounting policy and Assets Management policy During the audit of Greater Letaba Municipality for the year ended 30 June 2025, it was noted that the estimated useful lives assigned to certain assets in the Fixed Asset Register (FAR) were not consistent with the municipality's approved accounting policy on depreciation	Failure to ensure that useful lives used to determine the depreciation amount for the year are aligned with accounting policy.	The accounting officer should adequately review supporting schedules to ensure that useful lives used to determine the depreciation amount for the year are aligned with accounting policy.	Management comment on audit finding: Management agrees with finding. We noted that there was Internal Control oversight on updating the AFS Accounting Policy	Internal control deficiency	No		Portia Kgatla, Annah Sesene, Wilson Lebea	31-Mar-26	Management will ensure that the correct number of years are captured on the accounting policy par 1,5 on the AFS	Approved	Management Action Plan Reviewed and approved. Management action will be monitored for implementation during the financial year.	Developed (Internal Auditor Approved)	Not Yet Started

16	Other important matter	Property, plant and equipment	.COMAF 20:Depreciation: Useful lives used to calculate depreciation are not aligned with accounting policy and Assets Management policy (Finding 2)		Issue 2: During the audit of Greater Letaba Municipality for the year ended 30 June 2025, it was noted that depreciation calculations in the Fixed Asset Register (FAR) were performed using the correct completion/transfer certificate dates. However, the depreciation start date field recorded in the FAR itself was incorrectly captured:	Manual data-capture errors when updating the FAR.	Management should perform adequate reconciliations between the date of asset acquisition and the date the asset became available for use.	Management comment on audit finding: Management agrees with the finding. We noted that there was internal control omission resulting in error on the purchase date and depreciation start date as per the Assets Register as compared to the completion certificates.	Internal control deficiency	No		Portia Kgatla, Annah Sesene, Wilson Lebea	31-Mar-26	Management to ensure that Asset register is reviewed before submission to avoid errors	Approved	Management Action Plan Reviewed and approved. Management action will be monitored for implementation during the financial year.	Developed (Internal Auditor Approved)	Not Yet Started

17	Other important matter	General expenses	COMAF 21: Expenditure – Payments not made within 30 days		Requirement MFMA Section 65(2)(e) states that the accounting officer must for the purpose of subsection (1) take all reasonable steps to ensure that all money owing by the municipality be paid within 30 days of receiving the relevant invoice or statement, unless prescribed otherwise for certain categories of expenditure. Audit finding Contrary to the above, we have identified that the invoices below were not settled within 30 days from date of invoice.	Management did not Implement controls over daily and monthly processing and reconciling of transactions.	Management should implement a tracking register to ensure that invoices are paid within 30 days from received date. Management should highlight invoices that have disputes or queries and follow up timeously within the 30 days of receiving the invoice to prevent delay in payments of those invoices.	Management agree with audit finding. The invoices are more than 30 days before payment due to the engagements with service providers on certain line items on the invoices hence even after the resolving the contents of the invoice, the date did not change.	Internal control deficiency	No		Annah Sesene, Lydia Magabane, Khomotso Chuene, Moses Mafale	31-Mar-26	Management will strengthen internal control systems to ensure invoice date corresponds with memorandum to pay	Approved	Management Action Plan Reviewed and approved. Management action will be monitored for implementation during the financial year.	Developed (Internal Auditor Approved)	Not Yet Started
18	Other important matter	Reported information not reliable	COMAF 22: Inaccurate reporting number of MIG projects implemented		Audit Finding: AOPO – Inaccurate Reporting of Number of MIG Projects Implemented The Annual Performance Report (APR) stated that 13 MIG projects were implemented against a target of 13. Audit evidence, however, confirmed an actual achievement of only 12 projects.	The reported achievement is inaccurate and results in the target being not achieved	The accounting officer should prepare accurate and complete performance reports that are supported and evidenced by reliable information.	Management comment on audit finding: Management agrees with the audit finding.	Internal control deficiency	No		Dikgari Ignatius Mogale, Tsakani Mtebule, Obed Sewapa	31-Mar-26	Management will ensure that there will be accurate and complete performance reports that are supported and evidenced by reliable information.	Approved	Management Action Plan Reviewed and approved. Management action will be monitored for implementation during the financial year.	Developed (Internal Auditor Approved)	Not Yet Started

19	Other important matter	Rev from exchange transactions: Other income	COMAF 24: Consumer Debtors – Presentation and Disclosure	R 16 744 992	Audit Finding: Consumer Debtors – Inaccurate Presentation and Disclosure in Note 11 The consumer debtors balances disclosed in Note 11 of the annual financial statements are inaccurate, with material differences between the detailed amounts and the summary figures: For 2025: Net balance: R8 117 657 (consistent across both, but underlying gross and allowance differ) For 2024: Net balance: R6 201 339 (consistent across both, but underlying gross and allowance differ)	Management did not prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information.	Management should ensure that the financial statements are reviewed thoroughly and are free from material misstatements before they are submitted for audit.	Management comment on audit finding: Management agrees with the finding. Management has revisited disclosure note 11 of the annual financial statements and identified ageing bucket arithmetic errors relating to residential debtors' categorization. Management requests AGSA to permit the amendment of disclosure note 11 below to correct the error. Proposed amendment	GRAP non-compliance	No		David Kupayi, Annah Sesene, Silas Ramalepe	31-Mar-26	Manager Revenue will perform a full reconciliation between the consumer debtors sub ledger, impairment provision, and the amount disclosed in note 11 before finalising any set of financial statement by 31 March 2026 and also do a quarterly trial balance vs sub ledger reconciliation for consumer debtors to catch differences early.	Approved	Management Action Plan Reviewed and approved. Management action will be monitored for implementation during the financial year.	Developed (Internal Auditor Approved)	Not Yet Started

20	Other important matter	Rev from exch transactions: Other income	COMAF 25:Consumer Debtors – Presentation and Disclosure		Audit Finding: Consumer Debtors – Incorrect Presentation MFMA section 62(1)(b) requires full and proper financial records in accordance with prescribed standards. GRAP 1 para 17 mandates fair presentation through faithful representation of assets and liabilities. Contrary to these requirements, the Consumer Debtors balance is presented as a separate line item in the statement of financial position.	Management did not prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information.	Management should ensure that the financial statements are reviewed thoroughly and are free from misstatements before they are submitted for audit.	Management comment on audit finding: Management agrees with the finding. Management request AGSA to permit the following amendment to be made on the face of the annual financial statements and related disclosure notes to correct the issue. Proposed amendments	Internal control deficiency	No		David Kupayi, Annah Sesene, Silas Ramalepe	31-Mar-26	Manager Revenue will update the AFS template so consumer debtors are always presented under receivables from exchange transactions and not as a separate line on quartely basis and also create a mandatory GRAP disclosure checklist for statement of financial positions and notes that require confirmation by 28 February	Approved	Management Action Plan Reviewed and approved. Management action will be monitored for implementation during the financial year.	Developed (Internal Auditor Approved)	Not Yet Started

21	Other important matter	Rev from exchange transactions: Other income	COMAF 26:Debt Impairment Accuracy		Audit Finding: Debt Impairment Accuracy – Incorrect Disclosure in Annual Financial Statements The debt impairment amount disclosed in the annual financial statements is incorrect. The misstatement affects the accuracy of the impairment allowance (typically for receivables/consumer debtors), leading to an over- or understatement of the net receivable balance and the related impairment expense in the statement of financial performance.	Management did not prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information.	Management should ensure that the debt impairment is appropriately reviewed and accurately determined. tm:format font-override	Management has reviewed the movement of the provision for debt impairment as well as the related expense and noted that the adjusting journals for gross debtors relating to property rates (indigent correction) were incorrectly processed under the provision for impairment for refuse and the provision for impairment for property rates. Management request AGSA to permit the processing of the following adjustment.	Internal control deficiency	No		David Kupayi, Annah Sesene, Silas Ramalepe	31-Mar-26	Manager Revenue will perform a full review of the current impairment model and correct the calculations for all major debtors categories before finalising 2025 26 AFS by 31 March 2026 and reconcile the impaired provision to the detailed debtor ledger and trial balance every quarter to catch differences early.	Approved	Management Action Plan Reviewed and approved. Management action will be monitored for implementation during the financial year.	Developed (Internal Auditor Approved)	Not Yet Started

22	Other important matter	Other	COMAF 27: Note 53 - Prior Period Error	R 3 329 125	Audit Finding: Note 53 – Prior Period Error – Incomplete / Incorrect Disclosure Adjustments were made to the corresponding (comparative) figures in the annual financial statements for prior period errors. However, the corrections were either: Not disclosed at all in Note 53 – Prior Period Errors, or Included in Note 53 but disclosed at incorrect amounts.	Management did not review note 53 to ensure the corrections made to the corresponding figures are completely recorded mat	Management did not review note 53 to ensure the corrections made to the corresponding figures are completely recorded	Management comment on audit finding: Management agrees with the finding Management requests AGSA to permit the processing of disclosure note adjustments to correct the error	GRAP non-compliance	No		Annah Sesene, Tracy Baloyi	31-Mar-26	Management will prepare prior year note accurately and properly document in the quarterly financial statement and annual financial statement.	Approved	Management Action Plan Reviewed and approved. Management action will be monitored for implementation during the financial year.	Developed (Internal Auditor Approved)	Not Yet Started

23	Other important matter	Rev from exchange transactions: Other income	COMAF 29: Debt Impairment Accuracy		Audit Finding: Debt Impairment Accuracy – Incorrect Impairment of Mopani District Municipality Receivable The impairment amount disclosed in the annual financial statements for the receivable from Mopani District Municipality is incorrect. The amount reported in the AFS is R183 709 944,58, while the auditor's recalculation shows R183 209 401,06, resulting in an over-impairment (or understatement of the net receivable) by R500 543,51.	Management did not prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information.	Management should ensure that the debt impairment is appropriately reviewed and accurately determined.	Management comment on audit finding: Management agrees with the finding. Management requests AGSA to permit the processing of the following adjustments to correct the error.	Internal control deficiency	No		David Kupayi, Annah Sesene, Silas Ramalepe	31-Mar-26	Management will strengthen the system of internal controls to ensure that debt impairment that is presented and disclosed in the annual financial statements in not misstated.	Approved	Management Action Plan Reviewed and approved. Management action will be monitored for implementation during the financial year.	Developed (Internal Auditor Approved)	Not Yet Started

24	Other important matter	Other	COMAF 31: Segment reporting Issue 1 Inaccuracies in the segment reporting disclosure note 51.		Audit Finding: Non-Compliance with Segment Reporting Disclosure Requirements (GRAP 18) .Greater Letaba Municipality (GLM) did not include the required reconciliations in the notes to the annual financial statements. Additionally, the reconciling items presented for Revenue and Expenditure do not match the amounts reported in the Statement of Financial Performance	The accounting officer did not timeously review the annual financial statements to ensure that information disclosed in the AFS is accurate.	It is recommended that Management apply GRAP 18 par 19(c) read with Par 27 as reconciliation between the segment reporting to the face of financial performance and positionThe difference must be explained and disclosed in narration that it relates to activities or functions that are not qualified for segment reporting of GLM	Management comment on audit finding: Management agrees with the finding Management requests AGSA to permit the processing of disclosure note 55 adjustments to correct the error	Internal control deficiency	Yes	2	Annah Sesene, Tracy Baloyi	31-Mar-26	Management will prepare segment reporting note every quarter with the quarterly financial statement and ensure it is reviewed.	Approved	Management Action Plan Reviewed and approved. Management action will be monitored for implementation during the financial year.	Developed (Internal Auditor Approved)	Not Yet Started

THE END